WHEATLEY HOUSING GROUP LIMITED
BOARD MEETING

27 April 2022

AGENDA

1. Welcome to new director
2. Apologies for Absence
3. Declarations of Interest
4. a) Minutes of Meetings held on 23 February 2022 and matters arising
   b) Action list
5. Group CEO Update

Main business

6. Ukraine resettlement
7. Allocations policy review
8. Wyndford regeneration
9. [redacted]
10. Home Safe building compliance update
11. Transforming our repairs environment update
12. Fire prevention and mitigation update
13. 2022-23 Group Delivery plan

Other Business Items

14. Customer First Centre update and initial review
15. Update on Engagement Framework
16. Finance report
17. [redacted]
18. AOCB

Date of next meeting – 29th June at 10.30.am

Wheatley Group

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive Officer

Subject: Ukraine resettlement

Date of Meeting: 27 April 2022

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1. Purpose

1.1 To provide the Group Board with an overview of the current position with regards to the humanitarian crisis within Ukraine and to outline how we as a Group will support refugees arriving within our communities by way of accommodation and wraparound support.

2. Authorising and strategic context

2.2 The work we are doing in this area meets our strategic aims within our new Group Strategy 'Your Home, Your Community, Your Future' and our commitments set out in our 38-point New Scots Action Plan.

3. Background

3.1 According to the UN Refugee Agency (UNHCR), as of 12th April 2022, 4,656,509 refugees have fled Ukraine since the Russian invasion of the Country commenced on 24th February 2022 and is recognised as the biggest refugee crisis that Europe has seen since the Second World War.

3.2 The predominant demographic of the individuals fleeing Ukraine are women and children, given men between the ages of 18-60 were banned from leaving the country under conscription rules, making this a particularly unique refugee crisis that has not been seen before.

3.3 The biggest influx of refugees has been observed in neighbouring countries (Poland 2,669,637, Romania 709,249, Hungary 434,342, Russian Federation 433,083 and Republic of Moldova 415,850 being a few of these). There are, however, Ukrainians wishing to travel to the United Kingdom to seek refuge from the war during this time. Notably, immigration is a reserved power, with all legislative decisions and policies developed and implemented by the UK Government.

3.4 There are three main routes to the UK for Ukrainians seeking to come here, which are as follows:

Entry scheme	Key observations
Family Visa Scheme (UK wide)	▪ Allows applicants to join or accompany a UK based family member. ▪ No funding attached to this scheme. ▪ Must have been residing in Ukraine on or immediately before 1 January 2022 (including those who have already left Ukraine)
Homes for Ukraine (UK wide)	▪ UK citizens (sponsors) offering to open their homes to Ukrainian refugee(s) for a minimum of 6 months, although preferably as long as they are able to. ▪ These sponsors 'nominate' a Ukrainian individual or family to stay with them - no limit on the number of sponsors the UK will allow, will be driven by sponsor numbers. ▪ Sponsors receive £350 'thank you' payment for up to 12 months. ▪ Local Authorities will receive £10,500 per person to cover integration costs and immediate payments to families until they are able to access benefits. ▪ UK Government will not be matching Ukrainians to properties and will not be providing hotel accommodation ▪ Home Office will conduct security checks on Ukrainians coming to the UK through this scheme and a 'light touch' check on the host (will be via Disclosure Scotland within this country). ▪ Individuals can live and work in the UK for up to 3 years, with access to benefits, healthcare, employment support, education, and English language tuition.
Super Sponsorship Scheme (Scotland)	▪ Scottish Government act as a 'Super Sponsor' for those wishing to come to Scotland – scheme known as the 'Warm Scots Welcome'. ▪ Initial commitment made to support 3,000 families, although no cap has been placed on the number who will be supported through this scheme overall. ▪ Matching takes place here in Scotland, and not before they travel, which will be facilitated and managed by COSLA. ▪ £15million made available to support the scheme – made up of £11million for LA's (separate from the £10,500 provided under the Homes for Ukraine scheme), £2.5million for temporary accommodation, £1.4million for Scottish Refugee Council (SRC) to expand service offering.

3.5 The Scottish Government issued guidance for local authorities around the Super Sponsor Scheme and Homes for Ukraine Scheme on 1st April and provides an overview on their role in welcoming and supporting Ukrainians coming to Scotland. It is clear throughout, that partnership working by local authorities and statutory and non-statutory service providers within each locality will be of crucial importance to the success of the scheme.

3.6 We were invited by the Scottish Government, as a key partner, to support the response to the crisis from the initial onset of the situation and have been providing input and attending weekly meetings on Housing and Integration since 6th March 2023 when first approached. These meetings continue to be held on a weekly basis at this time.

3.7 As an organisation, we have experience and involvement with resettlement schemes when we participated in the previous Syrian and Afghan resettlements; and have extensive experience of working with New Scots through our current and ongoing activity including:

- Housing over 1,350 refugees since 2015.
- Direct engagement with refugee customers recently through focus groups.
- Established strategic partnerships with Scottish Refugee Council (SRC), Positive Action in Housing, Police Scotland Equality and Diversity Unit and G Division Sergeant with Hate Crime and Asylum Seekers within their portfolio.
- Member of the Scottish Government New Scots Refugee Integration Thematic Housing Subgroup.
- Establishment of a 38-point Group New Scots Action Plan to respond to the Scottish Government, SRC and COSLA New Scots Refugee Integration Strategy 2018-2022.
- Member of the Glasgow Violence Against Women and Girls WAIR subgroup (Women Asylum, Immigrant and Refugee) which focuses on improving the co-ordination and accessibility to services for women with limited/restricted immigration status, who have experienced gender-based violence either here or in their country of origin.
- Our Wheatley Care Tenancy Support Service and Flexible Homeless Outreach Support Service have expert knowledge, skills, and experience to tailor their services to working with this group.

4. Discussion

<u>How we will support the crisis</u>

Accommodation

4.1 COSLA, on behalf of the Scottish Government, formally contacted each local authority at the outset of these discussions, to receive clarification on property numbers that could be made available for housing refugees coming from Ukraine.

4.2 Wheatley have been approached directly by some of our Local Authority partners, including City of Edinburgh Council, Dumfries and Galloway, South Lanarkshire, West Dunbartonshire, West Lothian, and Renfrewshire to request properties. On each occasion, we have responded with a positive commitment to support requests being made. We also reached out to Glasgow City Council who advised they would be back in contact with us once they clarified further details on their role with the Scottish Government.

4.3 At this time the detail around exact numbers of properties being offered per Local Authority is being mapped out and exact numbers have not been made available. It is envisaged that these figures will be available imminently.

4.4 In looking closely at our own commitment, there were a few factors that required to be taken into consideration when reaching a conclusion around our offering, namely:

- Our average turnover of lettable stock across all property sizes and types is 8%, which reduces to 4% for 3 bedroom properties and 2% for 4 bedroom properties.
- This may be problematic if larger properties are necessary given the demographic of refugees arriving – which has not been officially confirmed yet, in terms of property types required.
- There are currently 1788 transfer applicants on our waiting list who are overcrowded, of which 32% of these households require four or more bedrooms.

4.5 Full analysis was undertaken on our letting profile over the previous 3-month period, to determine the trend analysis and commitments required across our stock turnover, to allow projections to be made on realistic numbers that could be made available. In carrying out this exercise we took account of factors including:

- Band A requirements (including the Wyndford clearance programme).
- Homelessness lets to fulfil our commitments.
- Specialist property types – Livingwell and adapted properties.

4.6 The findings from this analysis were that it was possible to offer ninety properties to support the resettlement of Ukrainians over the next 3 months. Broken down as follows:

	Proposed offering	**Offered to date**
Wheatley Homes Glasgow	54	
DGHP	20	12
DC	9	7
Loretto	5	3
WLHP	2	
TOTAL April/ May/ June	**90**	**22**

<u>Customers wishing to participate in the Homes for Ukraine Scheme</u>

4.7 The demand for customers who would like to participate in the Homes for Ukraine scheme as sponsors is unknown at this time. We are currently developing guidance for staff and customers, which will be available via our websites.

4.8 Requests will be co-ordinated by the Lettings and Homelessness team and managed by the Housing Officer. We will deal with each request on a case-by-case basis to ensure that customers do not become statutory overcrowded or an HMO is created. We will also assess any sensitive letting issues and support required.

Wraparound support

4.9 We will ensure our Ukrainian customers have access to all available wraparound supports to help alleviate poverty and improve their wellbeing including Eat Well, Home Comforts, Welfare Benefits/Fuel Advice, and Starter Packs.

4.10 We will proactively engage Ukrainian refugee customers with our Wheatley Foundation to allow them to access bursaries, employment, training and volunteering opportunities, to support them to integrate and use/develop their skills and experience in a meaningful way.

4.11 We will provide access to our Wheatley Care Tenancy Support Service for any customers who require this and for families with children we will also provide a £30 toy voucher for each child and provide access to reading books for under 5's through the Dolly Parton Imagination Library.

4.12 We will continue our direct engagement by working with and listening to our Ukrainian Refugee customers when they arrive, to ascertain the tailored support and services they require and strive to support and embed this wherever possible.

Other Considerations

4.13 During our continued engagement with all agencies and organisations involved within the resettlement and ongoing crisis within Ukraine, there have been several issues and concerns raised around the process and how this would work in practice.

<u>Benefit implications</u>

4.14 It has been confirmed that there will be no impact on benefit entitlement or single person discount on council tax for those individuals involved in the Homes for Ukraine scheme.

<u>Safeguarding</u>

4.15 The demographic of this refugee crisis is different to any that has been seen before, made up primarily of women and children, which has implications in relation to gender specific issues around safeguarding. Details around the measures being implemented to safeguard individuals are still being worked through, however it is clear from the outset that there are real concerns around the risk to safety this crisis has created, including human trafficking, sexual abuse and the risks associated with matching through social media for the Homes for Ukraine scheme.

4.16 Our Group Protection Team will be on hand to provide support to our frontline staff across the many safeguarding issues that have been raised.

<u>Trauma</u>

4.17 We know that those coming into our country, come here carrying a huge amount of trauma experience with them. This is a huge topic of conversation, and a lot of work has gone into providing guidance for local authorities to best support refugees deal with and attempt to recover from this.

4.18 Our work in this field ensures we are heavily connected to the national programme on trauma through our Group Protection Liaison Manager who is the trauma champion for our organisation. We will ensure our staff are equipped with the correct skills, training, and knowledge to help best support any Ukrainian customers within our communities and have access to appropriate resources to support our customers.

5. Customer Engagement

5.1 We have an excellent history of customer engagement with our New Scots customers to ensure our service delivery meets their needs and is fit for purpose. We recently undertook a session with some of our New Scots customers to explore their views on our services and customer experience.

5.2 With the support of our partners at the Scottish Refugee Council (SRC), we previously held sessions with refugees when developing our Group New Scots Action Plan and currently are working directly with the SRC to develop material for staff training around understanding the refugee journey. This work will involve engaging directly with those people who have first-hand experience of the refugee journey and how this looks and felt to them. This will help ensure our people are fully skilled, educated and experienced to best support our Refugee New Scots customers.

5.3 We have also engaged widely with our Group Partners when considering our response to this crisis and been involved in discussions with both Violence Against Women and Girls Partnership forums we attend (Glasgow and Dumfries & Galloway), as well as the Glasgow WAIR subgroup, COSLA and Scottish Refugee Council.

5.4 We will continue to engage with our strategic partners to learn of the challenges, barriers, blockages and experiences of the Ukrainian refugees arriving and seek to support and deliver appropriate services, support, and signposting to mitigate against these where possible.

6. Environmental and sustainability implications

6.1 There are no direct environmental and sustainability implications associated with this report.

7. Digital transformation alignment

7.1 There are no digital transformation implications associated with this report

8. Financial and value for money implications

8.1 The proposals in this report can be funded within existing budgets.

9. Legal, regulatory and charitable implications

9.1 There are no specific legal implications.

10. Risk Appetite and assessment

10.1 Providing properties to Local Authorities for Ukrainian families may impact on our ability to meet our strategic commitments to homelessness, through a reduction in available properties. This will be monitored closely by our Letting and Homelessness team.

11. Equalities implications

11.1 There are no equalities implications arising from this report. We have an excellent history of customer engagement with our New Scots customers to ensure our service delivery meets their needs and is fit for purpose.

12. Key issues and conclusions

12.1 The Russian war in Ukraine has caused devastating effects and resulted in 4,656,509 refugees having to flee the country to seek safety in neighbouring countries. The UK and Scottish Governments have developed routes of entry for Ukrainians looking to access safety within these borders, which are:

- Family Visa Scheme (UK wide) – which allows Ukrainians to join or accompany a UK based family member here and reside with them.
- Homes for Ukraine Scheme (UK wide) – UK households 'sponsor' a Ukrainian individual or family to reside with them for a period of no less than 6 months.
- Super Sponsorship Scheme (Scotland) – The Scottish Government acts as a 'super sponsor' and Local Authorities provide available properties (social rented, private and other) for matching Ukrainians to (managed by COSLA).

12.2 Wheatley Group were invited to be involved in this work at the outset of the crisis and continue to be a key partner in these discussions around responding to the crisis and providing vital accommodation, support, and access to services for those impacted.

12.3 The work we are doing in this area meets our strategic aims within our new Group Strategy 'Your Home, Your Community, Your Future' and our commitments as set out in our 38-point New Scots Action Plan.

12.4 We have committed to supporting the accommodation of these people fleeing crisis by seeking to offer ninety properties across Group subsidiaries during April, May and June 2022 and tailored wraparound support to accompany this offering.

12.4 The demographic of this refugee crisis is different to any that has been seen before, made up primarily of women and children, which has implications in relation to gender specific issues around safeguarding. There is a huge amount of work going on in this area to fully understand the ramifications of the risk and ensure the appropriate support is in place to try to mitigate against it; and Wheatley are well placed to continue to be part of these discussions and feed into this discourse.

13. Recommendations

13.1 The Board is asked to note the information contained within the report outlining our response to the crisis in Ukraine.

Report

To:	**Wheatley Housing Group Board**
By:	**Steven Henderson, Group Director of Finance**
Approved by:	**Martin Armstrong, Group Chief Executive**
Subject:	**Allocations policy review**
Date of Meeting:	**27 April 2022**

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1. Purpose

1.1 This report updates the Board on the findings of the independent review of our Group Allocations Policy and process, our internal review of Dumfries and Galloway Housing Partnership's ("DGHP's") allocations policy and processes and the proposed next steps.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework the Group Board are responsible for the designation of policies as Group policies. The Subsidiary Boards are responsible for approval of individual operational policies and implementing Group policies to reflect local circumstance.

2.2 As part of our Covid-19 response, our Glasgow based subsidiaries moved away from choice based letting for homeless customers in August 2020. The Board approved continuation of this at the April 2021 Board meeting until a full review was undertaken. Our Group Allocation Policy Framework was updated to reflect this decision.

2.3 An independent review of our allocation policy and processes was undertaken during 2021/22. Within our Group Strategy there is a commitment to bring DGHP onto our MyHousing online allocations platform.

3. Background

My Housing

3.1 In February 2018 the Board approved our current Housing Information Advice and Letting Policy and Framework and designated it as a Group Framework with a commitment to review the policy every 5 years. Later that year, in November 2018, we launched our new Housing Information Advice and Letting online platform – MyHousing.

3.2 This transformed our allocations activity moving to a fully online application process, putting customers in control of their applications with the ability to update their application in real time. We also had processes to support vulnerable applicants unable to apply online. We realised considerable savings of circa £250k per annum, through efficiencies, such as staff no longer manually loading applications.

3.3 MyHousing is currently our main letting platform for Wheatley Homes Glasgow, Loretto Housing Association and West Lothian Housing Partnership. Dunedin Canmore advertise their Edinburgh properties as part of Edinburgh's Common Housing Register – EdIndex, but use MyHousing for the final part of the letting process.

3.4 In the last 4 years, since the launch of MyHousing, we have continued to improve our blend of personalised and digital customer service offering. Some of the developments we have completed include:

- Improved information on properties advertised including video tours;
- Integrated a benefit calculator into the application process to complement the budget calculator;
- Online mutual exchange service for our customers via House Exchange to make it easier for customers to find someone to 'swap homes' with.
- Integration between Glasgow City Council's iworld and MyHousing to allow the automated transfer of section 5 homeless referrals and real time updates on change of circumstances.

3.5 We are also continuing to develop our service offering. We are currently reviewing our performance reporting and developing digital signatures for tenancy agreements.

3.6 During the Covid 19 pandemic, we made a number of changes to our letting practices, some of which were initiated to minimise the risk to staff during this time, for example, undertaking viewings and sign ups on the same day to limit the amount of contact. Others were to assist with the back log of properties during the period March – August 2020 when letting was suspended, including moving away from choice based letting for homeless customers in Glasgow to a matching process. Due to the success of this, in April 2021 the Board approved continuation of the matching process until a full policy review was complete.

Dumfries and Galloway Housing Partnership, Homes 4D&G

3.7 Dumfries and Galloway Housing Partnership are currently the lead partner in Homes4D&G common housing register and have a separate Allocation Policy. Homes4D&G common housing register includes four housing associations operating in the area, DGHP, Cunninghame Housing Association, Riverside and Home Group as well as Dumfries and Galloway Council. Since joining Group they have been working with partners in the common housing register to review their current systems, policy and processes.

3.8 There is a commitment in our Group Strategy for DGHP to move their lettings activity onto MyHousing. When this happens, this will be the final part of migration to Group systems for the subsidiary.

4. Discussion

North Star Consulting & Research (North Star) Review

4.1 North Star were commissioned during 2021 to review our Group Housing Information Advice and Letting Policy and Framework and associated processes.

4.2 Research and field work was undertaken between August and November 2021. The methodology included:

- Desktop review of our policies and processes;
- Desktop review of best practice;
- Staff and customer engagement which included focus groups and 2,000 surveys being sent to applicants – with a return rate of just over 10% from the customer survey; and
- Liaison with key local authority teams

Strategic Outcomes

4.3 The independent review found that MyHousing and EdIndex play an important role in helping the Group to contribute to key outcomes as outlined in the strategy. In particular that there are opportunities for these systems to increase digital services, particularly through service changes introduced as a result of pandemic restrictions. The pandemic has meant that many aspects of digitisation which were planned for the future have happened at a greater pace and customer attitudes towards ability to use digital services has improved. There is scope and appetite to further harness technology to drive efficiency and best value.

4.4 The review found that customers access online services and are confident in doing so, the majority would be happy to view homes online and to sign up for a tenancy online/ use digital signatures. While happy to view properties online the majority of customers would like this in addition not instead of an in person viewing.

Findings

4.5 The review also reported the following findings:

- Our choice based systems provide a better service for customers;
- The MyHousing system provides better value for money than other systems used by the Group;
- Wheatley is a key partner in tackling homelessness across its areas of operation;
- Our strong tenancy sustainment performance contributes to the creation of balanced communities;
- Staff believe that the matching process for homeless customers in the west and the same day sign up process are useful procedures that should be continued beyond Covid-19;
- That our Group Housing Information Advice and Letting Policy and Framework is compliant with current legislation, although some policy updates, particularly in Dumfries and Galloway are required;
- There are high levels of awareness of the MyHousing brand; and
- Common Housing Registers can provide more opportunities for customers.

4.6 The review made 10 recommendations. The recommendations are noted in the table below, alongside work we are already undertaking to respond:

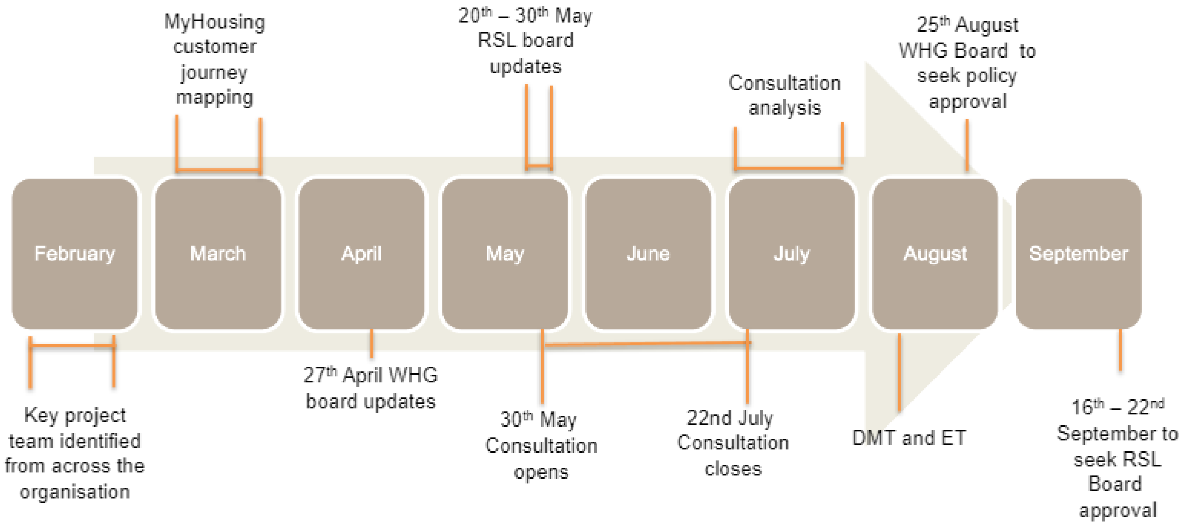
	Recommendation	Mitigations
1	Approaches to communication with customers across both My Housing and Edindex should be reviewed.	Customer journey mapping is being undertaken to identify areas for improvement
2	Review mechanisms to encourage MyHousing applicants to access the full range of housing opportunities (including RSLs and MMR)	Working with Lowther Homes to consider ways to bring Lowther onto MyHousing platform – we are undertaking a learning journey to Manchester Move who already have blended approach to advertising social rent and mid-market rents on one platform.
3	Improve information on location of properties (on adverts)	Reviewing ways we improve customer information with our MyHousing supplier
4	For both MyHousing and EdIndex adverts should be reviewed and standardised to ensure easily accessible information is available to customers.	Undertaking customer journey mapping to look at ways this can be improved
5	Review our current application form	Review is being undertaken
6	Both MyHousing and EdIndex should carry out a review of the banding system to ensure it is easily understood by customers and staff	Preparing for full customer consultation during summer 2022 for MyHousing. EdIndex – We will engage with the Edindex board on the findings.
7	EdIndex should consider the value of a telephone helpline to assist non digital customers complete the application.	We will engage with the Edindex board on the findings.
8	Work with local authority partners to ensure that they have clear sight of the commitments made and delivered in relation to homelessness	Following the successful launch of our Group Homelessness Policy during 2021 we have developed an internal and external communication strategy to ensure we are promoting our contribution to homelessness at every opportunity.
9	A review of housing options approaches should be undertaken with a view to reinvigorating the approach post pandemic.	We have been part of the testing of the new national housing options toolkit we are about to roll this out to staff and will review the way housing options is delivered in line with our new operating model.
10	Wheatley Group should carry out further work to establish customer views on relet standard	We will review the information available to customers on what is included/ excluded with void works and improve communication with customers on what work will be completed once they move in.

4.7 An internal review of DGHP's Allocations policy and processes was carried out. The review found that there is the need and appetite to modernise both the Policy and digital service offerings to remove manual interventions for staff and increase digital access for customers, allowing for enhanced customer control and choice.

4.8 The review also reported the following findings:

- The current Policy is complicated and difficult for both customers and staff to interpret;
- Customer engagement is very limited;
- Transactional manual processes impact on the customer experience;
- The current Group My Housing platform is the preferred system for DGHP and the partners on the Homes4D&G board;
- Choice based lettings and a blended approach to allocating homes will improve customer experience and provide a more transparent approach;
- The Partnership Agreement between DGHP and Homes4D&G requires to be updated and a new partnership agreement to be developed;
- There is shared enthusiasm across the current partners to increase the Partnership to include Loreburn Housing Association.

4.9 Following the North Star and Homes4D&G reviews we now have a strong insight into what is working and our areas for improvement. We have now developed an implementation plan to deliver these. The next stage is to proceed to full customer and stakeholder consultation for both policies during summer 2022, the intention will be to align the DGHP policy with our Group Framework. The timeline for the consultation is noted below:



4.10 The key Group policy considerations we will be consulting on are matching homeless customers in Glasgow and reviewing our banding. We will also use the opportunity to engage with customers on the North Star findings, to obtain feedback on how to improve our communication methods and improve housing options

4.11 Using learning from the first Group framework, we will consider ways to ensure we successfully strike the balance between consistency and flexibility to take account of our diverse letting landscapes from the city scape in Glasgow to the rural communities in Dumfries and Galloway.

4.12 Following the consultation, we will present an updated Group Housing Information Advice and Letting Policy and Framework to Wheatley Group Board in August 2022 for approval.

4.13 We will consult on the DGHP allocation policy with our customers, partners and stakeholders across the Dumfries and Galloway region with a focus on transformational change from a points-based system to align with our Group blended approach of allocating homes.

4.14 We propose to move all Homes4D&G partners to the MyHousing platform, delivering excellent housing options advice, matching in our most vulnerable customers, and offering a choice based letting service model that gives customers control and visibility of demand, availability and how we allocate homes.

4.15 In addition, we will consult on the governance of our proposed revised Homes4D&G Partnership Agreement to ensure a transparent approach that recognises our partnership, our individual organisational demands and ambition for growth.

5. Customer Engagement

5.1 As part of the North Star review we have already engaged with customers. This has included 2,000 surveys being issued and 6 customer focus groups taking place. The Homes4 D&G review adopted a similar approach with 27 customers attending across 6 focus groups and 300 surveys completed.

5.2 We have also engaged with key teams across the organisation including our Stronger Voices network; the Customer First Centre; Communication and Marketing on our engagement plan for the new policy review during summer 2022.

5.3 Our customer engagement for the consultation on the Group Allocation Policy Framework will include all RSL subsidiary tenants, circa 29,00 applicants registered on MyHousing and circa 4,000 applicants registered with Homes4D&G

6. Environmental and sustainability implications

6.1 Not applicable

7. Digital transformation alignment

7.1 Our Group Strategy sets a clear direction and is underpinned by digital transformation.

7.2 We have a commitment in our Group Strategy to deliver a blend of digital and personal services via MyHousing. As we implement recommendations from the North Star Review and any additional recommendations from the customer consultation, we will transform our digital service offering.

7.3 The proposals contained in this report represent the final core business function in DGHP being aligned to Group systems and is incorporated within the wider group digital transformation programme.

8. Financial and value for money implications

8.1 The North Star review highlighted that MyHousing, our current online letting platform provides value for money.

8.2 The costs associated with undertaking a full customer consultation on the Group Allocation Framework, system updates and additional staffing resource costs will be undertaken within existing budgets.

8.3 The costing for delivering the Homes 4D&G common housing register (CHR) in the current Group systems is circa £800k. This will include digital solutions, resource and a full customer consultation. The cost for migrating onto MyHousing platform will be shared across the CHR Partners based on stock numbers within the region. The Group's share has been identified within this year's budgets.

9. Legal, regulatory and charitable implications

9.1 All amendments to the revised Allocation Policy Framework will be considered by legal colleagues to ensure there is no risk to legal compliance. Through the framework we will ensure we are meeting our statutory obligations.

9.2 The Housing (Scotland) Act 2014 outlines requirements for landlords to consult with identified groups before making or altering its rules governing the priority of allocation of houses. This means that landlords must consult with the following groups:

- Applicants on our housing lists
- Existing tenants
- Registered Tenants' Organisations
- Other stakeholders
- Local Authority Strategic Partners (Homeless and DRS services).
- Such other persons as the landlord thinks fit

9.3 We will consult with all required groups and work with our Stronger Voices network to ensure we fully capture the customer voice.

10. Risk Appetite and assessment

10.1 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.

10.2 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.

11. Equalities implications

11.1 We are committed to working inclusively and our activities are designed to reflect and respond to the needs of our tenants, customers and communities.

11.2 Equalities impact assessments will be carried out to assess and manage the impact of all our Group Allocation activities. Any particular needs and requirements will be addressed to ensure equity of access and opportunity.

12. Key issues and conclusions

12.1 Since the approval of our first Group Housing Information Advice and Letting Policy and Framework in February 2018 we have transformed our letting activity through our online letting platform – MyHousing.

12.2 North Star consultancy have undertaken an independent review of our policy and processes during 2021. They found that MyHousing provides value for money; our current policy is compliant with legislation and over all is working well. However, there are areas for improvement, such as how we communicate with customers and we could make information clearer on adverts.

12.3 We also moved to a matching process for homeless customers in Glasgow during the covid-19 pandemic. Wheatley Group Board approved continuation of this in April 2021 until a full review of our allocation policy was undertaken.

12.4 A full review of Homes 4D&G has been undertaken during 2021. This highlighted the need for modernisation. Both the Policy and digital solutions are dated with no focus on customer control. The recommendation from the review and CHR Partners preference is to migrate to Group solution with an ambition to develop the Partnership further by working with Loreburn Housing Association in addition to the current 4 Partners.

12.5 The aim is to align all subsidiaries to a new Group Housing Information Advice and Letting Policy and Framework that strikes the balance of consistency and flexibility. We will now undertake a full consultation during summer 2022, before presenting an updated Group Housing Information Advice and Letting Policy and Framework to Group Board in August 2022

13. Recommendations

13.1 The Board is asked to:

1) Note the findings and recommendation from the North Star Review;
2) Note the update on the DGHP and Homes4D&G review; and
3) Agree to
    - Fully consult with customers and stakeholders on The Group Housing Information Advice and Letting Policy and Framework; and DGHP Allocation Policy; and
    - To progress with the proposed digital solution for Homes 4D&G.

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Wyndford Regeneration

Date of Meeting: 27 April 2022

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1. Purpose

1.1 The purpose of this report is to:

- update the Board on our rehousing strategy and progress; and
- update the Board on the regeneration plans and next steps.

2. Authorising and strategic context

2.1 The regeneration of Wyndford and determining the future of the four 26 storey blocks has been identified as a strategic priority for the Group and as such is incorporated in our 2022/23 strategic projects as well as our 5 year strategy.

2.2 The £54m investment in the Wyndford will be the first large scale regeneration project to be delivered by Wheatley Homes Glasgow, delivering on promises made to customers as part of the Cube transfer. It will also be one of the largest housing led regeneration projects in Scotland. The proposal for reclassification of the four Wyndford 26 storey blocks for demolition status was presented to and agreed by the Group Board on 23 February 2022.

3. Background

3.1 As approved by the Group Board in October 2021, letting ceased with immediate effect on the four 26 storey blocks at 151, 171, 191 and 120 Wyndford Road. The blocks contain 400 one-bed flat and 200 bedsits. The blocks are occupied by 355 Scottish Secure Tenants, 71 non-standard lets and 174 voids. Performance in the four blocks has been a long-standing issue with turnover and refusal rates being some of the highest in Group.

3.2 Following the cease letting decision, an extensive eight-week programme of consultation commenced with Wyndford residents on proposed demolition of the four blocks, as well as the significant investment and wider regeneration to the remainder of the estate. The consultation was supported by TPAS (Tenant Participation Advisory Service) Scotland which provided free, independent advice to tenants throughout the consultation period.

3.3 In total, 309 responses were received to consultation, with 77% of responses from those living in the four blocks who would be most affected by the regeneration proposals.

3.4 Feedback from tenants on the proposals was positive with 85% of the tenants indicating they supported the regeneration plans, including demolition of the four 26 story blocks, 14% stating that they did not support the plans, and the remaining 1% did not indicate whether they supported or not.

3.5 The responses from those living in the 26 storeys were representative of the overall feedback, with 87% of tenants in support of the plans, and 13% not in favour.

4. Discussion and customer engagement

Customer engagement

4.1 We continue to engage with the local community through extensive face to face discussions, text alerts through GoMobile (in the instances of no-access), telephone and email contact. 88% of all Scottish Secure Tenancies ("SSTs") have had a 1-1 Housing Options conversation with a Housing Officer. Only 53 of the 355 SSTs have yet to have a Housing Options conversation. These 53 customers have been contacted 2-3 times per week and appointments scheduled on at least two occasions.

4.2 Through the eight-week (November 2021-January 2022) consultation 56 customers showed an interest in being engaged further and helping co-create the regeneration plans. Stronger Voices officers have contacted these customers and the number has been distilled to a core group of 36. From this group approximately 20 customers have indicated they wish to participate in a Wyndford futures focus group. This group will also involve 1-2 owners and other community stakeholders – including the Nursery headteacher and the chair of Maryhill Hub steering group.

4.3 An engagement programme is currently being developed (in line with our Stronger Voices, Stronger Communities framework) to lay out what type of engagement activities which will be hosted over the coming months. Engagement activities will include:

- regular e-newsletter to wider community
- QRG surveys – using 'place standard' tools
- Social media postings
- community 'have your say events'
- In person focus group meetings to generate insight and co-create future plans for regeneration and also wider investment in the area. A first meeting of the Wyndford Future Focus Group is planned for May 2022.

Rehousing strategy

4.4 Prior to consultation, 22% of tenants living in the 26 storeys had already expressed an interest in moving from these blocks and during our engagement activities, more tenants had told us they would like to move as soon as possible.

4.5 One-to-one housing options discussions have already commenced with these customers to understand their preferences and housing need. 88% of our tenants living in the blocks have now had a housing options discussion and have been awarded our highest priority banding, Band A, which will allow them to be matched to any suitable property as they become available.

4.6 To date, 175 tenants have been offered a suitable property in their preferred location, with 93 of these already signed up for their new tenancy, and 88 have currently been matched to a suitable property and are on offer. Table 1 outlines current occupancy and by tenure type and percentage of customer on offer across the four blocks.

Table 1

	151 Wyndford Road	171 Wyndford Road	191 Wyndford Road	120 Wyndford Road	All four blocks
Occupied by SST	57%	45%	40%	29%	43%
Non-Standard Let	13%	12%	15%	7%	12%
Void	17%	28%	33%	38%	29%
Under Offer	13%	15%	12%	25%	16%

4.7 Most customers in the 26 storey towers have expressed an interest in moving to another home in the Northwest of Glasgow. The overall spread of customers on offer for another Wheatley home is as follows:

- Northwest Glasgow– 58.8%
- Northeast Glasgow – 27.4%
- South Glasgow – 1.4%
- Loretto – 2.2%

4.8 Some customers have expressed an interest of staying in the Wyndford Estate in one of the remaining homes as one of their areas of choice. 31 customers have also expressed an interest in returning to Wyndford to a new build home. 12 of these customers have already moved out.

4.9 We have met with all external agencies who we lease properties to within the blocks; GCC, Blue Triangle, SAMH and Mears. From the original 123 lets to these agencies, 50 have successfully been recovered. We continue to liaise monthly with these agencies to mutually agree termination dates for the remaining leases. The latest update on our agency lets are outlined in Table 2 below:

Table 2

Agency	Numbers of Homes	Current Position
GCC	91	40 of the 91 homes have been returned
Mears	25	7 returned and the remaining 18 will be returned by May
Blue Triangle	3	2 returned
SAMH	4	1 returned, SAMH have requested 2 replacement properties

- The 25 properties let to Mears will not be replaced as these leases are due to expire on 15 September 2022;
- We are in discussions with GCC in relation to replacement temporary accommodation and have been mapping the current temporary accommodation portfolio across the city to ensure we do not create over saturation in areas;
- Blue Triangle has already terminated 2/3 leases due to the natural move on of the customer and it is not expected that they will require any replacement properties; and
- SAMH currently has 4 properties, and we are in discussion with them around replacements.

Regeneration progress

4.10 Our planning for the demolition of the 26 storey blocks is well underway. This includes engagement with utilities to arrange disconnections, on a phased basis, as flats become void. As part of our approach to sustainability, we are also arranging to remove, for later reuse, meters and heat interface units.

4.11 Work to prepare the tender to procure the demolition contractor is at an advanced stage with a view to issue in late April 2022. A report on the preferred demolition contractor will be brought back to Board for approval later this year. The intention is to allow possession of the site for demolition from March 2023.

4.12 Our joint working with Glasgow City Council ("GCC") on the Wyndford regeneration project has continued. This includes proposing to GCC that we agree a Wyndford Memorandum of Understanding on the strategic commitments from partners to the regeneration of Wyndford. We are also in discussions with GCC on the future of the Maryhill Hub which GCC own and manage and the joint ambitions for a new community facility in Wyndford.

4.13 Our appointed design team is working to assess the technical constraints and development opportunities with onsite surveys and site investigations now being scheduled. This work will inform the co-designed Wyndford Masterplanning process.

SSE – Heat Network

4.14 Following our serving of a Notice to SSE on the 5 January 2022, confirming our intention to reduce the heat load of the existing infrastructure through the demolition of the four 26 storey blocks, we have continued dialogue with SSE. We have confirmed that consultation with customers has concluded and of the Board's decision that the four MSF blocks will be demolished. Commercial discussions are on-going with SSE.

Telecoms providers

4.15 Telecom providers have mast equipment on three of the four Wyndford MSFs. The providers have been issued with the relevant Notice to Terminate and commercial discussions are on-going, co-ordinated by Lowther Homes, to remove the equipment and consider requests from the telecom providers to rehouse their operations across other MSF sites within our portfolio.

Enhanced Investment

4.16 As per the ballot promise, an enhanced investment programme of £12m is also being delivered in Wyndford. Initial works in 2022/23 will see door entry and CCTV systems upgraded and internal pass doors upgraded. In addition, wider environmental works to the rest of the estate will commence in 2022/23 to be delivered over the next two financial years. Designs and project costs are also being finalised for the Wynford Barracks concierge station, with a view to work commencing this financial year.

5. Environmental and sustainability implications

5.1 Our sustainability approach in Wyndford, as in other large regeneration areas, will follow best practice. All generated waste will be separated to ensure maximum recycling and minimum landfill is achieved. Inert demolition material (concrete, timber & metal) should achieve upwards of 97% recycling with other mixed waste targeted at 95%.

5.2 In due course our selected demolition contractor will require to demonstrate that sustainability is considered throughout the project, including providing end destinations for building materials and suitable locations for on-site waste storage and segregation.

5.3 Our proposed new build properties will be developed to meet Aspects 1 and 2 of the Silver Sustainability Standards which covers reduction in carbon dioxide emissions and energy use for space heating. This is in line with Grant condition requirements from GCC, as Transfer of the Management of Development Funding authority. Our new build homes would meet at least EPC Band B.

5.4 The proposed new development at Wyndford will assess the commercial and sustainability benefits of connecting to the existing SSE energy network, that provides heat and hot water across the Wyndford neighbourhood.

6. Digital transformation alignment

6.1 Customers have a wide range of options on how to engage with us – through traditional methods as well as digital, offering a greater flexibility for them to be involved in the co-creation of plans.

6.2 This gives a real opportunity for customers to feel empowered to shape what happens in their community; and more opportunities for customers to have a say on decisions affecting investment in the local environment. We will use 3D imaging and rendering, along with the use of models to allow tenants and the wider community to envisage how the new Wyndford will look and feel. Tenants will be engaged at an early stage of the development proposal and involved in design and customer choices.

6.3 All new build affordable housing built at Wyndford would be digitally enabled. This means that when customers get keys to their home, they can arrange for an internet connection to 'go live' without the internet service provider having to provide additional cabling to the premises.

7. Financial and value for money implications

7.1 The financial projections approved by the Board in February 2022 reflected the planned demolition of the 600 units at Wyndford 26 storey blocks, including the expected cost and reduction in rental income and service charges. This demonstrated that the demolition of the properties can be delivered while meeting our loan covenants and financial policy requirements.

8. Legal, regulatory and charitable implications

8.1 We have undertaken formal consultation with tenants in line with regulatory expectations and legal requirements.

9. Risk appetite and assessment

9.1 Our risk appetite for development is 'open', while we have a cautious approach to governance and finance. The proposals outlined in this report have been developed taking account of these risk appetite levels and are more fully captured below.

10. Equalities implications

10.1 Within the programmes, all new build units are designed to Housing with Varying Needs (Part 1), as integrated into the 'Glasgow' mandatory standards promoted by GCC. The inclusion of 10% wheelchair units is a standard funding requirement.

11. Key issues and conclusions

11.1 Following the Board decision to approve demolition in February, all customers in the 26 storey towers were written to. The letter outlined that their blocks would be identified for demolition and that SSTs would be offered a housing options conversation, priority move, and homeless and disturbance allowance.

11.2 Our regeneration programme will continue to be informed both by our joint working with GCC and by the co-creation of plans moving forward with our customers and the wider local community.

12. Recommendations

12.1 The Board is asked to note the contents of this report.

Report

To: Wheatley Housing Group Board

By: Frank McCafferty Group Director Assets & Repairs

Approved by: Martin Armstrong, Group Chief Executive

Subject: Home Safe Building Compliance Update

Date of Meeting: 27 April 2022

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1. Purpose

1.1 This report provides an update to the Board on our building compliance work streams following the remobilisation of our work streams post pandemic.

2. Authorising and strategic context

2.1 Under the Group Authorise/Manage/Monitor matrix, the Board is responsible for the on-going monitoring and scrutiny of our compliance with relevant legislation and regulation. This report provides the Board with an operational update and details of compliance works that have been undertaken across our group subsidiaries and the ongoing activities.

2.2 In line with our group Strategy Your Home, Your Voice we will maintain our commitment to "make the most of our homes and assets". We will ensure through our home safety compliance programmes that we protect and maintain our assets.

3. Background

3.1 Our compliance work programmes across our RSL's and Lowther Homes encompasses a variety of compliance work streams and includes gas servicing, TMVs, water management including legionella prevention and electrical works such as fixed electrical test inspections and smoke and heat detector re-life's.

3.2 Landlords have a legal duty to repair and maintain gas pipework, flues and appliances in a safe condition, to ensure an annual gas safety check on each appliance and flue, and to keep a record of each safety check.

3.3 Landlords also have obligations under legislation or approved codes of practice for a variety of building maintenance and inspection activities related to firefighting equipment (dry risers/sprinklers), lifting equipment, alarm systems etc.

3.4 Landlords also have a responsibility for electrical safety including carrying out Electrical Inspections, commonly referred to as EICR or FIT testing.

3.5 The status of some of our other compliance work programmes is shown in the table below.

Work Stream	Cycle	Status
TMV maintenance and Installation	Annual	Rolling programme ongoing since remobilisation
Smoke and Heat Detector re-life programme	Every 10 years but is dictated *annually* by build date / LD2 install date	Rolling programme, to be included within the 5 year Fixed Electrical Test
Electrical (EICR)	Every 5 years	Rolling annual programme / ongoing
Emergency Lighting Servicing	Annual	Rolling annual programme
Lift Insurance Inspections	Six monthly	Rolling programme continued through the pandemic / ongoing
Proactive Lift Maintenance	Monthly	Ongoing
Mechanical and Electrical Works	Subject to asset requirements: examples are CCTV. Pumps, aerials	Ongoing
Common window inspections	Annual	Rolling annual programme
Lightning Conductors and personal fall protection systems	Annual	Rolling annual programme / ongoing
Dwelling windows and doors MSFs	5 yearly 20% per year	Rolling annual programme

3.6 **Key Objectives for compliance work:**

- To increase customer safety within their homes by undertaking both statutory and good practice compliance activities.
- Increasing access levels for our JV partners, internal DLO teams and other specialist contractors.
- Package up home safety visits where practical and minimise number of visits to decrease inconvenience to the customer while enhancing value for money and productivity.
- Increase visibility of compliance works with frontline staff, particularly Hub colleagues who can engage with customers while raising day to day repairs on their behalf for example.

One and done approach

3.7 Our approach to delivering compliance activities is embedded in our Group Repairs and Maintenance Policy Framework:

"*The Groups approach is to offer a one-stop shop service through compliance trades teams for compliance events required within a customer's home…. The aim of this service is to minimise disruption to the customer and to provide assurance on the safety of our homes.*"

3.8 To that end, in the West working with our principal contractor, City Building Glasgow (CBG), due to the sheer size and scale of the programme we established a dedicated Home Safety delivery team to work together with our Asset Landlord Compliance team at the joint venture. This CBG Home Safety Team consists of key leads across, Gas, Electrical, Water Management, MSF works and Lift Safety. Our repairs and investment teams in the South and East of the country deploy their internal trade resources and utilise specialist supply chains as required to ensure a similar ethos and approach is followed.

3.9 The one and done approach is tailored to meet all compliance activities within our tenanted properties across our subsidiaries, and not all works are applicable across Group (for example MSF type works are restricted to the West only). Wherever practical in our customer's homes for similar trade related compliance activities across our group stock we endeavour to package works together taking cognisance of asset compliance cycles, property attributes and individual customer requirements.

Type of Package	Stock Targeted	Type of works
Home Safety Bundle 1: Gas and Water Mgt works	Gas properties	▪ Annual gas servicing ▪ Temperature checks at water outlets ▪ TMV works ▪ Test/servicing of smoke/heat/carbon monoxide detectors ▪ Complete all certification
Home Safety Bundle 2: Electrical installs and servicing	All properties	▪ Installation of S + H detectors (re-life programme) ▪ Carry out EICR inspections
Home Safety Bundle 3: Joinery and electrical	MSF & electric properties	▪ Test/servicing of smoke and heat detectors ▪ Service MSF dwelling windows and doors

3.10 When one of our properties becomes vacant we will also use the opportunity to carry out relevant compliance checks. The purpose of the void compliance works is to ensure that every new tenant moves into a home which is safe and secure for them to live in, while also maximising the access opportunity for the Group to undertake as much cyclical or capital compliance works as possible while the property is vacant.

4. Discussion

Gas Safety

4.1 The measures to reduce the spread of COVID-19 in the early phases of lockdown had a significant adverse impact on our gas safety performance across our group RSL subsidiaries and Lowther. Historically, Wheatley Housing Group had a 100% gas safety compliance (i.e., no outstanding CP12s) across our group asset base and our service has been recognised nationally including through City Building Glasgow winning Gas Contractor of the year on two separate occasions. Achieving this compliance requires an annual inspection by CBG and our DLOs of every property with gas across the RSLs and Lowther which currently totals 46,007 homes on our annual gas servicing programmes.

4.2 East & South recovered compliance during July/August 2020 and from the 1 September 2020, the West recovered its historical performance position and the group returned to zero failed CP12s and 100% compliance with SHR ARC performance indicators. This position of zero CP12 fails has been maintained since returning to full compliance in September 2020.

4.3 In addition to the formal appointment letters that are issued we have maintained our pro-active outbound calling through our customer first centre, to maximise access into our tenant's homes and allow them the flexibility to change appointments by speaking directly to our call handlers.

4.4 Only as a last resort after we have exhausted all reasonable efforts to obtain access do we move to a forced appointment, to guarantee we maintain compliance and ensure the safety of our tenants across group.

Gas Servicing Completed	Total Required	Percentage Complete
46,007	46,007	100%

Water Management

4.5 Legionella testing is part of our overall water management strategy and is a year round programme.

4.6 Our testing regime varies on a site by site basis taking into consideration the water system installed, the type of property and the customer demographic. Works can include visual inspections of the tanks, risk assessments, temperature checks of both the water inlet and of resting water within the tank, bacterial testing which checks the water supply for various bacteria including e-coli and legionella and chemical testing for metal and mineral contents to ensure that water meets the relevant water quality standards as set by the Water Supply (Water Quality) (Scotland) Regulations 2001.

4.7 The table below provides details of progress against the rolling annual programmes. 100% compliance in this area will be achieved, with one assessment currently outstanding at the time of writing.

Inspections Completed	Total Required	Percentage Complete
2,104	2,105	99.95%

TMV Servicing

4.8 The TMV programme is not a mandatory or a statutory requirement, it is a best practice approach, which involves a rolling annual programme, and includes potentially vulnerable customer groups within certain qualifying households (e.g. those containing under 5s or over 75s and also some Care sites). As this programme is predominately based on age demographics and not the property asset the qualifying household list is reviewed and updated annually to reflect this.

4.9 The table below provides the total number of households included within this annual programme across Group. All customers identified within this programme have been offered at least two appointment opportunities, in addition to pro-active telephone calls explaining the service and requesting access, despite this the programme has been badly affected by lockdown and subsequent customer no access issues.

4.10 Forced access appointments are not currently considered appropriate for this work stream, however a new programme of visits for 2022/23 is being developed and will benefit from greater input via our remodelled CFC to pro-actively contact customers in advance of the appointments, further promoting the value of the service which is anticipated will improve overall access rates.

TMV Inspections Completed	Total Required	Percentage Complete
2,986	6,510	45.86%

Smoke and Heat Detectors

4.11 Our properties were part of a Group wide programme to install upgraded smoke and heat detectors in our homes before the Scottish Government deadline of the 1St February 2022. All customers were offered several appointments to enable the works to be completed at a time suitably convenient for them. Only as a last resort did we move to a forced appointment, to ensure we achieved compliance by the deadline.

4.12 We now have a rolling annual programme across group to upgrade and re-life smoke and heat detectors in line with guidance which recommends the lithium batteries are replaced every 10 years. We will adopt the same robust process as part of our BAU approach to this compliance work stream, which will be integrated into the 5 yearly Periodic Electrical Testing programme, as well as including this work where required when properties are vacant.

Periodic Electrical Testing (EICR)

4.13 In May 2020 the Scottish Government updated its guidance to social landlords via the Scottish Housing Quality Standards (SHQS), requiring that periodic electrical inspections be undertaken in all domestic properties on a cycle of no more than 5 years. This brought the social housing sector in line with guidance issued to the private rented sector in 2015. The relevant Part of the new SHQS guidance "recommends" that outstanding electrical inspections "should be done by the end of March 2022. Landlords must make "reasonable efforts" to ensure that homes are accessed to carry out the inspection.

4.14 Historically the West and East of the group budgeted for periodic inspection within domestic properties on a 10 yearly cycle, reflecting the following risk mitigation considerations:

- significant internal investment works that were carried out in Wheatley Homes Glasgow propertiesover the last decade included electrical upgrades as required
- Age (build year) of the wider stock base
- availability of electrical safety repairs for customers 24/7/365
- inspections and electrical repairs/upgrades undertaken at void
- on-going one-off investment works which identify issues with electrical installations

4.15 We also undertook periodic electrical inspections in customers' homes (as required) when we were installing the new smoke and heat detector systems, to minimise disruption to customers.

4.16 We have an ongoing live programme of work to access all homes that require an updated electrical inspection certificate. Every property has been offered an advance appointment, with an opportunity to re-arrange this and a text reminder. Despite this high level of communication, the programme has experienced a significant level of no access. The inspection can take up to two hours to complete, the property must have credit in the electricity meter and clear access to power outlets in all rooms. The outstanding properties have been included in a forced access appointment programme similar to the model adopted for S&H works. This programme is anticipated to have completed all properties inJuly 2022. The table below shows the position on 8 April 2022 with obtaining access to carry out the electrical inspection. This figure will improve daily as the programme progresses.

EICR Inspections Completed	Total Currently Required	Percentage Complete
55,68232	61,993	90%

Lift Inspections and Maintenance

4.17 Lift inspections by our insurance engineers commenced as normal throughout the pandemic and lockdown and any time related defects that were identified back then were actioned by our lift contractors as a priority. Any minor defects or recommendations have also now been completed since we remobilised back in April 2021.

4.18 Proactive servicing of our lifts is carried out monthly via our approved Insurance company (Houghton's)

4.19 All emergency callouts are being dealt with within timescales and there is continued dialogue with the contractor about any potential issues. The table below confirms the current position with our cycle of lift inspections.

Lift Inspections Completed	Total Required	Percentage Complete
429	429	100%

Mechanical and Electrical Works

4.20 Throughout the lockdown our specialist M&E contractor and their supply chain worked under our instruction to undertake all statutory compliance works which are accessible within common areas of our blocks or within landlord controlled areas (tank rooms, risers etc.), this work included water testing, dry riser testing, fire alarm maintenance, CCTV and controlled entry works.

4.21 All emergency callouts are dealt with within timescales.

4.22 The majority of our M&E equipment is within communal areas of blocks, which allowed our contractor to catch up quickly on non-essential works ensuring all our M&E works were up to date shortly after we remobilised.

Management and Delivery

4.23 Our asset teams based across our Geographic structures in the West, East and South of the Country will continue to provide day-to-day management of our compliance work programmes including all project management functions, supporting our CFC model with customer communication and provide all performance, financial monitoring and reporting. This approach will ensure we continue to provide a robust landlord assurance function across our RSL's and Lowther maintaining compliance in this area.

External compliance Review

4.24 As part of our ongoing commitment to improve home safety compliance, a review was commissioned and carried out by an external consultant – McGuire Serrels Consulting (MSC) the review was undertaken between 21 February 2022 and 25 March 2022 across all group asset compliance teams.

4.25 The review highlighted many positives with some examples including:

- Robust stock information and data that allows compliance to be accurately measured and managed.
- High levels of compliance for the main risk areas including exemplary performance and process for Gas backed up with excellent audit feedback from CORGI.
- Plans and programmes in place across all compliance activities.
- Committed and experienced staff teams in place across group to manage compliance.

4.26 The review also highlighted some actions including:

- Revise the content of compliance performance reporting activity and frequency
- As further group wide Management delivery plans are developed and rolled out consideration to be given to wider staff awareness training for front line staff, to assist with knowledge of and reporting of compliance issues across the estates.
- Ensure consistency of approach across RSL's and Lowther in relation to inspections and data management.

4.27 A compliance subgroup chaired by the Director of Health & safety and supported from across directorates has been set up to action and implement the recommendations from the review.

5. Customer Engagement

5.1 Our experience through the COVID-19 pandemic highlighted the value of proactively engaging our customers, emphasising the importance of our compliance work programmes through our annual "Stay Safe" Messaging.
(See RSL example at appendix 1). We will continue to develop our approach to working with our customers to deliver our compliance activities in the new operating model, utilising the size and scale of our new Customer First Centre to engage our customers and work with City Building Glasgow, together with our M&E contractor (Equans), and our in house DLO delivery teams in the East and South to improve overall access rates.

5.2 We will further strengthen communications with customers at each stage to explain:

- what we are doing and why it is important;
- how we will ensure the work can be carried out safely;
- what we need them to do; and
- how they can get in touch to talk to us.

5.3 Key messages in all our communications to RSL and Lowther customers on compliance will be:

- The safety of our customers and staff is our top priority and as a result we will continue to follow all recommended best practices on PPE.

- Compliance activities are essential work aimed at keeping you and your home safe

- Develop positive messaging to improve the profile of compliance activities so that our customers see them as “value works”.

5.4 These key messages, supplemented where appropriate with detail of the individual project or work being carried out, will be communicated to customers using a range of channels including telephone calls, on-line, web and social media.

6. Environmental and sustainability implications

6.1 There are no direct environmental and sustainability implications associated with this report.

6.2 However, our approach to carry out associated compliance works in one visit will as a result lead to fewer travel visits by engineers and trade staff across our assets.

7. Digital transformation alignment

7.1 We will look to align our compliance activities work programmes with our digital transformation strategy. Giving customers more choice over appointment timeframes and offering a digital self-serve method for the customer arrange compliance works in their homes.

8. Financial and value for money implications

8.1 There are no direct value for money implications arising from this report.

8.2 Budgets for these work streams have already been agreed and approved as part of the 5-year plan previously presented to the board, which are also individually approved at the various RSL and Lowther Boards.

9. Legal, regulatory and charitable implications

9.1 In considering the current legal implications, the organisation will respond to any changes to regulations from the Scottish Government and SHR as and when they may arise.

9.2 The amendments to the Scottish Housing Quality Standards in relation to Periodic Electrical inspections required us to increase the electrical inspection programme in the West of the country from a 10 year to a 5-year cycle to work towards the recommended target date of the 31 March 2022, demonstrating reasonable efforts to obtain access.

10. Risk Appetite and assessment

10.1 The organisation's risk appetite relating to building compliance work streams is minimal" i.e., preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.

10.2 Risks relating to repairs and maintenance are set out in the various risk registers. In addition, some compliance activities, for example gas servicing, are embedded in the Scottish Housing Regulator's reporting requirements.

11. Equalities implications

11.1 There are no equalities implications associated with this report.

12. Key issues and conclusions

12.1 We completed all essential compliance activities throughout the pandemic and lockdown, keeping our homes and customers safe.

12.2 We will continue to develop our approach to maximising access for compliance works for our RSL and Lowther customers through our new operating model.

12.3 We will continue to offer a "one and done" approach where possible for similar related compliance activities subject to asset cycles, property attributes and customer requirements.

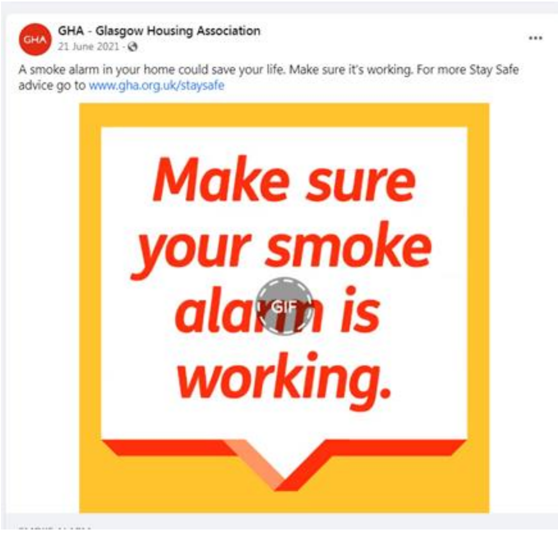
12.4 We will ensure we remain agile and alert to any changing legislation or best practice to maintain our commitment to providing a robust level of landlord assurance across the various compliance activities.

13. Recommendations

13.1 The Board are asked to note the content of this report and agree the ongoing approach to compliance related works.

LIST OF APPENDICES

Appendix 1 – Example of RSL Stay Safe Branding



GHA

Better homes, better lives

Glasgow Housing Association
www.gha.org.uk

Email us
talk@gha.org.uk

Name
Address
Address
City
Postcode

Dear

Stay Safe: Servicing your Heat Interface Unit (HIU)

We are always looking at ways of improving safety measures in your home.

One of the ways we're doing this is by servicing and inspecting your HIU, which controls the heating and hot water in your home. This work should take about an hour to complete.

When we visit your home, our staff will strictly follow guidelines on maintaining social distancing and will wear PPE. Please follow any requests or directions they may have.

Remember, we're here to help.

Yours sincerely,

GHA team

Action required

Appointment date:
Date of appointment goes here

Appointment time:
Time of appointment goes here

Check the appointment date and time. If you will be at home for your appointment, you don't need to do anything else.

Change? Need to change your appointment? Just let us know. Call:

0141 287 1977

or 0800 595 595

This letter is important please keep it safe.

STAY SAFE

Report

To: Wheatley Housing Group Board

By: Frank McCafferty, Group Director of Repairs and Assets

Approved by: Martin Armstrong, Group Chief Executive

Subject: Transforming our repairs environment update

Date of Meeting: 27 April 2022

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1. Purpose

1.1 This report provides the Board with an update on activities, that are being taken forward with City Building Glasgow ("CBG"), to transform our repairs service.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework, the Group Board is responsible for considering matters of strategic significance. The nature and performance of our repairs service, given its importance to customers and our business, is a strategic matter.

2.2 The Wheatley Board agreed the repairs transformation at its February 2022 Board meeting and that updates should be brought to its subsequent meetings. Group partners including Wheatley Homes Glasgow, Loretto and CBG have also considered, and noted, the proposed repairs transformation including at their latest meetings.

2.3 The Wheatley Group strategy, 'Your Home, Your Community, Your Future' recognises the quality and importance of the repairs service, and the need to build on this with continued innovation to create an outstanding service.

3. Background

3.1 The Board considered the proposed repairs transformation at its February 2022 meeting. The approach that the Board agreed focused on joint working with CBG to achieve the necessary change and was built around reducing the number of live repairs jobs, 'quick wins' and wider transformation activities.

3.2 As discussed in previous reports, having a high number of jobs in the repairs system means CBG has limited flexibility or ability to cope with unexpected events without adversely impacting timescales for completing repairs and/or inconveniencing customers.

3.3 The aim with the 'quick wins' is to build momentum through making progress in key areas by the summer. These quick wins are to:

- open up appointments across all trades and areas to show full appointment capacity;
- develop centralised teams within the Customer First Centre (CFC) and CBG to improve repairs communication;
- have greater focus on the use of next day appointments;
- introduce a new approach where the CFC follows-up on emergency jobs that result in no access;
- refresh customer messaging and communications approaches around repairs;
- develop a new approach to cancelled lines.

3.4 As well as the quick wins, and focus on reducing live repairs jobs, wider transformation activities are also being put in place to reshape aspects of the service. The bulk of the proposed change necessary for this including the IT systems development that will support it are expected to happen over the coming year. The wider transformation activities are structured around the following workstreams:

- **Customer contact and communications** – simplifying so as customers have accurate and timely information on their repair;
- **IT and systems** – upgrading and simplifying workflows;
- **Service and process redesign** – changing repairs categories to improve customer experience;
- **Encouraging diversity** – ensuring the workforce better reflects the customer base;
- **Cleaner and greener** – reducing impact on environment and building skills to maintain emerging technologies;
- **Meeting the needs of Lowther Customers** – better tailoring the service to the particular needs of these customer groups;
- **Information and performance** – ensuring there is timely and accurate management information to understand performance and drive improvement.

4. Discussion

4.1 As approved in previous board reports, a repair's transformation team has been established. This team consists of key staff from both Wheatley and CBG. The team has focused on the plans and actions required to deliver the quick wins set out in section 3.3, as well as the reduction of live and overdue repairs and developing the action plan which will be the foundation for delivering the wider transformation goals set out within section 3.4. Progress so far is summarised below.

4.2 At any given time we will have in the order of 4,500 live repairs requests within the system which will be scheduled in line with our repairs timescales depending on the type of repair. Following the remobilisation of the full repairs service a combination of the pandemic backlog, issues with supply chains and the higher level of demand than pre pandemic sustaining has meant we currently have approximately 9,500 live jobs.

4.3 Live planning work to reduce the number of live repairs jobs was undertaken in late March and early April 2022. Operational activities to address the number of live jobs commenced on 11 April 2022, with the aim of initially reducing back to the organic level of c4,500 live at any given time over the next 12 weeks.

4.4 To achieve the reduction, CBG have reallocated some existing staff resources so more trades operatives are available to undertake repairs work. Alongside this, current live jobs are being grouped by trade - plumbing, electrical, joinery, environmental, painting and roofing, and each package has been assigned an operations manager who will lead the work and ensure required progress. After the number of live jobs is reduced to the required level, this number will be maintained and then reduced further through CBG matching available resources to demand as part of business-as-usual operations. Initially twice weekly monitoring will be in place involving senior Wheatley staff to ensure progress and to identify and address any barriers to required progress.

4.5 A detailed plan has been developed for the quick wins and good progress is being made in key areas. This includes:

4.5.1 a joint approach between our CFC and CBG for how the CFC will have direct access to key systems used by CBG (Servitor and DRS) in appointing, planning and delivering repairs. This access will be put in place once CBG has completed the upgrades to Servitor and DRS planned for next month. Having direct access to these systems will provide CFC staff greater flexibility on appointment availability and visibility of on-going repairs.

4.5.2 Alongside this, CBG is recruiting six staff for a centralised team that will work closely with repairs specialist in the CFC to ensure quicker and better co-ordination of on-going and more complex repairs where additional information is needed to serve the customer above that available in Servitor. A detailed recruitment and induction process has been developed for these new staff with the aim of having them in place and fully operational around the end of May.

4.5.3 Analysis and planning to increase the use of next day appointments, where appropriate, as an alternative to emergency jobs. This analysis is looking at existing emergency repairs raised by the CFC to identify those that could potentially have been a next day appointment. This will inform training for CFC staff to reinforce what constitutes an emergency and allow CBG to better understand how its available trades mix and number of required appointments will change with a reduction in emergency jobs and increase in next day. To support this shift, messaging will be developed that will prompt CFC staff to confirm they have considered the suitability of a next day appointment before raising an emergency. Through these changes we are aiming to reduce the number of emergency repairs, raised which is currently between 1,000 and 1,400 jobs a week, by around 20%.

4.6 Scoping is also underway for the other quick wins. These are a new approach to following up on emergency jobs where there is no access, improving repairs related customer messaging and changing the approach to cancelled lines so there is increased control through the CFC. As part of this, CBG and Wheatley staff have held scoping workshops and an implementation plan has developed.

4.7 Examples of key activities to realise these three quick wins are shown below.

Workstream	Extract from scoping – key activities
Introduce a new approach where the CFC follow-up on emergency jobs that result in no access	▪ Review current ASTRA rules relating to No Access so that these are transferred to CFC rather than Housing Officer queues. ▪ Develop rules on contact with customers for no access - initial focus on emergencies only. ▪ Collate no access data to identify repeat occurrences and track reasons. ▪ New ASTRA work queue to be developed for No Access to keep data separate from core demand ▪ Develop new processes and define procedures for Follow-On and No Access - with clear roles and responsibilities
Fully refresh customer messaging and approaches around repairs	▪ Review all messaging issued for repairs by Wheatley or CBG and the points when these are issued. ▪ Define core comms package for customers across our core repair types - *our vision for the future*. ▪ Scope options for sending updates to customers other than white mail. ▪ Agree roles and responsibilities for issuing customer comms. ▪ Identify repair types/ trigger point for issuing automated surveys. ▪ Develop comms plan to support these early transformations e.g. use of GIFs, social media, etc.
Develop a new approach to cancelled lines where only the CFC can approve the cancellation of lines	▪ Outline current process, procedures and role of each organisation around cancelled lines, ▪ Define new process, procedure including roles and responsibilities. ▪ Develop baseline and reporting mechanism that provides insight on reasons. ▪ Review rules in ASTRA and introduce authorisation process. ▪ Clearly define reasons for when we will cancel jobs and issue clear guidance to staff and customer to support this.

4.8 We are also developing plans for staff and IT to support the quick wins. These plans will help ensure necessary activities are coordinated across the quick wins and between CBG and Wheatley.

4.9 As well as improving the repairs service and especially the experience for customers, delivering the quick wins will build momentum for the wider transformation. Detailed planning for this wider transformation is underway. CBG and Wheatley have jointly developed workplans for each of the seven workstreams at Section 3.4. through a series of workshops. These workshops have also considered detailed resourcing for the work involved, interdependencies and timescales for required tasks. Summary information on each workstream is provided below.

Customer contact and communications workstream

4.10 This workstream is focused on ensuring the end-to-end experience for a customer is as seamless as possible and that there are effective communications throughout with opportunities to feedback. The detailed workplan to achieve this is built around carrying out necessary tasks to:

- create a centralised teams within CFC and CBG to improve repairs communication and promote a culture of first contact resolution;
- refresh of customer messaging around repairs and clear roles and responsibilities for customer comms defined;
- provide customers with quality and up to date information on our repairs service;
- define the CFC as the core point of contact for all customer repair enquiries;
- develop a customer feedback approach for Board based on real-time customer feedback;
- implement our core Localz platform to provide customers with real-time updates and the ability to 'book-it, track-it and rate-it';
- develop a centralised approach to repairs complaints management across Wheatley and CBG;
- develop a robust training plan which supports CFC and CBG staff to deliver a quality repairs service.

IT and systems workstream

4.11 The IT and systems workstream will support the overall transformation objectives as we as delivering new services for the benefit of customers. There are three key elements to this:

- CBG's planned upgrade of Servitor and DRS which will bring these systems to the latest version and facilitate direct access and use by staff in the Customer First Centre;
- Introducing the Localz system which will provide customers with real time information on their repairs including the ability to see the trades operative on route and provide feedback on the quality of the work. As part of the planning for this, a two-stage approach is being developed where the Localz technology will be piloted to ensure information flows in a controlled environment with no customers, this will ensure operational issues are identified and resolved and messaging is as expected before deploying the system to our customers;
- Further development of Servitor and our repairs IT environment to support simplified repairs processes with greater transparency and access to information at key stages of the customer journey for key repairs and compliance services. Priorities for this development work will be shaped by the customer contact and service/process redesign workstreams.

Service and process redesign workstream

4.12 The repairs transformation is aiming to develop various aspects of our repairs service including compliance activities and work for owners, and the processes that underpin these.

4.13 In doing this the aim is to ensure these services are excellent and that customers have control over the service they receive. The workplan for service and process transformation is built around tasks to achieve the following:

- a full review of our current approach to repairs and compliance delivery;
- developing and implement a repairs service standard driven by what matters for our customers;
- implementing a collaborative process which supports rapid repair rectification when things don't go to plan;
- refreshing and relaunch our approach to next day appointments and reducing emergency repairs by 20%;
- redefine and simplify our approach to:
    - multi-trade and follow-on works to improve the overall customer experience and drive business efficiency;
    - no access to improve the overall customer experience and drive business efficiency;
    - cancelled lines to improve the overall customer experience and drive business efficiency;
    - compliance and embed an improvement plan to drive improved performance and customer experience;
- scoping a service for smaller, personalised repairs;
- defining, in full, our future repairs service for RSL customers taking account of customer views on priorities;
- defining, in full, our future repairs service for Lowther customers taking account of customer views on priorities; and
- designing the CBG operations to achieve our re-shared service delivery model.

Encouraging diversity workstream

4.14 CBG has a strong track record in diversity and inclusion including:

- winning the Most Inspiring UK employer at the Inspire Awards to recognise diversity and inclusion in the built environment;
- Winning Queen's Award for Enterprise: Promoting Opportunity;
- Having 16 times more females (32%) in craft trade roles compared with the industry average;
- the recent "Fair Work Convention Construction Inquiry Report 2022" citing City Building and RSBi as exemplars for their work on building greater diversity in the sector;
- RSBI with over half of its 250 staff with a disability ranging from hearing and vision impairment to learning disabilities; and
- Almost one quarter of its workforce from the most disadvantaged communities as rankled by the Scottish Index of Multiple Deprivation.

4.15 Building on this, it is recognised that in transforming the repairs service there are significant benefits to be had from increasing diversity and ensuring those involved in delivering the service reflect the communities they serve. Priorities as part of the transformation plan include:

- Building greater diversity and inclusion in recruitment of apprentices through targeted communications with you people, improved awareness of career opportunities and Inspire ambition through engagement with local communities;
- Improving opportunities for woman in leadership roles in CBG through establishing a gender equality working group with an agreed scope of works including to develop and oversee delivery of an action plan.

Cleaner and greener workstream

4.16 There is considerable scope in how the repairs service operates to reduce its adverse impact on the environment. To ensure this is reflected, and that CBG is equipped for the future through the transformation programme activities in this workplan include:

- reducing <u>waste</u> prducts within repairs and maintenance and void properties including increasing awareness on requirements to segregate and minimise waste and procurement of more sustainable products and materials;
- optimising and decreasing the amount of energy used, increasing awareness of the need to be more energy efficient and upskilling CBG employees in specialist fields such as heat pumps, solar PV and batteries. Early progress includes thirty engineers being trained in Air Source installation and the on-going upskilling of CBG’s Gas Team management on emerging Hydrogen technologies; and
- reducing emissions within the fleet and moving to zero emission fuel through optimising and limiting journeys, increasing efficiency in driving techniques, improving customer communications to negate non-essential journeys and using electric vehicles. Early progress includes works to add Electric Charging points at CBG’s Darnick Street headquarters

Meeting the needs of Lowther customers workstream

4.17 A specific workplan has been developed to ensure the repairs transformation is tailored to improving the customer experience for Lowther customers. These specific ‘Lowther’ service related activities sit alongside the wider transformation activities discussed elsewhere which will also benefit Lowther customers. The objective in having a specific workstream to meet the needs of Lowther customers is to ensure the difference in the needs of Lowther customers (owners, and those letting MMR or PRS accommodation) from those of RSL tenants are understood and factored into repairs service development. Key tasks as part of this workstream include:

- Clearly define our Lowther customer groups and their needs;
- Undertaking a full review of owner billing and the impact of information from the repairs service on quality and content of billing;
- Review the approach to owner repairs to shape the future service model;
- Reviewing the approach to MMR and PRS repairs to shape the future service model;and

- Developing an implementation plan that supports the delivery of revised processes to support Lowther owner and MMR/PRS tenant repairs.

Information and performance workstream

4.18 The way in which the repairs service operates will change significantly with the transformation activities to one where the CFC plays an ever-increasing role in ensuring customers receive an excellent service. To support this, and the management of the repairs service more broadly, various tasks are included in the transformation programme including:

- Carrying out a review of current repairs related data across Wheatley and CBG;
- Implement a weekly report that combines CBG and Wheatley information for use by Customer First Centre staff to support service delivery;
- Implement an automated approach to sharing information between CBG and Wheatley
- Agree all information required by the CFC to fulfil its required role as part of the new repairs model;
- Develop and implement a revised repairs performance framework;
- Develop a specification to allow performance benchmarking between CBG and other repairs providers in Wheatley Group; and
- Create a performance management environment that uses the new framework.

4.19 Each of the workstreams above has an assigned lead from Wheatley or CBG. Workshops have been held involving the leads to develop detailed project plans that will support the transformation through providing a mechanism to coordinate necessary activity, identify key dependencies and monitor required progress. Our Group Director for Repairs and Assets and the CBG Managing Director have overall responsibility for the transformation. They are supported in this by senior staff from both organisations. Steering group meetings bring these staff together every two-weeks to monitor progress.

5. Customer Engagement

5.1 The vision in Your Home, Your Community, Your Future is of customers having increased control over their services, their communities and their lives including the development of a customer led repairs service.

5.2 Developing the customer voice so actual experience helps shape the repairs service, is a key priority and part of the transformation programme.

6. Environmental and sustainability implications

6.1 A specific workplan is included in the transformation programme to make the repairs service including CBG greener and cleaner.

7. Digital transformation alignment

7.1 Digital transformation is key to a range of priorities that are included as part of the workstreams discussed above including having direct access to CBG systems for CFC staff, tracking progress with a repair and providing real time feedback on satisfaction, or otherwise.

8. Financial and value for money implications

8.1 The repairs transformation is expected to provide a service that better meets customer needs and expectations of value, while also improving processes so that waste is reduced and business value increased.

9. Legal, regulatory and charitable implications

9.1 There are no specific legal implications as a result of what is discussed in this paper.

10. Risk appetite and assessment

10.1 The risk appetite relating to our Operating Model (Modernising services, JV, repairs service, NETS and CPP) is “Hungry” i.e. eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).

10.2 The plans set out here are ambitious and will require close management, as planned through the Executive level scrutiny and steering group, to ensure progress is delivered as planned.

11. Equalities implications

11.1 The repairs transformation included a specific workstream to increase the diversity of staff that deliver the repairs service. Having this is expected to contribute to the stated aim of having a repairs service that is tailored to the needs of particular customers.

12. Key issues and conclusions

12.1 An in-depth plan is being developed to take forward the repairs transformation. This plan has initially focused on three areas 1) reducing the number of live repairs jobs in the system, 2) quick wins and 3) wider transformation activities. Wheatley and CBG staff have co-created the approach to be taken in each area. A steering group comprising senior staff from Wheatley and CBG will oversee progress and this Board will be kept informed through regular updates at its meetings.

13. Recommendations

13.1 The Group Board is asked to note progress and agree to receive updates on progress at subsequent meetings.

Report

To: **Wheatley Housing Group Board**

By: **Frank McCafferty, Group Director of Repairs and Assets**

Approved by: **Martin Armstrong, Group Chief Executive**

Subject: **Fire Prevention and Mitigation Update**

Date of Meeting: **27 April 2022**

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1. Purpose

1.1 The purpose of this report is to provide the Board with an update on the implementation and performance of our Fire Prevention and Mitigation Framework ("FPMF") in 2021/22 and, more specifically:

- The current rate of Accidental Dwelling Fires across the Group;
- The current rate of Home Fire Safety Visits across the Group.
- Progress with Fire Risk Assessment Programmes to include, MSF and Living Well premises.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework and Intra-Group Agreement the Group Board is responsible for approving Group Policies and Frameworks and their designation as applicable to all Group partners.

2.2 This report seeks to demonstrate the commitment outlined in the FPMF to achieve legal compliance with current fire safety legislation and best practice guidance, namely;

- Fire (Scotland) Act 2005;
- Fire Safety (Scotland) Regulations 2006.
- Practical Fire Safety Guidance for Existing High Rise Domestic Premise;
- Practical Fire Safety Guidance for Specialised Housing.

3. Background

3.1 In the context of fire safety our commitment to delivering excellence has been endorsed by the Scottish Government's, Building Safer Communities, and Unintentional Harm Hub who highlighted our Fire Safety Operating Model as a Fire Prevention Exemplar.

3.2 Keeping our customers and communities as safe as they possibly can be, will always be of paramount importance to the Group and this is recognised within our new Group 2021-2026 Strategy: Your Home, Your Community, Your Future, in which we clearly state that fire safety will remain a top priority.

3.3 As a key strategy for the Group, the Fire Prevention and Mitigation Framework evidences to all partners and stakeholders the importance we place on fire safety and how we ensure fire safety in our homes and communities is maintained in accordance with legislation and best practice.

3.4 This report provides an update on the positive progress being made in our rate of Home Fire Safety Visits (HFSVs) and Accidental Dwelling Fires (ADFs).

3.5 Furthermore, this report will also outline our compliance in the completion and implementation of fire risk assessments required under current fire safety legislation and best practice fire safety guides, issued by the Scottish Government.

4. Discussion

4.1 During the course of our 2021- 2026 Group Strategy we aim to build on the outstanding success already achieved and further reduce the number of ADFs taking place within our stock portfolio by at least 10%.

4.2 HFSVs and Fire Risk Assessments (FRAs) are undertaken by the group fire safety team with the primary aim of reducing the risk of fires in our customers' homes and their communities, making them a safer place for customers' and their neighbours to live.

4.3 The current rate of HFSVs shall demonstrate the impact of the group fire safety team that is reflected in the year end performance of ADFs set against national trends.

4.4 Our FRA programme will show further, that fire safety arrangements within all relevant and non-relevant premise remain robust and effective.

<u>Home Fire Safety Visits</u>

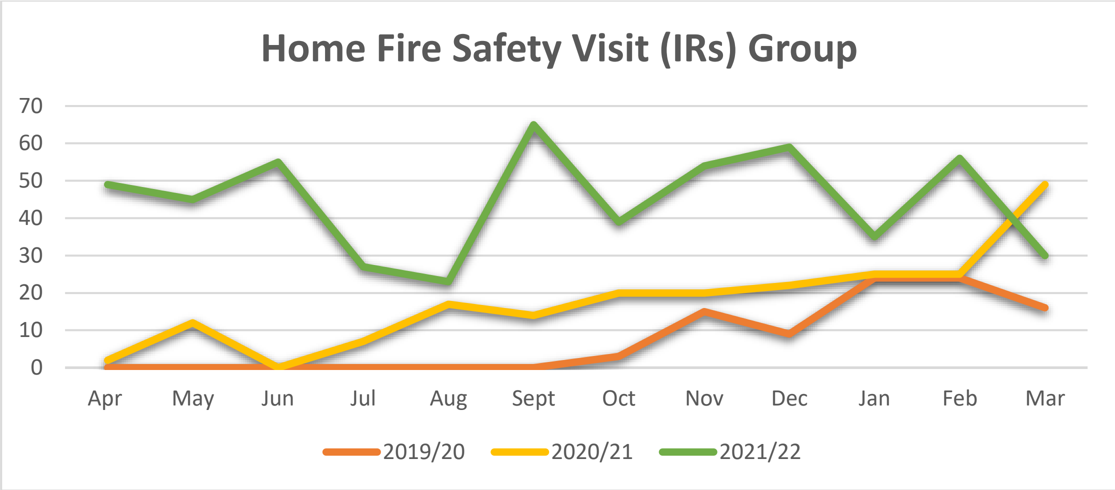
4.5 HFSVs undertaken in our customers' homes are prioritised where a degree of vulnerability has been identified through customer engagement or an unforeseen incident occurring e.g. fire incident in their home.

4.6 There are various channels in which, customers' can be highlighted to the group fire safety team to conduct a HFSV that can include, Intervention Requests (IRs) by housing or care staff, occurrence of false alarms or fire incident(s) and through our information sharing protocol and partnership working with Scottish Fire and Rescue Services.

4.7 In the last 12 months between April 2021 – March 2022, the group fire safety team have pro-actively increased the number of HFSVs conducted from the previous year by over 100% resulting in over 500 HFSVs completed this year, in comparison to 213 HFSVs in 2020/21

4.8 Whilst the relaxation of restrictions has permitted increased activity in HFSVs, there has also been a conscious effort on part of the group fire safety team, to achieve monthly targets of 30 HFSVs per month.

4.9 The number of HFSVs conducted by the group fire safety team, has resulted in a number of HFSVs Glasgow and the west (404), Edinburgh and the east (74), Dumfries and Galloway (61) and Lowther Homes (08).



4.10 Increasing the number of visits year on year over the last 2 years has resulted in the group

- distributing over 350 fire safety products e.g. air fryers, fire retardant bedding;
- undertaking 195 fire safety critical repairs e.g. fire doors, mail guards;
- installing 172 stove guard devices on electric cookers;
- installing hundreds of additional smoke / heat detection devices in homes;
- providing over 100 customers in their first tenancy with fire safety packs;
- making customer referrals to Tenancy Support Services.

4.11 HFSVs are recognised within the Practical Fire Safety Guide – Specialised Housing as Person Centred Risk Assessments ("PCRA") that focuses on the individual and the environment in which, they stay. This reference within Practical Fire Safety Guide – Specialised Housing, offers an opportunity to widen the scope of the HFSV beyond fire safety and look at the overall health, safety and wellbeing of our customers in line with, SFRS proposed Safe and Well Campaign.

Accidental Dwelling Fires (ADFs)

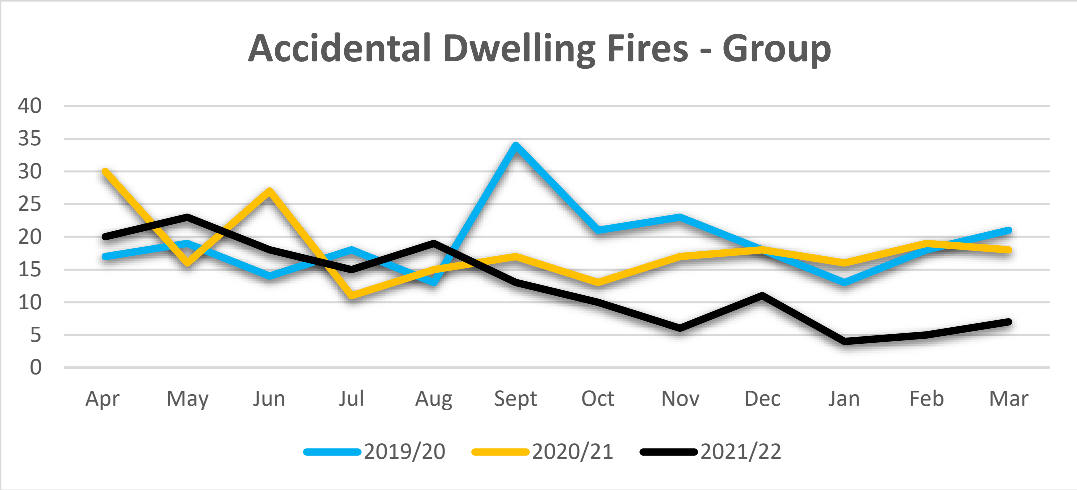
4.12 Scottish fire statistics published by SFRS show that less than 1% of accidental dwelling fires in multi storey residential buildings spread beyond the floor of fire origin. Most fires are in fact, limited to the room of fire origin. *(Ref: Scottish Govt Technical Advice Note – Determining the fire risk posed by External Wall Systems in Multi Storey Residential Buildings, August 2021).*

4.13 Situations where fire spreads beyond the flat of origin are relatively uncommon and are most often as a result of failings in the building design or construction.

NB: It is noted that the Group have previously reviewed all high rise domestic properties and confirmed no materials (ACMs) similar to those involved in Grenfell are present on the façade of Group MSFs.

4.14 The impact of HFSVs undertaken in the last 12 months by the group fire safety team, is a significant factor that cannot be underestimated in our efforts to reduce ADFs in customers' homes.

4.15 Scottish Fire and Rescue latest report on national trends for accidental dwelling fires (2021/22) is currently unavailable at time of writing this report however, in 2020/21, ADFs reduced nationally by 5.1%.



4.16 The number of ADFs experienced in our customers' homes in 2021/22 in comparison to the previous year of 2020/21, has resulted in a significant reduction of 66 ADFs (-30%) across the group, in comparison to 217 in 2020/21.

4.17 On further review of the ADFs that did occur across the group, it is noted that 103 occurred in our mainstream housing, 44 occurred in MSF and 04 occurred in L/W Premises.

4.18 This reduction is an improvement on the intended target of 195 however, despite best efforts of the group fire safety team, these figures should be noted with some caution as there is the potential for future fire incidents to counter act this year's progress.

4.19 Whilst the cost associated with any ADF is difficult to measure, it is evident that the efforts of the group fire safety team and the number of HFSVs being undertaken, are having a positive impact on the direct and indirect costs of house fires and the wider community.

4.20 Our group fire safety team have been recognised in the short list of candidates at the AICO Community Awards (Birmingham, May 2022) for their outstanding contribution in the Resident Engagement Award largely for their efforts in reducing ADFs through our HFSV programme.

<u>Fire Risk Assessments –
Relevant Premise (HMOs, Care Premise, Offices, Depots etc.)</u>

4.21 The completion of FRAs in our relevant premise extends currently to our Corporate Estate that includes, HMOs, Care Premises, Offices Workshops and Depots.

4.22 The completion of FRAs in relevant premise is based on a recurring frequency of between 1-3 years based on their risk profile (See Appendix 1).

4.23 In 2021/22, 48 FRAs in relevant premises had been undertaken to ensure their recommended frequency of review, had been met and thereby ensuring ongoing legal compliance.

4.24 Currently, all group relevant premise has in place, a valid FRA to satisfy the requirements and legal obligations set out in the Fire Safety Scotland Act 2005 and Fire Safety Scotland Regulations 2006.

4.25 No significant issues were identified within our Relevant Premise during the course of the FRA programme as they have well established, mature fire safety arrangements in place overseen by competent staff and management teams.

Non Relevant (MSF and L/W Premises)

4.26 The completion of fire risk assessments in non-relevant premise is not a legal requirement but one, that is considered best practice in light of new guidance issued by the Scottish Government, following a ministerial review of fire safety legislation and guidance, post Grenfell.

4.27 In recognition of Practical Fire Safety Guidance for a) Existing High Rise Domestic Premise (MSF) and b) Specialised Housing (Living Well Premise), the Wheatley Board have previously agreed a 3-year recurring cycle of fire risk assessments, in line with the recommendations outlined in said guidance.

4.28 However, where any significant change to our MSF or L/W premise is identified by our repairs team, environmental teams or locality housing directors, such as refurbishment or increase in fire incidents, our fire risk assessments will be reviewed more frequently to ensure fire safety arrangements continue to be robust and effective.

4.29 The 3-year programme of fire risk assessments in group Multi Storey Flats (MSFs x136) and Living Well Premise (L/W x 44*) was delayed due to COVID restrictions and commenced 6 months late in October 2020, with a targeted completion date of March 2023.

4.30 The programme of fire risk assessments in MSFs and L/W premises was later reviewed and expedited, with all FRA's for MSFs (x136) and L/W premises (x43*) completed ahead of schedule by 12 months, in March 2022.

Fire Risk Assessment Programme 2021/22

Fire Risk Assessments Completed	2021				2022				Total	Target
	Qtr 01	Qtr 02	Qtr 03	Qtr 04	Qtr 01	Qtr 02	Qtr 03	Qtr 04		
HMO	1	3	4	1	0	1	7	2	19 ↔	Cyclical
Care Premises	0	1	0	3	23	8	0	1	36 ↔	Cyclical
Workshops & Depots	0	1	2	3	0	0	0	0	6 ↔	Cyclical
Offices	0	1	4	5	3	3	0	0	16 ↔	Cyclical
Living Well	0	0	0	3	5	8	6	21	43 ↑	44
Multi-Storey Flats	0	0	16	15	7	12	46	40	136 ↑	136
Total No FRA's Completed	1	6	26	30	38	32	59	64	179 ↑	180*

**Outstanding FRA for Living Well is new build and will be undertaken when handed over.*

4.31 The fire risk assessment programme for both Relevant and Non Relevant Premise resulted in the completion of x 193 fire risk assessments throughout 2021/22, averaging 16 per month.

4.32 This programme of work was only achieved, by the re-alignment of work programmes in both H&S team and fire safety team and the outsourcing of fire risk assessments for HMOs and Living Well Premises, to approved fire risk assessment consultants.

4.33 FRAs in our Multi Storey Flats and Living Well premises aligned to current guidance and benchmarks do not extend to dwellings other than the flat door. In the main, it is common areas, staff workstations and plant rooms that are the focus of fire risk assessments in Multi Storey Flats and Living Well Premises.

4.34 Outwith the fire risk assessment programme, the group have in place robust procedures, environmental patrols and daily fire safety inspections recorded in Fire Precautions Log Books at all premises, ensuring that fire safety arrangements in common areas are maintained to the highest standard between reviews of fire risk assessments.

<u>Actions arising from Fire Risk Assessments</u>

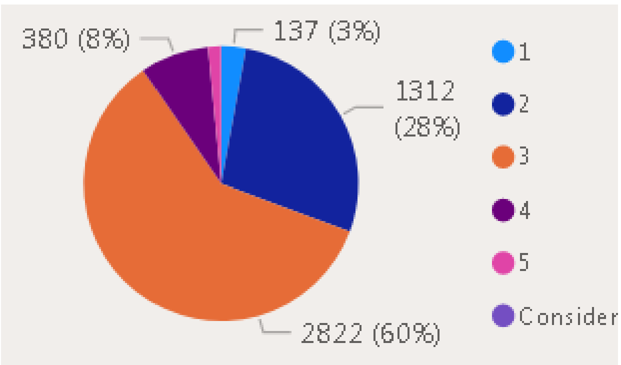
4.35 Fire risk assessments in all premises, since the wider programme commenced in October 2020, have generated fire safety repairs and the improvement of fire safety measures that were <u>not</u> considered a threat to life but more aligned to natural wear and tear due to ageing.

4.36 Issues such as the replacement of smoke and intumescent seals on fire doors, re-alignment of fire doors, repair of bin chute hoppers, replacement of fire safety signs and the adjustment of flat doors identified in the fire risk assessment programme have improved the overall fire safety in group premises.

4.37 At the time of writing this report, approximately 4700 fire safety actions have been generated in the completion of fire risk assessments with 87% of those having been completed and the remaining 13% due for completion by end of April 2022.

4.38 The majority of actions can be categorised as Priority 3 or lower* (P3 - 69%), Priority 2 (28%) or Priority 1 (3%). Note: no fire safety improvements, categorised as a Priority 1 were considered a threat to life risk during our FRA programme.

4.39 The composition of fire safety actions can be broken down into Management, Physical and Maintenance actions that can be associated with both passive and active fire safety measures and / or procedural arrangements.



P1 – 3%	**100% Complete**
P2 – 28%	**98% Complete**
P3 – 69%	**84% Complete**

**Priority Ratings P1 – P5 were reduced midway through fire risk assessment programme to condense timescales and reduce priority ratings to P1 – P3.*

4.40 The overall cost of Fire Safety Repairs and Planned Fire Safety Investment Works arising from HFSVs, FRA Programme and Planned Fire Safety Investment works across the group to date has been estimated at approximately £1- 1.2m (2021/22) and between £8m – 9m (cumulative) respectively.

4.41 Such costs include the fire safety repairs identified from fire risk assessments and investment works such as, the recent LD2 upgrade programme, installation of bin room suppression systems, retrospective fire stopping / compartmentation works, cable securement and emergency lighting installations in addition to the maintenance of other passive and active fire safety systems e.g. fire doors, fire alarms, dry risers etc.

5. Customer Engagement

5.1 Our FPMF has a very clear focus on customer engagement.

5.2 The group fire safety team works with our housing colleagues to conduct HFSVs with customers who are particularly vulnerable to fire, due to physical, cognitive, mental impairments, substance misuse issues or the condition in which they are maintaining their home. At the time of the visit, an assessment of the property and the customer's needs is carried out to determine suitable fire prevention control measures. Control measures can include providing fire safety advice and the installation of specialised detection and fire risk reduction products.

5.3 Customer Information Leaflets (My Safety) is also distributed to customers by our Housing Officers and made available online providing safety information in relation to fire and how customers can arrange a home fire safety visit. (See Appendix 2).

5.4 Our FRA programme is communicated and discussed with Directors and Senior Management across all group subsidiaries on a regular basis at our Fire Working Group and Executive Fire Liaison Meeting.

6. Environmental and sustainability implications

6.1 The environmental impact of a house fire and building fires presents a negative outcome to the environmental commitment of the group in our efforts to reduce our carbon footprint and promote sustainability.

6.2 The immediate short term effects of house fires and building fires are the obvious risk and displacement to customers, release of toxic gas, smoke and other by products that contaminate the local environment, that can also impact air quality because of the release greenhouse gases like carbon monoxide and carbon dioxide.

6.3 Negative consequences of a building fire on the environment can also endanger the health and well-being of our customers' their neighbours and our communities.

6.4 Targeting HFSVs for vulnerable customers and ensuring our fire safety arrangements remain effective in the implementation and review of a robust fire risk assessment programme, shall contribute to the overall commitment of the group to positively impact our environmental and sustainability responsibilities.

7. Digital transformation alignment

7.1 Home fire safety visit reports and those of fire risk assessments are recorded on the Group Asset Information Management System (PIMSS).

7.2 Performance management reports (Power BI) capturing the completion of HFSV' and FRA programme in both relevant and non-relevant are issued to duty holders and relevant persons twice weekly for action and completion.

7.3 Developments are currently underway in conjunction with colleagues in Group IT to digitalise the HFSV' process to make this a leaner and dynamic process.

8. Financial and value for money implications

8.1 The implementation and completion of HFSVs and FRA programme has significantly increased the number of fire safety repairs since October 2020.

8.2 In driving a positive fire safety culture across the group, that impacts the number of ADF' in our homes and workplace, there are significant cost savings associated with the cost of fires, that are not immediately visible.

8.3 Costs associated in the use of external fire risk assessment consultants (Approx. £10k per annum) for HMOs and L/W premises are currently under review. By bringing those premises into the current programme of fire risk assessments undertaken by group health and safety team and fire safety team there would be a direct cost saving and greater understanding of their management.

9. Legal, regulatory and charitable implications

9.1 The approach to fire risk assessment in a legal context is one of a statutory nature for relevant premise and best practice for non-relevant premise, that protects the group from unwanted enforcement action, potential prosecution and reputational risk.

9.2 The Fire Safety Scotland Act 2005 and Fire Safety Scotland Regulations 2006 place legal obligations on Dutyholders' to conduct Fire Risk Assessments in Relevant Premise (Non Domestic Premise).

9.3 Relevant Premise are those premises that are covered by fire safety legislation and enforced under current legislation by Scottish Fire and Rescue. Premises such as HMO's, Care Premises, Offices, Workshops and Depots are legally required to have a current fire risk assessment in place.

9.4 Multi Storey Flats (Practical Fire Safety Guide for Existing High Rise Domestic Premise) and Living Well Premises (Practical Fire Safety Guide for Specialised Housing) are recognised as domestic premise and the recommendation to conduct fire risk assessments is one of best practice and not a legal requirement.

10. Risk Appetite and assessment

10.1 The group risk appetite for fire prevention and mitigation is risk averse where, avoidance of risk and uncertainty is a key organisational objective.

10.2 The Fire Scotland Act 2005 and Fire Safety Scotland Regulations 2006, allows for a route of enforcement action and prosecution in the event of deviation from statutory requirements and specifically for Relevant Premise (Non Domestic) therefore, strong regulatory compliance in this area must be maintained.

11. Equalities implications

11.1 There are no implications for the Equalities Act associated with this report.

12. Key issues and conclusions

Legal Compliance

12.1 Based on the group's current approach to fire safety legislation and in recognition of the commitment documented in the FPMF, there is a strong legal compliance in place around the legislative requirements of current fire safety legislation and best practice approach in recently issued fire safety guidance.

12.2 HFSV's and the ongoing implementation of fire risk assessments to a nationally recognised standard in PAS 79: Fire Risk Assessments demonstrate an approach above and beyond basic legal compliance.

Home Fire Safety Visits

12.3 HFSVs now recognised under new guidance as Person Centred Risk Assessments (PCRAs) in the Practical Fire Safety Guide – Specialised Housing. Their completion has seen a reduction in accidental dwelling fires that lie out with the scope of our FRA Programme.

12.4 Going forward, it is the intention of the group fire safety team to transition the HFSVs to Person Centred Risk Assessments, incorporating additional safety factors such as those being proposed in SFRS Safe and Well Campaign in the coming year e.g. customers' with mobility issues, risk of falls etc.

12.5 Furthermore, by reviewing the process and transitioning to a digital format for the completion of reports, it will make the process lean and dynamic in which, we can raise targets for the coming year to complete 600 HFSV's (PCRA's) between 2022/23 (e.g. 50 per month).

Accidental Dwelling Fires

12.6 Current fire safety guidance recognises that 90% of accidental dwelling fires are confined to the flat of fire origin and in the case of MSF's, less than 1% spread beyond the floor of fire origin.

12.7 The rate of ADFs experienced across the group in 2021/22 has resulted in a reduction that has achieved our target of 10% using the previous year (217) as a baseline figure.

12.8 Whilst FRA have a clear purpose to maintain fire safety standards that reduce the risk of fires, the reduction of accidental dwelling fires set against the increase in home fire safety visits is a strategy that should be prioritised beyond our legal compliance and fire risk assessment programme.

Fire Safety Risk Assessments

12.9 Fire Risk Assessments for relevant premises and our MSFs and L/W Premise were completed in an accelerated programme that involved the re-provisioning of health and safety team and fire safety team as trained fire risk assessors, in order to complete by March 2022.

12.10 The completion of fire risk assessments in our MSF's and L/W premises are aligned to current guidance and benchmarks that do not extend to dwellings other than the flat door. In the main, it is common areas, staff workstations and plant rooms that are the focus of fire risk assessments in MSF's and L/W Premises.

12.11 Outwith the fire risk assessment programme, the group have well established, robust fire safety arrangements in place across our MSFs. Environmental patrols and daily fire safety inspections recorded in Fire Precautions Log Books at all premises ensures that fire safety arrangements in common areas are maintained to high standards in reducing the risk of fires in these areas.

12.12 Our cycle of fire risk assessments for relevant premise is undertaken on a recurring cycle and has been well established for a number of years. MSF and L/W Premise shall recommence in July 2022 to allow for the implementation of a more balanced and linear programme across the 3 years as recommended by Scottish Government guidelines.

13. Recommendations

13.1 The Board is asked to:
1) note the contents of this report and the progress with our Fire Prevention and Mitigation Framework; and
2) approve the proposed cycle of Fire Risk Assessments set out in Appendix 1

Appendices

Appendix 1: Proposed Cycle of FRA (1-3yrs) 2022 – 2025.
Appendix 2: My Safety – Customer Home Safety Leaflet

Appendix 1 - Fire Safety Risk Assessments – Frequency & Review 2022 - 2025

Type of Property	No. in Portfolio	1Yrs	2Yrs	3Yrs	Legal Requirement	Best Practice	Supporting Rationale	Completed By
Care	36 (2yrs) 4 (1yrs)	•	•		✓		Well maintained fire alarm systems, fire safety risk assessments, fire safety management arrangements, fire safety trained members of staff, building management systems maintained, controlled access, security arrangements in place, fire precautions log book implemented, no smoking policy, fire drills, person centred risk assessments and support needs of client assessed. (Annually – Fordneuk, Fullerton, Logie Road and Parliament St (Hostel))	H&S Team
Corporate	30			•	✓		Well maintained fire alarm systems, fire safety risk assessments, fire safety management arrangements, fire safety trained members of staff, building management systems maintained, controlled access, security arrangements in place, fire precautions log book implemented, no smoking policy, fire drills.	H&S Team
HMO	56 (2yrs)		•		✓		Dutyholder (Owner) fire safety risk assessments, building management systems maintained, repairs and maintenance protocol, lease holder fire safety risk assessments, emergency procedures (lease holder), personal emergency evac plans (lease holders).	H&S Team
NETS Depots	6		•		✓		Well maintained fire alarm systems, fire safety risk assessments, fire safety management arrangements, fire safety trained members of staff, building management systems maintained, controlled access, security arrangements in place, fire precautions log book implemented, no smoking policy, fire drills. Safe storage of hazardous materials.	H&S Team

Living Well	44			•		✓	Fire safety risk assessments, daily checks of common areas, fire precautions log book implemented, fire safety trained staff, security arrangements, CCTV & signage, concierge staff (NETS Teams), fire alarm systems, building managements systems maintained. Control of contractors, home fire safety visits for vulnerable customers, MSF quarterly inspections by SFRS.	Fire Safety Team
Multi Storey Flats	136			•		✓	Fire safety risk assessments, daily checks of common areas, fire precautions log book implemented, fire safety trained staff, security arrangements, CCTV & signage, concierge staff (NETS Teams), fire alarm systems, building managements systems maintained. Control of contractors, home fire safety visits for vulnerable customers, MSF quarterly inspections by SFRS.	Fire Safety Team
Person Centred Risk Assessment	600	•				✓	Person Centred Risk Assessment, Statutory Maintenance and Compliance of Property, Pioneering Products, TSS, Fire Safety Packs, Additional Detection, Stove Guards etc	H&S Team & Fire Safety Team

Wheatley Homes Glasgow
My safety

Your guide to keeping safe and sound in your home and community.

Wheatley Homes Glasgow

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The easiest way to get in touch is online, you can pay your rent and view all your account information at **My WHG**.
To register visit **www.wheatleyhomes-glasgow.com**

HAPPY TO **TRANSLATE**

We can produce information on request in large print, Braille and audio formats. Visit www.wheatleyhomes-glasgow.com or contact your local housing officer.

My safety

We want you to feel safe in your home. As your landlord, we help you stay safe by:

- carrying out gas safety visits in your home every year
- providing a smoke alarm
- maintaining your home to a safe standard.

What's inside?

We ask that you take steps to make sure you don't put yourself or others at risk. That includes keeping your home free of fire hazards, putting rubbish in the bins or bin chutes and not leaving bikes or prams in stairwells where they block people's way out.

Anti-social behaviour

We all want to live in quiet, safe communities without any anti-social behaviour. We do not tolerate anti-social behaviour and work closely with the police and fire services to deal with any issues. Remember, if you or anyone visiting your home acts in an unacceptable way, you could lose your home.

Our Community Improvement Partnership (CIP), brings together a special team of police officers and a senior fire officer to deal with crimes and fire risks in Wheatley Homes Glasgow areas of the city. The CIP is on top of the day-to-day police and fire officers already working in Glasgow.

What does the CIP do?

Housing officers and police officers share information to deal with issues such as anti-social behaviour, noisy parties and drug dealing.

Home fire safety visits also help tenants cut the risk of fire in their home.

Worried about anti-social behaviour in your area? Report it to us straight away.

To report anti-social behaviour online, log on to **My WHG** and use the website form or call us on **0800 479 7979**.

Fire safety

A fire in your home could kill you and your neighbours. We're working with Scottish Fire and Rescue Service to make your home safe and help you reduce the risk of fire.

Make sure there is a working smoke alarm in your home. A smoke alarm will give you those precious few minutes of warning which could help you and your family get out safely.

If you want to know more, or think you need a smoke alarm fitted, get in touch with us today. You can also get a free home fire safety visit which will check for any risks in your property.

How do I get a home fire safety visit?

Get a free home fire safety visit from Scottish Fire and Rescue Service. Fire officers carry out an inspection of your home and can warn you of potential fire risks. If needed, you'll get free smoke alarms.

Speak to your housing officer to make an appointment or book your free visit from Scottish Fire and Rescue Service by:

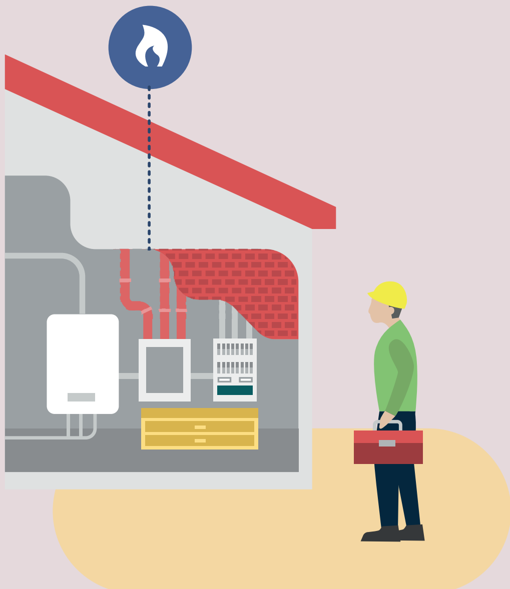
- texting 'FIRE' to **80800** from your mobile phone
- calling **0800 0731 999.**

As your landlord, we also play our part including:

- making sure all gas appliances are in good working order
- carrying out a gas inspection each year
- fitting smoke alarms in your home
- keeping homes fit to live in.

Help us keep you safe by giving staff access to your home when needed.

We need to carry out at least one gas safety visit in your home each year. It's the law for all responsible landlords.



What will happen
You'll receive a letter from us 10 months after your last check with a date for your next visit. If it's not a good time, let us know and we'll rearrange.

Make sure you are at home on the day of your gas safety check. If you miss this safety check and any rearranged appointments, we may force entry to your home – and all costs will be charged to you.

I smell gas. What do I do?
Follow these simple steps straight away:

- turn off all gas appliances
- put out any cigarettes
- open all doors and windows
- don't use matches or naked flames
- turn gas off at the meter
- don't switch on any electrical switches or appliances
- don't press buttons on the door entry systems.

If you smell gas
Call emergency service company SGN as soon as you can on **0800 111 999**.

You can also call us on 0800 479 7979. We'll speak to SGN for you and have our gas engineers with you within an hour to deal with any breakdowns.

Asbestos

Asbestos is not dangerous if it's sealed safely and in good condition. It's only dangerous when it is broken and fibres are released into the air. It's important you don't:

- drill a hole through any asbestos boards
- cut or break off any parts of asbestos products
- rub down asbestos panels, or artex, with sandpaper
- use wallpaper scrapers on asbestos products
- remove asbestos panels to gain access to services.

Why was asbestos used in homes?

Asbestos was a popular material for house builders right across the UK as it's resistant to heat and chemicals.

It's likely to be found in homes built between the 1950s and 1980s. Homes built since the mid-80s are unlikely to contain asbestos in the fabric of the building, but they may have some traces in parts of the building.

Is asbestos still used in homes?

Homes built after 1990 almost certainly don't contain asbestos anywhere in the building.

If there's asbestos in your home, you must not damage or disturb it. Don't use any electrical tools or use a hammer to break any asbestos.

I want to carry out DIY in my home. What should I do?

If you want to carry out DIY then speak to your housing officer first. They can check if there's any asbestos in your home.

Bogus callers

Be alert to bogus callers

Bogus callers are criminals who claim to be someone they're not to get into your home.

They could target anyone at any time, but they often focus on the over-60s. They'll often pretend to be from Wheatley Homes Glasgow, a council department or a utility company. What they want to do is steal your money and valuables.

Rogue traders offer to carry out work on your house, garden or driveway. They charge inflated prices for shoddy or unnecessary work.

Tips to keep safe:

- don't let any strangers into your home
- use a door chain, if you have one
- always ask for proof of identification and check it carefully – it must have a photograph of the caller on it
- never be persuaded or bullied to let someone inside your home or worry about seeming rude
- if in doubt – keep them out
- never give keys to workmen or tradesmen unless you are certain you can trust them – copy keys are easily made.

What to do if you receive a visit from a bogus caller

Call the police on **101**. You should then call us on **0800 479 7979**. If the bogus caller or rogue trader refuses to leave or you feel scared, phone **999** and ask for the police.

Advice on keeping warm

As temperatures drop, it's vital to keep warm and cosy in your home. Make a few simple changes to your home and life and you'll not have to worry – even if the weather does its worst.

Useful tips

Tips to beat the chill:

- have regular hot drinks and at least one hot meal a day
- wear several light layers of warm clothes to keep heat in
- keep active and wrap up warm if you go outside
- draw your curtains at dusk and keep doors closed to block out draughts
- keep your living room at around 18–21°C (64–70°F) to keep warm
- check dripping taps and overflows to prevent waste pipes freezing and flooding
- have your annual gas service to keep your heating system working well
- if you're not going to be at home for a couple of days, set your heating to come on for a couple of hours a day – and leave a key with a friend or neighbour.

Frozen or burst pipes? Heating or boiler broken? Tiles blown off your roof? Get in touch right away.

Keep warm and keep bills down

Don't pay too much for your electricity and gas. Our fuel advisors help tenants of all ages find the lowest energy rates. Advisors can also arrange low-cost repayments if you have fallen behind with payments or, in some cases, get debts written off.

Speak to your **housing officer** to arrange an appointment with a fuel advisor or request an appointment online.

Condensation

Do your windows steam up when the heating is on? Do you notice wet spots on your walls when you're cooking?

If so, it is likely to be condensation. Condensation happens when moist air touches a cool surface. It forms water droplets. It can also happen when large pieces of furniture, for example wardrobes and beds, are placed against an outside wall.

Preventing condensation in the home is your responsibility. But the good news is there are steps you can take to stop it happening.

You can treat little spots of mould quickly and easily. Use three parts warm water and one part bleach. Make sure you dry the wall after cleaning it. If this doesn't work, speak to your housing officer.

Do:

- keep a window open when drying clothes indoors
- keep the internal kitchen door closed when cooking
- keep lids on pots and pans when cooking
- use an extractor fan in the kitchen and bathroom, if you have one
- heat and ventilate rooms at risk
- put the tumble dryer hose out of the window or door.

Don't:

- dry clothes over warm radiators
- overfill cupboards and wardrobes
- keep furniture and beds hard against walls.

Need to get in touch?

We're always here to help.

Speak to your **housing officer**

Visit us at **www.wheatleyhomes-glasgow.com**

Call us free on **0800 479 7979**

Email us on **talk@wheatleyhomes-glasgow.com**

Find us on Facebook **www.facebook.com/glasgowhousing**

Write to us **Wheatley Homes Customer Service Centre, Lipton House, 170 Crown Street, Glasgow, G5 9XD**

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Wheatley Group

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: 2022/23 Group Delivery Plan

Date of Meeting: 27 April 2022

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1. Purpose

1.1 This report sets out for Board approval the draft 2022/23 Group Delivery Plan, comprising:

1) Strategic projects to be reported to the Board during 2022/23; and
2) Board-level performance measures and corresponding targets.

1.2 It also sets out the proposed approach to undertaking our annual review of the family of strategies across the Group under our agreed refresh, renew approach.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework, the approval of the Group strategy is reserved to the Group Board. Our 2021-26 strategy was agreed by the Group Board in October 2020. The Board subsequently approved the overarching structure for the implementation of our strategy via our Group Performance Management Framework ("PMF") at its meeting in June 2021.

3. Background

3.1 As part of agreeing the PMF in June 2021 the Board agreed a five-year programme of strategic projects to support the delivery of our new strategy and performance measures and targets for the next 5 years.

3.2 In agreeing the 5-year programme and measures and targets, the Board recognised and agreed that we would require to remain agile and flexible throughout the life of the strategy. As such, the programme and targets are subject to annual review to take into account what has been delivered to date, our business operating context and the external operating environment.

3.3 For the same reasons, we also review and update our 5 year strategy each year. As part of this process each partner Board within the Group considers its own 5 year strategy and what refinements are appropriate within this context.

4. Discussion

4.1. Strategic and business context

4.1.1. Our strategic and business context evolved significantly over the course of 2021/22. This included a wide range of activities that impacted delivery of the planned 2021/22 projects and which needed to be reflected in the prioritisation of our projects for this year. These included:

- The launch of the new operating model following consultation with, and endorsement from, all RSL tenants;
- The creation of Wheatley Homes Glasgow;
- The creation of the Customer First Centre ("CFC"), which was not envisaged at this point last year;
- The creation of a repairs transformation programme;
- The conclusion of the strategic governance review, including additional Board focus on sustainability and equality and diversity; and agreement in principle to restructuring of our RSLs in the east of Scotland; and
- The decision to undertake a strategic review of care activity.

4.2. Group Delivery Plan 2022/23

4.2.1. In developing the 2022/23 Group Delivery Plan we have taken the factors above into account. In addition to this, we have been cognisant there will be a significant level of senior change in the business over 2022/23 and as such it will be a transitional year for the Group.

4.2.2. The 2022/23 Group Delivery Plan focuses on the most strategically important areas during this transitional year. This is structured via five strategic programme themes, supported by a relatively small number of standalone strategic projects.

4.2.3. Each of these programme streams will be overseen by a Lead Executive. They will have a strong focus on understanding the links and interdependencies between projects and how we measure the impact of the projects through appropriate performance measures. The programme stream will include both the Board level strategic projects along with relevant Executive level projects.

4.2.4. The full list of proposed projects and milestones to be reported to the Board is set out at Appendix 1. This includes the identification of business interdependencies and external dependencies. External dependencies have been identified to recognise that the delivery of some projects is not entirely within our control. A more detailed update on each of the 5 streams is set out below:

Repairs

4.2.5. The repairs stream includes the key elements of the repairs transformation programme agreed by the Board at its last meeting. Over the past year we have reported that demand levels for the repairs service, both emergency and non-emergency, have continued to be high, even as we addressed the pandemic backlog. Performance has also been impacted by material supply issues.

4.2.6. The focus of our work over the year ahead will be on improving our – and City Building's – operating processes and IT infrastructure, as this will help us improve the customer experience. For example, we will work closely with City Building to upgrade their main repairs system ("Servitor"), as well as implementing this system in Dunedin Canmore.

4.2.7. This will mean all parts of the Group will have the same core repairs system, allowing us to operate more efficiently, utilising the system's customer communications ability and introducing new innovations such as piloting the "book it, track it, rate it" approach using an external provider called Localz. We will also work closely with City Building as they create a CFC liaison team to support our CFC, improving the speed with which we resolve more complex repairs queries.

4.2.8. We will review and improve the ways we bill and communicate with owners for common repairs, which is a source of significant call and email enquiries in Lowther.

4.2.9. A key part of our operational planning approach for the year ahead (so not a strategic project in its own right) is working with City Building to reduce the number of outstanding repairs. We aim to reach pre-pandemic levels by July and maintain performance at this level or better. Quarterly reviews will be undertaken and trade resource will be redirected as required to support this objective.

4.2.10. Delivery of these repairs projects and activities will support the following strategic outcomes:

- Reduction in the number of complaints relating to the repairs service, in particular regarding communication
- Enhanced customer convenience and control over when they receive repairs – in conjunction with reducing the number of repairs outstanding this will help us to reduce the average time for non-emergency repairs to its pre-pandemic level of 5.5 days
- Improved satisfaction with the repairs service for both tenants and owners – aiming to improve year on year to 2025/26, supported by new approaches to the collection, monitoring and reporting of customer experiences
- Reduction in number of emergency repairs by 10% – with the higher volumes being experienced post-pandemic, we propose to rebase this measure so that 2021/22 is the new baseline rather than 2019/20.

Customer First Centre

4.2.11. The CFC is a key part of our new operating model and will over time become the hub of our digital and online services. Our 2022/23 Delivery Plan focuses on how we further evolve and refine the role of the CFC, coupled with specific performance measures being reported to this Board to allow a clear assessment of its impact.

4.2.12. The projects will support the CFC evolving through:

- Taking stock of progress to date through an interim review
- Refining all processes to ensure we are maximining the value of the CFC (an Executive level project)
- Evolving the technology platform by considering the business case for a new cloud telephony system (an Executive level project)
- Strategically developing our wider digital services offer.

4.2.13. A key focus is ensuring that in the early stages of the year we build on the early successes of the CFC and implement incremental improvements. This will provide us with a stable base upon which to then expand our digital services offering.

4.2.14. The full review of the CFC that will be undertaken towards the end of the year means that the projects should sequence such that it can take into account the findings from the process review and proposals for our future online services model at the same time. It should be noted that the CFC evaluation and review of the RSL online services model will compete within the year but the outcomes will be reported to the Board in April 2023.

4.2.15. The early focus of the CFC has been on delivering an excellent customer experience through existing communication channels, principally phone – although email and webchat are also important parts of its service offering. The CFC supports other online services such as allocations, through our MyHousing system, and will support follow up of service requests as we introduce digital customer communications for environmental services this year. During 2022/23 we will scope the next phase of our digital customer services rollout; including the functionality of a Wheatley app – for example which types of repairs should be included in online self-service.

4.2.16. The delivery of the CFC projects and performance targets will support the following outcomes:

- An excellent service experience for our customers, who can have any issues resolved quickly through a single phone call – 80% of calls being answered within 30 seconds and abandonment rates below 7%
- The CFC continues to expand its capacity to undertake additional transactional activity which frees up local staff – with 90% of calls being resolved on first contact and only 10% of cases being passed outwith the CFC to frontline RSL and Lowther staff
- We will have co-created an online services model with our customers, driven by what customers value and will use, which in turn will support future channel shift.

Engagement

4.2.17. Engagement is a critical driver for our overall Group strategy. The key focus for 2022/23 is the implementation of our engagement framework and reflecting the importance of engagement within our performance framework.

4.2.18. The engagement framework phase 2 project focusses on how we embed our engagement approach and a separate paper has more detail on how we plan to progress with a number of the milestones. Alongside this we have now translated our engagement model into a tangible suite of performance measures to allow the Board greater visibility on engagement activity, including:

- Recruitment of customer voices and regional panel members relative to what we agreed with tenants as part of the consultation;
- No of customer voices activities carried out;
- Number of engagement panel meetings (by geographic area); and
- Number of scrutiny focus groups.

4.2.19. The programme also takes into account two key elements which underpin our approach to engagement – a tailored approach and enhancing digital engagement.

4.2.20. The customer data collection project will be an integral part of the overall Delivery Plan for the year. It is intended that we will seek to reach out to all our customers to collect up to date contact details (eg phone number and e-mail), equalities data and communication preferences.

4.2.21. Having up to date contact detail data is a critical base for the introduction of our Rant and Rave customer sentiment analysis as it is based on seeking immediate feedback via text or email. This will also be important to allow us, for example, to issue digital communications or alert customers to engagement activities.

4.2.22. The exercise will also allow us to have a better understanding of digital inclusion and preferences amongst customers. By collecting data on if and how customers access digital services this can provide important intelligence which informs our RSL online services model.

4.2.23. It also provides support us meeting our regulatory obligation to collect equalities data from all customers. This allows us to collect a wide range of information at the same time, rather than through different exercises. It is likely that for RSLs we will do this via Housing Officer visits to tenants.

4.2.24. The delivery of the engagement projects and performance targets will support the following outcomes:

- A vibrant, diverse engagement community of at least 1550 tenants who are co-creating and influencing our activities;
- Robust, up to date contact information for customers which provide us with a means to roll out real time customer experience monitoring;
- A segmented approach to service delivery for families which will support increase satisfaction with this customer segment in future;
- A clear understanding of the make up of our communities to support us tailoring services in future.

Assets & Sustainability

4.2.25. This programme reflects decisions taken by Boards over the course of 2021/22, in particular a focus on sustainability and reflecting the creation of Wheatley Homes Glasgow as a single vehicle for Glasgow. It also includes our two major, multi-year strategic regeneration programmes in Wyndford (Glasgow) and Lochside (Dumfries).

4.2.26. A key focus for programme is recognising the interdependent nature of the projects and ensuring that we have strategic alignment between our sustainability, strategic asset management and regeneration activities.

4.2.27. During the course of 2021/22 we developed a baseline for our ambition to reduce our corporate carbon footprint to carbon neutral by 2026. This was developed based on an assessment with PlanetMark, an independent sustainability certification organisation, which will be validated over this year.

4.2.28. The delivery of the asset and sustainability projects and performance targets will support the following outcomes:

- Centres of Excellence across our full geographic footprint which are a hub for staff engagement and collaboration;
- Sustainability embedded in all our activities through a strategic framework;
- A roadmap for what we need to do to achieve EESSH 2 which can form the basis for understanding cost implications and an informed discussion stakeholders;
- A developed vision for the future of Wyndford and Lochside, driven by the views and aspirations of local communities.

Governance

4.2.29. The projects take into account the Board's agreement we progress with the East of Scotland of Scotland RSL partnership between West Lothian Housing Partnership and Dunedin Canmore, the legal changes for Wheatley Homes Glasgow and increase the level of visibility on equality and diversity.

4.2.30. The strategic governance review milestones focus on formalising the steps agreed to effect the WLHP stock transfer. It also includes two major milestones related to the strategic governance review but not specifically covered in the implementation plan – considering DGHP branding changes and the introduction of a Lowther Assurance Statement.

4.2.31. [redacted]

4.2.32. We have also taken the opportunity to consider how governance activity more widely is reflected beyond strategic projects. The following measures, which are indicators of the underlying strength of our Boards and administration, are now included in our performance measures:

- Number of vacancies – enhancing visibility of where Boards are operating at below full capacity

- Attendance – enhancing visibility on the most fundamental duty of Board members
- Papers issued 7 days in advance – how we are ensuring Board members have sufficient time to adequately prepare for meetings.

4.2.33. It is also intended that with DGHP now having a clear 5 year strategy and Wheatley Homes Glasgow coming into effect we take the opportunity to agree new Strategic Agreements with Dumfries and Galloway Council and Glasgow City Council.

4.2.34. The timing is particularly apt as new administrations will form following the May 2022 local elections. As we are the main provider of housing in both these areas it is intended that they are the only Local Authorities we focus on developing a specific strategic agreement with at this stage.

4.2.35. The delivery of the governance projects and performance targets will support the following outcomes:

- A single RSL for the East of Scotland which maximises our ability to deliver new homes, investment and affordability for tenants
- Enhanced assurance in Lowther Homes which is consistent with the approach used across our RSLs
- Robust equality and diversity data which provides a basis for informing our future workforce planning, service design and regulatory compliance
- A formal, clearly defined strategic partnership with our key Local Authority partners.

Other projects

4.2.36. The other projects include maintaining visibility on previous approvals, such as the implementation of our homelessness policy and introduction of digital customer communications and mobile technology for our environmental services.

4.2.37. Two significant stand-alone projects are a full review of our allocations policies, which are due for review, and the care strategic review. The allocations policy review will involve a particularly significant piece of work in DGHP as it is currently part of the common housing register for Dumfries and Galloway.

4.2.38. The care strategic review initially projected to complete in 2022/23 has now been refined to reflect 2022/23 being a transitional year. It is intended that we will now focus on an internal preparatory review of all our care services over the course of 2022/23 with a view to commissioning an external strategic review in 2023/24.

4.3. Measures and Targets 2022/23

Strategic Results and Key Performance Indicators (KPIs)

4.3.1. When initially agreeing measures and targets in June 2021, it was recognised these would be subject to ongoing review as well as formal review annually.

4.3.2. Despite the extremely challenging economic climate, we made significant progress over 2021/22 and remain on track to deliver the vast majority of key outcomes and performance measures in our strategy. Particular highlights include:

- Housing 10,000 homeless people or households, building on over 2,450 housed in year 1 of the strategy;

- Maintaining tenancy sustainment at or close to 90% in our RSLs, demonstrating the success of our wraparound services and contribution to national targets to end homelessness and rough sleeping;

- £111m invested in major improvements to existing properties in the year, meaning we are well ahead of the £360m commitment – driven in part by the enhanced programme of investment in DGHP and extra £10m in GHA during 2021/22;

- On track to achieve a 60:40 ratio of planned to reactive repair spending, having exceeded this in year 1;

- On track to reduce the number of accidental dwelling fires by 10%, being under our upper limit of 210 in 2021/22 to achieve this;

- Exceeding the year 1 target for vulnerable children benefitting from targeted Foundation programmes and reprofiling years 2-5 in line with anticipated funding to ensure at least, if not more than,10,000 benefit by 2026;

- Wheatley Care in surplus, with improvement in the proportion of care services breaking even after management fees during year 1 and 100% breaking even before management fees.

4.3.3. The full list of proposed measures and targets to be reported to the Board from Year 2 of the strategy, 2022/23, is set out at **Appendix 2**. In addition to existing and baseline measures, this includes the newly proposed measures as related to the key programme areas set out earlier in the report.

4.3.4. Over the course of 2021/22 the Board agreed changes to a number of measures and targets to reflect our operating context, such as changing our rent increase assumptions and five-year development target at its last meeting. The annual review has highlighted a small number of additional measures where economic conditions and pandemic recovery mean we have revisited a measure and/or revised targets from Year 2 of our strategy, 2022/23.

4.3.5. These changes are all captured in Appendix 2, with pertinent points summarised below:

- Limit annual RSL rent increases: a change of strategic result to remove the 2.9% cap, with the increase set annually via business plan.

- New build: In addition to a change of strategic result from 5,500 to 4,000 new homes built during the lifetime of the strategy, the targets for years 2 to 5 have been re-profiled for both subsidiary and tenure. Targets are currently based on the Business Plan and will be increased as additional funds are secured. Consideration is being given to the type and size of new homes built, including the profile of our customers.

- Reduce gross rent arrears ([redacted]): While some RSLs and Lowther are within Year 1 target at year end, consideration needs to be given to the economic climate and tenants' future ability to pay and for us to collect rent and arrears. It is proposed that the strategic result changes from 4% to 4.5% for RSLs and [redacted] 2 to 5 targets have been reprofiled accordingly and will be monitored regularly;

- Reduce volume emergency repairs by 10%: The baseline year was previously agreed as 2019/20, however, volume has increased during 2021/22 and would have been higher still if not for the introduction of next day appointments in the East and West. Increased customer demand is not anticipated to reduce and therefore a change to the baseline year and new targets are proposed, with a -10% reduction on 2021/22 volumes by 2026;

- Right first time reactive repairs: Increased customer demand, recent material supply issues and remobilisation backlogs have had a negative effect on the right first time measures during 2021/22 and are anticipated to continue into Q1 2022/23. There are proposed target changes for DGHP (Year 2) and Wheatley Homes Glasgow (Years 2 to 4) to support incremental improvement;

- Percentage tenants with online accounts using MySavings: We are reviewing this initiative and investigating future options, linked to the strategic project to review our online services model. Nonetheless, it is proposed the strategic result is reduced from 60% to 15%, taking account of the challenges experienced.

4.3.6. While the current economic conditions have already led to us to change our rent assumptions and to propose changes to our arrears targets - we also need to revisit our broader ambition to reduce the cost of running a home by 10% by 2026. This strategic result will be revisited as part of our strategy refresh, an opportunity to explore what the cost-of-living crisis means for our business, customers, and communities and what we want to achieve over the remainder of our strategy.

4.3.7. We have also made some profiling amendments for Average time to complete medical adaptations and Average days to let maintained at less than 14 days. The y5 target for both remains unchanged, with the profiling adjusted to reflect high demand for major adaptations and residual impact of pandemic on letting.

Outstanding Baselines

4.3.8. Many strategic results were new to our PMF for the Group Strategy 2021-2026 and therefore involve work to establish baselines. Several of these are now in place with targets proposed for Years 2-5 of the strategy. For the remaining baselines, work will continue through 2022/23 to develop new approaches to collection, collation and reporting of these measures. This includes several measures based on customer perception and satisfaction.

4.3.9. While later than initially intended, it is important that those collated via customer surveys are based on the new operating model we implemented in 2021/22. On this basis we delayed our planned customer satisfaction survey to allow our new operating model to have been in place for a sufficient period that the survey is reflective of our customers' experience of the new model.

4.3.10. It is however intended that we will undertake a number of thematic pulse surveys over the course of 2022/23 to build up to a full customer satisfaction survey in 2023, which will be reportable under the 2023/24 Annual Return on the Charter. We discussed our approach with the Scottish Housing Regulator, who agreed that given we have a significantly different operating model and the significant cost of a full satisfaction survey it was prudent to delay it.

4.3.11. With Rant and Rave procured as our instant feedback tool during 2021/22, development and testing will take place during 2022/23, initially on a pilot basis with staff and then customers. This aligns with our strategic project to collect customer contact information and maximise the up to date, accurate contact data we have as the use of Rant and Rave is reliant on this information. Only once we are confident with the experience the tool delivers – for the user and in reporting – will it be launched, generating baselines on a phased basis during 2023/24.

Delivery Plan Programmes and Measures Alignment

4.3.12. It is important to consider where strategic programmes in the Delivery Plan align to our measures. For this reason, **Appendix 3** provides an overview of strategic results considered interdependent with the programmes. For example, our equality and diversity project will provide us with actionable data which allows us to understand the demographic make-up of our workforce relative to our communities.

4.4. <u>Strategy refresh process</u>

4.4.1. We have a structured approach to reviewing our strategy, where we undertake a refresh or renew on alternate years. This year is a refresh year, where consider which areas of the strategy need to be refined to reflect factors such as:

- Prior year performance and the implications for our strategy commitment or strategic results
- Our external operating – how it has impacted the delivery/relevance of existing commitments/strategic results or creates a need to create new ones. For example, rising inflation, supply chain issues and energy prices
- Prior year business context – such as the creation of the Customer First Centre and our new operating model.

4.4.2 Our approach to strategy has always focusing on it being 'bottom up' with all partners in the Group directly influencing the overall Group strategy. On this basis we will have Board strategy workshops in each RSL and Lowther Homes in May 2022. As part of this the format for the workshops will be broadly as follows:

1. Reflection on our achievements in 2021/22
2. Review of our external environment Presentation (Fraser of Allander Institute) ▪ Wider economic context ▪ External influences and opportunities Discussion ▪ Any other external factors that could impact our strategy?
3. Refreshing our strategy – by strategy theme ▪ Recap on core strategic priorities/commitments ▪ Covid/economic implications for strategic priorities/ commitments ▪ Do we need to adjust any of our existing strategic priorities/commitments? - Any new strategic priorities - Any changes to existing strategic priorities (e.g. re- profiling, change timescales/targets)
4. Do we have any new asks of the Group? ▪ Do we need anything different from the Group to reflect the potential updates to our strategy?

4.4.3 The proposed approach provides a clear, consistent structure to allow feedback from these sessions to be reflected in the Group Board strategy residential in August. As part of the wider Group Board strategy workshop, we will consider progress to date with impact measures within our PMF, the full range of updates we may wish to make to our strategy and the strategic outcomes. An agenda for the strategy residential will be brought back to the next meeting.

4.4.4 As the Foundation and Wheatley Solutions need to respond to the priorities of the wider Group, it is intended that they will have strategy workshops in November. This will allow both to reflect on how they can respond to the feedback through their services.

5. Customer Engagement

5.1 Our Delivery Plan reflects our strong focus on our customers influencing and co-creating with us. Customer engagement is embedded as specific milestones of strategic projects which will directly impact the way we deliver services or the way they can be drawn down by customers.

5.2 The development of the measures and KPIs also reflects the importance of customer feedback driving how we measure the quality of a service and inform future service improvement.

6. Environmental and sustainability implications

6.1 We have developed the baselines for a number of sustainability measures over the course f the year, which have been reported in more detail to the Wheatley Solutions Board. A key project for 2022/23 is the development of a strategic sustainability framework. As part of this we anticipate further measures will be developed for future incorporation into our PMF.

7. Digital transformation alignment

7.1 Our strategy is underpinned by digital transformation. The strategic projects for 2022/23 have been fully reviewed to ensure we have the appropriate technical and resource capacity alongside our Digital Programme.

8. Financial and value for money implications

8.1 There are no direct financial implications associated with this report, which are covered via the approved 2022/23 business plan.

9. Legal, regulatory and charitable implications

9.1 The customer data collection and equality and diversity projects have been developed to support us complying with our regulatory obligation collect equalities data for tenants and staff.

9.2 We have engaged with the SHR regarding our plans for our customer satisfaction survey, which ordinarily require to be completed every three years. As indicated the SHR understand our rationale for delaying the survey into a fourth year to reflect our new operating model and ensure value for money in terms of the cost.

10. Risk Appetite and assessment

10.1 We do not have a single risk appetite in respect of strategy. Our risk appetite seeks to take into account a range of factors which may impact the delivery of our strategy.

10.2 In considering our Group Delivery Plan and KPIs for 2022/23 we have considered the continued level of uncertainty associated with the continuing impact of the pandemic and the current operating context of the Group.

10.3 Our strategy is highly ambitious and contains a high degree of interdependencies. The proposed approach seeks to mitigate the risk that the complexity associated with the level of interdependencies are not managed through a structured approach.

11. Equalities implications

11.1 Project monitoring and evaluations consider equalities information and Equalities Impact Assessments are undertaken at the outset of new programmes to ensure compliance with equality legislation, where applicable.

11.2 Within the proposed Group Delivery Plan, there is a separate project under the governance programme stream dedicated to advancing our commitment to equality, diversity and inclusion.

11.3 Additionally, the expansion of our Customer Voices is focused on creating a more diverse range of voices actively participating in our engagement structures. In turn, this will support co-creation and influencing which is based on a more diverse range of perspectives.

12. Key issues and conclusions

12.1 The 2022/23 Delivery Plan seeks to maintain our ambition in terms of strategic projects, whilst being cognisant of the transitional nature of the year ahead.

12.2 The plan seeks to embed business changes, such as the CFC, into our performance framework to allow us to formally monitor the impact they are having.

12.3 A key thread throughout the strategic projects and performance measures is a focus on customer engagement and the customer's view shaping our priorities.

13. Recommendations

13.1 The Board is asked to:

1) Approve the 2022/23 strategic projects and associated milestones attached at Appendix 1; and
2) Approve the proposed measures and corresponding targets for 2022/23 at appendix 2.

LIST OF APPENDICES:

Appendix 1: Strategic projects for 2022/23
Appendix 2: Strategic Results and KPIs with associated targets for Year 2-5
Appendix 3: Delivery Plan Programmes and Measures Alignment

Group Delivery Plan 2022/23

Strategic Theme	Programme Stream	Project	Customer engagement
Delivering Exceptional Customer Experience	*Repairs*	▪ Improve Customer Contact & Communications	√
		▪ Develop IT & Systems	
		▪ Service & process redesign	
		▪ Meet the needs of owners	√
	CFC	▪ CFC interim review	√
		▪ CFC year 1 evaluation	√
		▪ RSL Digital Services Model	√
	Engagement	▪ Wheatley Whole Family approach	√
		▪ Customer data collection exercise	√
		▪ Wheatley Whole Family approach	√
Making the Most of our Homes & Assets	*Assets & Sustainability*	▪ Corporate Estate	
		▪ Strategic Sustainability Framework	
		▪ Asset Strategy for Glasgow	√
		▪ Wyndford Regeneration	√
		▪ [redacted]	√
Developing our Shared Capability / Enabling our Ambitions	*Governance*	▪ Strategic Governance Review	√
		▪ Equality, Diversity & Inclusion	√
		▪ Updated Strategic Agreement with GCC	
		▪ Strategic Agreement with DGC	
Changing lives and communities	*Standalone*	▪ Implement year 2 of the Group Homelessness Framework	
		▪ Review of group allocations policy and systems	√
		▪ NETs digital service	
		▪ Strategic realignment of Care services	

Repairs programme stream		
Project/Owner	**Key Milestones**	**Interdependencies**
Improve Customer Contact & Communications	▪ Taking into account customer feedback, implement revised customer comms for all repair types (including owner repairs) – 30/6/22 ▪ Proposals for customer feedback to Boards developed and agreed - 30/6/22 Approach to real time repairs feedback on repairs agreed - 31/12/22	▪ Meet the needs of owners ▪ RSL digital services model
Develop IT & Systems	▪ CBG Servitor upgrade implemented – 31/5/22 ▪ Localz phase 1 installation (pilot with CBG) – 31/10/22 ▪ Localz phase 1 full roll out programme agreed – 31/12/22	External dependency – IT suppliers
Service & process redesign	▪ DGHP improvement plan defined and agreed – 31/5/22 ▪ Quick wins for the repairs service in the West implemented (opening up appts, better communication between CBG and CFC, approach to customer comms) – 30/6/22 ▪ Planning complete for implementing redesigned repairs delivery model – 30/6/22 ▪ DC approach to migrate to Group Servitor agreed – 30/6/22	
Meet the needs of owners	▪ Review owner billing inc. suitability of existing SoRs and approach to lower value jobs – 30/6/22 ▪ Review current approach to owner repairs and define & agree reshaped owner repairs service delivery model – 30/6/22 ▪ Review processes that support owner repairs service and refine – 30/6/22 ▪ Implement revised processes to support owner repairs – 31/12/22 ▪ Deploy revised owner repair service delivery model – 31/3/23	▪ Improve Customer Contact & Communications

CFC programme stream		
Project/Owner	**Key Milestones**	**Interdependencies**
CFC interim review	▪ External interim review concluded – 30/4/22 ▪ Present findings of interim review to Group Board – 30/4/22 ▪ Present findings of interim review to RSL Boards – 31/5/22	
CFC year 1 evaluation	▪ Scope of full evaluation agreed by ET – 31/12/22 ▪ Undertake evaluation of the first year of CFC including customer experiences – 14/3/23 ▪ Present findings to ET – 31/3/23	
RSL digital services model	▪ Review existing digital services offering, including existing usage rates, functionality and projected future lifespan - 31/8/22 ▪ Scope future RSL digital services model, including role of apps, online services, repairs digital offering and self-service – 31/10/22 ▪ Undertake themed engagement with Glasgow 1000 Panel on digital services - 28/2/23 ▪ Present recommendations to ET for next 3 years – 31/3/23	▪ Engagement Framework – Phase 2 ▪ Customer data collection exercise

Engagement programme stream		
Project/Owner	**Key Milestones**	**Interdependencies**
Engagement Framework – Phase 2	▪ Develop a programme of engagement using customers' preferred methods – 31/5/22 ▪ 2022/23 Engagement plans, including mechanisms for allocation of funding, agreed by Boards - 31/5/22 ▪ Develop learning and development programme for staff as well as Customer and Community Voices – 30/6/22 ▪ Customer voices feedback to group wide governance event(s) - 31/3/23 ▪ Complete recruitment of Customer and Community Voices – 31/3/23	▪ RSL digital services model
Customer data collection exercise (Contact info, equalities and communication preferences)	▪ Project approach and proposed resource requirements agreed Group Executive – 30/5/22 ▪ Data collection exercise undertaken - 30/9/22 ▪ Update to Group Executive on outcome of data collection exercise and proposed actions - 31/10/22 ▪ Update to Boards on outcome of data collection exercise – 30/11/22	▪ Equality, Diversity & Inclusion ▪ RSL digital services model
Wheatley Whole Family approach	▪ Complete the research phase, including survey of households with children and follow up focus groups – 31/5/22 ▪ Present findings and proposed approach to ET – 30/6/22 ▪ Engagement with customer voices on the proposed Whole Family approach - 31/8/22 ▪ Final implementation approach agreed by ET - 30/9/22	▪ Engagement Framework – Phase 2

Assets & Sustainability programme stream		
Project/Owner	**Key Milestones**	**Interdependencies**
Corporate Estate	▪ East Glasgow and Bathgate Hubs complete – 31/7/22 ▪ West Glasgow Hub complete – 30/9/22 ▪ East Hub (NMR) complete – 30/9/22 ▪ CFC Lipton House complete – 31/12/22 ▪ South Hub (Dumfries) complete – 31/3/23	
Strategic Sustainability Framework	▪ Pathway to Net Zero Advisory Group recruited and in place – 31/5/22 ▪ Commission an independent review of energy efficient technologies and low emission heating systems installed to date - 31/5/22 ▪ Draft framework reviewed by Advisory Group – 31/7/22 ▪ Update on sustainability framework and independent review to Group Board – 31/8/22 ▪ Independent review complete – 30/9/22 ▪ Draft framework and outcome of independent review to ET– 31/10/22 ▪ Draft framework approved by Group Board – 31/12/22 ▪ Group wide launch of strategic sustainability framework – 31/1/23	▪ Asset strategy for Glasgow
Asset Strategy for Glasgow	▪ Strategic assets appraisal undertaken for Glasgow, taking into account our planned development programme and liaison with partners (GCC) – 31/12/22 ▪ Asset strategy approved by ET – 31/1/23 ▪ Asset strategy and approach to customer engagement during implementation approved by Wheatley Homes Glasgow Board – 31/3/23	▪ Wyndford regeneration ▪ Strategic Sustainability Framework ▪ Updated Strategic Agreement with GCC ▪ External dependency - GCC
Wyndford Regeneration	▪ Issue demolition tender documents – 30/6/22 ▪ Co-create investment plans with customers and seek their input on new build proposals including the Wyndford Future Focus Group – 31/3/23 ▪ Update to Wheatley Homes Glasgow Board – 31/3/23 ▪ Conclude our rehousing strategy – 31/3/23 ▪ Masterplan agreed with GCC – 31/3/23	▪ Asset strategy for Glasgow ▪ Updated Strategic Agreement with GCC ▪ External dependency - GCC
▪ [redacted]	▪ [redacted]	▪ [redacted]

Governance programme stream – Group Director of Finance		
Project/Owner	**Key Milestones**	**Interdependencies**
Strategic Governance Review	▪ Wheatley Homes Glasgow – all legal steps taken to officially change name – 31/5/22 ▪ East of Scotland partnership –stage 1 consultation complete – 31/5/22 ▪ East of Scotland partnership tenant ballot completed – 30/6/22 ▪ WLHP stock transfer completed – 31/7/22 ▪ Lowther Homes – undertake first annual self-assurance statement (externally validated) and present to Board – 16/11/22	External dependency - funders
Equality, Diversity & Inclusion	▪ Undertake phase 1 tenant and staff survey to collect protected characteristics data – 25/8/22 ▪ EDI update to Group Board, including revised Equality, Diversity and Inclusion Policy for approval - 25/8/22 ▪ Equalities results from customer data collection exercise analysed and proposed actions to Group Executive – 30/9/22 ▪ Update SHR Annual Assurance Statement on progress with equalities – 31/10/22	▪ Engagement Framework ▪ Customer data collection exercise (Contact info, equalities and communication preferences)
Updated Strategic Agreement with GCC	▪ Group Executive agree an outline updated strategic agreement for discussion with GCC – 30/9/22 ▪ Present outline strategic agreement to Group Board for consideration – 31/10/22 ▪ Update to Wheatley Homes Glasgow Board – 30/11/22 ▪ Board approvals of draft strategic agreement with GCC – 28/2/23 ▪ Present to GCC for approval – 31/3/23	External dependency - GCC
Strategic agreement with Dumfries and Galloway Council	▪ Group Executive agree an outline strategic agreement for discussion with DGC– 30/9/22 ▪ Present outline strategic agreement to Group Board for consideration – 31/10/22 ▪ Update to DGHP Board – 30/11/22 ▪ Board approvals of draft strategic agreement with DGC – 28/2/23 ▪ Present to DGC for approval – 31/3/23	External dependency - DGC

Other Projects

Project	Key Milestones	Interdependencies
Implement year 2 of the Group Homelessness Framework	▪ Undertake a review of existing customer engagement in homelessness service design and delivery – 30/6/22 ▪ Develop an action plan to maximise engagement opportunities - 30/11/22 ▪ Undertake a review of existing tenancy sustainment performance reporting and develop and agree a new consistent group wide approach to reporting – 31/12/22 ▪ ET agree group wide approach to reporting – 31/3/23	
Review of group allocations policy and systems	▪ Updates to policy agreed by ET and RSL Boards for consultation with tenants – 31/5/22 ▪ Undertake customer consultation – 31/7/22 ▪ Present findings to Wheatley Board - 31/8/22 ▪ Present findings to RSL Boards - 30/9/22 ▪ Undertake testing of the new system in D&G – 31/3/23	External dependency – Home Connections
NETs digital service	▪ Undertake build phase – 31/7/22 ▪ Undertake testing of the product – 31/8/22 ▪ Commence pilot – 30/9/22 ▪ Go Live – 30/11/22 ▪ Provide update to Boards – 30/11/22	External dependency - IT Platform provider
Strategic realignment of Care services	▪ Review the current service delivery offering within Care – 30/11/22 ▪ Present recommendations to ET for realignment – 31/12/22 ▪ Revised care strategic review brief agreed by Group Board - 28/2/23	

Appendix 2

Group Board Strategic Results and KPIs 2022 to 2026

1. Delivering Exceptional Customer Experience

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Type of measure	Board Reporting Frequency
Percentage of tenants who sustain their tenancies for more than 12 months (ARC)	**RSL / Actual / Target** WH Glasgow 91.45% 90% Loretto 89.67% 90% Dunedin Canmore 93.40% 90% WLHP 95.38% 90% DGHP 86.16% 87% Group 90.59% 90%	Year 2 DGHP amended from 90% to 88% - incremental improvement on current performance	90% DGHP 88%	90%	90%	90%	KPI Business value	Quarterly
Average number of working days to respond to stage 1 complaints (ARC)		No change	5	5	5	5	KPI Business value	Quarterly
Average number of working days to respond to stage 2 complaints (ARC)		No change	20	20	20	20	KPI Business value	Quarterly
Average number of working days to respond to all complaints – Stage 1 and 2 (ARC)	**RSL / Actual / Target** WH Glasgow 5.79 8 Loretto 5.37 8 Dunedin Canmore 5.72 8 WLHP 4.18 8 DGHP 5.44 8	No change	6	5	5	5	KPI Business value	Quarterly
Percentage of stage 1 complaints responded to within 5 working days (SPSO)	**Actual / Target** Group 89.92% 100%	No change	100%	100%	100%	100%	KPI Business value	Quarterly

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Type of measure	Board Reporting Frequency
Percentage of stage 2 complaints responded to within 20 working days (SPSO)	**Actual** **Target** Group 80.50% 100%	No change	100%	100%	100%	100%	KPI Business value	Quarterly

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Type of measure	Board Reporting Frequency
Overall customer satisfaction is above 90% (ARC)	New, Independent, Annual Satisfaction Surveys will now be developed 2022/23 and reported 2023/24.	Survey implemented	Updated baseline established	Target to be agreed following baseline	>90%	Strategic Result	Annually
Maintain overall customer satisfaction with Care services at over 90%	Future methodology being developed 2022/23	90%	90%	90%	93%	Strategic Result	Annually
Net promoter score for Lowther increased to 60: Lowther Letting	Linked to Rant and Rave implementation				60	Strategic Result	Annually
Net promoter score for Lowther increased to 60: Lowther Factoring	Linked to Rant and Rave implementation				60	Strategic Result	Annually
Implement "rate it" score from the book it, track it, rate it repairs approach and aim to improve performance by 10%	Linked to Repairs programme stream and customer feedback development				>10% improvement	Strategic Result	Quarterly
RSL tenant satisfaction with value for money increased to 85% (ARC)	New, Independent, Annual Satisfaction Surveys will now be developed 2022/23 and reported 2023/24.	Survey implemented	Updated baseline established	Target to be agreed following baseline	85%	Strategic Result	Annually
Satisfaction with complaints handling increased by 10%	Linked to Rant and Rave implementation				Baseline + 10%	Strategic Result	Quarterly
Overall satisfaction among households with children improved to 90%	New, Independent, Annual Satisfaction Surveys will now be developed 2022/23 and reported 2023/24.	Survey implemented	Updated baseline established	Target to be agreed following baseline	90%	Strategic Result	Annually
90% of customers feel they can participate in the landlord's decision making (ARC)	New, Independent, Annual Satisfaction Surveys will now be developed 2022/23 and reported 2023/24.	Survey implemented	Updated baseline established	Target to be agreed following baseline	90%	Strategic Result	Annually
95% of customers actively engaged in shaping services feel they participate in decision making	Potential use of Rant and Rave will be scoped for Stronger Voices during 2022/23 Linked to Rant and Rave implementation				95%	Strategic Result	Annually
Satisfaction with the process of getting my new home is improved by 10%	Linked to Rant and Rave implementation				Improved by 10%	Strategic Result	Quarterly

New Indicators	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Type of measure	Board Reporting Frequency
Customer first centre grade of service - 80% of calls within 30 seconds	85.42% in March 2022	30 seconds (80%)	30 seconds (80%)	30 seconds (80%)	30 seconds (80%)	KPI Business Value	Quarterly
Percentage of calls to the CFC resolved at first contact	Exceeding 92% in March 2022	90%	90%	90%	90%	KPI Business Value	Quarterly
Call abandonment rate	3.82% in March 2022	7%	7%	7%	7%	KPI Business value	Quarterly
Average wait time	30s in March 2022	30s to correspond with the Grade of Service	30s to correspond with the Grade of Service	30s to correspond with the Grade of Service	30s to correspond with the Grade of Service	KPI Business value	Quarterly
CFC cases raised, passed to housing / commercial officers for resolution	In development	10%	10%	10%	10%	KPI Business value	Quarterly
Total number of customers involved in Customer Voices Programme	Added to monitor and report on Stronger Voices progress during 2021/22, with focus on maintaining this thereafter. Target is 1550 total. 324 YTD 2021/22.	WH Glasgow 1000 DGHP 250 DC 200 LH 50 WLHP 50	WH Glasgow 1000 DGHP 250 DC 200 LH 50 WLHP 50	WH Glasgow 1000 DGHP 250 DC 200 LH 50 WLHP 50	WH Glasgow 1000 DGHP 250 DC 200 LH 50 WLHP 50	KPI Other	Quarterly
Number of customer voices activities carried out	Added to monitor and report on Stronger Voices progress	WH Glasgow 434 DGHP 98 DC 54 LH 26 WLHP 10	WH Glasgow 434 DGHP 98 DC 54 LH 26 WLHP 10	WH Glasgow 434 DGHP 98 DC 54 LH 26 WLHP 10	WH Glasgow 434 DGHP 98 DC 54 LH 26 WLHP 10	KPI Other	Quarterly
Number of Geographical panel sessions (Wheatley Homes Glasgow only)	Added to monitor and report on Stronger Voices progress	3 sessions per year x 3 panels = 9	3 sessions per year x 3 panels = 9	3 sessions per year x 3 panels = 9	3 sessions per year x 3 panels = 9	KPI Other	Quarterly
Number of customers involved in Wheatley Homes Glasgow Geographical panels	Added to monitor and report on Stronger Voices progress	300	300	300	300	KPI Other	Quarterly
Number of Regionwide panel sessions (DGHP only)	Added to monitor and report on Stronger Voices progress	3 sessions per year	3 sessions per year	3 sessions per year	3 sessions per year	KPI Other	Quarterly
Number of customers involved in DGHP Region panel	Added to monitor and report on Stronger Voices progress	150	150	150	150	KPI Other	Quarterly
Number of East Regionwide panel sessions (DC and WLHP)	Added to monitor and report on Stronger Voices progress	3 sessions per year	3 sessions per year	3 sessions per year	3 sessions per year	KPI Other	Quarterly
Number of customers involved in East (DC/WLHP) Region panel	Added to monitor and report on Stronger Voices progress	75	75	75	75	KPI Other	Quarterly
Number of Scrutiny focus groups	Added to monitor and report on Stronger Voices progress.	WH Glasgow 12 DGHP 2 DC 1 LH 1 WLHP 1	WH Glasgow 12 DGHP 2 DC 1 LH 1 WLHP 1	WH Glasgow 12 DGHP 2 DC 1 LH 1 WLHP 1	WH Glasgow 12 DGHP 2 DC 1 LH 1 WLHP 1	KPI Other	Quarterly

2. Making the Most of Our Homes and Assets

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Develop 4,000 (previously 5,500) new homes across all tenures	**RSL / Actual / Annual Target** WH Glasgow 121 385 Loretto 0 0 Dunedin Canmore 37 79 WLHP 12 162 DGHP 31 49 Group 201 675	Change to strategic result and targets Years 2 to 5. Total Year 2 to 5 - 2,857: • Year 2 - 490 • Year 3 - 582 • Year 4 – 815 • Year 5 - 970	WH Glasgow: MMR - 102 Loretto: Social - 193 DC - Social - 80, MMR - 12 WLHP - Mixed - 66 DGHP - Social - 37 Group - 490	WH Glasgow - Social - 20, MMR - 186 Loretto - Social - 80 DC - Social - 122 WLHP - Social - 38, DGHP - Social - 52 Lowther - MMR - 84 Group - 582	WH Glasgow - Social - 27, MMR - 43 DC - Mixed - 256 WLHP - Mixed - 81 DGHP – Social - 349 Lowther - MMR - 59 Group - 815	WH Glasgow - Social - 100, MMR - 112 Loretto - Social - 40 DC - Social - 57, Mixed - 142 WLHP - Mixed - 65 DGHP - Social - 384 Lowther - MMR - 70 Bellgrove Hotel - 70 Group – 970 Bellgrove Hotel - 70	Strategic Result	Quarterly
Invest £500m of new public and private finance in new build housing	£93,160,000 (fcast) Target - £125,310,000	Increased reprofiled targets	£127,730,000	£134,795,000	£160,118,000	£108,749,000	Strategic Result	Quarterly
Invest £360 million in improving, modernising and maintaining homes	£110,744,000 YE Target - £91,509,000	Increased reprofiled targets	£73,406,000	£74,744,000	£77,564,000	£77,880,000	Strategic Result	Quarterly
Achieve a 60:40 ratio of planned to reactive repair spending	**Group Actual / Target** 62.3:37.7 / 60:40	No change	60:40	60:40	60:40	60:40	Strategic Result	Quarterly
Reduce the volume of emergency repairs by 10%	**RSL Actual YE / Variance compared to 2019/20** 88,442 (Adding Lowther it increases to 96,629) / +9.3%	Change of baseline year to 2021/22 (and now including Lowther), with new targets proposed on basis of -2.5% pa to achieve -10% in year 5	94,212	91,795	89,378	86,966 <10% fewer emergencies	Strategic Result	Quarterly

<table>
<tr><th>Existing Indicators</th><th>Year 1 (Q3 WHG Board Report where available and unless stated)</th><th>Update</th><th>Year 2 (2022/23)</th><th>Year 3 (2023/24)</th><th>Year 4 (2024/25)</th><th>Year 5 (2025/26)</th><th>Measure type</th><th>Board Reporting Frequency</th></tr>
<tr><td>Reduce the output of CO2 emissions from our homes by at least 4,000 tonnes per year</td><td>C02 emissions from our homes estimated at 200,000 tonnes (based on investment and using government guidance).</td><td>No change</td><td>-8,000</td><td>-12,000</td><td>-16,000</td><td>-20,000</td><td>Strategic Result</td><td>Annually</td></tr>
<tr><td>Reduce our corporate carbon footprint to carbon neutral by 2026</td><td>CO2 emissions from our corporate estate estimated at 2,000 tonnes using Planet Mark assessment. Validated baseline due Summer 2022.</td><td>No change</td><td>75% of baseline (c1,500)</td><td>50% of baseline (c1,000)</td><td>25% of baseline (c500)</td><td>0</td><td>Strategic Result</td><td>Annually</td></tr>
<tr><td>Percentage of customers who have had repairs or maintenance carried out in last 12 months satisfied with the repairs and maintenance service (ARC)</td><td>New survey approach to be developed and implemented, however, ~88% in 2021/22 (Target 87%).</td><td>Reprofiled targets to 95% in Year 5:
Year 2 - 89%
Year 3 - 91%
Year 4 - 93%
Year 5 - 95%</td><td>89%</td><td>91%</td><td>93%</td><td>95%</td><td>KPI Customer Value</td><td>Quarterly</td></tr>
<tr><td>Percentage of reactive repairs carried out in last year completed right first time (ARC)</td><td><table><tr><th>RSL</th><th>Actual</th><th>Target</th></tr><tr><td>WH Glasgow</td><td>92.54%</td><td>97%</td></tr><tr><td>Loretto</td><td>97.10%</td><td>97%</td></tr><tr><td>Dunedin Canmore</td><td>94.28%</td><td>95%</td></tr><tr><td>WLHP</td><td>94.25%</td><td>95%</td></tr><tr><td>DGHP</td><td>82.65%</td><td>92%</td></tr><tr><td>Group</td><td>91.19%</td><td>95%</td></tr></table></td><td>WH Glasgow targets reset from 97% to 92%, 93% and 95% in Year 2-5.

DGHP reset from 92% to 88% in Year 2.</td><td>DC - 95%
DGHP - 88%
WH Glasgow - 92%
Loretto - 97%
WLHP - 95%
Lowther - 95%</td><td>DC - 95%
DGHP - 92%
WH Glasgow - 93%
Loretto - 97%
WLHP - 95%
Lowther - 95%</td><td>DC - 95%
DGHP - 92%
WH Glasgow - 95%
Loretto - 97%
WLHP - 95%
Lowther - 95%</td><td>DC - 95%
DGHP - 92%
WH Glasgow - 97%
Loretto - 97%
WLHP - 95%
Lowther - 95%</td><td>KPI Business Value</td><td>Quarterly</td></tr>
<tr><td>Average length of time taken to complete emergency repairs (ARC)</td><td><table><tr><th>Group RSL Actual</th><th>Target</th></tr><tr><td>2.95</td><td>3</td></tr></table></td><td>No change to RSL target</td><td>3</td><td>3</td><td>3</td><td>3</td><td>KPI Business Value</td><td>Quarterly</td></tr>
<tr><td>Average length of time taken to complete non- emergency repairs (ARC)</td><td><table><tr><th>Group RSL Actual</th><th>Target</th></tr><tr><td>7.86</td><td>5.5</td></tr></table></td><td>No change to RSL target</td><td>5.5</td><td>5.5</td><td>5.5</td><td>5.5</td><td>KPI Business Value</td><td>Quarterly</td></tr>
</table>

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Number of times during the reporting year we did not meet our statutory obligations to complete a gas safety check within 12 months of a gas appliance being fitted or its last check (ARC)	0	No change	0	0	0	0	KPI Compliance	Quarterly
The average time to complete medical adaptations (ARC)	**Group RSL Actual** 47.94 **Target** 35	Group target reset from 25 to 35 days in Year 2 on the basis of high demand for major adaptations	35	25	25	25	KPI Compliance	Quarterly
Number of RIDDOR reported	**Group Actual** 6 **Target** 22	WH Glasgow target reset from 4 to 2 for Years 2 - 5	Wheatley 360 - 10 Wheatley Solutions - 0 DGHP - 3 WH Glasgow – 2 WLHP - 0 Loretto - 0 DC - 3 Lowther - 0 Wheatley Foundation - 0 Wheatley Care - 2	Wheatley 360 - 10 Wheatley Solutions - 0 DGHP - 3 WH Glasgow – 2 WLHP - 0 Loretto - 0 DC - 3 Lowther - 0 Wheatley Foundation - 0 Wheatley Care - 2	Wheatley 360 - 10 Wheatley Solutions - 0 DGHP - 3 WH Glasgow – 2 WLHP - 0 Loretto - 0 DC - 3 Lowther - 0 Wheatley Foundation - 0 Wheatley Care - 2	Wheatley 360 - 10 Wheatley Solutions - 0 DGHP - 3 WH Glasgow – 2 WLHP - 0 Loretto - 0 DC - 3 Lowther - 0 Wheatley Foundation - 0 Wheatley Care - 2	KPI Compliance	Quarterly
Number of Health and Safety Executive or local authority environmental team interventions	0	No change	0	0	0	0	KPI Compliance	Quarterly
Number of new employee liability claims received	1	No change	0	0	0	0	KPI Compliance	Quarterly
Number of open employee liability claims	9	No change	Contextual	Contextual	Contextual	Contextual	KPI Compliance	Quarterly
Number of days lost due to work related accidents	178	No change	Contextual	Contextual	Contextual	Contextual	KPI Compliance	Quarterly
Number of accidental fires in workplace.	1	No change	0	0	0	0	KPI Compliance	Quarterly

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Achieve 95% customer satisfaction with their new build home	Linked to Rant and Rave development and implementation				95%	Strategic Result	Quarterly
Maintain existing tenant satisfaction with the quality of their home at over 90% (ARC)	New, Independent, Annual Satisfaction Surveys will now be developed 2022/23 and reported 2023/24	Survey implemented	Updated baseline established	Target to be agreed following baseline	>90%	Strategic Result	Annually

New Indicators	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Average new build CO_2 output no greater than 1.8t	New build CO_2 estimated at average 1.8 tonnes per year	1.8t	1.8t	1.8t	1.8t	KPI Other	Annually
Increase the % of stock at EPC ‘B’ to 30%	14%	16%	19%	24%	30%	KPI Other	Annually

3. Changing Lives and Communities

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Percentage of lets to homeless applicants (ARC)	Group - 54.2%	No change	Contextual	Contextual	Contextual	Contextual	Strategic Result	Quarterly
Percentage of relevant lets to homeless applicants	**Group RSL Actual** 57.1% **Target** 56%	Glasgow City Council reduced Wheatley Homes Glasgow target from 65% to 60% mid 2021/22	DC - 50% DGHP - 45% WH Glasgow - 60% Loretto - 50% WLHP - 50% Group – 56%	DC - 50% DGHP - 45% WH Glasgow - 60% Loretto - 50% WLHP - 50%	DC - 50% DGHP - 45% WH Glasgow - 60% Loretto - 50% WLHP - 50%	DC - 50% DGHP - 45% WH Glasgow - 60% Loretto - 50% WLHP - 50%	Strategic Result	Quarterly
House an estimated 10,000 homeless people or households over 5 years	**Group RSL Actual** 1,977 **Annual Target** 2,000	No change	4,000	6,000	8,000	10,000	Strategic Result	Quarterly
Over 70% of our customers live in neighbourhoods categorised as peaceful	**Group RSL Actual** 68.3% **Annual Target** 68%	No change	68.5%	69.0%	69.5%	>70%	Strategic Result	Quarterly
Reduce the number of accidental dwelling fires by 10%	**Group RSL Actual** 133 **Annual Upper limit** 210	No change	4% reduction from baseline figure (Upper limit: 205)	6% reduction from baseline figure (Upper limit: 200)	8% reduction from baseline figure (Upper limit: 195)	10% reduction from baseline figure (Upper limit: 193)	Strategic Result	Quarterly
100% of applicable properties have a fire risk assessment	100%	No change	100%	100%	100%	100%	Strategic Result	Quarterly
4,000 jobs and training and apprenticeship opportunities delivered	**Group Actual** 624 **Annual Target** 700	No change	750	850	850	850	Strategic Result	Quarterly
250 customers have been supported to attend higher education and university through Wheatley bursaries	Annual Target - 50	No change	100	150	200	250	Strategic Result	Annually
10,000 vulnerable children benefit from targeted Foundation programmes	**Group Actual** 2,128 **Annual Target** 1,400	Targets reset for Years 2 – 5 in line with anticipated funding	1,200	2,250	2,400	2,150	Strategic Result	Annually

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
60% of tenants with online accounts are using the My Savings rewards gateway	11.8% (Target 20%)	Strategic result changed from 60% to 15%, with increases Years 2 to 5.	12%	13%	14%	15%	Strategic Result	Annually
90% of Care services are graded 5 or above	**Wheatley Care Actual** 68.18% **Target** 90%	No change	90%	90%	90%	90%	Strategic Result	Quarterly
% ASB cases resolved (ARC)	**Group RSL Actual** 96.43% **Annual Target** 98%	No change	98%	98%	98%	98%	KPi Business Value	Quarterly

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Achieve 85% satisfaction with Wheatley Environmental Services	Linked to Rant and Rave development and implementation				85%	Strategic Result	Quarterly
Reduce the cost of running a home by 10% by 2026	To be revisited with Board during Strategy refresh process 2022					Strategic Result	Annually

4. Developing Our Shared Capacity

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Staff absence for all parts of the business, excluding Care, is maintained at 3%	4.10%	No change	3.0%	3.0%	3.0%	3.0%	Strategic Result	Quarterly
Staff absence within Care is maintained at 5%	6.91%	No change	5.0%	5.0%	5.0%	5.0%	Strategic Result	Quarterly
Staff voluntary turnover (i.e. resignations) remains at less than 7%	Target – 7%	No change	7%	7%	7%	7%	Strategic Result	Annually
250 young people are provided with structured opportunities to build their skills within the business	Full year actual – 55 Target – 35	Year 2 target reset from 50 to 30, reflects planned recruitment in Year 2 and exceeding target in Year 1.	30	55	55	55	Strategic Result	Annually
50 graduates are provided with opportunities to work and gain experience in our sectors	Target – 25	No change	50	51	51	51	Strategic Result	Annually
40% of promoted posts are filled with internal candidates	Target – 40%	No change	40%	40%	40%	40%	Strategic Result	Annually

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Over 90% of staff say they feel appreciated for the work they do	Timeline for IiP survey to be confirmed	82.0%	85.0%	88.0%	>90%	Strategic Result	Annually
Over 80% of customers self-report positive distance travelled towards 'self-reliance'	Methodology developed and agreed with Fraser of Allander Institute 2021/22	Implement approach	Establish new baseline	Target to be set following baseline	>80%	Strategic Result	Annually

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Our workforce's demographic makeup more closely resembles that of the communities in which we operate	Linked to Governance programme stream	Indicator development and staff and tenant surveys undertaken to collect protected characteristics	Indicator and baseline introduced	Target to be set 2023/24 following baseline	Target to be set 2023/24 following baseline	Strategic Result	Annually

New Indicators	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Number of vacancies across Group and Subsidiary Boards	Added to ensure visibility of monitoring and reporting	Contextual – report actual figure	Contextual – report actual figure	Contextual – report actual figure	Contextual – report actual figure	KPI Compliance	Quarterly
Attendance levels across Group and Subsidiary Boards	Added to ensure visibility of monitoring and reporting	Contextual – report actual figure	Contextual – report actual figure	Contextual – report actual figure	Contextual – report actual figure	KPI Compliance	Quarterly
Instances where Board reports are not issued 7 days in advance of Group and Subsidiary Boards	Added to ensure visibility of monitoring and reporting	5%	5%	5%	5%	KPI Compliance	Quarterly

5. Enabling Our Ambitions

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Limit annual RSL rent increases (previously specified to 2.9%) throughout the life of the strategy	Rent increases applied for 2021/22: DGHP 2% All other RSLs were less than 2.9%	Year 2 rent increase for all RSLs (except DGHP) is less than 2.9%. DGHP remains at 2%. Due to current economic conditions, rent increases will need to be updated annually with BP.	Rent increases applied for 2022/23: WH Glasgow – 1.9% Loretto – 1.9% DGHP – 2.0% Dunedin Canmore – 1.9% WLHP – 1.9% Former Cube – 1% Former Barony – 2%				Strategic Result	Annually
Maintain a strong investment grade rating of A+ stable	A+ Stable	No change	A+ Stable	A+ Stable	A+ Stable	A+ Stable	Strategic Result	Annually
Reduce gross rent arrears to 4.5% (previously 4%) (ARC)	**Group RSL YE Draft**: 4.8% **Target**: 5.03%	Recognising challenging economic climate, strategic result proposed as changing to 4.5%. Reprofiled Year 2 to 5 targets.	5.67%	5.43%	5.04%	4.5%	Strategic Result	Quarterly
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
£15 million generated in Gift Aid to Wheatley Foundation and reinvested in communities	Target - £3m	No change	£6m	£9m	£12m	£15m	Strategic Result	Annually
Average days to let a home maintained at less than 14 days (ARC)	**Group RSL Actual**: 20.62 **Annual Target**: 19.5	Group and RSL target re-set from <14 to 16 days in Year 2. Ongoing issues from pandemic.	DC - 16 DGHP - 16 WH Glasgow - 16 Loretto - 16 WLHP - 16	DC - <14 DGHP - <14 WH Glasgow - <14 Loretto - <14 WLHP - <14	DC - <14 DGHP - <14 WH Glasgow - <14 Loretto - <14 WLHP - <14	DC - <14 DGHP - <14 WH Glasgow - <14 Loretto - <14 WLHP - <14	Strategic Result	Quarterly

Existing Indicators	Year 1 (Q3 WHG Board Report where available and unless stated)	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Achieve targets across the 7 domains of our digital maturity assessment	Baseline: Strategy - 2 People - 2 Platform - 1 Delivery - 1 Innovation - 1 Customer - 2 Data - 1	Baseline established and targets set	Strategy - 3 People - 3 Platform - 2 Delivery - 2 Innovation - 2 Customer - 2 Data - 2	Strategy - 3 People - 3 Platform - 3 Delivery - 2 Innovation - 3 Customer - 3 Data - 3	Strategy - 4 People - 3 Platform - 3 Delivery - 3 Innovation - 3 Customer - 4 Data - 3	Strategy - 4 People - 4 Platform - 4 Delivery - 3 Innovation - 4 Customer - 4 Data - 4	Strategic Result	Annually
Percentage of lettable homes that became vacant (turnover) (ARC)	**Group RSL Actual** / **Annual Target** 8.2% / 8%	No change	DC - 7.3% DGHP - 8.0% WH Glasgow - 8.0% Loretto - 8.0% WLHP - 5.6%	DC - 7.3% DGHP - 8.0% WH Glasgow - 8.0% Loretto - 8.0% WLHP - 5.6%	DC - 7.3% DGHP - 8.0% WH Glasgow - 8.0% Loretto - 8.0% WLHP - 5.6%	DC - 7.3% DGHP - 8.0% WH Glasgow - 8.0% Loretto - 8.0% WLHP - 5.6%	KPi Business Value	Quarterly
Percentage of court actions initiated which resulted in eviction (ARC)	**Group RSL Actual** / **Annual Target** 72.22% / 25%	No change	WH Glasgow - 25% WLHP - 33% Loretto - 25% Dunedin Canmore - 33% DGHP - 25%	WH Glasgow - 25% WLHP - 33% Loretto - 25% Dunedin Canmore - 33% DGHP - 25%	WH Glasgow - 25% WLHP - 33% Loretto - 25% Dunedin Canmore - 33% DGHP - 25%	WH Glasgow - 25% WLHP - 33% Loretto - 25% Dunedin Canmore - 33% DGHP - 25%	KPI Other	Quarterly
100% of Care services at financial break even after management fees	**Wheatley Care Actual** / **Target** 97% / 80%	Reprofiled to achieve 100% by year 5. Can fluctuate based on changes in care services.	90%	92%	96%	100%	Strategic Result	Quarterly
Proportion of Care services breaking even (before management fee)	**Wheatley Care Actual** / **Target** 100% / 96%	No change	98%	100%	100%	100%	Strategic Result	Quarterly
Number of services in deficit for more than two years	0	No change	0	0	0	0	KPI Business Value	Quarterly

Baseline Indicators	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
Over 50% of customers actively using their online account to make transactions with us	Analytics to establish comprehensive view of the usage of our online offering is underway	Baseline established and target to follow	Target agreed following baseline	Target agreed following baseline	>50%	Strategic Result	Quarterly
Achieve management costs per unit that remain in the lowest quartile among an independently selected UK and international benchmarking group	Housemark are now mapping and validating data for 2020/21.	Management costs in lowest quartile	Management costs in lowest quartile	Management costs in lowest quartile	Management costs in lowest quartile	Strategic Result	Annually

New Indicators	Update	Year 2 (2022/23)	Year 3 (2023/34)	Year 4 (2024/25)	Year 5 (2025/26)	Measure type	Board Reporting Frequency
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

Appendix 3

Alignment of Delivery Plan Programme Streams and Projects with Measures 2022/23

Strategic Theme	Programme Stream	Project	Strategic Results
Delivering Exceptional Customer Experience	*Repairs*	▪ Improve Customer Contact & Communications ▪ Develop IT & Systems ▪ Service & process redesign ▪ Meet the needs of owners	Implement "rate it" score from the book it, track it, rate it repairs approach and aim to improve performance by 10% Achieve a 60:40 ratio of planned to reactive repairs. Reduce the volume of emergency repairs by 10%. Net promoter score for Lowther increased to 60
	CFC	▪ CFC interim review ▪ CFC 1 year evaluations ▪ RSL Digital Services Model	Overall customer satisfaction is above 90% Satisfaction with complaint handling increased by 10% Various customer perception Strategic Results Over 50% of customers actively use their online account to make transactions with us
	Engagement	▪ Wheatley Whole Family approach ▪ Engagement Framework – Phase 2 ▪ Customer data collection exercise	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 Achieve 95% customer satisfaction with their new build home Satisfaction with the process of getting my new home is improved by 10%
Making the Most of our Homes & Assets	*Assets & Sustainability*	▪ Corporate Estate ▪ Strategic Sustainability Framework ▪ Asset Strategy for Glasgow ▪ Wyndford Regeneration ▪ [redacted] ▪	Reduce our corporate carbon footprint to carbon neutral by 2026 Reduce the output of CO_2 emissions from our homes by at least 4,000 tonnes per year Develop 4,000 (previously 5,500) new homes across all tenures Invest £500m of new public and private finance in new build housing Invest £360m in improving, modernising and maintaining homes Maintain existing tenant satisfaction with the quality of their home at over 90%
Developing our Shared Capability / Enabling our Ambitions	*Governance*	▪ Strategic Governance Review ▪ Equality, Diversity & Inclusion ▪ Updated Strategic Agreement with GCC ▪ Strategic Agreement with DGC	Limit annual RSL rent increases (previously to 2.9%) throughout the life of the strategy Achieve management costs per unit that remain in the lowest quartile among an independently selected UK and international benchmarking group Our workforce's demographic makeup more closely resembles that of the communities in which we operate

Report

To:	**Wheatley Housing Group Board**
By:	**Steven Henderson, Group Director of Finance**
Approved by:	**Martin Armstrong, Group Chief Executive**
Subject:	**Customer First Centre Update and Initial Review**
Date of Meeting:	**27 April 2022**

1. Purpose

1.1 This report provides the Board with an update on the establishment of our Customer First Centre ("CFC") since its internal launch on 1 December 2021 and detail on the initial stages of its first review.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework, the Group Board is responsible for considering matters of strategic significance and for monitoring operational performance and implementing the Board's strategy. The nature and performance of our CFC, given its importance to customers and our business, is a strategic matter.

2.2 Our Group strategy, *'Your Home, Your Community, Your Future'* recognises the delivery of exceptional customer experience and progressing from excellent to outstanding service as stated themes and objectives, and the CFC is a key part of our vision for realising this.

3. Background

3.1 Our commitment to exceptional customer experience is a key theme in our strategy. Our strategy is very clear that:

"Providing exceptional customer experience is, and always will be, at the heart of everything we do. Our customers deserve the very best and through the life of this strategy, this is what we will deliver".

3.2 At the forefront of our customer experience transformation is our new CFC which, when launched on 1 December 2021, marked one of the single biggest changes to our service model in the 10-year life of Wheatley. Now into only its fifth month of operating, at the time of writing this report, we have now officially launched the service to customers and, in doing so, met the commitments we promised in our recent consultation – *'Our new future – bringing it home to you'.*

3.3 Still in its infancy, our early results are positive and are detailed in this wider report. However, we are clear that evolution and development of our CFC model is imperative as we aim to continually meet the ever-changing needs of our customers and aim to build on our early success.

3.4 To support this, we have engaged Ennovate Consulting to work with us to look at the future phases of evolution for our CFC model. This report will share some of the initial areas of focus for this review and some early results.

4. Discussion

Early results of our Customer First Centre

4.1 The CFC launched its new service on Wednesday 1 December. As previously reported, this was a ‘soft’ launch internally within the Group. This initial period afforded us the opportunity to test the robustness and effectiveness of our new systems and practices ahead of our formal launch of the service on 1 April 2022 in line with the wider launch of Wheatley Homes Glasgow.

4.2 As noted previously, we have developed a suite of performance measures to assess the effectiveness of the new CFC model. A number of these have been incorporated into our wider Performance Management Framework which is covered in a separate paper. These measures will be continually reviewed and monitored as the CFC model develops to ensure that these remain current and comparable with other sectors.

4.3 Given the size and scale of change that the CFC model represents, our new measures are ambitious and reflect our want to deliver outstanding services to our customers and, importantly, a service that provides choice and which is underpinned by some key important principles; personalisation, ownership, commitment, customer-centric behaviour and digitalisation.

4.4 Our new measures have also seen the introduction of intricate day-to-day, real time reporting and a move away from average calculations to measures based on daily actuals across a number of time intervals.

4.5 The points below provide some of our early key highlights from our March reporting:

- We answered 85.42% of calls within 30 seconds against a target of 80%;
- Call abandonment levels were 3.82% against a target of 7%;
- Our first contact resolution exceeded 92% against a target of 90% - a combined effort across our Customer Service Advisors and Specialist Teams;
- We are taking on average 3.74 days to resolve any cases not resolved at the first point of contact, against a target of 5 days; and
- Our overall average wait time for customers was 30 seconds.

4.6 The CFC is also providing a solid foundation for us to build the great repairs service we have outlined in our strategy and Repairs Transformation Programme. Our new reporting framework shows us that our CFC is raising approximately 82% of our repairs across Group and is working towards being our core point of contact for all customer repair enquiries as we move forward.

4.7 Critical to this is the work that is currently underway to deliver some ‘quick wins’, notably:

- opening up of appointments to show full capacity which will enable our CFC staff to appoint more repairs at the first point of contact and provide customers with appointment choice to meet their personal circumstances;
- development of a centralised Repairs Team within the CFC and City Building Glasgow (“CBG”) to improve communication and increase our ability to resolve complex customer enquiries;
- a proactive approach to emergency jobs that result in no access in order to ensure that our customers and homes are protected;
- a full refresh of customer messaging and communication, driven by our CFC, to reduce repeat contact and provide customers with regular updates on their repairs; and
- a new approach that will see our CFC take full ownership over cancelled lines and the customer communication and experience surrounding these.

4.8 As well as the quick wins, the CFC is supporting the work that is underway to reduce the current level of live repairs jobs from around 9,500 to under 5,000 over the next 12 weeks. The CFC are focusing on:

- contacting all customers twice and issuing letters to customers prior to any lines being closed as a result of a no access;
- supporting SMS messaging to customers to remind and update on appointments and inspections; and
- carrying out a sample of outbound customer calls to gather customer satisfaction levels across completed repairs.

4.9 In addition to the performance measures and progress being made on repairs outlined above, we are continuing to receive feedback from customers and staff across Group. The feedback provided has praised the professionalism of staff, customers have noted a positive experience when calling and our staff have noted a reduction in customer case creation which is supporting them to spend more time in our communities.

<u>Our initial review of our CFC</u>

4.10 We engaged Ennovate Consulting (‘Ennovate’) to work with us to carry out an interim review of the CFC operating model. Ennovate have assigned Derek Stalley who has over 20 years of strategic and operational experience working with Sky in the UK and Ireland to work with us.

4.11 The initial review confirmed what our performance data has been indicating, that the CFC is performing in line with expectations and that the customer experience has improved. The review confirmed that overall the CFC is operating well at this stage, but as the Board have previously discussed it will require a longer period to evaluate it more fully.

4.12 The Board have previously recognised the CFC will evolve as we better understand how customers draw down its services. As part of the review we agreed where we can work with Ennovate to continuously improve the CFC based on our experience to date, including:

- a review of resource capacity and early demand analysis across all channels;
- further development of quality operational performance data to support service delivery and evidencing of quality outputs;
- a review of staff coaching, training and ongoing development;
- the utilisation of CRM-based knowledge articles to support first contact resolution and quality outcomes;
- a review of customer driven outcomes to support quality measures and first contact resolution measures; and
- a review of repeat contact to establish key areas for improvement and areas where waste can be reduced.

4.13 Work is underway with Ennovate to develop a planned approach to the above and to identify a number of 'quick-wins'. One key quick win will be the establishment of our centralised Repairs Team within the CFC to support the wider repairs ambitions outlined above. It is intended that this will be implemented on a phased and planned approach to minimise the impact on the wider CFC performance and ensure that we drive learning from our early approach. It is envisaged that this team will quickly progress to a full Specialist Repairs Team in line with the wider Transformation Plan.

4.14 As noted above, the engagement with Ennovate is in its early stages but we will provide a further update to the Board on the progress made and core findings at the next meeting.

5. Customer Engagement

5.1 The evolution and development of our CFC model is dependent on the feedback from our customers and staff on usability and customer experience.

5.2 Developing the customer voice so actual experience helps shape the CFC, is a key priority and we are working to develop real-time customer feedback which will enable us to obtain instant feedback from customers on their experience of using the CFC. This will provide us with feedback that enables us to continually develop and enhance our CFC offering and, alongside new customer quality measures, enable us to show a full view of the customer experience and effort points.

6. Environmental and sustainability implications

6.1 There are no direct environmental or sustainability implications arising from this report. By increasing the number of customers contacting us via the CFC this has supported the reduction of the need for an office infrastructure, which is part of our wider reduction of our carbon footprint.

7. Digital transformation alignment

7.1 Our Group strategy sets a clear direction and is underpinned by digital transformation. The CFC is incorporated across multiple core work streams outlined in our digital strategy. As noted previously, it is critical to align IT work with the aims and ambitions of the new CFC model.

8. Financial and value for money implications

8.1 The CFC is expected to provide services that meet customer need and which provide value for money, whilst also driving innovation and improvement across core processes and reducing waste in order to provide increased business value.

9. Legal, regulatory and charitable implications

9.1 There are no specific legal implications as a result of what is discussed in this paper.

10. Risk Appetite and assessment

10.1 The Group's 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).

10.2 The plans set out for our CFC are ambitious and will require close management, as planned through the Executive level scrutiny, to ensure progress is continually delivered as planned and in line with customer and business need.

11. Equalities implications

11.1 There are no equalities implications associated directly with this report.

12. Key issues and conclusions

12.1 Early performance of the CFC model has been very positive and sustaining this will be critical to building on its initial success. Our initial review, alongside Ennovate, will allow us to evidence our progress to date and to build an action plan which will support delivery on the future phases of our CFC model as we continue to shape and develop it to meet customer need. This will also be supported through the delivery of our strategic projects for 2022-23 which further support the onward evolution of our CFC model.

12.2 The CFC model will continue to receive Executive level scrutiny and this Board will be kept informed through regular updates at its meetings.

13. Recommendations

13.1 The Board is asked to note progress to date on our new CFC model and agree to receive updates on progress at subsequent meetings.

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Update on Engagement Framework

Date of Meeting: 27 April 2022

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1. Purpose

1.1 This report provides the Board with an update on the implementation of the Group engagement framework "Stronger Voices, Stronger Communities".

2. Authorising and strategic context

2.1 The Group engagement framework is a key theme of our 2021-26 strategy and has been subject to discussion and approval prior to its implementation by the Group and partner organisation Boards. However, given its importance as a strategic theme, we are providing all Boards with an update during the April/May Board cycle.

3. Background

3.1 The "Stronger Voices, Stronger Communities" engagement framework was approved by Board in December 2020. It sets out 4 pillars of engagement

- We Listen
- We Co-create
- We Give Power
- We Support

3.2 Board also approved a strategic project to implement the engagement framework as part of the 2021/22 delivery plan. The key milestones were:

- Setting up the Stronger Voices team
- Developing the Customer Voice engagement plan for 2021/22
- Recruiting the first 100 Customer Voices
- Exploring the feasibility of a Wheatley Community App

These have been completed and reported to Board as part of the quarterly Strategic Delivery Plan update.

3.3 During 2021 there were discussions at RSL Boards on engagement and RSL Boards consulted with their customers towards the end of 2021 on the new operating model and the new way of engaging. There was a very high level of support from customers on the proposals – over 89% across Group. In relation to engagement, each RSL Board set out the following commitments to customers.

Table 1 - Customer commitments

RSL	Commitment
Dunedin Canmore	Recruit 200 Customer Voices
	£2.1m over 5 years identified for customer investment priorities
	150 customers involved in scrutiny, environmental inspection, and focus groups
DGHP	Recruit 250 Customer Voices
	£3.7m over 5 years identified for customer investment priorities
	150 customers involved in region-wide panels on scrutiny, environmental inspection and community safety
Loretto	Recruit 50 Customer Voices
	£1.1m over 5 years identified for customer investment priorities
	25 customers involved in scrutiny, environmental inspection, and focus groups
Wheatley Homes Glasgow	Recruit 1,000 Customer Voices
	£5m over 5 years identified for customer investment priorities
	£200k in 2022/23 identified for community projects
	3 city-wide engagement events held per year
	300-400 Customer Voices engaged in local focus groups and estate walkabouts
	100 Customer Voices engaged in scrutiny and assessment
WLHP	Recruit 50 Customer Voices
	£179k over 5 years identified for customer investment priorities
	30 customers involved in scrutiny, environmental inspection, and focus groups

3.4 The results of the consultation were reported back to RSL customers at the end of January 2022 together with the launch of the Customer First Centre and an invitation to sign up with their RSL landlord as a Customer Voice.

4. Discussion

Customer Voice recruitment

4.1 The following table shows the progress the RSLs are making in terms of recruiting Customer Voices as at 31 March 2022. Progress towards the commitment will be reported to the Board as part of the overall quarterly performance update.

Table 2 – Customer Voices

RSL	Customer Voices recruited	Commitment by March 2023
Dunedin Canmore	97	200
DGHP	116	250
Loretto	30	50
Wheatley Homes Glasgow	204	1,000
WLHP	30	50
Total	477	1,550

4.2 Part of the process of recruitment has been involving customers in local RSL activities and then encouraging them to sign up to the Customer Voice programme. The following are a sample of local engagement activities in each RSL and Wheatley Care during 2021/22. In addition each RSL involved customers in focus groups during November 2021 to discuss the rent increase and their service priorities.

Table 3 – Sample of RSL and Care engagement activity 2021/22

RSL	Activity
Dunedin Canmore	You Choose Challenge – 62 residents of Burndale Place, South Edinburgh submitted ideas for their community and subsequently voted for storage units to be installed in their communal area
	160 customers were involved in neighbourhood walkabouts over the year
DGHP	You Choose Challenge – 12 residents (100%) of Sanquhar, Old School Development submitted ideas and subsequently voted for benches and additional lighting to be installed in their area
	475 customers were involved in neighbourhood walkabouts/events/community safety and other activities during the year
Loretto	You Choose Challenge – 46 residents of Westcliff and Talisman Avenue submitted ideas and a customer panel is reviewing those in order to create options for a community vote
	30 customers were involved in neighbourhood walkabouts over the year

Wheatley Homes Glasgow	You Choose Challenge – 49 customers at Milton/Scaraway, North Glasgow have submitted ideas for improving their community and the winner will be chosen by a community vote
	Residents of Wyndford have been engaged in community consultation with 85% backing the regeneration plans
WLHP	You Choose Challenge – residents of new build development at Barracks View, Whitburn submitted ideas and subsequently voted for a community garden in their area
	47 customers were involved in neighbourhood walkabouts over the year
Wheatley Care	220 new referrals to Knightswood Connects project aimed at reducing isolation and loneliness in people over 50 in the Knightswood area of Glasgow
	Intergenerational Tree Planting event with a Memorial Bench installed (bespoke design chosen by older people) in Knightswood, Glasgow
	20 young people participated in Ensemble project, writing songs with professional musicians. Ensemble won AIM Independent Music Awards "Local Hero Award".

Customer Voice Investment Projects

4.3 Across the Group, £1.54m has been ringfenced within the capital investment programme for Customer Voice investment projects. These are projects where the investment planning is not driven by compliance or life-cycle considerations, but by customer choice. They include environmental or painting projects, and upgrades in common closes or back courts.

4.4 Requests from customers for these projects will generally be identified through the planned neighbourhood walkabouts and/or customer conversations which take place between Housing Officers and customers on their patch. Further consultation is then carried out by the patch Housing Officer and the Investment Officer, generally in the form of a survey, to ensure that all customers in the relevant locality have an opportunity to influence the project and have their say. In some cases a collaborative approach with the local authority or other agency may be the most appropriate route to delivery, for example with projects such as CCTV, dog fouling issues, or maintenance of land not in the ownership of Wheatley. Local Customer Voice newsletters are used to provide feedback and progress on projects.

Embedding the Customer Voice in our strategic delivery plan

4.5 One of the commitments within the engagement framework was that we would ensure that customer engagement would be a key milestone in at least 50% of our strategic projects. Table 4 outlines the Board projects from our strategic delivery plan for 2022/23 which include customer engagement. The details and results from the customer engagement will be reported to the Board as part of the quarterly Strategic Delivery Plan update throughout the year. There are also a range of Executive level projects which will also incorporate customer engagement.

Table 4 – Customer engagement in the Board strategic delivery plan

Project	Customer Engagement
Repairs – Improve Customer Contact and Communications	Co-create web self-service roadmap with customers
Repairs – meeting the needs of owners	Consult with owners to define & agree reshaped owner repairs service delivery model
CFC evaluation	Seek views of customers on the operation of the CFC service
RSL digital services model	Undertake themed discussions on digital services with customer focus groups
Wheatley Whole Family Approach	Customer research including focus groups, and co-creation activity with Customer Voices to create the approach
Engagement Framework	Co-create learning and development package with Customer Voices Customer Voices design Stronger Voices conference
Customer data collection exercise/ Equality, Diversity and Inclusion	Engagement with all customers as part of the data collection exercise
Asset Strategy for Glasgow	Engagement with customers on regeneration and investment proposals (Y1/Y2)
Wyndford regeneration	Co-create investment plans with customers
[redacted]	[redacted]
Strategic Governance Review	Formal consultation and ballot with WLHP tenants
Review of Group Allocations Policy	Undertake customer consultation

4.6 The customer engagement set out in the table above forms the annual Group Customer Engagement Plan. Each customer-facing subsidiary also has their own Engagement Plan, which includes local activities and the opportunity for their Customer Voices to engage in the group-wide Engagement Plan. These subsidiary Engagement Plans will be approved by the subsidiary Boards in May, in tandem with their strategic delivery plan and performance targets.

<u>Customer Voices and Boards</u>

4.7 In addition to the Board receiving customer insight within the strategic delivery plan, it is proposed that from the start of the new governance year in the autumn a small number of Customer Voices are invited to attend at the start of one in three Board meetings. This will heighten the visibility of customer views and priorities for Board members and ensure that Board members have direct exposure to the customer voice. It is proposed that this be the case not only at Wheatley Board but also at the customer-facing subsidiary boards. Customer Voices will be supported by the Tenant Participatory Advisory Service (TPAS) as required to be able to participate in this and make their views heard.

4.8 Customer Voices will be also invited to attend a governance event once a year in order that the Board may hear directly from customers regarding their experience of services and participation in service design. Board members will be invited to attend the annual Customer Voices conference.

Tenant Participation Advisory Service (TPAS)

4.9 We are developing a service level agreement with TPAS in order to further support our engagement with customers and provide an element of independent customer support within our engagement framework. We envisage that TPAS will:

- Act as independent tenant advisor in the WLHP consultation and ballot this year
- Support the learning and development programme for Customer Voices
- Assist Customer Voices who are attending Board meetings (as at para 4.7)
- Assist Customer Voices to design the annual Stronger Voices conference
- Support the recruitment of Customer Voices
- Support customers to challenge effectively through the scrutiny process
- Deliver learning and development sessions for staff
- Support other strategic projects as required

4.10 In terms of supporting the recruitment of Customer Voices, TPAS will be able to bring their expertise in ensuring that we increase not only the number but also the diversity of our customers who sign up to this programme – assisting us in identifying and eliminating any barriers to involvement and in ensuring appropriate support to customers. TPAS will also be able to access other engagement networks which will broaden our reach to customers who may be interested.

4.11 The Annual Return on the Charter measure for RSLs of “Percentage of annual tenants satisfied with the opportunities given to them to participate in their landlord’s decision making processes” will provide the Board with a mechanism to track how our new engagement approach is resonating with tenants.

4.12 In order to raise awareness more widely as to how customer engagement is influencing decision making, we will run regular features on our websites, social media and future digital newsletters. We will also seek to publicise our successes and the benefits of customer engagement more widely such as through trade press features, conferences and political engagements.

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 as set out in this report. We also intend to engage in a partnership with the Tenant Participation Advisory Service (TPAS) to augment our engagement with customers and support customers to challenge our approaches and make their voice heard.

6. Environmental and sustainability implications

6.1 We will further consider how we engage with customers on the development of the Strategic Sustainability Framework.

7. Digital transformation alignment

7.1 This report includes engagement with customers on customer-facing digital transformation projects.

8. Financial and value for money implications

8.1 In 2022/23 £1.54m capital investment budget has been ringfenced for customer-driven investment projects. A further £0.2m has been set aside to support other activities, such as the recruitment of customer voices and delivering the engagement framework.

9. Legal, regulatory and charitable implications

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

10. Risk Appetite and assessment

10.1 Our agreed risk appetite for service delivery innovation is “open”; which means we are prepared to take risk and embrace change in our service delivery models in response to customer feedback.

11. Equalities implications

11.1 There are no equalities implications arising from this report.

12. Key issues and conclusions

12.1 RSLs are making good progress on recruiting Customer Voices in line with the commitments made to their customers in autumn 2021. Collectively they have achieved 30% of the total committed to by March 2023.

12.2 Customer Voices have already been influencing local community investment decisions and taking part in assessing the condition of their local area in accordance with the Keep Scotland Beautiful methodology. £1.54m has been identified within the capital investment budget to support customer priorities in 2022/3.

12.3 The Strategic Delivery Plan for 2022/3 creates the Group-wide engagement plan for 2022/3, with over 50% of the strategic projects involving customer engagement. The insight from this engagement will be reported to Board on a quarterly basis as part of the Strategic Delivery Plan updates.

12.4 The Group Engagement Plan will assist the subsidiary Boards to create their own annual engagement plans which will be supplemented by local activities and priorities. Those will be agreed by the Boards in May.

13. Recommendations

13.1 Board is asked to:

1) note the content of this report and provide any comment;
2) approve that customer insight will be reported quarterly as part of the Strategic Delivery Plan update; and
3) approve that from the beginning of the new governance year Customer Voices will be invited to attend at the start of one in three Board meetings.

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: 27 April 2022

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1. Purpose

1.1 The purpose of this paper is to:

- provide an update on the Group's financial performance for the year to 31 March 2022;
- seek approval for submission of the RSL Borrower Group's management accounts to 31 March 2022 to our bank lenders as part of our usual quarterly covenant returns;
- seek approval of the 2022/23 Group budget;
- seek approval of the 2022/23 City Building (Glasgow) financial projections; and
- seek approval for the submission of Five Year Financial Projections to the Scottish Housing Regulator.

1.2 From 1 April 2022, GHA has traded as Wheatley Homes Glasgow ("WH-Glasgow"), and the past trading performance of GHA through 2021/22 is referred to as Wheatley Homes Glasgow throughout this paper and in Appendices 1 and 2.

2. Authorising and strategic 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 strategic context is of a challenging external environment, with inflation rising rapidly on fuel, utilities and construction materials. The business plan approved by the Board in February set out a range of measures to address these cost pressures while complying with our financial policies, with a further update circulated and approved in March. The key themes and aims of the 2021-26 strategy Your Home, Your Community, Your Future set the context for the preparation of the 2022/23 budget.

3. Background

Financial performance to 31 March 2022

3.1 The results for the period to 31 March as presented in Appendix 1 are summarised below:

	Year to Date (Period 12)		
£k	**Actual**	**Budget**	**Variance**
Turnover	395,488	409,146	(13,658)
Operating expenditure	303,503	300,341	(3,162)
Operating surplus	**91,985**	**108,805**	**(16,820)**
Operating margin	*23.3%*	*26.6%*	
Loss on sale of assets	(12)	-	(12)
Net interest payable	(63,413)	(69,624)	6,211
Surplus	**28,560**	**39,181**	**(10,621)**
Net Capital Expenditure	**183,255**	**185,075**	**1,820**

4. Discussion

Financial performance to 31 March 2022

4.1 The Group is reporting a statutory surplus of £28.6m, £10.6m unfavourable to budget. However, this is caused principally by an unfavourable variance of £16.6m on new build grant income recognition, which is timing in nature. Adverse variances on repairs costs and unbudgeted costs of implementing the Customer First Centre in December have been offset by lower bad debt costs and significant interest savings, in part from the financial restructuring undertaken last March.

4.2 Key variances against budget include:

- Within turnover, grant income recognised is £16.6m lower than budget. A total of 438 new build units (271 social rent and 167 MMR) have been completed in the year compared to 675 budgeted. Completions have been delayed at Watson, Sighthill, South Gilmerton Jarvey Street and Almondvale. The DGHP units at Sanquhar were budgeted for 2021/22 completion but completed early in March 2021.
- Other income is £3.5m favourable to budget; this is principally due to unbudgeted furnished let income in WH-Glasgow and unbudgeted income in DGHP for aids and adaptations. The spend has been reported in running costs and core investment programme spend respectively
- In operating expenditure, total costs are £3.2m unfavourable to budget, driven principally by higher repairs costs.
    - Revenue repairs and maintenance costs of £61.0m are £4.3m higher than budget as the service has met higher demand levels from

customers following the easing of pandemic restrictions and the launch of the new Customer First Centre which is helping customer resolve queries at the first point of contact and making it easier for customers to quickly access repairs services. The acceleration of our Fire Risk Assessment programme in multi-storey flats also contributed c£1.0m in additional repairs costs.

- Staff costs are £0.6m higher than budget primarily due to the additional staff resources put in place in the Customer First Centre through the fourth quarter and to promote our new ways of working.

- Running costs are £0.4m higher than budget. While our new ways of working and the embedding of the hybrid working model for a number of staff have enabled us to make operational cost savings, additional costs are also reported here for unbudgeted furnished lets services which is matched by £0.9m of unbudgeted income.

- Bad debt costs are £2.8m lower than budget. The budget for 2021/22 includes a prudent level of provision for costs associated with an assumed increase in arrears levels related to Universal Credit (UC). At the end of March, there has been a cumulative total of 20,254 customers who have been on UC. We previously expected a total of 24,327 customers cumulatively on UC by the end of 2021/22. Figures are likely to continue to fluctuate as customers move on and off UC and our recent financial projections included a prudent reprofiling of for an increase in the number of customers on UC in 2022/23.

4.3 Interest costs are £6.2m lower than budget, linked to lower net debt levels at the end of the 2020/21 financial year and lower interest costs following the termination of fixed rate loan arrangements in March 2021. No further drawdowns have been made since the £28m final EIB tranche in June 2021.

4.4 Net capital expenditure is £1.8m lower than budget. Within this, new build spend is £28.9m lower which links through to grant income claimed which is £25.2m lower than budget at the end of March. Spend reflects delays in planning approvals and slow progress on sites due to supply issues. Greater spend had been anticipated across a number of WH-Glasgow, DC and WLHP sites including Calton Village, Hurlford Avenue, Sighthill, Sibbalds Brae and Rowanbank. In DGHP faster progress was made at Lincluden in Q4 20/21 which has reduced spend in 2021/22.

4.5 Investment in our existing homes of £110.7m in the year was £4.4m higher than budget. Of this, £2m was offset by additional grant income – £1m for energy efficiency projects and £1m for adaptations, both in DGHP. In the context of the reduction in capital budget in 2022/23 (discussed further at para 4.9) and strong performance on covenants versus business plan assumptions, additional investment in void improvements and heating systems was made in DGHP properties towards the year-end. This accounts for the remainder of the adverse variance to budget but is timing in nature and will be taken into account when the capital programme is reviewed as part of the mid-year update of the business plan in August/September.

Group Budget 2022/23

4.6 At the previous meeting in February 2022 the Board were presented with the revised five-year financial projections and agreed that the 2022/23 figures would form the basis of the 2022/23 annual budget, which is also presented in Appendix 1. This paper provides additional detail and commentary.

4.7 The budget is summarised below and compared against the financial projections.

Group	**Full Year**		
£m	**Actual 2021/22**	**Budget 2022/23**	**Projections 2022/23**
Turnover	395.5	395.7	395.7
Operating expenditure	303.5	323.5	320.9
Operating surplus	**92.0**	**72.2**	**74.8**
Operating margin	*23.3%*	*18.3%*	*18.9%*
Net interest payable	(63.4)	(65.5)	(65.5)
Surplus/(Deficit)	**28.6**	**6.7**	**9.3**
Net Capital Expenditure	**185.3**	**133.9**	**136.5**

4.8 The 2022/23 budget shows an operating surplus of £72.2m, and a statutory surplus of £6.7m, both £2.6m lower than financial projections approved in February 2022. This reduction is in line with the Board paper previously circulated and is in recognition of the continuing challenging economic environment since the Group's financial projections were prepared. Additional amounts have been provided to cover increased insurance costs with renewal terms now finalised in a difficult market. Inflationary pressure has continued to grow in utilities and fuel costs exacerbated by hostilities in the Ukraine and the direct effect Russian sanctions are having on gas and oil costs.

4.9 To mitigate the financial impact of these changes, it was also agreed to rephase £2.6m of the capital programme into 2023/24. Running cost savings of £0.2m have also been identified in Group services running costs in the areas of consultancy, subsistence and printing.

4.10 On repairs costs, we have agreed a 3% increase in repairs schedules of rates with Glasgow City Council and City Building (Glasgow), which provides strong value for money in the context of the current economic and inflationary climate.

4.11 The net operating surplus budgeted of £72.2m compares to actual net operating surplus of £92.0m for 2021/22. This variation is caused by a number of key movements which are either:

- non cash in nature such as the amount of grant income recognised which relates to the profile of new build completions and the increase in the depreciation adjustment; or
- not associated with core trading items such as the receipt of £10m of funding in WH-Glasgow in 2021/22 following settlement of a legal dispute and reported as income and in turn increasing operating surplus. This funding

was invested in our high rise properties during 2021/22 and the expenditure reported through the capital programme.

Key financial metrics – interest cover and debt per unit

4.12 Loan covenants are monitored monthly out-with the required quarterly submission of calculations and Board-approved management accounts of the RSL Borrower Group to funders. All loan covenants with respect to the RSL Borrower Group, WFL2 and DGHP were met as at 31 March 2022. Covenant measures are draft and are subject to final audit.

CBG Financial Projections

4.13 [redacted]

Five Year Financial Projections

4.14 The Five Year Financial Projections is a web based return designed by the Scottish Housing Regulator to collect the financial projections and related information of all RSLs in Scotland in a standard format. The information provided is used to calculate a number of financial ratios and is used by the SHR as part of its annual review of the financial viability of RSLs and in making decisions on the level of engagement. It is also used to allow developing trends, patterns and emerging issues to be identified and considered across the sector.

4.15 The return for Wheatley Housing Group Limited contains only direct income and costs of the parent company itself, such as Board member payments and audit fees. The financial projections of our RSL operating subsidiaries will be approved by each RSL board and will be submitted separately. The SHR require covenant information to be included in the return and for the Wheatley Group have asked that this information is provided for the RSL Borrower Group in the Wheatley Group return, an approach that is similar to the Loan Portfolio Submission and in line with last year's submission. At other points in the year we submit our whole Group long term financial projections i.e. our 30 year business plan which was presented to the February Board and the annual accounts which will be presented to the August Board meeting.

4.16 The summary sheet and accompanying financial data and five year projections to be submitted to the regulator are attached at Appendix 4. The Board are requested to consider and approve these financial projections. Once approved, these will be submitted to the Scottish Housing Regulator.

4.17 This year, the deadline for the submission of the Five Year Financial Projections has been brought forward from 30 June to 31 May. In previous years, the financial projections and the Loan Portfolio Submission have been presented together for approval, however the deadline for the Loan Portfolio Submission remains at 30 June and details of the RSL loans to be submitted will be presented for approval at the next meeting.

5. Customer Engagement

5.1 This report relates to our financial reporting and therefore there is no direct customer implications arising from this report.

6. Environmental and sustainability implications

6.1 There are no environmental or sustainability implications arising from this report.

7. Digital transformation alignment

7.1 There are no digital transformation alignment implications arising from this report.

8. Financial and value for money implications

8.1 As noted above.

9. Legal, regulatory and charitable implications

9.1 The RSL Borrower Group accounts will be submitted to WFL1 funders for information only.

10. Risk Appetite and assessment

10.1 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".

10.2 Delivery of financial results within approved budgetary limits is a key element in delivering our strategy and maintaining the confidence of investors.

11. Equalities implications

11.1 There are no equalities implications arising from this report.

12. Key issues and conclusions

12.1 This paper presents the financial performance position for the year to 31 March 2022 and the budget for 2022/23.

12.2 The past year has been one of significant volatility, with rising inflation and higher repairs demand than pre-Covid impacting our cost base. We also introduced significant change which was not budgeted at the outset of the year, in particular our new Customer First Centre.

12.3 Despite these factors, the underlying financial position of the Group remains strong. The RSL borrowing group outperformed the business plan assumption on key covenants measures of interest cover (158% v 137%) and debt per unit (£23,585 v £23,882). We completed the planned investment programme in DGHP stock, and took the opportunity to accelerate some additional works ahead of it joining the RSL Borrowing Group on 1 April. While Lowther experienced challenges during the year, it continued to break-even and comply with loan covenants after a conservative provision of £0.7m was made in relation to the administration of deposits. Wheatley Care also met its budget targets for the year.

12.4 The budget for 2022/23 aims to take account of the current economic environment, with significant additional provision made for repairs, utilities, insurance and fuel costs. However, it will be important that we remain agile, and we may need to adjust our plans in light of inflation, interest rates and other external factors as the year progresses.

13. Recommendations

13.1 The Board is requested to:

1) note the financial performance for the Group to 31 March 2022
2) approve the RSL Borrower Group accounts at appendix 2 for submission to the Group's lenders
3) approve the Group budget for 2022/23
4) approve the City Building (Glasgow) 2022/23 financial projections
5) Approve the summary sheet and accompanying financial data and projections at Appendix 4; authorise these to be submitted to the Scottish Housing Regulator; and delegate authority to the Group Director of Finance to approve any factual data updates that are required in advance of the submission.

LIST OF APPENDICES

1: Wheatley Group Financial Report to 31 March 2022
2: RSL Borrower Group Financial Report to 31 March 2022
3. [redacted]

4. SHR Five Year Financial Projections Return

Appendix 1: Wheatley Group Financial Report To 31 March 2022 (Period 12)

•Classified as Internal

1a) Wheatley Group – Year to date

	Year to 31 March 2022		
	Actual £'000	Budget £'000	Variance £'000
INCOME			
Net Rental Income	306,046	306,646	(600)
Grant income - new build	33,366	49,933	(16,567)
Other Income	56,076	52,567	3,509
Total Income	**395,488**	**409,146**	**(13,658)**
EXPENDITURE			
Employee Costs	85,389	84,755	(634)
ER/VR	4,643	3,046	(1,597)
Running Costs	47,737	47,381	(356)
Repairs & Maintenance	61,038	56,717	(4,321)
Bad debts	3,263	6,065	2,802
Depreciation	100,928	100,928	-
Demolition Programme	505	1,449	944
Total Expenditure	**303,503**	**300,341**	**(3,162)**
NET OPERATING SURPLUS	**91,985**	**108,805**	**(16,820)**
	23.3%	26.6%	
Gain/(loss) on sale of fixed assets	(12)	-	(12)
Net interest payable	(63,413)	(69,624)	6,211
STATUTORY SURPLUS/(DEFICIT)	**28,560**	**39,181**	**(10,621)**

INVESTMENT			
Total Capital Investment Income	**40,466**	**65,693**	**(25,227)**
Total Core Investment Programme	110,744	106,328	(4,416)
New Build Programme	96,437	125,310	28,873
Other fixed assets	16,540	19,130	2,590
Total Capital Investment Expenditure	**223,721**	**250,768**	**27,047**
NET CAPITAL INVESTMENT SPEND	**(183,255)**	**(185,075)**	**1,820**

Key highlights year to date:

The Group operating surplus for the year ended 31 March was £91,985k, £16,820k unfavourable to budget. At the statutory surplus level, a surplus of £28,560k is reported showing an unfavourable variance of £10,621k. The variance to budget is driven by lower grant income due to the delay on new build completions and higher repairs costs.

Total income of £395,488k is £13,658k unfavourable to budget.

- Net rental income is £600k unfavourable with budget due the timing of new build completions most notably MMR properties let by Lowther. Rent loss on voids is running higher than budget at 1% due to longer letting times in WH-Glasgow earlier in the year.
- Grant income recognised to date relates to the total of 438 units completed against a budget target of 675 units. The adverse variance is driven by delayed completions of properties at Watson, Sighthill, South Gilmerton, Jarvey Street and Almondvale.
- Other income is £3,509k higher than budget and is driven by additional income in DGHP including higher aids & adaptations claims and funding received for net zero projects carried out in Q4. The associated costs for these are reported in investment spend. There is also unbudgeted income for furnished lets which are matched with additional costs reported through running costs. This is offset by lower levels of factoring income in Lowther. Total expenditure of £303,503k is £3,162k unfavourable to budget:
- Employee costs are £634k unfavourable to budget which is due to a combination of both vacancies compared to the budgeted structure offset by higher employee group services recharges of £1,194k due to additional staffing being put in place in to strengthen the Customer First Centre and promote our new ways of working. ERVR costs are £1,597k higher linked to 2022/23 leavers who have committed in the fourth quarter, associated staff cost savings will go towards the 2022/23 business plan efficiency target.
- Running costs are £356k unfavourable to budget. While home based working has resulted in reduced activity in certain Solutions areas, we are also seeing lower property and office running costs. This is offset by unbudgeted running costs linked to furnished lets of £880k.
- Revenue repairs and maintenance spend is £4,321k unfavourable to budget with higher than budgeted levels of responsive repairs primarily driven by the timing of spend with higher customer demand as catch up works are addressed and an increasing number of new jobs coming through the Customer First Centre
- Bad debt costs are £2,802k favourable to budget across the Group with a prudent provision set aside.
- Interest costs are £6,211k favourable to budget with interest rates on WLF 1 borrowings lower following the loan restructuring in March 2021.

Net capital investment spend of £183,255k is £1,820k favourable to budget.

- Capital investment income relates to the cash receipt of new build grant, investment funding and aids and adaptations funding and is linked to the delays in the timing of the new build programme and lower level of new build spend on which grant can be claimed.
- Total core investment programme spend is higher than budget by £4,416k. Of this £2,050k is linked to energy efficiency projects and higher adaptations spend which is fully grant funded. A decision to accelerate a further £2,607k of investment in void improvements and heating systems in DGHP was taken supported by the strong covenant performance compared to current year business plan assumptions and against the context of a reduction in the capital programme in 2022/23.
- In New Build, spend reflects delays in planning approvals and slow progress on sites due to supply issues. Greater spend had been anticipated across a number of WH-Glasgow, DC and WLHP sites. In DGHP faster progress was made at Lincluden in Q4 20/21 which has reduced spend in 2021/22.

Wheatley Group Financial Report
To 31 March 2021 (Period 12)

RSL Borrower Group

2a) RSL Borrower Group – Year to date

	Year to 31 March 2022		
	ACT £'000	BUD £'000	VAR £'000
INCOME			
Net Rental Income	246,194	246,490	(296)
Grant income - new build	29,324	44,683	(15,359)
Other Income	23,111	22,277	834
Total Income	**298,629**	**313,450**	**(14,821)**
EXPENDITURE			
Employee Costs	57,600	56,695	(905)
ER/VR	3,263	2,700	(563)
Running Costs	28,898	28,358	(540)
Repairs & Maintenance	46,666	44,098	(2,568)
Bad debts	2,526	4,799	2,273
Depreciation	89,379	89,379	-
Demolition Programme	326	1,200	874
Total Expenditure	**228,658**	**227,229**	**(1,429)**
NET OPERATING SURPLUS	**69,971**	**86,221**	**(16,250)**
	23.4%	27.5%	
Gain/(loss) on sale of fixed assets	(7)	-	(7)
Net interest payable	(54,290)	(60,575)	6,285
STATUTORY SURPLUS/(DEFICIT)	**15,674**	**25,646**	**(9,972)**

INVESTMENT			
Total Capital Investment Income	**36,823**	**57,978**	**(21,155)**
Total Core Investment Programme	72,222	72,767	545
New Build Programme	85,318	107,049	21,731
Other fixed assets	13,468	14,919	1,451
Total Capital Investment Expenditure	**171,008**	**194,735**	**23,727**
NET CAPITAL INVESTMENT SPEND	**(134,185)**	**(136,757)**	**2,572**

Key highlights year to date:

The RSL Borrower group operating surplus to 31 March is £69,971k, £16,250k unfavourable to budget. At the statutory surplus level, a surplus of £15,674k is reported showing an unfavourable variance of £9,972k compared to the budget. The variance to budget is driven by lower grant income on new build completions, higher repair costs with an increased level of demand for repairs services as full service resumed offset by other expenditure and interest savings.

Total income of £298,629k is £14,821k unfavourable to budget:

- Net rental income is £296k unfavourable to budget across the RSLs. Rent loss on voids is higher in WH-Glasgow with longer re-let times as the service was remobilised during the summer and reports voids for the year of 1.01% compared to budget of 0.7%.
- Grant income recognised is £15,359k unfavourable to budget. Grant recognised relates to 401 new build units, against a budget of 626 units completed in the borrower group across WH-Glasgow (248 units), DC (61 units) , WLHP (62 units) and Loretto (30 unit). The adverse variance is mainly driven by delayed completions of MMR properties at Watson now due to complete in Q1 2022/23, delays at Sighthill where 102 of the 132 units budgeted will complete in 2022/23 and delays at Almondvale where 26 MMR and 94 SR units due to complete in 2021/22 are now due for completion in 2022/23.
- Other income is £834k higher than budget and includes unbudgeted income for furnished lets which is matched with additional costs fort the provision of the packages reported through running costs.

Total expenditure of £228,658k is £1,429k unfavourable to budget:

- Employee costs are £905k unfavourable to budget which is due to higher employee group services recharges of £1,291k due to additional staffing being put in place in to strengthen the Customer First Centre and promote our new ways of working. There have also been vacancies during the year compared to the budgeted structure which have partially offset. ERVR costs are £563k higher linked to 2022/23 leavers who have committed in the fourth quarter, associated staff cost savings will go towards the 2022/23 business plan efficiency target.
- Running costs are £540k unfavourable to budget and includes £880k of unbudgeted costs which are funded by additional income. Higher vehicle and fuel costs are reported in the Nets service. Group services running costs are lower from with the new hybrid working model in place which is helping to mitigate.
- Revenue repairs and maintenance spend is £2,568k unfavourable to budget with higher than budgeted levels of responsive repairs across all RSLs primarily driven by higher customer demand as catch up works are addressed as pandemic restrictions have been removed and an increasing number of new jobs coming through the Customer First Centre

Interest payable represents the interest due on the loans due to Wheatley Funding Ltd 1 and is £6,285k favourable to budget following re-structuring of WFL1 loans in March 2021.

Net capital expenditure is £2,572k lower than budget.

- Capital investment income relates to the cash receipt of new build grants and is £21,155k below budget. The lower levels of grants claimed are linked to the lower level of new build spend as noted below.
- Total Core investment spend is £545k lower than budget which includes core investment works £2,656k lower than budget. In other investment in existing properties, voids improvements are £571k higher than budget and medical adaptations £1,189k higher.
- New build spend reflects delays in planning approvals and slower progress on sites due to supply issues. Greater spend had been expected for WH-Glasgow including Shandwick Street, Calton Village, Hurlford Avenue and Sighthill; there are also lower levels of spend at WLHP sites including Sibbalds Brae and Winchburgh BB. At DC, spend at Macmerry and Penicuik is lower than budget due to progress on site and spend is lower at Rowanbank due to the revised date for the approved Golden Brick arrangement.

2b) RSL Borrower Group underlying surplus – year to date

The Wheatley Group and RSL Borrower Group operating Statement (Income and Expenditure Account) on pages 2 and 4 are prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2014).

However, the inclusion of grant income on new build developments creates volatility in the results and does not reflect the underlying cash surplus/deficit on our letting activity.

The chart below therefore shows a measure of underlying surplus in the RSL Borrower Group which adjusts our net operating surplus by excluding the accounting adjustments for the recognition of grant income and depreciation, but including capital expenditure on our existing properties.

In the year to 31 March 2022, an underlying surplus of £3,514k has been generated using this measure which is £5,939k favourable to budget. The variance is driven by the lower levels of core investment expenditure, lower interest costs offset by an increase in repairs staff and running costs.

Borrower Group Underlying Surplus - March 2022				
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks	FY Budget £ks
Net operating surplus	69,971	86,221	(16,250)	86,221
add back:				
Depreciation	89,379	89,379	0	89,379
less:				
Grant income	(29,324)	(44,683)	15,359	(44,683)
Net interest payable	(54,290)	(60,575)	6,285	(60,575)
Total expenditure on Core Programme	(72,222)	(72,767)	545	(72,767)
Underlying surplus	**3,514**	**(2,425)**	**5,939**	**(2,425)**

2c) Wheatley Homes-Glasgow – Year to date

	Year to 31 March 2022		
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks
INCOME			
Rental Income	£199,083	£198,828	£254
Void Losses	(£2,011)	(£1,410)	(£600)
Net Rental Income	**£197,072**	**£197,419**	**(£347)**
Grant Income - new build	£20,120	£28,859	(£8,739)
Other Income	£19,667	£18,750	£917
Total Income	**£236,859**	**£245,028**	**(£8,170)**
EXPENDITURE			
Employee Costs - Direct	£34,364	£34,684	£319
Employee Costs - Group Services	£12,816	£11,713	(£1,104)
ER / VR	£3,280	£2,741	(£539)
Direct Running Costs	£13,775	£12,227	(£1,548)
Running Costs - Group Services	£7,674	£8,451	£778
Revenue Repairs and Maintenance	£38,104	£36,637	(£1,468)
Bad debts	£2,209	£4,042	£1,834
Depreciation	£68,938	£68,939	£0
Demolition and Tenants Compensation	£331	£1,205	£875
TOTAL EXPENDITURE	**£181,492**	**£180,639**	**(£853)**
NET OPERATING SURPLUS / (DEFICIT)	**£55,367**	**£64,389**	**(£9,022)**
Net operating margin	*23.4%*	*26.3%*	*-2.9%*
RTB Income	(£7)	£0	(£7)
Net Interest payable & similar charges	(£44,816)	(£50,123)	£5,308
STATUTORY SURPLUS / (DEFICIT)	**£10,544**	**£14,266**	**(£3,721)**

INVESTMENT	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
Total Capital Investment Income	**£14,598**	**£28,458**	**(£13,860)**
Total Core Investment Programmme	£61,503	£61,806	£302
New Build Programme	£38,934	£55,725	£16,790
Other fixed assets	£12,038	£12,438	£399
TOTAL CAPITAL EXPENDITURE	**£112,476**	**£129,968**	**£17,492**
NET CAPITAL EXPENDITURE	**£97,878**	**£101,510**	**£3,632**

Wheatley Homes Glasgow

Key highlights year to date:

The WH-Glasgow budget includes the stock transferred from Cube from 28 April 2021.

Net operating surplus £55,367k is £9,022k unfavourable to budget. Statutory surplus for the year to 31 March is £10,544k, which is £3,721k unfavourable to budget. The main driver of the variance is a reduction in grant income recognised and increased repairs & maintenance costs, this is offset in part by interest savings.

- Net rental income of £197,072k is £347k lower than budget at the end of P12. Void losses are £602k higher than budget and represent a 1.01% void loss rate compared to the budgeted rate of 0.7%.
- Grant income recognised in the year relates to 248 units completed for Social Rent (106 units) at Bellrock, Auchinlea, Kennishead, Carnwadric and for MMR sites (142 units) at Baillieston, Sighthill, Dovehill and Hurlford. The budget assumed the completion of 46 MMR properties at Watson, 132 MMR units at Sighthill and 70 MMR units at Hurlford. Watson is delayed until Q1 2022/23 due to the ongoing construction and supply issues. At Sighthill and Hurlford, only 30 and 43 units, respectively, have completed with the reminder due for completion in Q2 2022/23.
- Total employee costs (direct and group services) are £785k unfavourable budget, noting that the group services recharge increased with additional staff resources supporting the launch of the new Customer First Centre. ERVR costs are £539k higher linked to 2022/23 leavers who have committed in the fourth quarter, associated staff cost savings will go towards the 2022/23 business plan efficiency target.
- Total running costs (direct and group services) are £770k unfavourable to budget. Of this £880k is matched with higher income for the furnished lets service which was not budgeted, Higher costs are also reported for Nets vehicles and fuel costs which are offset by a lower group services recharge, resulting from the continuation of home working.
- Revenue repairs and maintenance is £1,468k unfavourable to budget which results from customer demand for responsive repairs, cyclical repairs and some areas in compliance.
- Demolition costs report a favourable variance to budget of £875k, mainly resulting from the timing of the consultation and approval process for the Wyndford demolition and capitalisation of site clearance costs of £90k relating to new build for Gallowgate, Shawbridge and Ashgill Rd.
- Gross interest payable of £44,816k represents interest due on the loans due to Wheatley Funding Ltd. Costs are £5,308k lower than budget, following the re-arrangement of WFL1's loans in March 2021.

Net capital expenditure of £97,878k is £3,632k lower than budget. The variance is driven by the lower level of spend in the new build programme and the accelerated grant claim in 20/21 for Sighthill.

- Investment programme spend is £302k lower than budget. Core programme is £2,421k lower than budget, offset by a higher spend on void improvements (£580k higher) and medical adaptations (£1,244k higher). Note that core programme spend had accelerated in Q4, reducing the favourable variance at year end.
- New build spend is £16,790k lower than budget due to reduced spend at P12 across a number of sites including Shandwick Street, Calton Village, Hurlford Avenue, Sighthill and Watson. Progress on Sighthill, Calton, Watson and Hurlford has been slower to date and a delay at Sighthill in handover of the site to the developer by GCC had also delayed progress.
- Other capital expenditure of £12,038k is £399k lower than budget. Other capital spend includes Wheatley House works.

2d) Cube – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£3,047	£3,053	(£6)
Void Losses	(£53)	(£136)	£83
Net Rental Income	**£2,994**	**£2,917**	**£77**
Grant Income	£44	£47	(£3)
Other Income	£39	£42	(£3)
TOTAL INCOME	**£3,077**	**£3,006**	**£71**
EXPENDITURE			
Employee Costs - Direct	£550	£582	£32
Employee Costs - Group Services	£131	£124	(£7)
ER / VR	£0	£0	£0
Direct Running Costs	£234	£253	£19
Running Costs - Group Services	£71	£90	£19
Revenue Repairs and Maintenance	£577	£435	(£142)
Bad debt costs	£17	£82	£65
Depreciation	£1,503	£1,503	£0
TOTAL EXPENDITURE	**£3,083**	**£3,069**	**(£14)**
NET OPERATING SURPLUS / (DEFICIT)	**(£6)**	**(£63)**	**£57**
Net operating margin	*-0.2%*	*-2.1%*	*1.9%*
Net Interest payable & similar charges	(£676)	(£748)	£72
STATUTORY SURPLUS / (DEFICIT)	**(£682)**	**(£811)**	**£129**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£1,541**	**£1,671**	**(£130)**
Total Core Investment Programmme	£441	£358	**(£83)**
New Build Programme	£1,386	£1,817	£431
Other fixed assets	£45	£65	£20
TOTAL CAPITAL EXPENDITURE	**£1,872**	**£2,240**	**£368**
NET CAPITAL EXPENDITURE	**£331**	**£569**	**£238**

Key highlights year to date:

Results are presented for Cube for the period of trading up to the transfer of engagements to Loretto Housing Association on 28 July 2021.

Net operating deficit of £6k is £57k favourable to budget. Statutory deficit for the year to date is £682k, £129k favourable to budget.

- Rental income of £3,047k is broadly in line with budget. Void losses in the year to date are 1.74% against a budget of 4.45%, generating a favourable variance of £82k.
- Other income includes any income from non-social housing stock and district heating schemes (prior to transferring to WH-Glasgow on 28 April).
- Direct employee costs of £550k are £32k favourable to budget, following transfer of a number of Cube's housing staff to WH-Glasgow on 28 April, three days earlier than the budget assumed. Group Services Employee Costs of £131k represents Cube's share of Wheatley Solutions staff up to the point of transfer.
- Direct Running Costs are favourable to budget by £19k, as a result of an under spend on Initiatives. Group Services Running Costs of £71k represents Cube's share of Wheatley Solutions running costs.
- Revenue repairs and maintenance expenditure is £141k unfavourable to budget, mainly due to the acceleration of the compliance based cyclical maintenance programme. Reactive maintenance reported an under spend to budget for the period to 31 July.
- Bad debts report a favourable variance to budget. A prudent approach to Universal Credit was taken when setting the budget.
- Gross interest payable of £676k represents interest due on the loans due to Wheatley Funding Ltd 1. A saving to budget is reported following the restructuring of WFL1's loans in March.

Net capital expenditure of £331k is £238k lower than the budget primarily as a result of the timing of new build spend.

- The majority of capital investment income and new build spend relates to Queens Quay.
- Investment works expenditure of £441k is for internal common works and compliance capital (both part of core programme works), voids and capitalised repairs.
- Other capital expenditure of £45k relates to Cube's share of group wide IT investment.

2e) West Lothian Housing Partnership – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£3,758	£3,920	(£162)
Void Losses	(£16)	(£51)	£35
Net Rental Income	**£3,742**	**£3,869**	**(£127)**
Grant Income - new build	£4,553	£12,467	(£7,914)
Other Income	£10	£32	(£22)
TOTAL INCOME	**£8,305**	**£16,368**	**(£8,062)**
EXPENDITURE			
Employee Costs - Direct	£511	£581	£70
Employee Costs - Group Services	£72	£69	(£3)
Direct Running Costs	£229	£296	£67
Running Costs - Group Services	£52	£49	(£3)
Revenue Repairs and Maintenance	£658	£647	(£11)
Bad debts	£4	£51	£47
Depreciation	£2,065	£2,065	£0
TOTAL EXPENDITURE	**£3,591**	**£3,758**	**£167**
NET OPERATING SURPLUS / (DEFICIT)	**£4,714**	**£12,610**	**(£7,896)**
Net operating margin	*56.8%*	*77.0%*	*-20.3%*
Interest receivable	-	**1**	**(1)**
Interest payable & similar charges	(£860)	(£991)	£131
STATUTORY SURPLUS / (DEFICIT)	**£3,854**	**£11,621**	**(£7,765)**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£3,190**	**£7,274**	**(£4,084)**
Total Core Investment Programmme	£877	£828	(£49)
New Build Programme	£8,947	£15,975	£7,028
Other fixed assets	£60	£67	£7
TOTAL CAPITAL EXPENDITURE	**£9,884**	**£16,869**	**£6,986**
NET CAPITAL EXPENDITURE	**£6,694**	**£9,595**	**£2,901**

Key highlights year to date:

Net operating surplus of £4,714k is £7,896k adverse to budget. Statutory surplus for the period to 31 March is £3,854k, £7,765k adverse to budget. The main driver of the variance is a lower level of grant income recognised.

Total income of £8,305k is £8,062k adverse to budget:

- Net rental income is £127k adverse to budget primarily due to delayed handovers at Jarvey St and Almondvale resulting in lower than budgeted rental income.
- Grant income recognised to date relates to 42 units completed at Jarvey Street and 20 units at Winchburgh site O. The unfavourable variance of £7,914k is due to the budget assuming 120 units at Almondvale would complete by the end of March, which are now pushed to 2022/23, offset by 20 units at Winchburgh O completing ahead of schedule.

Total expenditure of £3,591k is £167k favourable to budget:

- Direct employee costs of £511k are £70k favourable to budget, due to a Housing Officer vacancy and staff recharges for one FTE to a different group subsidiary which were not budgeted.
- Total Running costs (direct and group services) are £64k favourable to budget resulting from savings in office running costs generated while staff continue to work from home.
- Gross interest payable of £860k is £131k favourable to budget following the re-structuring of WFL 1 fixed rate loans in March 2021.

Net capital expenditure of £6,694k is £2,901k below budget. The variance is driven by the lower level of spend in the new build programme offset in part by lower grant claims in 2021/22.

- Core investment expenditure of £877k is £49k higher than budget.
- New Build expenditure of £8,947k is £7,028k, lower than budget driven by delayed spend at several sites including Winchburgh BB (£1.6m) and Sibbalds Brae (£3.7m) where planning approval has been delayed. This site is now likely to progress as a golden brick. The overall underspend is offset by Winchburgh O where progress has been ahead of schedule.
- Capital investment income relates to the cash receipt of new build grants and is £4,084k below budget. The lower levels of grants claimed are linked to the lower level of new build spend as noted above.

2f) Loretto Housing – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£12,192	£12,188	£5
Void Losses	(£233)	(£393)	£160
Net Rental Income	**£11,959**	**£11,795**	**£164**
Grant Income - new build	£2,629	£167	£2,462
Other Income	£301	£295	£7
TOTAL INCOME	**£14,890**	**£12,257**	**£2,632**
EXPENDITURE			
Employee Costs - Direct	£2,134	£2,120	(£14)
Employee Costs - Group Services	£434	£398	(£36)
ER / VR	£24	£0	(£24)
Direct Running Costs	£1,727	£1,752	£25
Running Costs - Group Services	£261	£287	£26
Revenue Repairs and Maintenance	£2,396	£1,941	(£455)
Bad debts	£107	£328	£221
Depreciation	£6,003	£6,003	£0
TOTAL EXPENDITURE	**£13,085**	**£12,828**	**(£257)**
NET OPERATING SURPLUS	**£1,804**	**(£571)**	**£2,375**
Net operating margin	*12.1%*	*-4.7%*	*16.8%*
Net Interest payable & similar charges	(£2,455)	(£2,514)	£59
STATUTORY (DEFICIT)/SURPLUS	**(£651)**	**(£3,085)**	**£2,434**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£2,691**	**£6,260**	**(£3,570)**
Total Core Investment Programmme	£2,962	£2,834	(£128)
New Build Programme	£14,863	£11,956	(£2,907)
Other fixed assets	£226	£351	£125
TOTAL CAPITAL EXPENDITURE	**£18,052**	**£15,142**	**(£2,910)**
NET CAPITAL EXPENDITURE	**£15,361**	**£8,881**	**(£6,480)**

Key highlights year to date:

Net operating surplus of £1,804k is £2,375k favourable to budget. Statutory deficit for the year is £651k, £2,434k favourable to budget. The main driver of the favourable variance is grant income recognised for New Build completions. The results at March include the activities transferred from Cube Housing Association from 28th July.

- Gross rental income of £12,192k is £5k favourable to budget. Void losses are 1.91% against a budget of 3.23%. Voids notably improved after implementation of new referral criteria at Broad St, one of Loretto's three temporary accommodation sites, in the June.
- Grant income relates to the release of grant for new build completions; grant has been released for 21 new build unit at Cobblebrae and 9 units at Dargavel, noting that no new build grant income was budgeted as these were completed ahead of schedule.
- Direct Employee costs are £14k unfavourable to budget, due to the Community Engagement Officer's post and handover / training period for a small number of new staff joining the team. Employees recharged from Group Services are for Loretto's share of Wheatley Solutions staff. The recharge has increased following the launch of the new Customer First Centre and additional staff resources to support our new ways of working
- Direct running costs are £25k favourable to budget, with a number of budget lines showing underspends, which offset higher property costs. Our new ways of working have enabled us to make operational group services running costs savings of £26k.
- Revenue repairs and maintenance expenditure is £455k unfavourable to budget as a result of higher compliance costs (mainly M&E), an increase in the property cyclical programme and communal utility costs.
- Bad debts are £221k favourable to budget. A prudent approach was taken when setting the budget.
- Gross interest payable of £2,455k represents interest due on the loans due to Wheatley Funding Ltd. Costs are £59k lower than budget, following the re-arrangement of WFL1's loans in March 2021.

Net capital expenditure of £15,361k is £6,480k higher than budget. This is due to the timing of new build spend and grant claims received. Grant income has been fully drawn down against Queens Quay, Cobblebrae and Hallrule.

- Total core investment programme expenditure of £2,962k mainly relates to core programme works, including central heating, KBR, windows & doors and smoke & heat detector installations.
- New build expenditure of £14,863k, is £2,907k higher than budget and relates mainly to 4 ongoing sites – Hallrule, Dargavel, Cobblebrae Farm and Queens Quay, with Dargavel, Hallrule and Queens Quay driving the higher spend year to date. Approx. £1.6m of the capital investment income received is for Hallrule, with the remainder being for Cobblebrae (£647k) and Queens Quay (£339k).
- Other capital expenditure of £226k relates to the Loretto contribution to Wheatley Group IT and office refurbs. The full year budget includes £108k for office refurb and conversion of housing properties previously used as offices by Wheatley Care.

2g) Dunedin Canmore – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£30,695	£30,985	(£290)
Void Losses	(£268)	(£376)	£108
Net Rental Income	**£30,427**	**£30,609**	**(£182)**
Grant Income - new build	£3,744	£4,909	(£1,165)
Other Income	£3,389	£3,158	£231
TOTAL INCOME	**£37,560**	**£38,676**	**(£1,116)**
EXPENDITURE			
Employee Costs - Direct	£4,884	£4,862	(£22)
Employee Costs - Group Services	£1,704	£1,562	(£142)
Direct Running Costs	£3,234	£3,210	(£24)
Running Costs - Group Services	£1,021	£1,123	£102
Revenue Repairs and Maintenance	£5,226	£4,438	(£788)
Bad debts	£189	£296	£107
Depreciation	£10,908	£10,908	£0
TOTAL EXPENDITURE	**£27,167**	**£26,399**	**(£767)**
NET OPERATING SURPLUS	**£10,394**	**£12,277**	**(£1,883)**
Net operating margin	*27.7%*	*31.7%*	*-4.1%*
Interest receivable		6	(6)
Net Interest payable & similar charges	(£6,558)	(£7,280)	£723
STATUTORY (DEFICIT)/SURPLUS	**£3,837**	**£5,003**	**(£1,166)**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£14,803**	**£14,315**	**£488**
Total Core Investment Programmme	£6,439	£7,079	£640
New Build Programme	£21,188	£21,576	£388
Other fixed assets	£1,099	£873	(£226)
TOTAL CAPITAL EXPENDITURE	**£28,726**	**£29,528**	**£802**
NET CAPITAL EXPENDITURE	**£13,923**	**£15,213**	**£1,290**

Key highlights year to date:

Net operating surplus of £10,394k is £1,883k adverse to budget. Statutory surplus for the period to 31 March is £3,837k, £1,166k adverse to budget. The main drivers of the variance continue to be lower levels of grant income recognised and net rental income both due to delayed completions and higher repairs spend offset by interest savings.

- Gross rent is £290k adverse to budget driven by the delays in completions at South Gilmerton. Void losses are £108k below budget as properties generating void loss were approved for sale in the year. Other Income is £231k favourable to budget due to earlier than anticipated MMR completions at both Newmill Ph2 and Longniddry as well as the workshop reporting a surplus of £295k, which is £209k favourable to budget.

- New build grant income of £3,744k recognised in the year (12 SR & 15 MMR units at Newmill Ph2, 10 MMR units at Longniddry & 24 SR units at South Gilmerton) is £1,165k lower than budget. The unfavourable variance is driven by 28 units at South Gilmerton that were due to be completed by March 2022 are now due to complete in Q1 2022/23.

- Total expenditure is £767k adverse to budget with the key driver being higher revenue repairs and maintenance costs which are £788k adverse to budget a result of higher customer demand for responsive repairs.

- Total employee costs (direct and group services) are £164k adverse variance to budget, due to an increase in recharges from Wheatley Solutions. Costs for group services includes a higher recharge following the strengthening of the new Customer First Centre supporting our new ways of working.

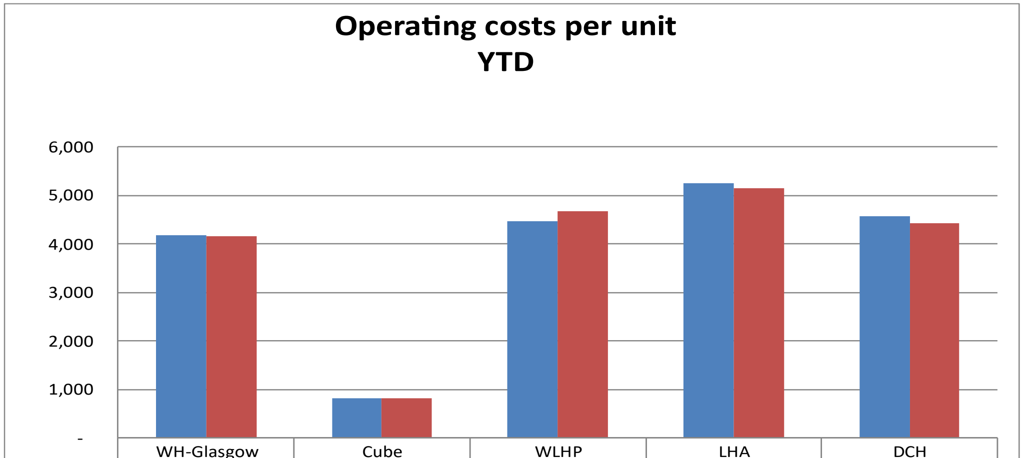
- Total running costs (direct and group services) are £78k favourable to budget. This is attributable to a lower group services running costs recharge as a result of our new ways or working, including working from home savings.

- Interest expenditure of £6,558k is £723k favourable to budget with lower interest rates on borrowings following the fixed rate loan restructuring in March 2021.

Net capital expenditure of £13,923k is £1,290k lower than budget. The variance is driven by the lower level of spend in the core programme and new build programme.

- Total core Investment programme spend is £640k lower than budget. This is largely as a result of the rephasing of budget, planned underspend on customer priorities budget and slower progress in the pre 1919 tenemental programme.
- New build spend of £21,188k is £388k lower than budget and includes the land acquisition for £2m at Wallyford in March 2022. Capital investment income relates to the cash receipt of new build grants and is £488k more than budget.

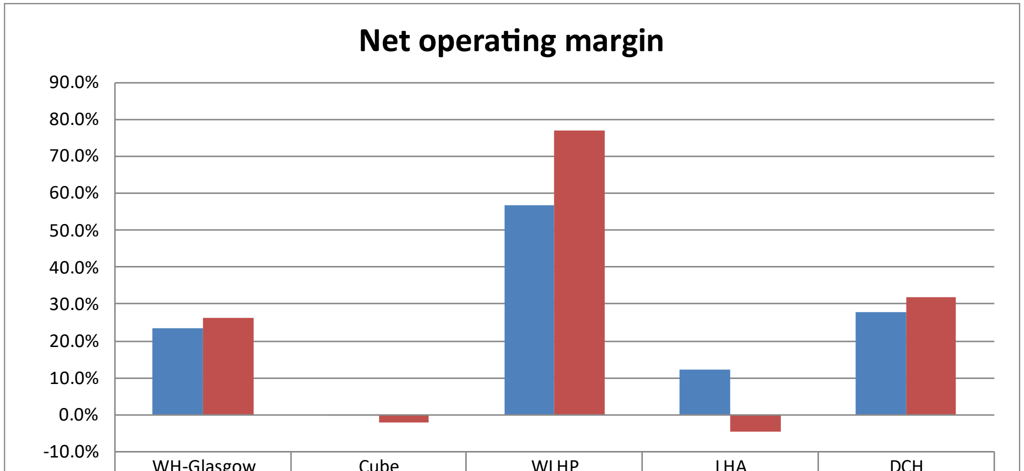
3) Summary of RSL operating costs and margin v budget



	WH-Glasgow	Cube	WLHP	LHA	DCH
Actual	4,169	819	4,466	5,255	4,562
Budget	4,158	815	4,674	5,152	4,433

Operating costs per unit:

- At period 12, WLHP is reporting a favourable position to budgeted operating costs per unit for the year to date.
- In WH-Glasgow, Loretto and Dunedin Canmore operating costs per unit are higher than budget with higher spend in repairs.
- Operating costs per unit vary across the RSLs depending on the stock profiles and types of accommodation offered.



	WH-Glasgow	Cube	WLHP	LHA	DCH
Actual	23.5%	-0.2%	56.8%	12.1%	27.7%
Budget	26.3%	-2.1%	77.0%	-4.7%	31.7%

Net operating margin:

- Net operating margin is unfavourable to budget in WH-Glasgow, WLHP and Dunedin Canmore driven by lower levels of grant income reported compared to budget.
- In Loretto, new build completions at Cobblebrae and Dargavel are ahead of schedule improving net operating margin for the year.

Wheatley Group Financial Report
To 31 March 2021 (Period 12)

Dumfries & Galloway Housing Partnership (DGHP)

4) Dumfries and Galloway Housing Partnership – Year to date

	Year to 31 March 2022		
	YTD Actual £000s	YTD Budget £000s	YTD Variance £000s
INCOME			
Rental Income	£45,112	£44,772	£340
Void Losses	(£375)	(£344)	(£31)
Net Rental Income	**£44,737**	**£44,428**	**£309**
Grant Income - new build	£4,083	£5,291	(£1,208)
Other Income	£5,531	£2,655	£2,876
Total Income	**£54,351**	**£52,374**	**£1,977**
EXPENDITURE			
Employee Costs - Direct	£4,536	£4,344	(£192)
Employee Costs - Group Services	£2,217	£1,918	(£299)
ER / VR	£1,235	£305	(£930)
Direct Running Costs	£2,752	£2,672	(£80)
Running Costs - Group Services	£2,217	£2,344	£127
Revenue Repairs and Maintenance	£11,558	£9,909	(£1,649)
Bad debts	£357	£1,052	£695
Depreciation	£11,510	£11,510	£0
Demolition	£174	£244	£70
TOTAL EXPENDITURE	**£36,556**	**£34,298**	**(£2,258)**
NET OPERATING SURPLUS / (DEFICIT)	**£17,795**	**£18,076**	**(£281)**
Net operating margin	*32.7%*	*34.5%*	*-1.8%*
Interest received	£65	£141	(£76)
Net Interest payable & similar charges	(£6,260)	(£6,249)	(£11)
STATUTORY SURPLUS / (DEFICIT)	**£11,600**	**£11,968**	**(£368)**

INVESTMENT	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
Total Capital Investment Income	**£3,643**	**£6,855**	**(£3,212)**
Total Expenditure on Core Programme	£37,519	£32,816	(£4,703)
New Build & other investment expendi	£11,119	£16,970	£5,851
Other Capital Expenditure	£3,072	£4,211	£1,139
TOTAL CAPITAL EXPENDITURE	**£51,710**	**£53,997**	**£2,287**
NET CAPITAL EXPENDITURE	**£48,067**	**£47,142**	**(£925)**

Key highlights year to date :

Net operating surplus of £18,395k is £319k favourable to budget. Statutory surplus for the year is £11,600k, is £368k unfavourable to budget. The key drivers of the variance is higher income offset by higher revenue repairs and maintenance, transformation and employee costs.

- Net Rental income is £309k favourable to budget, benefitting from the earlier completions at Sanquhar in March 2021. Void losses represent 0.83% of gross rent.
- Grant income is £1,208k unfavourable to budget. The budget was based on 12 completions at Sanquhar in the year which were recognised in March 2021 on early completion. Actual grant income relates to the 5 units at Monreith which were delayed from the prior year and Phase 1 (26 of 32 units) at Lincluden of £2.9m handed over in September, and £668k for Phase 2 covering the remaining 6 units at Lincluden handed over in March 22.
- Other income is £2,876k favourable to budget driven by the following: Aids and Adaptations claims which total £1,656k with total expenditure on Aids & Adaptations is higher than budget by £1,007k. This line also includes a claim of £1,043k for Net Zero project for decarbonisation investment works carried out in Q3 and Q4.
- Employee costs (direct and group services) are £491k ahead of budget. The driver for this is increased group services recharge following the launch of the new Customer First Centre and additional staff resources to help promote our new ways of working.
- Transformation costs relate to ERVR expenses and are £930k ahead of budget following the introduction of the group operating model and our new ways of working. The changes will yield revenue savings in 2022/23 and include the commitment for 4 members of staff taking ERVR in 2022/23.
- Running costs (direct and group services) are £47k lower than budget, reflecting cost savings from the continuation of home working.
- Repairs costs of £11,558k are higher than budget by £1,649k with savings with gas servicing and landscaping/cyclical maintenance offset by higher spend on reactive repairs as the waiting list following the pandemic was fully addressed.
- £1,593k of grant claims have been received year to date in relation to Eastriggs and Ashwood Drive. The budget assumed income would have been received for Lincluden, The Lincluden cash claims against cost were made in full in 20/21. grant is also shown for energy efficiency works and adaptations.
- Total core investment spend is higher than budget by £4,703k. This includes additional spend on net zero decarbonisation projects and aids and adaptations together totalling £2,060k; all fully funded by additional grant income. Additional investment of £2,607k in void improvements and heating projects has also been made, accelerating spend into 2021/22 supported by our strong covenant performance compared to the business plan targets and against the context of a reduction to the 2022/23 capital programme.
- New Build expenditure is £5,851k lower than budget, driven by lower levels of spend versus budget at Lincluden (£4.4m), Thornhill (£1.65m) and Nursery Avenue (£1.1m), offset by an over spend versus budget at Eastriggs (£1.35m). Sanquhar was completed in 2021 and Lincluden had accelerated spend in Q4 of 2020/21.

Wheatley Group Financial Report
To 31 March (Period 12)

Care and Commercial

5a) Wheatley Care – Year to date

WHEATLEY CARE - COMPANY	Year to 31 March 2022 Actual £ks	Budget £ks	Variance £ks	Full Year Budget £ks
INCOME				
Care Projects	20,012	20,035	(23)	20,035
COVID 19 PPE Reclaim Income	72	-	72	-
Head Office	103	101	2	101
TOTAL INCOME	**20,187**	**20,136**	**51**	**20,136**
CARE CONTRACT COSTS				
Employee Costs - Care Contracts	14,965	15,818	853	15,818
Running Costs - Care Contracts	2,373	2,294	(79)	2,294
TOTAL CARE CONTRACT COSTS	**17,338**	**18,112**	**774**	**18,112**
EXPENDITURE				
Employee Costs - Head Office	1,573	1,248	(325)	1,248
Employee Costs - Group Services	170	156	(14)	156
ER/VR	96	-	(96)	-
Head Office Running Costs	325	180	(145)	180
Running Costs - Group Services	89	98	9	98
Group recharges - PPE	250	-	(250)	-
Management fee payable to LHA	231	231	-	231
TOTAL EXPENDITURE	**2,734**	**1,913**	**(821)**	**1,913**
SURPLUS/(DEFICIT)	**115**	**111**	**4**	**111**

Key highlights year to date:

- Net operating surplus of £115k is £4k favourable to budget fo income is £51k favourable to budget. Unbudgeted PPE costs of £250k are reported, as well as £72k of income in relation to reclaims of PPE costs.

- Total **Care Project income** of £20,012k is £23k adverse to budget largely driven by lower levels of TSS income in the period, albeit this service is neutral on the bottom line. In total, external services are £101k favourable to budget but there are notable variances for specific services within this:
  - Glasgow Mental Health and Glasgow SDS are reporting fewer hours and lower occupancy levels against budget (£124k and £125k less income than budgeted respectively)
  - Fife Supported Accommodation reported £105k lower income than budgeted following a number of voids and West Lothian contracts are reporting an adverse variance of £141k with full year uplifts assumed in the budget not awarded.
  - This is offset by unbudgeted income for the Housing Support Service in Dumfries and Galloway (DG HSS) of £265k. There is also £29k unbudgeted management fee included in March in relation to the Bellgrove Hotel.
  - Uplifts of 2.2% have been applied to income from April 2021 in the Glasgow services, South Lanarkshire SDS, Renfrewshire SDS, Edinburgh SDS, Falkirk and Grangemouth, Falkirk SDS and Fife Supported services, and also applied to the rate elements within the West Lothian services – but not to the Core and Cluster elements.
  - All other services have not had any full year uplift applied by LA's. From December further uplifts were applied to cover the winter preparedness payment of £10.02/hr for staff. This uplift has been applied to invoicing in the above services as well as in North Lanarkshire and Fife HST.

- **Employee Costs – Care Contracts** expenditure of £14,965k is £853k favourable to budget. The staff cost saving relates to a number of services operating with staff vacancies against budget, inclusive of TSS. Staff savings are largely linked to fewer hours being delivered at services, with staffing levels being monitored monthly and adjusted to meet individual service needs**.** The Glasgow, Fife, West Lothian and Edinburgh services are the main contributors to the year to date underspend with favourable variances against budget of £327k, £136k, £120k and £259k respectively.

- **Running Costs – Care Contract** costs of £2,373k are £79k adverse to budget with overspends on telephone and mobile costs, gas and electricity, and staff travel and cleaning costs in some services with the advanced cleaning regime.

- **Employee Costs – Head Office** expenditure of £1,573k is £325k adverse to budget, with the current structure varying to budget for the year, and the one-off payment made to staff in all services in December reported here. Central support staff were increased (after the budget had been set) following on from a review of the strategy. There is £96k of ERVR costs included in the year, this is due to Head Office restructuring to create future cost efficiencies.

- **Head Office Running Costs –** Head Office Costs are inclusive of a £10k contribution from Care to the Ensemble project and £9k of training and community event invoices. However, the key drivers behind the overspend are higher employer's liability insurance costs and additional provisioning for utility costs as unit costs are increasing.

- **Group recharges – PPE** unbudgeted costs total £250k. Claims have been submitted to local authorities and the position will remain under review.

5b) Lowther – Year to date

[redacted]

6) Wheatley Solutions – Year to date

	Year to Mar 2022			Full Year Budget £ks
	Actual £ks	Budget £ks	Variance £ks	
EXPENDITURE				
Employee costs				
Executive Team	1,399	1,411	13	1,411
Employee Relations and WFP	2,188	2,170	(18)	2,170
Marketing and Communications	677	760	83	760
Assurance	719	693	(27)	693
Academy	508	461	(46)	461
Finance	3,468	3,477	9	3,477
Company Secretary	918	943	24	943
Information Technology	1,475	1,490	14	1,490
Business Growth	690	836	147	836
Customer First Centre	5,675	4,346	(1,329)	4,346
Property	1,065	1,156	90	1,156
Wheatley 360	332	390	58	390
Furlough income	(76)	0	76	0
Total employee costs	18,960	17,766	(1,194)	17,766
Running costs				
Executive Team	55	346	290	346
Employee Relations and WFP	720	791	71	791
Marketing and Communications	439	487	48	487
Assurance	38	97	59	97
Academy	657	785	129	785
Finance	659	696	37	696
Company Secretary	524	739	216	739
Information Technology	5,481	5,430	(50)	5,430
Business Growth	148	306	158	306
Customer First Centre	77	66	(12)	66
Property	1,568	1,459	(109)	1,459
Wheatley 360	18	20	2	20
Total running costs	11,188	11,921	734	11,921
Regulated insurance activities	3,562	3,609	47	3,609
Head office costs	1,479	1,479	0	1,479
TOTAL EXPENDITURE	**35,189**	**34,776**	**(414)**	**34,776**

Key highlights year to date:

The table presents the financial performance of Wheatley Solutions for the financial year ended 31 March 2022. 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 £35,189k for the year. This is £414k higher than budget due to additional employee costs only partially offset by reduced running costs.

Employee costs of £18,960k are £1,194k higher than budget:

  - Employee Relations, Academy, Assurance and the Customer First Centre are higher than budget following on from changes to the budgeted structure as at 1 April 2021. Most notably, the Customer First Centre has re-launched and additional headcount put in place for the fourth quarter to support our new ways of working and offering one point of contact for resolution of customer queries.
  - Marketing and Communications, Business Growth, Property and Wheatley 360 all report favourable variances and are all lower than budget due to changes to their budgeted headcount as at 1 April 2021. Other smaller variances reported relate to unclaimed working from home allowances.

- Running costs of £11,188k are favourable to budget by £734k for the year. The key variances within this are:
  - A number of the departments report lower costs with large numbers of staff continuing to work from home. Reduced activity in Academy, Business Growth (lower litigation costs), Company Secretary (customer consultation delayed) and Employee Relations (lower health and wellbeing claims) are the areas contributing most to savings against budget.
  - Property team reports spend of £1,568k which is £109k higher than budget. This relates to external legal advice with regards to two contractor claims, with spend of £358k across the year. Both are now successfully concluded. This was not included in the budget but is offset by savings against budget as a result of lower office running costs being incurred during the period Wheatley House was being refurbished.
  - Executive Team is where the Group wide consultancy budget sits and due to lower activity in the current year is reporting £290k below budget.
- Regulated insurance activities are lower than budget with lower uptake of contents insurance. Reduced insurance premium costs are also lower than budget.

7) Wheatley Foundation – Year to date

	YTD Mar 2022			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
INCOME				
Donations from Wheatley subsidiaries	4,000	4,000	0	4,000
Employability Grants	178	40	138	40
External income	903	973	(71)	973
Total Income	**5,081**	**5,013**	**67**	**5,013**
EXPENDITURE				
Overheads	1,040	1,103	62	1,103
Tackling Poverty & Social Inclusion	849	792	(57)	792
Education	201	251	50	251
Digital Inclusion	45	64	19	64
Employability	1,018	1,406	388	1,406
Sports / Arts	42	20	(22)	20
Money/Welfare Benefits advice	1,592	1,561	(31)	1,561
TOTAL EXPENDITURE	**4,787**	**5,198**	**411**	**5,198**
NET OPERATING SURPLUS / (DEFICIT)	**294**	**(185)**	**478**	**(185)**

Key highlights to date:

The table presents the financial performance of Wheatley Foundation for the 2021/22 financial year. The Wheatley Foundation reports a surplus of £294k. This is better than budget by £478k. Overall, this leaves the Wheatley Foundation with closing reserves of £1,866k.

Income of £5,081k is better than budget by £67k for the financial year.

- The Foundation have raised £903k in external income against a target of £973k for the year. Notable grants and donations received include:
    - GCC grant of £76k to support emergency fuel top ups for the period.
    - Creative Scotland grant of £42k to support artists deliver projects during the year.
    - Community benefit donations to the value of £309k; the majority raised through clauses written into the Group new build framework.
    - Scottish Government partnership award of £250k.
- The Foundation team have also been successful in claiming employability grants of £178k for the period, which is £138k higher than budget.

Expenditure of £4,787k is £410k lower than budget.

- Overhead costs of £1,040k are £62k lower than budget, with changes to the budgeted structure at 1 April and lower team running costs as staff work from home.
- Tackling Poverty & Social Inclusion spend of £849k is reported against a budget of £792k. The main project spend for the period relates to:
    - Expenditure funded by grant awards are the main reason for this theme being higher than budget for the period. Emergency fuel top ups to the value of £76k, funded by GCC grant, and homelessness project spend of £76k, funded by SFHA.
    - Barony Trust Response Fund payments of £130k. This is higher than budget by £110k This additional spend was approved at Board.
    - Eat Well spend of £319k. This covers the costs of providing supermarket vouchers to those referred by Wheatley Group subsidiaries.
- Employability expenditure of £1,018k is £388k lower than budget due to reduced modern apprenticeship costs and lower Wheatley Works costs. Project costs of £175k have been incurred in relation to the European Social Fund employability project awarded by GCC with delivery continuing into next financial year.
- Money advice team costs of £1,592k are higher than budget by £31k for the year due to temporary sick leave cover for staff.
- Sports and Arts costs of £42k relate to project delivery linked to the Creative Scotland grant award noted above. Digital Inclusion spend reports a saving of £19k against the full year budget.

8) City Building (Glasgow) LLP

[redacted]

9) Wheatley Group – Consolidated Balance Sheet

	Current Month As at 31 March 2022 £k	Previous yr end As at 31 March 2021 £k
Fixed Assets		
Social Housing Properties	2,412,380	2,380,102
Properties under construction	150,616	94,637
Other tangible fixed assets	70,666	59,358
Investment properties	236,981	235,896
Investments -other	116	116
Fixed Assets	**2,870,759**	**2,770,109**
Debtors Due More Than One Year		
Development Agreement	0	12,201
Inter Company Loan	0	0
Pension Asset	5,843	5,843
Current Assets		
Stock	1,525	1,919
Trade debtors	502	0
Rent & Service charge arrears	22,737	21,697
less: Provision for rent arrears	(8,585)	(8,019)
Prepayments and accrued income	10,191	14,617
Intercompany debtors	0	0
Other debtors	23,601	14,180
	49,971	44,394
Bank & Cash	64,093	132,417
Current Assets	**114,065**	**176,811**
Current Liabilities		
Trade Liabilities	(6,835)	(9,330)
Accruals	(39,179)	(66,347)
Deferred income	(59,420)	(50,964)
Rents & service charges in advance	(12,153)	(10,992)
Intercompany creditors	(0)	0
Other creditors	(16,004)	(13,367)
	(133,591)	(151,000)
Net Current Assets	**(19,527)**	**38,012**
Long Term Liabilities		
Contingent efficiencies grant	(42,536)	(40,704)
Bank finance	(1,212,934)	(1,190,631)
Bond finance	(296,735)	(296,735)
Development Agreement	0	(12,201)
Provisions	(5,468)	(5,897)
Deferred income	(41,290)	(38,244)
Intercompany creditors	0	0
Loan arrangement fees	0	0
Other creditors	0	0
Pension liability	(11,228)	(11,228)
Long Term Liabilities	**(1,610,191)**	**(1,595,640)**
Net Assets	**1,246,884**	**1,218,324**
Funding Employed		
Capital & Reserves		
Share Capital	0	0
Retained Income b/fwd	670,828	670,828
Income & Expenditure	28,560	0
Movement in Pensions Provision	0	0
Designated Reserves/gain on business	0	0
Revaluation Reserves	547,496	547,496
Funding Employed	**1,246,884**	**1,218,324**

Key highlights:

- Group net assets are £1,246.9m at 31 March 2022.
- The Balance Sheet as at 31 March 2022 is subject to final year end audit. It does not include the results of the property and pension valuations and other non cash year end statutory accounting adjustments.
- The fixed asset movements from the year end reflects investment in the core programme, the new build programme, and any other fixed asset additions, less depreciation to date.
- Current assets (excluding cash) are £5.6m higher than the 2021 year end position mainly driven by the movements in other debtors and prepayments & accrued income, that both fluctuate throughout the year depending on the timing of invoices. Rent arrears net of provision are broadly in line with the position at 31 March 2021.
- Current liabilities are £17.4m lower than the 2021 year end position. The main reduction in accruals relates to the payment of break fees in relation to the rearrangement of WFL1s financing arrangement in March 2021. The fees were accrued at the financial year end and paid in April 2021.
- Long term liabilities are £14.6m higher, mainly driven by the receipt of additional drawdowns in June from EIB of £28m offset by a reduction in the VAT shelter development agreement.
- Income and expenditure of £28.6m relates to the group surplus for the year to 31 March 2022.

10) Wheatley Group – Budget 2022/23

	2021/22	2022/23		
	Actuals £k	**Budget £k**	**Projections £k**	**Variance £k**
INCOME				
Net Rental Income	306,046	312,909	312,909	-
Grant Income	34,409	40,039	40,039	-
Other Income	55,033	42,770	42,770	0
Total Group Income	**395,488**	**395,718**	**395,718**	**0**
EXPENDITURE				
Employee Costs	85,389	90,055	90,055	-
ER/VR	4,643	5,150	5,150	-
Running Costs	47,737	46,239	46,089	150
Repairs & Maintenance	61,038	64,097	61,647	2,450
Bad debts	3,263	6,128	6,128	-
Depreciation	100,928	109,624	109,624	-
Demolition	505	2,205	2,205	-
Total Group Expenditure	**303,503**	**323,497**	**320,898**	**2,600**
NET OPERATING SURPLUS	**91,985**	**72,221**	**74,820**	**2,600**
Net operating margin	23.3%	18.3%	18.9%	0.7%
Gain/(loss) on sale of fixed assets	(12)	-	-	-
Net Interest Payable	(63,413)	(65,512)	(65,512)	-
STATUTORY SURPLUS	**28,560**	**6,709**	**9,308**	**2,600**
INVESTMENT				
Total Capital Investment Income	(38,416)	(53,453)	(53,453)	-
Core Investment Programme	110,744	73,406	76,006	(2,600)
New Build Programme	96,437	96,789	96,789	-
Other fixed assets	16,540	17,146	17,146	-
NET CAPITAL EXPENDITURE	**185,305**	**133,888**	**136,488**	**(2,600)**

Key highlights:

- The table compares the 2022/23 Group budget to the financial projections approved at the Group board in February 2022. The 2021/22 full year actual results are also presented for comparative purposes.
- The 2022/23 budget shows a net operating surplus of £72.2m, and a statutory surplus after interest costs of £6.7m, both £2.6m lower than the financial projections approved in February 2022. This reduction is in recognition of the continuing challenging economic environment since the Group's financial projections were prepared.
- Running costs, are £150k adverse to the financial projections. Insurance costs will be higher following the completion of the renewal in difficult market conditions. Additional provision has also been built in for higher fuel costs in the Nets vehicle fleet. To mitigate in part the financial impact of the inflationary pressures faced we have identified cost savings of £200k in Group services running costs in the areas of consultancy, subsistence and printing.
- The budget provision for repairs & maintenance has also been increased by £2,450k compared to the projections reflecting the continued inflationary pressure on utilities and fuel costs. Price increases are being exacerbated by hostilities in the Ukraine and the direct effect Russian sanctions are having on gas and oil costs. Similar inflationary pressures have also provided a challenge in the preparation of the City Building business plan and the level of discount available from CBG in 2022/23 is expected to be £1.25m lower than assumed in the financial projections increasing net repairs costs.
- In recognition of the inflationary pressures that also exist in materials supplies £1.6m of the kitchen and window programme in DGHP will be rephased into 2023/24 with a further £1.0m rephased in Wheatley Homes Glasgow's programme. As well as a response to material inflation and lead times, this also ensures provides covenant mitigation for the changes in revenue expenditure budgets since the projections were prepared.
- Other notable variances against 2021/22 actuals include:
  - Grant income recognised is directly linked to the number of properties completed in the year. A total of 490 units were included in the financial projections and are budgeted to complete with grant recognised of £40.0m. In 2021/22 the £33.4m of grant income reported relates to completions of 438 units. All RSLs are planning completions in 2022/23.
  - Staff costs includes the cost of living increase and the full year costs for the investment in the Customer First Centre, that supports our customers by providing proactive support to help resolve customer issues at first point of contact
  - Running costs reflect the savings from the rationalisation of our office accommodation and the flexible, agile based working model however are offset by the provision for the impact of high rates on inflation on operating costs.
  - Repairs and maintenance, as noted above, includes provision for inflationary pressures on utility and fuel costs.
  - Bad debt costs include a prudent provision for an increase in rent arrears. A similar approach was taken in 2021/22 with the bad debt costs reporting spend lower than budget.

Appendix 2: Wheatley Group Financial Report RSL Borrower Group & Quarterly Covenants To 31 March 2022 (Period 12)

•Classified as Internal

1a) RSL Borrower Group – Year to date

	Year to 31 March 2022		
	ACT £'000	BUD £'000	VAR £'000
INCOME			
Net Rental Income	246,194	246,490	(296)
Grant income - new build	29,324	44,683	(15,359)
Other Income	23,111	22,277	834
Total Income	**298,629**	**313,450**	**(14,821)**
EXPENDITURE			
Employee Costs	57,600	56,695	(905)
ER/VR	3,263	2,700	(563)
Running Costs	28,898	28,358	(540)
Repairs & Maintenance	46,666	44,098	(2,568)
Bad debts	2,526	4,799	2,273
Depreciation	89,379	89,379	-
Demolition Programme	326	1,200	874
Total Expenditure	**228,658**	**227,229**	**(1,429)**
NET OPERATING SURPLUS	**69,971**	**86,221**	**(16,250)**
	23.4%	27.5%	
Gain/(loss) on sale of fixed assets	(7)	-	(7)
Net interest payable	(54,290)	(60,575)	6,285
STATUTORY SURPLUS/(DEFICIT)	**15,674**	**25,646**	**(9,972)**
INVESTMENT			
Total Capital Investment Income	**36,823**	**57,978**	**(21,155)**
Total Core Investment Programme	72,222	72,767	545
New Build Programme	85,318	107,049	21,731
Other fixed assets	13,468	14,919	1,451
Total Capital Investment Expenditure	**171,008**	**194,735**	**23,727**
NET CAPITAL INVESTMENT SPEND	**(134,185)**	**(136,757)**	**2,572**

Key highlights year to date:

The RSL Borrower group operating surplus to 31 March is £69,971k, £16,250k unfavourable to budget. At the statutory surplus level, a surplus of £15,674k is reported showing an unfavourable variance of £9,972k compared to the budget. The variance to budget is driven by lower grant income on new build completions, higher repair costs with an increased level of demand for repairs services as full service resumed offset by other expenditure and interest savings.

Total income of £298,629k is £14,821k unfavourable to budget:

- Net rental income is £296k unfavourable to budget across the RSLs. Rent loss on voids is higher in WH-Glasgow with longer re-let times as the service was remobilised during the summer and reports voids for the year of 1.01% compared to budget of 0.7%.
- Grant income recognised is £15,359k unfavourable to budget. Grant recognised relates to 401 new build units, against a budget of 626 units completed in the borrower group across WH-Glasgow (248 units), DC (61 units) , WLHP (62 units) and Loretto (30 unit). The adverse variance is mainly driven by delayed completions of MMR properties at Watson now due to complete in Q1 2022/23, delays at Sighthill where 102 of the 132 units budgeted will complete in 2022/23 and delays at Almondvale where 26 MMR and 94 SR units due to complete in 2021/22 are now due for completion in 2022/23.
- Other income is £834k higher than budget and includes unbudgeted income for furnished lets which is matched with additional costs fort the provision of the packages reported through running costs.

Total expenditure of £228,658k is £1,429k unfavourable to budget:

- Employee costs are £905k unfavourable to budget which is due to higher employee group services recharges of £1,291k due to additional staffing being put in place in to strengthen the Customer First Centre and promote our new ways of working. There have also been vacancies during the year compared to the budgeted structure which have partially offset. ERVR costs are £563k higher linked to 2022/23 leavers who have committed in the fourth quarter, associated staff cost savings will go towards the 2022/23 business plan efficiency target.
- Running costs are £540k unfavourable to budget and includes £880k of unbudgeted costs which are funded by additional income. Higher vehicle and fuel costs are reported in the Nets service. Group services running costs are lower from with the new hybrid working model in place which is helping to mitigate.
- Revenue repairs and maintenance spend is £2,568k unfavourable to budget with higher than budgeted levels of responsive repairs across all RSLs primarily driven by higher customer demand as catch up works are addressed as pandemic restrictions have been removed and an increasing number of new jobs coming through the Customer First Centre

Interest payable represents the interest due on the loans due to Wheatley Funding Ltd 1 and is £6,285k favourable to budget following re-structuring of WFL1 loans in March 2021.

Net capital expenditure is £2,572k lower than budget.

- Capital investment income relates to the cash receipt of new build grants and is £21,155k below budget. The lower levels of grants claimed are linked to the lower level of new build spend as noted below.
- Total Core investment spend is £545k lower than budget which includes core investment works £2,656k lower than budget. In other investment in existing properties, voids improvements are £571k higher than budget and medical adaptations £1,189k higher.
- New build spend reflects delays in planning approvals and slower progress on sites due to supply issues. Greater spend had been expected for WH-Glasgow including Shandwick Street, Calton Village, Hurlford Avenue and Sighthill; there are also lower levels of spend at WLHP sites including Sibbalds Brae and Winchburgh BB. At DC, spend at Macmerry and Penicuik is lower than budget due to progress on site and spend is lower at Rowanbank due to the revised date for the approved Golden Brick arrangement.

1b) RSL Borrower Group underlying surplus – year to date

The RSL Borrower Group operating Statement (Income and Expenditure Account) on page 2 is prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2014).

However, the inclusion of grant income on new build developments creates volatility in the results and does not reflect the underlying cash surplus/deficit on our letting activity.

The chart below therefore shows a measure of underlying surplus in the RSL Borrower Group which adjusts our net operating surplus by excluding the accounting adjustments for the recognition of grant income and depreciation, but including capital expenditure on our existing properties.

In the year to 31 March 2022, an underlying surplus of £3,514k has been generated using this measure which is £5,939k favourable to budget. The variance is driven by the lower levels of core investment expenditure, lower interest costs offset by an increase in repairs staff and running costs.

Borrower Group Underlying Surplus - March 2022

	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks	FY Budget £ks
Net operating surplus	69,971	86,221	(16,250)	86,221
add back:				
Depreciation	89,379	89,379	0	89,379
less:				
Grant income	(29,324)	(44,683)	15,359	(44,683)
Net interest payable	(54,290)	(60,575)	6,285	(60,575)
Total expenditure on Core Programme	(72,222)	(72,767)	545	(72,767)
Underlying surplus	**3,514**	**(2,425)**	**5,939**	**(2,425)**

1c) WH-Glasgow – Year to date

Wheatley Homes Glasgow

	Year to 31 March 2022		
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks
INCOME			
Rental Income	£199,083	£198,828	£254
Void Losses	(£2,011)	(£1,410)	(£600)
Net Rental Income	**£197,072**	**£197,419**	**(£347)**
Grant Income - new build	£20,120	£28,859	(£8,739)
Other Income	£19,667	£18,750	£917
Total Income	**£236,859**	**£245,028**	**(£8,170)**
EXPENDITURE			
Employee Costs - Direct	£34,364	£34,684	£319
Employee Costs - Group Services	£12,816	£11,713	(£1,104)
ER / VR	£3,280	£2,741	(£539)
Direct Running Costs	£13,775	£12,227	(£1,548)
Running Costs - Group Services	£7,674	£8,451	£778
Revenue Repairs and Maintenance	£38,104	£36,637	(£1,468)
Bad debts	£2,209	£4,042	£1,834
Depreciation	£68,938	£68,939	£0
Demolition and Tenants Compensation	£331	£1,205	£875
TOTAL EXPENDITURE	**£181,492**	**£180,639**	**(£853)**
NET OPERATING SURPLUS / (DEFICIT)	**£55,367**	**£64,389**	**(£9,022)**
Net operating margin	*23.4%*	*26.3%*	*-2.9%*
RTB Income	(£7)	£0	(£7)
Net Interest payable & similar charges	(£44,816)	(£50,123)	£5,308
STATUTORY SURPLUS / (DEFICIT)	**£10,544**	**£14,266**	**(£3,721)**

INVESTMENT	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
Total Capital Investment Income	**£14,598**	**£28,458**	**(£13,860)**
Total Core Investment Programmme	£61,503	£61,806	£302
New Build Programme	£38,934	£55,725	£16,790
Other fixed assets	£12,038	£12,438	£399
TOTAL CAPITAL EXPENDITURE	**£112,476**	**£129,968**	**£17,492**
NET CAPITAL EXPENDITURE	**£97,878**	**£101,510**	**£3,632**

Key highlights year to date:

The WH-Glasgow budget includes the stock transferred from Cube from 28 April 2021.

Net operating surplus £55,367k is £9,021k unfavourable to budget. Statutory surplus for the year to 31 March is £10,544k, which is £3,721k unfavourable to budget. The main driver of the variance is a reduction in grant income recognised and increased repairs & maintenance costs, offset in part by interest savings.

- Net rental income of £197,072k is £347k lower than budget at the end of P12. Void losses are £602k higher than budget and represent a 1.01% void loss rate compared to the budgeted rate of 0.7%.
- Grant income recognised in the year relates to 248 units completed for Social Rent (106 units) at Bellrock, Auchinlea, Kennishead, Carnwadric and for MMR sites (142 units) at Baillieston, Sighthill, Dovehill and Hurlford. The budget assumed the completion of 46 MMR properties at Watson, 132 MMR units at Sighthill and 70 MMR units at Hurlford. Watson is delayed until Q1 2022/23 due to the ongoing construction and supply issues. At Sighthill and Hurlford, only 30 and 43 units, respectively, have completed with the reminder due for completion in Q2 2022/23.
- Total employee costs (direct and group services) are £785k unfavourable budget, noting that the group services recharge increased with additional staff resources supporting the launch of the new Customer First Centre. ERVR costs are £539k higher linked to 2022/23 leavers who have committed in the fourth quarter, associated staff cost savings will go towards the 2022/23 business plan efficiency target.
- Total running costs (direct and group services) are £770k unfavourable to budget. Of this £880k is matched with higher income for the furnished lets service which was not budgeted, Higher costs are also reported for Nets vehicles and fuel costs which are offset by a lower group services recharge, resulting from the continuation of home working.
- Revenue repairs and maintenance is £1,468k unfavourable to budget which results from customer demand for responsive repairs, cyclical repairs and some areas in Compliance.
- Demolition costs report a favourable variance to budget of £875k, mainly resulting from the timing of the consultation and approval process for the Wyndford demolition and capitalisation of site clearance costs of £90k relating to new build for Gallowgate, Shawbridge and Ashgill Rd.
- Gross interest payable of £44,816k represents interest due on the loans due to Wheatley Funding Ltd. Costs are £5,308k lower than budget, following the re-arrangement of WFL1's loans in March 2021.

Net capital expenditure of £97,878k is £3,632k lower than budget. The variance is driven by the lower level of spend in the new build programme and the accelerated grant claim in 20/21 for Sighthill.

- Investment programme spend is £302k lower than budget. Core programme is £2,421k lower than budget, offset by a higher spend on void improvements (£580k higher) and medical adaptations (£1,244k higher). Note that core programme spend had accelerated in Q4, reducing the favourable variance at year end.
- New build spend is £16,790k lower than budget due to reduced spend at P12 across a number of sites including Shandwick Street, Calton Village, Hurlford Avenue, Sighthill and Watson. Progress on Sighthill, Calton, Watson and Hurford has been slower to date and a delay at Sighthill in handover of the site to the developer by GCC had also delayed progress.
- Other capital expenditure of £12,038k is £399k lower than budget. Other capital spend includes Wheatley House works.

1d) Cube – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£3,047	£3,053	(£6)
Void Losses	(£53)	(£136)	£83
Net Rental Income	**£2,994**	**£2,917**	**£77**
Grant Income	£44	£47	(£3)
Other Income	£39	£42	(£3)
TOTAL INCOME	**£3,077**	**£3,006**	**£71**
EXPENDITURE			
Employee Costs - Direct	£550	£582	£32
Employee Costs - Group Services	£131	£124	(£7)
ER / VR	£0	£0	£0
Direct Running Costs	£234	£253	£19
Running Costs - Group Services	£71	£90	£19
Revenue Repairs and Maintenance	£577	£435	(£142)
Bad debt costs	£17	£82	£65
Depreciation	£1,503	£1,503	£0
TOTAL EXPENDITURE	**£3,083**	**£3,069**	**(£14)**
NET OPERATING SURPLUS / (DEFICIT)	**(£6)**	**(£63)**	**£57**
Net operating margin	*-0.2%*	*-2.1%*	*1.9%*
Net Interest payable & similar charges	(£676)	(£748)	£72
STATUTORY SURPLUS / (DEFICIT)	**(£682)**	**(£811)**	**£129**
INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£1,541**	**£1,671**	**(£130)**
Total Expenditure on Core Programme	£441	£358	(£83)
New Build & other investment expenditure	£1,386	£1,817	£431
Other Capital expenditure	£45	£65	£20
TOTAL CAPITAL EXPENDITURE	**£1,872**	**£2,240**	**£368**
NET CAPITAL EXPENDITURE	**£331**	**£569**	**£238**

Key highlights year to date:

Results are presented for Cube for the period of trading up to the transfer of engagements to Loretto Housing Association on 28 July 2021.

Net operating deficit of £6k is £57k favourable to budget. Statutory deficit for the year to date is £682k, £129k favourable to budget.

- Rental income of £3,047k is broadly in line with budget. Void losses in the year to date are 1.74% against a budget of 4.45%, generating a favourable variance of £82k.
- Other income includes any income from non-social housing stock and district heating schemes (prior to transferring to WH-Glasgow on 28 April).
- Direct employee costs of £550k are £32k favourable to budget, following transfer of a number of Cube's housing staff to WH-Glasgow on 28 April, three days earlier than the budget assumed. Group Services Employee Costs of £131k represents Cube's share of Wheatley Solutions staff up to the point of transfer.
- Direct Running Costs are favourable to budget by £19k, as a result of an under spend on Initiatives. Group Services Running Costs of £71k represents Cube's share of Wheatley Solutions running costs.
- Revenue repairs and maintenance expenditure is £141k unfavourable to budget, mainly due to the acceleration of the compliance based cyclical maintenance programme. Reactive maintenance reported an under spend to budget for the period to 31 July.
- Bad debts report a favourable variance to budget. A prudent approach to Universal Credit was taken when setting the budget.
- Gross interest payable of £676k represents interest due on the loans due to Wheatley Funding Ltd 1. A saving to budget is reported following the restructuring of WFL1's loans in March.

Net capital expenditure of £331k is £238k lower than the budget primarily as a result of the timing of new build spend.

- The majority of capital investment income and new build spend relates to Queens Quay.
- Investment works expenditure of £441k is for internal common works and compliance capital (both part of core programme works), voids and capitalised repairs.
- Other capital expenditure of £45k relates to Cube's share of group wide IT investment.

1e) West Lothian Housing Partnership – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£3,758	£3,920	(£162)
Void Losses	(£16)	(£51)	£35
Net Rental Income	**£3,742**	**£3,869**	**(£127)**
Grant Income - new build	£4,553	£12,467	(£7,914)
Other Income	£10	£32	(£22)
TOTAL INCOME	**£8,305**	**£16,368**	**(£8,062)**
EXPENDITURE			
Employee Costs - Direct	£511	£581	£70
Employee Costs - Group Services	£72	£69	(£3)
Direct Running Costs	£229	£296	£67
Running Costs - Group Services	£52	£49	(£3)
Revenue Repairs and Maintenance	£658	£647	(£11)
Bad debts	£4	£51	£47
Depreciation	£2,065	£2,065	£0
TOTAL EXPENDITURE	**£3,591**	**£3,758**	**£167**
NET OPERATING SURPLUS / (DEFICIT)	**£4,714**	**£12,610**	**(£7,896)**
Net operating margin	*56.8%*	*77.0%*	*-20.3%*
Interest receivable	-	1	(1)
Interest payable & similar charges	(£860)	(£991)	£131
STATUTORY SURPLUS / (DEFICIT)	**£3,854**	**£11,621**	**(£7,765)**
INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£3,190**	**£7,274**	**(£4,084)**
Total Core Investment Programmme	£877	£828	(£49)
New Build Programme	£8,947	£15,975	£7,028
Other fixed assets	£60	£67	£7
TOTAL CAPITAL EXPENDITURE	**£9,884**	**£16,869**	**£6,986**
NET CAPITAL EXPENDITURE	**£6,694**	**£9,595**	**£2,901**

Key highlights year to date:

Net operating surplus of £4,714k is £7,896k adverse to budget. Statutory surplus for the period to 31 March is £3,854k, £7,765k adverse to budget. The main driver of the variance is a lower level of grant income recognised.

Total income of £8,305k is £8,062k adverse to budget:

- Net rental income is £127k adverse to budget primarily due to delayed handovers at Jarvey St and Almondvale resulting in lower than budgeted rental income.
- Grant income recognised to date relates to 42 units completed at Jarvey Street and 20 units at Winchburgh site O. The unfavourable variance of £7,914k is due to the budget assuming 120 units at Almondvale would complete by the end of March, which are now pushed to 2022/23, offset by 20 units at Winchburgh O completing ahead of schedule.

Total expenditure of £3,591k is £167k favourable to budget:

- Direct employee costs of £511k are £70k favourable to budget, due to a Housing Officer vacancy and staff recharges for one FTE to a different group subsidiary which were not budgeted.
- Total Running costs (direct and group services) are £64k favourable to budget resulting from savings in office running costs generated while staff continue to work from home.
- Gross interest payable of £860k is £131k favourable to budget following the re-structuring of WFL 1 fixed rate loans in March 2021.

Net capital expenditure of £6,694k is £2,901k below budget. The variance is driven by the lower level of spend in the new build programme offset in part by lower grant claims in 2021/22.

- Core investment expenditure of £877k is £49k higher than budget.
- New Build expenditure of £8,947k is £7,028k, lower than budget driven by delayed spend at several sites including Winchburgh BB (£1.6m) and Sibbalds Brae (£3.7m) where planning approval has been delayed. This site is now likely to progress as a golden brick. The overall underspend is offset by Winchburgh O where progress has been ahead of schedule.
- Capital investment income relates to the cash receipt of new build grants and is £4,084k below budget. The lower levels of grants claimed are linked to the lower level of new build spend as noted above.

1f) Loretto Housing – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£12,192	£12,188	£5
Void Losses	(£233)	(£393)	£160
Net Rental Income	**£11,959**	**£11,795**	**£164**
Grant Income - new build	£2,629	£167	£2,462
Other Income	£301	£295	£7
TOTAL INCOME	**£14,890**	**£12,257**	**£2,632**
EXPENDITURE			
Employee Costs - Direct	£2,134	£2,120	(£14)
Employee Costs - Group Services	£434	£398	(£36)
ER / VR	£24	£0	(£24)
Direct Running Costs	£1,727	£1,752	£25
Running Costs - Group Services	£261	£287	£26
Revenue Repairs and Maintenance	£2,396	£1,941	(£455)
Bad debts	£107	£328	£221
Depreciation	£6,003	£6,003	£0
TOTAL EXPENDITURE	**£13,085**	**£12,828**	**(£257)**
NET OPERATING SURPLUS	**£1,804**	**(£571)**	**£2,375**
Net operating margin	*12.1%*	*-4.7%*	*16.8%*
Net Interest payable & similar charges	(£2,455)	(£2,514)	£59
STATUTORY (DEFICIT)/SURPLUS	**(£651)**	**(£3,085)**	**£2,434**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£2,691**	**£6,260**	**(£3,570)**
Total Core Investment Programmme	£2,962	£2,834	(£128)
New Build Programme	£14,863	£11,956	(£2,907)
Other fixed assets	£226	£351	£125
TOTAL CAPITAL EXPENDITURE	**£18,052**	**£15,142**	**(£2,910)**
NET CAPITAL EXPENDITURE	**£15,361**	**£8,881**	**(£6,480)**

Loretto Housing

Key highlights year to date:

Net operating surplus of £1,804k is £2,375k favourable to budget. Statutory deficit for the year is £651k, £2,434k favourable to budget. The main driver of the favourable variance is grant income recognised for New Build completions. The results at March include the activities transferred from Cube Housing Association from 28th July.

- Gross rental income of £12,192k is £5k favourable to budget. Void losses are 1.91% against a budget of 3.23%. Voids notably improved after implementation of new referral criteria at Broad St, one of Loretto's three temporary accommodation sites, in the June.
- Grant income relates to the release of grant for new build completions; grant has been released for 21 new build unit at Cobblebrae and 9 units at Dargavel, noting that no new build grant income was budgeted as these were completed ahead of schedule.
- Direct Employee costs are £14k unfavourable to budget, due to the Community Engagement Officer's post and handover / training period for a small number of new staff joining the team. Employees recharged from Group Services are for Loretto's share of Wheatley Solutions staff. The recharge has increased following the launch of the new Customer First Centre and additional staff resources to support our new ways of working
- Direct running costs are £25k favourable to budget, with a number of budget lines showing underspends, which offset higher property costs. Our new ways of working have enabled us to make operational group services running costs savings of £26k.
- Revenue repairs and maintenance expenditure is £455k unfavourable to budget as a result of higher compliance costs (mainly M&E), an increase in the property cyclical programme and communal utility costs.
- Bad debts are £221k favourable to budget. A prudent approach was taken when setting the budget.
- Gross interest payable of £2,455k represents interest due on the loans due to Wheatley Funding Ltd. Costs are £59k lower than budget, following the re-arrangement of WFL1's loans in March 2021.

Net capital expenditure of £15,361k is £6,480k higher than budget. This is due to the timing of new build spend and grant claims received. Grant income has been fully drawn down against Queens Quay, Cobblebrae and Hallrule.

- Investment works expenditure of £2,962k mainly relates to core programme works, including central heating, KBR, windows & doors and smoke & heat detector installations.
- New build expenditure of £14,863k, is £2,907k higher than budget and relates mainly to 4 ongoing sites – Hallrule, Dargavel, Cobblebrae Farm and Queens Quay, with Dargavel, Hallrule and Queens Quay driving the higher spend year to date. Approx. £1.6m of the capital investment income received is for Hallrule, with the remainder being for Cobblebrae (£647k) and Queens Quay (£339k).
- Other capital expenditure of £226k relates to the Loretto contribution to Wheatley Group IT and office refurbs. The full year budget includes £108k for office refurb and conversion of housing properties previously used as offices by Wheatley Care.

1g) Dunedin Canmore – Year to date

	Year to 31 March 2022		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	£30,695	£30,985	(£290)
Void Losses	(£268)	(£376)	£108
Net Rental Income	**£30,427**	**£30,609**	**(£182)**
Grant Income - new build	£3,744	£4,909	(£1,165)
Other Income	£3,389	£3,158	£231
TOTAL INCOME	**£37,560**	**£38,676**	**(£1,116)**
EXPENDITURE			
Employee Costs - Direct	£4,884	£4,862	(£22)
Employee Costs - Group Services	£1,704	£1,562	(£142)
Direct Running Costs	£3,234	£3,210	(£24)
Running Costs - Group Services	£1,021	£1,123	£102
Revenue Repairs and Maintenance	£5,226	£4,438	(£788)
Bad debts	£189	£296	£107
Depreciation	£10,908	£10,908	£0
TOTAL EXPENDITURE	**£27,167**	**£26,399**	**(£767)**
NET OPERATING SURPLUS	**£10,394**	**£12,277**	**(£1,883)**
Net operating margin	*27.7%*	*31.7%*	*-4.1%*
Interest receivable		6	(6)
Net Interest payable & similar charges	(£6,558)	(£7,280)	£723
STATUTORY (DEFICIT)/SURPLUS	**£3,837**	**£5,003**	**(£1,166)**

INVESTMENT			
TOTAL CAPITAL INVESTMENT INCOME	**£14,803**	**£14,315**	**£488**
Total Core Investment Programmme	£6,439	£7,079	£640
New Build Programme	£21,188	£21,576	£388
Other fixed assets	£1,099	£873	(£226)
TOTAL CAPITAL EXPENDITURE	**£28,726**	**£29,528**	**£802**
NET CAPITAL EXPENDITURE	**£13,923**	**£15,213**	**£1,290**

Key highlights year to date:

Net operating surplus of £10,394k is £1,883k adverse to budget. Statutory surplus for the period to 31 March is £3,837k, £1,166k adverse to budget. The main drivers of the variance continue to be lower levels of grant income recognised and net rental income both due to delayed completions and higher repairs spend offset by interest savings.

- Gross rent is £290k adverse to budget driven by the delays in completions at South Gilmerton. Void losses are £108k below budget as properties generating void loss were approved for sale in the year. Other Income is £231k favourable to budget due to earlier than anticipated MMR completions at both Newmill Ph2 and Longniddry as well as the workshop reporting a surplus of £295k, which is £209k favourable to budget.

- New build grant income of £3,744k recognised in the year (12 SR & 15 MMR units at Newmill Ph2, 10 MMR units at Longniddry & 24 SR units at South Gilmerton) is £1,165k lower than budget. The unfavourable variance is driven by 28 units at South Gilmerton that were due to be completed by March 2022 are now due to complete in Q1 2022/23.

- Total expenditure is £767k adverse to budget with the key driver being higher revenue repairs and maintenance costs which are £788k adverse to budget a result of higher customer demand for responsive repairs.

- Total employee costs (direct and group services) are £164k adverse variance to budget, due to an increase in recharges from Wheatley Solutions. Costs for group services includes a higher recharge following the strengthening of the new Customer First Centre supporting our new ways of working.

- Total running costs (direct and group services) are £78k favourable to budget. This is attributable to a lower group services running costs recharge as a result of our new ways or working, including working from home savings.

- Interest expenditure of £6,558k is £723k favourable to budget with lower interest rates on borrowings following the fixed rate loan restructuring in March 2021.

Net capital expenditure of £13,923k is £1,290k lower than budget. The variance is driven by the lower level of spend in the core programme and new build programme.

- Investment programme spend is £640k lower than budget. This is largely as a result of the rephasing of budget, planned underspend on customer priorities budget and slower progress in the pre 1919 tenemental programme.
- New build spend of £21,188k is £388k lower than budget and includes the land acquisition for £2m at Wallyford in March 2022. Capital investment income relates to the cash receipt of new build grants and is £488k more than budget.

1h) WFL1 and WGC

WFL1 Limited	Year to 31 March 2022
	Actual
	£ks
INCOME	
Operating Income	2,771
EXPENDITURE	
Administration Costs	(2,771)
TOTAL EXPENDITURE	**0**
NET OPERATING SURPLUS	**0**
Finance Income	49,969
Finance Charges	(49,969)
PROFIT / (LOSS) BEFORE TAX	**0**

Wheatley Funding No. 1 Limited

Operating income of £2,771k has been recognised in the year to date. Operating income relates to the recharge of commitment fees on the loan facility for the RSLs.

Administration expenses are for the commitment fees charged on the borrowings for the RSL Borrower group. £2,771k of fees have been incurred and subsequently recharged to the RSLs.

Finance costs relate to interest charges of £49,969k charged on the facilities to WFL1. These charges are passed on to the RSLs in full.

Wheatley Group Capital plc	Year to 31 March 2022
	Actual
	£ks
INCOME	
Operating Income	(118)
EXPENDITURE	
Administration Costs	118
TOTAL EXPENDITURE	**118**
NET OPERATING SURPLUS	**0**
Finance Income	13,125
Finance Charges	(13,125)
PROFIT / (LOSS) BEFORE TAX	**0**

Wheatley Group Capital Plc

Administration expenses are for the Prudential trustee fees charged on the Bond in place for the RSL Borrower group. £118k of fees have been incurred and subsequently recharged to the RSLs.

Operating income of £118k has been recognised in the year to date. Operating income relates to the recharge of Prudential trustee fees to the RSLs.

Finance charges of £13,125k have been recognised in the year to date. This relates to interest on the £300m bond that sits in Wheatley Group Capital plc. The interest rate is 4.375% per annum.

This is passed on to WFL1, and the recovery from WFL 1 recognised as Finance Income. The interest costs are subsequently recharged from WFL1 to the RSLs.

2a) RSL Borrower Group – Consolidated Balance Sheet

	Current Month As at 31 March 2022 £ks	Current Month As at 31 March 2021 £ks
Fixed Assets		
Social Housing Properties	1,969,226	1,973,231
Properties under construction	150,366	94,387
Other tangible fixed assets	66,634	58,502
Investment properties	81,002	81,002
Investments -other	8,387	8,387
Fixed Assets	**2,275,615**	**2,215,509**
Debtors Due More Than One Year		
Development Agreement	0	12,201
Inter Company Loan	29,075	29,075
Pension Asset	5,843	5,843
Current Assets		
Stock	0	505
Trade debtors	1,017	0
Rent & Service charge arrears	18,640	17,369
less: Provision for rent arrears	(7,331)	(6,915)
Prepayments and accrued income	8,042	12,812
Intercompany debtors	3,032	7,441
Other debtors	12,653	7,272
	36,053	**38,484**
Bank & Cash	11,986	50,918
Current Assets	**48,039**	**89,402**
Current Liabilities		
Trade Liabilities	(5,903)	(4,952)
Accruals	(19,291)	(57,872)
Deferred income	(59,420)	(46,239)
Rents & service charges in advance	(11,496)	(10,831)
Intercompany creditors	(221)	(1,537)
Other creditors	(12,280)	(9,347)
	(108,611)	**(130,778)**
Net Current Assets	**(60,572)**	**(41,376)**
Long Term Liabilities		
Contingent efficiencies grant	(42,536)	(40,704)
Loan - private finance	(945,983)	(924,073)
Bond finance	(296,735)	(296,735)
Development Agreement	0	(12,201)
Provisions	(1,853)	(1,855)
Deferred income	(31,998)	(30,502)
Intercompany creditors	0	0
Other creditors	0	0
Pension liability	(7,319)	(7,319)
Long Term Liabilities	**(1,326,424)**	**(1,313,389)**
Net Assets	**923,537**	**907,863**
Funding Employed		
Capital & Reserves		
Share Capital	0	0
Retained Income b/fwd	555,993	555,993
Income & Expenditure	15,674	0
Revaluation Reserves	351,870	351,870
Funding Employed	**923,537**	**907,863**

Key highlights:

The RSL Borrower Group net assets stand at £923.5m at 31 March 2022.

- The balance sheet reported is subject to final audit and will be updated for year end statutory accounts adjustments including for the revaluation of housing properties and the actuarial valuation of the defined benefit pension scheme.
- Current assets (excluding cash) are £2.4m lower than the 2021 year end position mainly driven by lower level of intercompany debtors which fluctuates due to the timing of settlements between entities. Rent arrears net of provision are in line with the position at 31 March 2021.
- Overall current liabilities are £22.2m lower than the 2021 year end position.
- Long term liabilities are £13.1m higher with the main movements being in borrowings in the year to date offset by a reduction in the Vat shelter development agreement.
- Income and expenditure of £15.7m relates to the RSL Borrower Group surplus for the year to 31 March 2022.

2b) RSL Borrower Group – Cash Flow Statement

For the period ended 31 March 2022	2021/22 £'000
Net cash generated from operating activities (see Note1)	128,871
Cashflow from investing activities	
Purchase of tangible fixed assets	(171,007)
Grants received	36,823
	(134,191)
Cashflow from financing activities	
Interest paid	(54,072)
Additional funding received in year to date	28,000
Loan Capital repayment	(7,539)
	(33,611)
Net change in cash and cash equivalents	**(38,932)**
Cash and cash equivalents at the beginning of the year	50,918
Cash and cash equivalents at the end of the period	11,986

Note 1	2021/22 £'000
Cashflow from operating activities	
Operating surplus for the period	69,971
Adjustments for non cash items:	
Depreciation of tangible fixed assets	89,379
Movements in working capital	(1,155)
Adjustments for investing or financing activities:	
Government grants utilised in the year	(29,324)
Cashflow from operating activities	**128,871**

Financial Projections & Assumptions 2022

Wheatley Housing Group Ltd 363

Scottish Housing Regulator

PLEASE USE "0" FOR NIL VALUES THROUGHOUT THIS RETURN

		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	
Number of units lost during year to:		£'000	£'000	£'000	£'000	£'000	£'000	Comments
STATEMENT OF COMPREHENSIVE INCOME								
Gross rents	10	0.0	0.0	0.0	0.0	0.0	0.0	
Service charges	11	0.0	0.0	0.0	0.0	0.0	0.0	
Gross rents & service charges	12	0.0	0.0	0.0	0.0	0.0	0.0	
Rent loss from voids	13	0.0	0.0	0.0	0.0	0.0	0.0	
Net rent & service charges	14	0.0	0.0	0.0	0.0	0.0	0.0	
Developments for sale income	15	0.0	0.0	0.0	0.0	0.0	0.0	
Grants released from deferred income	16	0.0	0.0	0.0	0.0	0.0	0.0	
Grants from Scottish Ministers	17	0.0	0.0	0.0	0.0	0.0	0.0	
Other grants	18	0.0	0.0	0.0	0.0	0.0	0.0	
Other income	19	240.5	248.9	255.1	260.2	265.4	270.8	
TURNOVER	20	**240.5**	**248.9**	**255.1**	**260.2**	**265.4**	**270.8**	
Less:								
Housing depreciation	22	0.0	0.0	0.0	0.0	0.0	0.0	
Impairment written off / (back)	23	0.0	0.0	0.0	0.0	0.0	0.0	
Management costs	25	0.0	0.0	0.0	0.0	0.0	0.0	
Service costs	26	0.0	0.0	0.0	0.0	0.0	0.0	
Planned maintenance - direct costs	27	0.0	0.0	0.0	0.0	0.0	0.0	
Re-active & voids maintenance - direct costs	28	0.0	0.0	0.0	0.0	0.0	0.0	
Maintenance overhead costs	29	0.0	0.0	0.0	0.0	0.0	0.0	
Bad debts written off / (back)	30	0.0	0.0	0.0	0.0	0.0	0.0	
Developments for sale costs	31	0.0	0.0	0.0	0.0	0.0	0.0	
Other activity costs	32	0.0	0.0	0.0	0.0	0.0	0.0	
Other costs	33	240.5	248.9	255.1	260.2	265.4	270.8	
	34	240.5	248.9	255.1	260.2	265.4	270.8	
Operating Costs	36	**240.5**	**248.9**	**255.1**	**260.2**	**265.4**	**270.8**	
Gain/(Loss) on disposal of PPE	37	0.0	0.0	0.0	0.0	0.0	0.0	
Exceptional Items - (Income) / Expense	38	0.0	0.0	0.0	0.0	0.0	0.0	
OPERATING SURPLUS/(DEFICIT)	39	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Interest receivable and other income	41	0.0	0.0	0.0	0.0	0.0	0.0	
Interest payable and similar charges	42	0.0	0.0	0.0	0.0	0.0	0.0	
Increase / (Decrease) in Negative Goodwill	43	0.0	0.0	0.0	0.0	0.0	0.0	
Other Gains / (Losses)	44	0.0	0.0	0.0	0.0	0.0	0.0	
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	46	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Tax on surplus on ordinary activities	48	0.0	0.0	0.0	0.0	0.0	0.0	
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	50	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Actuarial (loss) / gain in respect of pension schemes	52	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Fair Value of hedged financial instruments.	53	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	55	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	

Number of units lost during year to:		£'000	£'000	£'000	£'000	£'000	£'000	Comments
STATEMENT OF FINANCIAL POSITION								
Non-Current Assets								
Intangible Assets & Goodwill	60	0.0	0.0	0.0	0.0	0.0	0.0	
Housing properties - Gross cost or valuation	63	0.0	0.0	0.0	0.0	0.0	0.0	
Less								
Housing Depreciation	65	0.0	0.0	0.0	0.0	0.0	0.0	
Negative Goodwill	66	0.0	0.0	0.0	0.0	0.0	0.0	
NET HOUSING ASSETS	67	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Non-Current Investments	69	0.0	0.0	0.0	0.0	0.0	0.0	
Other Non Current Assets	70	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL NON-CURRENT ASSETS	71	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Current Assets								
Net rental receivables	74	0.0	0.0	0.0	0.0	0.0	0.0	
Other receivables, stock & WIP	75	0.0	0.0	0.0	0.0	0.0	0.0	
Investments (non-cash)	76	0.0	0.0	0.0	0.0	0.0	0.0	
Cash at bank and in hand	77	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL CURRENT ASSETS	78	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Payables : Amounts falling due within One Year								
Loans due within one year	81	0.0	0.0	0.0	0.0	0.0	0.0	
Overdrafts due within one year	82	0.0	0.0	0.0	0.0	0.0	0.0	
Other short-term payables	83	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL CURRENT LIABILITIES	84	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
NET CURRENT ASSETS/(LIABILITIES)	86	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
TOTAL ASSETS LESS CURRENT LIABILITIES	88	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Payables : Amounts falling due After One Year								
Loans due after one year	91	0.0	0.0	0.0	0.0	0.0	0.0	
Other long-term payables	92	0.0	0.0	0.0	0.0	0.0	0.0	
Grants to be released	93	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL LONG TERM LIABILITIES	94	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Provisions for liabilities & charges	96	0.0	0.0	0.0	0.0	0.0	0.0	
Pension asset / (liability)	97	0.0	0.0	0.0	0.0	0.0	0.0	
NET ASSETS	98	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Capital & Reserves								
Share capital	101	0.0	0.0	0.0	0.0	0.0	0.0	
Revaluation reserve	102	0.0	0.0	0.0	0.0	0.0	0.0	
Restricted reserves	103	0.0	0.0	0.0	0.0	0.0	0.0	
Revenue reserves	104	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL CAPITAL & RESERVES	105	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Intra Group Receivables - as included above	107	0.0	0.0	0.0	0.0	0.0	0.0	
Intra Group Payables - as included above	108	0.0	0.0	0.0	0.0	0.0	0.0	

Number of units lost during year to:		£'000	£'000	£'000	£'000	£'000	£'000	Comments
STATEMENT OF CASHFLOWS								
Net Cash from Operating Activities								
Operating Surplus/(Deficit)	113	0.0	0.0	0.0	0.0	0.0	0.0	
Depreciation & Amortisation	114	0.0	0.0	0.0	0.0	0.0	0.0	
Impairments / (Revaluation Enhancements)	115	0.0	0.0	0.0	0.0	0.0	0.0	
Increase / (Decrease) in Payables	116	0.0	0.0	0.0	0.0	0.0	0.0	
(Increase) / Decrease in Receivables	117	0.0	0.0	0.0	0.0	0.0	0.0	
(Increase) / Decrease in Stock & WIP	118	0.0	0.0	0.0	0.0	0.0	0.0	
Gain / (Loss) on sale of non-current assets	119	0.0	0.0	0.0	0.0	0.0	0.0	
Other non-cash adjustments	120	0.0	0.0	0.0	0.0	0.0	0.0	
NET CASH FROM OPERATING ACTIVITIES	121	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Tax (Paid) / Refunded	123	0.0	0.0	0.0	0.0	0.0	0.0	
Return on Investment and Servicing of Finance								
Interest Received	126	0.0	0.0	0.0	0.0	0.0	0.0	
Interest (Paid)	127	0.0	0.0	0.0	0.0	0.0	0.0	
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	128	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Capital Expenditure & Financial Investment								
Construction or acquisition of Housing properties	131	0.0	0.0	0.0	0.0	0.0	0.0	
Improvement of Housing	132	0.0	0.0	0.0	0.0	0.0	0.0	
Construction or acquisition of other Land & Buildings	133	0.0	0.0	0.0	0.0	0.0	0.0	
Construction or acquisition of other Non-Current Assets	134	0.0	0.0	0.0	0.0	0.0	0.0	
Sale of Social Housing Properties	135	0.0	0.0	0.0	0.0	0.0	0.0	
Sale of Other Land & Buildings	136	0.0	0.0	0.0	0.0	0.0	0.0	
Sale of Other Non-Current Assets	137	0.0	0.0	0.0	0.0	0.0	0.0	
Grants (Repaid) / Received	138	0.0	0.0	0.0	0.0	0.0	0.0	
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	139	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
NET CASH BEFORE FINANCING	141	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Financing								
Equity drawdown	144	0.0	0.0	0.0	0.0	0.0	0.0	
Debt drawndown	145	0.0	0.0	0.0	0.0	0.0	0.0	
Debt repayment	146	0.0	0.0	0.0	0.0	0.0	0.0	
Working Capital (Cash) - Drawn / (Repaid)	147	0.0	0.0	0.0	0.0	0.0	0.0	
NET CASH FROM FINANCING	148	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
INCREASE / (DECREASE) IN NET CASH	150	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Cash Balance								
Balance Brought Forward	153	0.0	0.0	0.0	0.0	0.0	0.0	
Increase / (Decrease) in Net Cash	154	0.0	0.0	0.0	0.0	0.0	0.0	
CLOSING BALANCE	155	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	

Number of units lost during year to:		£'000	£'000	£'000	£'000	£'000	£'000	Comments
ADDITIONAL INFORMATION								
Number of units added during year to:								
New Social Rent Properties added	160 :	0	0	0	0	0	0	
New MMR Properties added	161 :	0	0	0	0	0	0	
New Low Costs Home Ownership Properties added	162 :	0	0	0	0	0	0	
New Properties - Other Tenures added	163 :	0	0	0	0	0	0	
Total number of new affordable housing units added during year	164 :	**0**	**0**	**0**	**0**	**0**	**0**	
Units developed for sale:								
Number of units developed for sale to RSLs	167 :	0	0	0	0	0	0	
Number of units developed for sale to non-RSLs	168 :	0	0	0	0	0	0	
Please select "No" if these projections do not include all developments identified for this RSL in Local Authorities' Strategic Housing Investment Plans and add a comment.								
Development Assumption	171 :	Yes						
Development Assumption Comment	172 :							
	173 :							
Number of units lost during year from:								
Sales including right to buy	176 :	0	0	0	0	0	0	
Demolition	177 :	0	0	0	0	0	0	
Other	178 :	0	0	0	0	0	0	
Units owned:								
Social Rent Properties	181 :	0	0	0	0	0	0	
MMR Properties	182 :	0	0	0	0	0	0	
Low Costs Home Ownership Properties	183 :	0	0	0	0	0	0	
Properties - Other Tenures	184 :	0	0	0	0	0	0	
Number of units owned at end of period	185 :	**0**	**0**	**0**	**0**	**0**	**0**	
Number of units managed at end of period (exclude factored units)	187 :	0	0	0	0	0	0	
Financed by:								
Scottish Housing Grants	190 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other public subsidy	191 :	0.0	0.0	0.0	0.0	0.0	0.0	
Private finance	192 :	0.0	0.0	0.0	0.0	0.0	0.0	
Sales	193 :	0.0	0.0	0.0	0.0	0.0	0.0	
Cash reserves	194 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other	195 :	0.0	0.0	0.0	0.0	0.0	0.0	
Total cost of new units	196 :	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Assumptions:								
General Inflation (%)	199 :	1.5	3.0	3.0	3.0	2.5	2.5	
Rent increase - Margin above General Inflation (%)	200 :	0.0	0.0	0.0	0.0	0.0	0.0	
Operating cost increase - Margin above General Inflation (%)	201 :	0.0	0.0	0.0	0.0	0.0	0.0	
Direct maintenance cost increase - Margin above General Inflation (%)	202 :	0.0	0.0	0.0	0.0	0.0	0.0	
Actual / Assumed average salary increase (%)	203 :	1.5	3.5	2.5	2.0	2.0	2.0	
Average cost of borrowing (%)	204 :	0.0	0.0	0.0	0.0	0.0	0.0	
Employers Contributions for pensions (%)	205 :	0.0	0.0	0.0	0.0	0.0	0.0	
Employers Contributions for pensions (£'000)	206 :	0.0	0.0	0.0	0.0	0.0	0.0	
SHAPS Pensions deficit contributions (£'000)	207 :	0.0	0.0	0.0	0.0	0.0	0.0	
Minimum headroom cover on tightest interest cover covenant (£'000)	208 :	30,333.0	16,594.0	21,244.7	32,363.4	36,540.8	34,636.6	Per RSL Borrower group growth plan
Minimum headroom cover on tightest gearing covenant (£'000)	209 :	179,912.0	249,398.9	161,781.6	291,979.7	248,569.8	304,883.4	Per RSL Borrower group growth plan
Minimum headroom cover on tightest asset cover covenant (£'000)	210 :	4,785.0	4,880.7	4,978.3	5,077.9	5,179.5	5,283.1	2018 Blackrock private placement
Total staff costs (including NI & pension costs)	212 :	0.0	0.0	0.0	0.0	0.0	0.0	
Full time equivalent staff	213 :	0.0	0.0	0.0	0.0	0.0	0.0	
EESSH Revenue Expenditure included above	215 :	0.0	0.0	0.0	0.0	0.0	0.0	
EESSH Capital Expenditure included above	216 :	0.0	0.0	0.0	0.0	0.0	0.0	
Total capital and revenue expenditure on maintenance of pre-1919 propertie	217 :	0.0	0.0	0.0	0.0	0.0	0.0	
Total capital and revenue expenditure on maintenance of all other properties	218 :	0.0	0.0	0.0	0.0	0.0	0.0	
		Values	Comment					
Have you included any decarbonisation cost in the figures above?	221 :	No						
If so, please add an estimate of what the decarbonisation cost will be	222 :							
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