WHEATLEY HOUSING GROUP LIMITED
BOARD MEETING

Wednesday 27 September 2023 at 10.30am
Wheatley House, 25 Cochrane Street, Glasgow

AGENDA

1. Apologies for absence

2   Declarations of interest

3. a) Minutes of meetings held on 30 August 2023 and matters arising
    b) Action list

4. Group CEO update

    Main Business

5. Reinforced Autoclaved Aerated Concrete (RAAC) update (verbal)

6. Environmental sustainability update

7. Staff communication survey (verbal)

8. Group Social Media Policy

9. Group EDI Action Plan update

10. Group Hate Crime Policy

    Other business

11. Winter resilience planning

12. [redacted]

13. New build performance update

14. Risk management update

15. Approach to appraisal and Board effectiveness reviews

16. AOCB

    Date of next meeting
    – Wed 8th November 2023, 10.30am at 8 New Mart Road, Edinburgh

Report

To:	**Wheatley Housing Group Board**
By:	**Frank McCafferty, Group Director of Repairs and Assets**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Environmental sustainability update**
Date of Meeting:	**27 September 2023**

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1. Purpose

1.1 To update the Board on progress toward our sustainability objectives agreed through our Group Sustainability Framework and its supporting Action Plan.

2. Authorising and strategic context

2.1 Under the Group standing orders, we are responsible for our own strategy and performance monitoring. 'Setting the benchmark for sustainability and reducing carbon footprint' is a stated key outcome in our strategy, *Your Home, Your Community, Your Future.* Our Sustainability Framework provides the vision for how this will be realised. This update provides the Board with details of our progress in priority areas.

2.2 Implementation of our Sustainability Framework is monitored by Wheatley Solutions. The Wheatley Solutions Board receives quarterly updates on progress in implementing our Framework to support it in this role.

3. Background

3.1 Our Sustainability Framework was launched this year, together with an accompanying action plan and performance monitoring framework.

3.2 As part of our Framework, we make clear that our approach to reducing our impact on the environment will focus on four areas:
- our existing homes and their heating systems;
- our new build properties;
- our business operations; and
- our supporting activities.

3.3 We also make clear that achieving our sustainability objectives will involve changing behaviours in all parts of our Group and extensive engagement with our customers.

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4.   Discussion

Our existing homes and their heating systems

4.1   Our aim is to reduce CO_2 emissions from our existing homes by 6,000 tn this year. There are two strands of this that apply to our homes:
  - Improving the fabric of our homes; and
  - Ensuring that the heating systems in our homes operate as efficiently as possible.

4.2   In general, the vast majority of our homes are relatively energy efficient. Currently, as shown below over 90% of homes in our Group are at EPC C or higher.
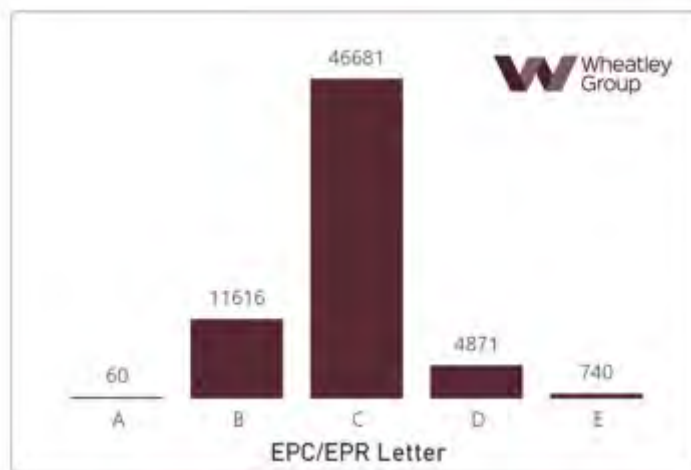
4.3   This compares favourably to the peers we have information for including L&Q who are reporting 79% of their properties at C, GreenSquare Accord who are reporting 67% at C, and Bromford who are reporting 87%.

4.4   Our current position highlights the importance of improving our least energy-efficient homes. Work is ongoing to build on our current position through projects to improve our properties that have either just been completed, are on-site or are at a detailed planning stage. These projects include:
  - Deep retrofit of around 300 homes in Dumfries and Galloway. This work, which is on-site currently with expected completion in 2024/25, involves a range of energy efficiency measures including External Wall Insulation ("EWI), new windows, battery storage systems, and solar PV. Overall, once complete the works are expected to significantly reduce energy bills for customers and save 2,860 tonnes of CO2;
  - Deep retrofit of 36 Canadian timber homes in Glasgow which has been completed recently cutting heating bills by up to 87% and saving 7 tn of CO2 per home each year. Works undertaken included external insulated render, new double-glazed windows and doors and high-efficiency, air source heat pumps, solar panels, and a heat recovery system;
  - Piloting bespoke retrofit measures in pre-1919 tenements. These works are being done when properties are void and include internal wall insulation and energy-efficient heating. Our aim is to complete improvements costing circa £20k per property to around 50 homes saving 448 tonnes of CO2; and
  - Improving 137 properties in Glasgow with inefficient electrical heating through a combination of installing solar PV, Air Source Heat Pumps, and loft insulation upgrades. Expected CO2 savings from these works are 434 tn.

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4.5 Our focus on these properties reflects the challenge they present and the availability of funding including from the Scottish Government and through Energy Company Obligation ("ECO") from third parties to support improvement work.

4.6 These projects are in addition to the energy efficiency works that Group partners undertake as part of their investment programmes including window and door improvement, boiler improvements and insulation.

4.7 We have also asked our expert advisory group on sustainability, the Pathway to Net Zero Group ("PNAG"), to provide guidance on relatively simple and innovative measures that we could consider applying to a large number of existing properties to improve energy efficiency. Doing this would be part of our ultimate objective to raise the energy performance of all properties where economically and technically feasible. Examples of areas to explore further suggested by PNAG include:

- All Buildings
  o air leakage reduction, improved sealing and, in parallel, appropriate ventilation; and
  o adjustment, deployment and supporting tenant knowledge in heating controls.
- Ground Floors – installation of underfloor insulation for suspended ground floors using modern methods that avoid entry to premises and changes to interiors;
- Houses & Top Floor Flats – review loft insulation, over compression of insulation, voids in insulation, topping up insulation depth, insulation covers for roof hatches, inadequate ventilation and non-insulated heating/water; and
- Insulation of Party Walls – most attached houses and flats built since 1950 have cavity separating walls. This can account for up 22% of heat loss. Injected insulation using bead insulation into cavity separating (party) walls could be undertaken from street side, not requiring access into properties.

4.8 Decisions on investment in these measures will be subject to approval through existing business and investment planning processes.

4.9 The other strand of our approach to improving energy efficiency of our existing homes is to ensure that the heating systems operate as effectively as possible. We have two priorities in this area:
- the completion of our ongoing programme on Connected Response installations to improve electric heating systems; and
- the deployment of the Minibems systems to improve the efficiency of our, mainly, gas fuelled district heating systems.

4.10 Installation of Connected Response is progressing as planned. We recently completed our 6,000[th] install. The system applies smart controls to electric heating systems which can lead to savings of up to 30% for customers on the cost of heating and hot water. Introducing Connected Response also saves around 1 tn of CO_2 per property per year, which is roughly equivalent to the emissions produced driving a petrol car for a year.

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4.11 Minibems works by using smart controls to better align the heat produced in a district heating system with actual demand. Doing this means less fuel (gas or bio-fuel) is needed by the plant which saves us money and reduces the CO2 produced. Detailed planning is ongoing, following contractual agreement in July.

4.12 Early priorities will include Broomhill and Gorget in Glasgow. Overall, we intend to deploy Minibems, over the next two years to district heating systems serving over 1700 customers in Glasgow and Edinburgh. Once fully deployed, Minibems is estimated to save 1400 tn of CO2 a year.
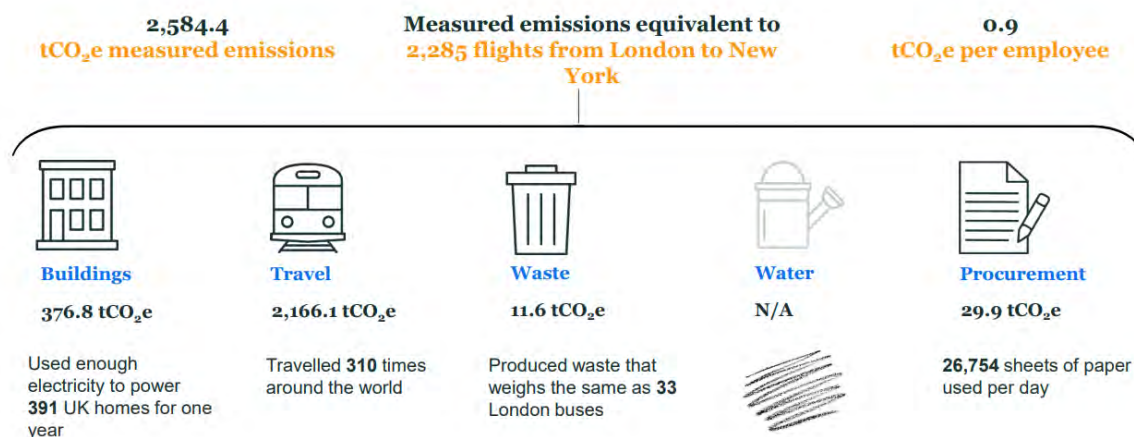
Our new build properties

4.13 Our Framework sets out our key actions in relation to new build homes. This includes:
- New-build homes will meet the planning requirements in relation to no fossil fuel as required through Building Regulations (March 2024);
- We will size our solar PV systems to generate sufficient electricity to mitigate high cost of operating some systems;
- Our large-scale regeneration proposals will include an assessment of 'carbon payback';
- We will explore the implications of design for deconstruction and look to incorporate requirements for this as part of future new-build standards;
- We will pilot modern methods of construction; and
- Our new homes will be at least EPC (Energy Performance Certificates) B.

4.14 As a result, all new build approved projects meet EPC B as a minimum. We also reviewed our new build specification to require zero emissions heating systems to be the preferred heating choice. A demonstration project has been instructed through Smith Scott Mullen (architect) at our West Craigs development to consider an approach to an assessment of carbon payback. The findings of this will inform future assessments.

4.15 Modular projects are being planned in Glasgow and the South and we are engaged with the Building Standards working group on the pathway to the Scottish Passivhaus Equivalent. We have engaged with our PNAG on our contribution to this working group.

Our business operations

4.16 Our objective is to be carbon neutral in our business operation by 2026. We have been working with PlanetMark to assess our emissions. Key findings from the PlanetMark assessment for 2022/23 on emissions from our business operations are:

- Scope 1: 1,847.0 tn CO_2
- Scope 2: 279.2 tn CO_2
- Scope 3: 458.2 tn CO_2
- Total 2,584.4 tn CO_2

4.17 These emissions equate to 0.9 tn CO_2 per employee which is the same as last year. Information on the sources of these emissions is shown below:

2,584.4 tCO₂e measured emissions	Measured emissions equivalent to 2,285 flights from London to New York	0.9 tCO₂e per employee

Buildings	Travel	Waste	Water	Procurement
376.8 tCO₂e	2,166.1 tCO₂e	11.6 tCO₂e	N/A	29.9 tCO₂e
Used enough electricity to power **391** UK homes for one year	Travelled **310** times around the world	Produced waste that weighs the same as **33** London buses		**26,754** sheets of paper used per day

4.18 Emissions from our corporate buildings have decreased from last year reflecting the improvements we made in our centres of excellence and hubs, and our new operating model. These reductions have been offset by an increase in fleet and car-based business travel, reflecting the return to normal business operations following the covid period. Waste and procurement related emissions have also increased, although these are both minor in relation to our overall total and reflect improved data availability and more detailed analysis by PlanetMark rather than any particular shift in our operations.

4.19 This year, emissions from our buildings will reduce further reflecting the change we have made already to switch all our electricity use to 'green' sources. Emissions from our fleet, predominantly through the Nets service, are expected to remain at similar levels until our planned switch to a zero emissions capable fleet. Developing options for reducing emissions from car-based business travel, waste and through our procurement process are all priorities in our sustainability delivery plan and through our recently established Sustainability CoE (Community of Excellence).

Our supporting activities

4.20 We established a CoE focused on sustainability in June this year. The CoE brings together around 30 staff from across our Group and will help ensure that every part of our group contributes to supporting our sustainability objectives. To ensure coordinated activity, the sustainability delivery plan at Appendix 1 has been developed. This plan brings together our sustainability related strategic projects and other priorities to provide an overview of all activities. These cover all parts of our Group, and provide a focal point for the work of our CoE and for ensuring progress group wide.

5. Customer Engagement

5.1 Engaging customers and supporting changes that will have a positive impact on the environment is a priority in our Framework. Our approach to this is being developed as part of the delivery plan and Community of Excellence discussed in this update.

6. Environmental and sustainability implications

6.1 This report focuses on environmental and sustainability implications.

7. Digital transformation alignment

7.1 Where applicable, digital techniques and innovation will be used to support the delivery of our sustainability objectives including through reducing travel and using cloud-based services, which are typically more energy efficient than onsite provision. With this in mind, we are also, through one of our sustainability related projects, looking to quantify the positive impact adopting digital technologies has had in reducing our CO_2 emissions.

8. Financial and value for money implications

8.1 The information and focus provided through the Sustainability Framework will help ensure we maximise impact and value from sustainability related investment. We will look, as we are doing now, to leverage our sustainability related spend through working with others including Scottish Government and energy companies as part of the ECO scheme, to maximise impact.

9. Legal, regulatory and charitable implications

9.1 Changes in guidance and legislation, such as through the Scottish Government's consultation on EPCs which is ongoing at present, will inform future investment approaches and priorities to ensure we meet our legislative and regulatory requirements.

10. Risk Appetite and assessment

10.1 Our risk appetite for setting the benchmark for sustainability and reducing our carbon footprint is as follows:
- **Financial or VFM: Open** - A significant investment in retrofitting will be required to increase the energy efficiency and reduce the carbon footprint of our existing homes. In this context we are prepared to invest for reward, considering both the value and benefits which this investment will bring. However, we must still minimise the possibility of financial loss by managing risks to a tolerable level;
- **Reputation and Credibility: Open** - We aim to establish Wheatley Group as a role-model for sustainability nationally and beyond, as well as influencing the rest of the sector to raise its standards. We seek to partner with the Scottish Government and other organisations (e.g. Sustainable Glasgow) to achieve our common climate change and sustainable development goals. We are prepared to be innovative to deliver these aims and take decisions that might expose us to additional scrutiny, but only where success is likely and we have taken appropriate steps to minimise any negative exposure;
- **Operational Delivery: Hungry** - We are eager to be innovative and pioneer new approaches to sustainability through the delivery of innovative energy generation opportunities. We will prioritise solutions that enhance control and cost savings for customers, and work with research partners to solve long standing challenges for improving energy efficiency in non-standard construction types. We are prepared to take greater risks where we believe opportunities will significantly support our aim to 'break the mould' and establish us as a leader in sustainability and reducing carbon footprint; and

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- **Compliance: Legal / Regulatory: Cautious** - this area is gaining more importance for stakeholders, including potential investors, staff and customers. We must be able to demonstrate that we have taken action to comply with all existing and emerging legislative and regulatory requirements in this area and be reasonably sure we would win any challenge.

10.2 The activities discussed in this update are in keeping with this risk appetite.

11. Equalities implications

11.1 Equalities implications will be assessed as part of the actions that are undertaken in implementing our Framework.

12. Key issues and conclusions

12.1 Our Sustainability Framework is shaping delivery across our group in areas ranging from our investment in existing homes to the skills we are developing among our staff. To ensure continued focus, ongoing delivery and that required organisation wide change is embedded, we have established a sustainability Community of Excellence. This will help drive the delivery of sustainability objectives in line with the strategy that the Board approved.

13. Recommendations

13.1 The Board is asked to note this progress update including the delivery plan at Appendix 1.

LIST OF APPENDICES:

Appendix 1: Sustainability delivery plan

Sustainability delivery plan
August 2023

KPIs and Targets

Existing Homes		
KPI	Target (2023/24)	Rationale
Reduction in the CO2 emissions from our existing homes	6,000 tn	Builds on the previous target during the strategy period of reducing emissions by 4,000 tn a year
The amount of investment committed to energy efficiency improvements, and whether this is funded from our own resources	No target – absolute amount to be reported	A requirement, that is on hold at present, as part of the EESSH2 reporting
Energy Efficiency rating bands of stock – Group and by subsidiary	To be agreed following further work	A key measure in our sustainability Framework and an on hold requirement for SHR through current EESSH2
[redacted]		[redacted]

New build homes		
KPI	**Target (2023/24)**	**Rationale**
New build properties ▪ EPC rating	B> 100% (new build)	Initial focus will be on the EPC based approach, as we build understanding on other measures (the amount of energy required to heat the home and the carbon emission from this energy source; in line with new Scottish Passive house equivalent).
▪ kWh/m2	95% of new build properties 90 KWh/M^2/YEAR or below	Assessment of 2022/23 projects.
▪ Carbon emissions from dwelling usage	99% of new build properties producing 1.2 tonnes of carbon dioxide lower each year	Assessment of 2022/23 projects.
▪ Embodied carbon in construction	Strategic Project 2023/24	Embodied Carbon in Construction is a Strategic project for 2023/24 with West Craigs being used as a demo project. SSM engaged to review how this is measured.
100% of developments are building with nature accredited	Strategic Project 2023/24	Applied at completed stage of a project to achieve 'full' award. Defined project to act as a demonstration for the application of this accreditation.
Number of new build property completions with zero direct emission heating systems	No target - absolute number to be reported	From 2024, all new build will require zero direct emissions heating systems. This measure will give an indication in advance of the new requirement

Business operations		
KPI	Target (2023/24)	Rationale
CO2 emissions from our business operations as assessed by Planet Mark	1,500 tn	A key outcome in our sustainability framework. Target builds on the result calculated by Planet Mark (2,500 tn) in 22/23
Number of staff taking part in 'sustainability related learning'	Annual target to be agreed following further work	We are keen to develop skills among our staff to support the behaviour change needed for net zero - Overall aim is for all staff to have the 'sustainability' related knowledge and skills needed for their roles and to deliver the behaviour change needed for net zero

Deliverables:
Strategic projects

Status	
	Early stages, not yet started
	Ontrack
	Slippage
	Risk on non-delivery

Project	Key Milestones	Target date (end of month)
Implement Group sustainability framework	▪ Sustainability delivery workshop	April 23
	▪ Refine sustainability performance monitoring framework	May 23
	▪ Develop sustainability delivery plan	June 23
	▪ Quarterly sustainability updates to ET	June 23
	▪ Annual sustainability progress report via PNAG to Group Board	Dec 23
Comment	Work, including this update, to implement sustainability Framework progressing to plan	
Defined criteria for assessing where it is not cost effective or technically feasible for a property to achieve a required energy efficiency	▪ Develop method for determining level of sustainability related spend a property can support*	July 23
	▪ Identify suitable energy efficiency measures for different property architypes	Sept 23
	▪ Cost applicable energy efficiency measures	Oct 23
	▪ Apply measures to property to determine if energy efficiency objectives can be met with level of sustainability related spend property can support	Dec 23
	▪ Consider any implications from revised EESSH2 guidance once available	Jan 24

Project	Key Milestones	Target date (end of month)
	▪ Develop draft policy for Board consideration and approval	Mar 24
Comment	NPVs at individual property levels calculated, and work on-going to identify suitable energy efficiency measures including piloting DReam software for developing and costing investment scenarios	
Pilot architype segment investment plans for our stock	▪ Identify suitable architype for pilot	April 23
	▪ Analyse different investment scenarios and their impact	April 23
	▪ Review findings with PNAG	May 23
	▪ Discuss approach with Wheatley Solutions Board	May 23
	▪ Determine level of spend pilot stock can sustain (linked to milestone 1 (*) above)	July 23
	▪ Develop investment plan for architype in pilot stock	Dec 23
Comment	In-depth assessment of post-war tenement stock undertaken with MAST architects. Findings shared with PNAG and Wheatley Solutions, and used to inform measures discussed in this paper	
Improve efficiency of district heating networks	▪ Agree contract with chosen supplier for smart control system for district heating networks	June 23
	▪ Define properties for phase 1 roll out	June 23
	▪ Engage customers in advance of deployment	Oct 23
	▪ Complete installation of necessary equipment (plant room and in customer home)	Dec 23
	▪ Commission and monitor to ensure operating effectively	Jan 24
	▪ Review progress and plan Phase 2 roll out	Jan 24

Project	Key Milestones	Target date (end of month)
Comment	Minibems selected after procurement exercise, contract finalise and detailed implementation planning for phase one properties (Broomhill, Gorget, and Collina in Glasgow) underway	
Develop an energy strategy including approach to our distributed heat systems	▪ Gather information on current heating systems and describe current business model	June 23
	▪ Identify and agree key objectives for our distributed heating systems	Aug 23
	▪ Identify potential options for future operation	Sept 23
	▪ Model options and agreed preferred approach	Nov 23
	▪ Document as part of heating strategy and develop implementation plan	Jan 24
Comment	Work to understand current systems, and their operation and management is complete. However, operating environment and performance will change with the introduction of minbems. Work in subsequent stages of this project will be held until improvements from changes being made currently to the operations of our distributed heat systems are evaluated.	

Project	Key Milestones	Target date (end of month)
ESOS (Energy Savings Opportunity Scheme) assessment.	▪ Procure Assessors	Apr 23
	▪ Total Energy Calculation complete	May 23
	▪ Energy Audits – 7-10 Sites	Sept 23
	▪ Audit and ESOS Report	Nov 23
	▪ Submission to SEPA	Dec 23
Comment	Completion of the ESOS assessment will most likely be delayed until after Mar 24. This is because the submission deadline has been extended by 6 months to 05 June 2024 because the legislation that defines the scope of Esos has yet to passed through parliament, and as a consequence the UK Environment Agency who regulates Esos has not been able to publish its Phase 3 guidance	
Evaluate the positive impact of measures undertaken by the Group in reducing carbon emissions.	▪ Research market to identify potential partner to undertake assessment	July 23
	▪ Begin work with external partners to determine scope of measures to be evaluated.	August 23
	▪ Gather information on measures completed and upcoming measures	Oct 23
	▪ With partners develop a measurement model to quantify impact	Nov 23
	▪ Draft report	Jan 24
Comment	Discussions have been held with various organisation on approach to evaluating positive impact. PlanetMark identified as preferred option, given its track knowledge of Wheatley and track record in evaluating emissions. Scope of work being finalised currently	
Evaluate our Sustainability Framework	▪ Identify potential partners to evaluate framework and initial progress	Nov 23
	▪ Develop scope for evaluation in conjunction with PNAG	Dec 23
	▪ Procure partner to undertake evaluation	Jan 24
	▪ Draft report	Mar 24
	▪ Final report	Mar 24
Comment	Focus is on progressing the Sustainability Framework currently	

Project	Key Milestones	Target date (end of month)
Explore the availability and potential of tools that can be used to plan sustainability related investment works and report impact of these works	▪ Outline reporting goals (June '23)	July 23
	▪ System/market assessment and interoperability with existing systems	Sept 23
	▪ Take forward selected route – either inhouse development or RFQs to relevant parties	Oct 23
	▪ System development	Jan 23
	▪ Test and sign-off	Feb 23
Comment	DREam system being piloted for assessing investment and PIMSS being developed for use in capturing impact of investment. Next step review pilot and decide to procure DREam	
Developing approaches to measuring embodied carbon in new build properties	▪ East team to trial measuring embodied carbon at a site (West Craigs) to inform new process in the future	Jan 24
	▪ New process developed to measure embodied carbon across new sites	Mar 24
Comment	Work at scoping stage currently	
Assess how procurement approaches can be used to understand Scope 3 emissions from our suppliers and to drive reduction as part of the procurement processes	▪ Develop requirement for our suppliers to provide a base line of thewhole-lifee carbon emissions associated with their products	Dec 23
	▪ Issue data collection questionaries via Contract Management System to all suppliers to create baseline.	Feb 24
	▪ Report to ET on the findings of early engagement and agreed next steps.	Apr 24

Project	Key Milestones	Target date (end of month)
Comment	Initial exploration and scoping work underway	
Develop innovative construction solutions and more modern methods, and explore how to implement these including the benefits of close working with suppliers and contractors, and new routes to market or partnerships.	▪ Approval of modular project in 2023/24 which includes monitoring of success. Possible projects include Corsbie Road, Johnstonebridge, Gladstone Road and Lochans.	Mar 24
	▪ Progress demonstration project with Scottish Government in Glasgow for the Scottish Passive House Standard.	Mar 24
	▪ Share increased knowledge of new construction methods and solutions to problems that arise and provide training/information to all internal stakeholders.	Mar 24
Comment	Work still at an early stage	
Size our solar PV systems to generate sufficient electricity to mitigate high cost of operating some systems	▪ Review solar PV assessment method and sign off of capacity as being sufficient to mitigate operating costs.	Dec 23
	▪ Develop measurement of KW generated, used and fed back into the grid via a feed in tariff ensuring value for money is being achieved (Landlord supply only)	Jan 24
	▪ Ensure on all developments where possible are provided with solar PVs for both landlord supply and new properties with agreed feed in tariff process	Mar 24
Comment	Assessment of solar PV capacity/demand on-going, alongside pilot of Solshare technology to improve capacity sharing, and reduce peak demand and need for individual invertors which can be cost prohibitive	

Project	Key Milestones	Target date (end of month)
All our urban sites will meet Scottish Government '20-minute neighbourhoods' and other local requirements;	▪ Develop a clear test for 20 minute neighbourhoods and implement it to measure all urban sites with the target of 95% of units built being in a 20 minute neighbour as defined by the Scottish Government.	Dec 23
Comment	Exploration of options on-going	
Work with our key suppliers to document the progress made in reducing emissions from our IT infrastructure and develop insight on how emissions can be reduced yet further	▪ Established an emissions dashboard within Azure for all hosted devices and services	July 23
	▪ Understand potential for 2024-25 emissions reductions (desktop hosting and Iomart contracts)	Mar 24
Comment	Emission dashboard developed and available	
Develop an approach to achieving a fleet that can operate with zero emissions including identification of challenges to address	▪ Roadmap to delivering a carbon neutral capable Group fleet by 2026 agreed by ET	May 23
	▪ Presentation of decarbonisation roadmap to Wheatley Solutions Board.	Aug 23
	▪ Market review and procurement route recommendation for Salary sacrifice scheme (Grey fleet).	Dec 23
	▪ Assessment of initial 6 months operational dataset (vehicle usage, locations, charging sites).	Mar 24
Comment	Update including roadmap provided to Wheatley Solutions at its last meeting	

Project	Key Milestones	Target date (end of month)
Require alignment with Sustainability Framework to be evidence for all proposed expenditure of more than £2 million or where a change is sought to established policies or practice.	▪ Research good practice in relation to embedding sustainability considerations in decision-making	Aug 23
	▪ Develop sustainability impact assessment and guidance on when required and how to complete	Sept 23
	▪ Pilot approach through October/November 2023	Nov 23
	▪ Roll out	Jan 24
Comment	Research on approach completed over summer	
Develop a sustainability performance measurement framework with progress against targets reported to Boards in the same way and at the same time as other key strategic group wide priorities.	▪ Produce a draft sustainability performance management framework and agree with Wheatley Solutions Board	June 23
	▪ Update ET reporting to better reflect sustainability measures	Aug 23
	▪ Begin quarterly progress reporting to Wheatley Solutions	Aug 23
	▪ Update to group Board	Dec 23
Comment	Information being provided to group Executive Team and Wheatley Solutions Board on progress against sustainability KPI and more generally	
Launch network of sustainability champions	▪ Determine aims and objectives of the group	Sept 2023
	▪ Gather interest and bring together	Nov 2023
Comment	Terms of reference for network of sustainability champions presented at Sustainability Community of Excellence in August 23	
Include sustainability responsibilities in the job outputs for our Directors and Managing Directors.	▪ Identify and agree wording to be included	Sept 23
	▪ Inform Unison of any proposed changes	Sept 23
	▪ Update existing directors and managing director's role profiles	Sept 23
	▪ Issue updated role profiles to the relevant staff	Sept 23
Comment	Work ongoing, although timescales will be delayed slightly as sustainability priorities for individuals are informed through work of COE	

Project	Key Milestones	Target date (end of month)
Baseline recycling facilities and establish targets with view to encourage our customers to reduce their household waste.	▪ Establish current recycling facilities available to customers	Oct 23
	▪ Scope out potential partners	Dec 23
	▪ Develop marketing / communication plan to change customer behaviours	Feb 23
	▪ Launch pilots across Group	Mar 24
Comment	Work on-going	
Develop tailored training programmes for housing staff that give them expertise and confidence to engage customers in their communities on how to make local contributions to improving the environment	▪ Research external learning on sustainability	Jun 23
	▪ Provide access to Sustainability Modules available on MyAcademy for COE to review and feedback on	Jul 23
	▪ Determine the key groupings of staff and COE members and the training required for each group – working on a leaders first approach	Sept 23
	▪ Determine best approach for learning delivery	Sept 23
	▪ Agree learning, timescales for delivery, and budget	Oct 23
	▪ Create plan for delivery and communication and implement group wide	Mar 24
Comment	Options for learning presented at last COE, agreed three pronged approach – general training available to all staff, role specific training initially focussed on frontline housing staff and specialist training for subject matter experts/COE	
Explore the potential to build on the Foundation's core contribution to include additional activities that build awareness and encourage action to address the climate crisis	▪ Greener Communities Programme approved by Foundation Board	May 23
	▪ Develop and maintain partnership with Environmental Funders Network	May 23
	▪ Review current Foundation programmes using a sustainability lens e.g. Home Comforts, Wheatley Works	Oct 23
	▪ Support customer engagement events x5 with a sustainability focus	Dec 23

Project	Key Milestones	Target date (end of month)
	▪ Build understanding and awareness via promotion of national campaigns and events e.g. National Bike Week	Mar 24
	▪ Deliver x5 sustainability focussed You Choose Challenges across Group	Mar 24
Comment	Sustainability related activities built around impact in our communities is a key priority for the Wheatley Foundation and a focus for on-going delivery activities	
Continue to explore how 'green' rota scheduling approach can provide an increased contribution to the aims of this framework.	▪ Review / collate green scheduling approaches in place across services (survey feedback)	Aug 2023
	▪ Identify opportunities for innovative sustainability approaches (survey analysis)	Sept 2023
	▪ Share best practice at Sustainability Communities of Excellence	Oct 2023
	▪ Evaluate changes in practice (survey response)	Dec 2023
Comment	Feeback being reviewed at present	
Our repairs service including City Building will develop sustainability action plans	▪ Updated repairs policies to be developed and put forward for approval to Boards	Sept 23

	▪ Consider updated policies and develop sustainability plans for City Building and the in-house teams. To cover:
	   o Repairs not renewals
	   o Material specification
	   o Improved appointments and reducing travel and no access I.e. wasted visits
	   o Transition of fleet
		Nov 23

	▪ Draft sustainability plans to be developed	Dec 2023
Comment	Approval to updated policy being sought from partner RSL boards currently	

Project	Key Milestones	Target date (end of month)
Develop approach to identifying locations, with community engagement, that can be 'set-aside' for habitat or where cutting cycles are arranged to provide most benefit to wildlife	▪ Map out locations that would be suitable	Sept 23
	▪ Hold community engagement events	Dec 23
	▪ Promote new approach to customers	Feb 24
	▪ Pilot wild meadow programmes across Group, in areas where there is customer support	Mar 24
Comment	Approach being developed at present	

Report

To:	**Wheatley Housing Group Board**
By:	**Graham Isdale, Group Director of Corporate Affairs**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Group Social Media Policy**
Date of meeting:	**27 September 2023**

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1.   Purpose

1.1   To seek approval for our updated Group Social Media Policy.

2.   Authorising and strategic context

2.1   Under the Group Standing Orders, the Board is responsible for the approval of Group policies and frameworks.

3.   Background

3.1   The Group Social Media Policy was last reviewed in late 2017. Since then, the use of social media worldwide has expanded, including for business use. The launch of our 2021-2026 strategy 'Your Home, Your Community, Your Future' sets out our digital ambitions and a renewed focus on driving engagement through new digital channels.

3.2   Across the Group, we have 16 social media accounts including Facebook, Twitter, Instagram and LinkedIn; we also have almost 55,000 followers. The growth in smartphone use and of new channels such as TikTok means it is important we have a policy in place to safeguard the organisation by identifying who is permitted to represent us online and provide guidance to those who have their own personal social networking accounts.

3.3   The policy has also been updated to include staff using W.E. Connect, our internal staff intranet site. As an internal policy, the draft reviewed policy was shared with our Trade Union partners and includes their feedback.

3.4   The policy was considered by the RAAG Committee at its meeting on 22 June 2023, which agreed to recommend the policy for adoption by the Group Board.

4.   Discussion

4.1   Social media is the broad term used for online platforms that enable users to communicate instantly with each other through sharing information, opinions, knowledge and interests. We recognise our social media presence is valuable in engaging with customers and other stakeholders.

4.2   For social media to be effective, it is vital it is used as part of our communications to provide up-to-date information about us, our subsidiaries, our communities, the services we provide and our engagement activities.

4.3   However, we need to ensure our use of social media channels does not expose us to security risk or reputational damage. This policy and appended staff guidance (appendix 1 to the policy) sets out how we will manage and regulate our use of social media.

4.4   The updated policy reflects changes and growth in social media channels, including the launch of popular sites such as TikTok and includes a new appendix (appendix 2 to the policy: guidelines for using our social media sites). This sets out the guidelines users should adhere to when engaging with us on our social media channels.

4.5   The revised policy will apply to all staff, Board Members and other workers, including placements, agency workers, secondees and any other contractors.

4.6   For Board members, the key issue is they should not purport to communicate on behalf of the Group or any Group member in their social media activity.

4.7   We intend to have a high-profile launch of the policy to all staff across Group through:
   ▪ video material for staff;
   ▪ use of TalkTogether and manager briefings;
   ▪ refresh and promotion of focused e-learning, under MyCompliance on our staff learning platform; and
   ▪ and internal communications to raise awareness including through a blog.

5.   Customer engagement

5.1   As an internal policy, there has been no customer engagement in relation to this review.

5.2   Social media is an opportunity for us to connect with communities, gather feedback and engage in two-way conversations. It can empower residents to have a voice about their needs and influence decision-making, building trust and stronger communities.

5.3   We also use social media to promote engagement opportunities to customers as well as consultations or campaigns, such as the fire safety campaign. Social media is an effective way of relaying important information quickly to customers for example, if we were to have a disruption to services.

5.4   In 2022, we posted 6006 updates on our social media channels throughout the year. Of these posts, 4,892,287 people/accounts saw the updates – up by 1.7 million from 2021.

6.   Environmental and sustainability implications

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

7.   Digital transformation alignment

7.1   A key focus in our 'Your Home, Your Community, Your Future' strategy up to 2026 is our Digital Transformation programme around our approach to engagement. This specifies that engagement will increasingly be digital and online, broadening our reach and providing customers with ease of access at a time and in a way that suits them.

7.2   Social media plays an increasingly important role in how we engage with customers and stakeholders. In the calendar year 2022, we received 10,320 messages on our social media channels. This figure includes people who sent us a direct message, commented on our posts and tagged us.

7.3   On the staff intranet site, W.E. Connect, in 2022 there were 285,458 page views with high levels of engagement: 4979 likes and 1594 comments on stories and content pages.

8.   Financial and value for money implications

8.1   There are no financial implications associated with the updated policy.

9.   Legal, regulatory and charitable implications

9.1   Anyone who uses social media and holds, shares, refers to or uses, for example processes personal information, must comply with the Data Protection Act 2018.

10.   Risk appetite and assessment

10.1   The policy outlines the risks associated with online activity and how we mitigate this through our approach to social media use. The improper use of social media by staff or Board members could lead to reputational or credibility damage to the Group. Our risk appetite towards this is 'minimal' which is defined as *'tolerance for risk taking limited to those events where there is no chance of significant repercussion'.*

10.2   Communication of the reviewed Group Social Media Policy and appended guidelines, as well as the mandatory social media awareness e-learning course, helps mitigate this risk by ensuring staff are clear on how they should interact on social media. This policy is included in induction for new employees, and the training on our employee learning platform MyAcademy. Board members will have access to this policy through the AdminControl reading rooms.

11.   Equalities implications

11.1   A key focus of our equality, diversity and inclusion (EDI) goals is diversifying our engagement. Social media offers an alternative, flexible form of communication with customers in which we can use various methods to suit different needs such as audio, subtitled video and imagery.

11.2   We are always considerate of EDI in our communications, imagery and branding. We can use social media to raise awareness in terms of equalities, for example through promoting celebration or awareness days to celebrate our diverse communities. We also use social media to promote our services such as our wraparound support.

11.3   Social media helps us reach a wide demographic audience, and in particular can be a useful tool to communicate with our younger customer groups. However, we understand many customers may not use social media or their first language may not be English, so it is important we retain varied, accessible communication and engagement, including face-to-face and translation/interpretation services, to ensure no-one is left behind.

12.   Key issues and conclusions

12.1   This policy has been updated to reflect our new channels, larger social media presence, increase in followers, higher levels of customer engagement and reflect the importance placed on digital communications in the current five-year strategy.

13.   Recommendations

13.1   The Board is asked to approve the Group Social Media Policy.

LIST OF APPENDICES:

Appendix 1: Group Social Media Policy [redacted] available here

Report

To:	**Wheatley Housing Group Board**
By:	**Anthony Allison, Group Director of Governance and Business Solutions**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Group EDI action plan update**
Date of Meeting:	**27 September 2023**

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1. Purpose

1.1 This report provides an update on Equality, Diversity and Inclusion ("EDI") activity across the Group and progress with our Group EDI action plan, *One Group, Many Voices,* supporting the implementation of our Group EDI and Human Rights policy.

2. Authorising and strategic context

2.1 Our strategy to 2026 sets out our desire to increasingly tailor services to the needs of our customers, diversify our Customer Voices and consider how our workforce will more closely reflect our communities.

2.2 Under the Group Standing Orders, the Group Board is responsible for approving group policies and their designation as applying Group-wide.

2.3 Given the importance of EDI to our business, the Wheatley Solutions Board has been tasked with monitoring the group-wide approach. Accordingly, EDI is a standing item on Wheatley Solutions' agenda.

3. Background

3.1 The Board approved our updated Equality, Diversity, Inclusion and Human Rights Policy at its meeting in September 2022. Given the importance of this area, the Wheatley Solutions Board has been given specific responsibility under its Terms of Reference to focus on the implementation of our policy and the associated actions required to embed the policy.

3.2 Given the importance of this area, Wheatley Solutions approved an action plan, *One Group, Many Voices* (Appendix 1) at its meeting in November 2022 and receives a quarterly update to monitor our progress against our Group EDI action plan (Appendix 1). The action plan was developed with input from our staff - including through our *Different Together* Community of Excellence ("CoE") - our trade unions and was reviewed externally by an inclusion advisor from Business in the Community ("bitc").

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4.   Discussion

4.1   Our Group EDI action plan *One Group Many Voices* sets out:

- how we will use and analyse equality data to better design, adapt, monitor and evaluate services, policies and processes;
- the actions we take to promote a culture of EDI; and
- the activities we undertake that directly improve EDI.

4.2   The action plan is focused on 4 Equality Outcomes to help us achieve the actions within our Group EDI and Human Rights policy. Since approval of the action plan, we have made significant progress, with many of the actions now being complete or ongoing as business as usual. Having completed a number of the actions, our aim for the next year will be to build on our progress, focusing on embedding the structures and foundations now in place.

4.3   The following sections of this report provide an update on our EDI activity over the past year under each action plan Equality Outcome.

Equality Outcome 1: One Group, Many Voices

4.4   This section of the action plan focuses on the collection, secure storage, regular reporting, monitoring and analysis of the data collected to inform our decision making and service delivery. For example, we use equality data to inform our equality impact assessments (EIA), in order to assess the potential impacts of new/reviewed policies/services on protected characteristic groups, identifying any actions to mitigate against potential negative impacts and maximise any potential positive impacts. We have hugely expanded our equality data collection and monitoring over the last year and now have equality data on the protected characteristics for the following groups:

- Customers – anonymous survey, circa 10k responses from our RSL customers;
- Prospective customers – MyHousing, our housing application platform;
- Customer Voices – our customer engagement programme;
- Employees – staff survey, circa 60% response rate;
- Job applicants – JobTrain and Foundation employability programmes; and
- Board members – upon appointment

Customers

4.5   We contacted all RSL tenants in 2022 to collect customer equality data. We co-designed the approach, data collection forms and accompanying guide with Customer Voices and received the highest number of returns we have had to a customer survey at over 10,300. The results have been shared with each of our RSLs. Understanding the demographic of our customer base is important and allows us to ensure that we can develop our services in a way that meets the needs of our customers; however, we know that it is also important to analyse this data against other publicly available sources which we will do once the results of the Scottish census are released in full in 2024. This analysis will help us to ensure that the responses we have received are consistent with the communities we serve.

4.6   Now that we have gathered information about the demographic of our customers, we have been using this as part of our decision-making. For example, we have used information about our customer base in our recent Equalities Impact Assessments ("EIAs).

Prospective customers - MyHousing

4.7   For prospective customers, we collect equality data through our MyHousing allocation system and analyse and report this quarterly. An example of how we have used this information to help improve our services can be seen through the MyHousing website itself. Upon reviewing applicant data, we identified that c.67% of applicants who disclosed a disability had a mental health condition. In response to this, we strengthened our signposting to resources available for mental health support on the website, with the below resource link appearing on several sections on the site:

How we rent homes

Homes are advertised on the MyHousing website twice a week.

The search for a home section is updated every Tuesday and Friday at 8am.

It's easy to note an interest – and you have three days to do so from the day the home is advertised.

You can note interest in three homes in each advertising cycle. You should note interest in homes advertised in your priority Band which suits you and your household.

Priority is given to applicants who are in the same Band that the home was advertised for.

Once the closing date has passed, the home will be offered in the first instance to the applicant who has noted an interest and has been in the applicant band the longest.

Our 'Fast lets' – homes which are immediately available to all Bands – are added daily.

You can only note an interest in one Fast Let home in each advertising cycle.

View 'Fast lets'

Moving home, or applying for a home, can be stressful and have an impact on your mental wellbeing.
If you are struggling with your mental health, you can find out about the resources available to you by clicking here.

4.8   We are also able to track the diversity of applicants across our RSLs, such as in relation to ethnicity. Since we expanded the MyHousing equality data collection, we can compile the different demographics across each of our areas of operation. Using the data, 9% of applicants in Glasgow are from an African ethnic background; compared to 6% of applicants for non-Glasgow Loretto Housing areas and 7% of WH East applicants for non-Edinburgh areas[1].

4.9   Comparing this to our customer equality data survey, only 3% of respondents were from an African background. We are serving an increasingly diverse population and highlights the importance of developing our EDI approach to ensure we are open and inclusive to all our customers.

4.10   Additionally, we have reinforced our commitment to EDI on the MyHousing site. Our equality data is shared with the development teams to ensure that it is considered, along with other relevant information, as part of the mix of housing we design and build. The full set of this data collected so far is included in Appendix 2.

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[1] Edinburgh applications are managed through Edinex

4.11 It should be noted that at this stage, we have focussed on the data we have collected. The results of the Scottish Census are due to be published in 2024. Once we have access to those results then we will be able to carry out more detailed analysis on our communities and housing applicants relative to the broader population.

Wheatley Foundation

4.12 Quarterly analysis is now underway for EDI data collected through Wheatley Foundation employability projects, including the Way Ahead project in Glasgow. In quarter one of this year, there were 24 referrals involved in Way Ahead. Analysis of the equality data shows (for those who answered):

- a younger age profile, as we would expect for this project;
- a significant increase in disability from 10% 22/23 Q4 to 50% 23/24 Q1;
- We expect this to be due to referrals coming through the Enable contract (detailed later in the report); and
- The majority of disabilities declared relate to mental health and learning difficulty conditions.

4.13 We have expanded our data analysis from the Foundation to include customers supported by fuel advice, welfare benefits advice and EatWell. It is important that we monitor access to these services to help us identify and then mitigate any potential barriers. We have also included equality data for applications for bursaries; we have compared the applicant data with those who are successful, with the intention of identifying and mitigating any barriers and equality of opportunity. Quarter one analysis of this data is attached at Appendix 2.

4.14 In addition, we collect equality data for our Wheatley Works programme (Changing Lives, Environmental Roots and Modern Apprenticeships) as these are key pathways into our organisation. Analysis of this is included within recruitment data monitored by our People Services team to help identify any potential barriers or underrepresented groups. For example, we have made recent improvements in our recruitment process such as providing applicants with a named contact and a menu of reasonable adjustments we can make. This makes the application process more accessible particularly for those with disabilities and neurodiversity.

Customer voices

4.15 We have a strong commitment to customer engagement which is reflected in our Customer Voice programme. To ensure our register of Customer Voices is as up to date as possible we invite Customer Voices to re-register each year. As part of this year's re-registration, we have been collecting equality data, with approx. 1000 customers having provided this so far. Our Stronger Voices Community of Excellence ("CoE") considered the equalities information in April and our specialist Data and Information Analyst provided training to all of our Stronger Voices Officers on the interrogation of data and how to effectively use this to inform our local engagement plans in an inclusive and accessible way.

4.16   In recognition that c.62% of our Customer Voices who have disclosed themselves as disabled indicated they have a mental health condition, we held an event in celebration of mental health awareness week. This wellbeing drop-in was an opportunity for customers to have a chat and link in with local mental health services and local community groups. Furthermore, one of our Stronger Voices Officer attends an Ethnic Women's group that meets weekly; this has also led to some customers signing up to our Customer Voice programme. Events such as this help us promote and signpost the support we have available for customers. Our Customer Voice EDI data is included in Appendix 2, giving a comparison against our customer EDI survey results.

Staff

4.17   We undertook a staff diversity survey in 2022 which resulted in over 1700 (circa 60%) returns. The results of our employee survey were shared with over 80 leaders at our Group-wide Leaders Forum in March, where our EDI and Human Rights policy was a 'spotlight' item. Our People Services team attended each of our management teams to present the data, tailored to what it means for that particular team. This also included an analysis of our recruitment data (attached at appendix 3) and an update on the actions we have put in place to diversify our pool of candidates.

4.18   Our *Different Together* CoE received the staff survey update and helped to develop further initiatives we could explore to widen the diversity of our future job applicants. For example, through showcasing career opportunities in partnership with Wheatley community schools and colleges. Although we have made progress through refreshing our recruitment approach, with bitc confirming we are achieving best practice, we continue to work to make further improvements. Recruitment colleagues and our Race and Multicultural network group have recently engaged with Black Professional Scotland, who aim to empower Scotland-based black ethnic minority professionals with further employability skills, to explore how we could mutually support each other.

4.19   We are developing an annual equalities report that will include details of all the data that has been collected in the last year, what this has informed, what actions have been put in place as a result and what benefits we have seen, or expect to see, as a result. The annual report will be published on our website and is an important element of increasing our transparency to customers and stakeholders.

Equality Outcome 2: Data and insight-driven decisions

4.20   Following the collection of data, we must effectively embed the use of this to supplement other customer insight and help drive our decisions. The focus of this section of the action plan is particularly important in terms of engagement to ensure the customer voice is at the heart of our service delivery. To understand how our employee diversity reflects the communities we serve, we will undertake a mapping exercise against Scottish Census data. The recently published Scottish Census release schedule states that full data will not be available until 2024/25 so we will carry this action into next year.

4.21 Our engagement framework itself is designed to be flexible, offering different methods of being involved to maximise the diversity of those who can and do participate, such as in-person, online, neighbourhood walkabouts or panel events. Our Stronger Voices Officers work closely with our Customer Voices and can assist with accessing IT courses and support, language skills and other development opportunities to ensure accessibility to engaging with us. The Stronger Voices team is also working with our Academy and has developed a learning platform for Customer Voices, giving access to courses on topics such as employability, as well as fuel and money advice. This is currently in a pilot phase before full rollout.

4.22 Our framework is being reviewed and customer engagement to inform this and the accompanying EIA is underway. Across the Group, we held 8 focus groups in July/August which involved over 60 customers across Group. These sought feedback on the following:

- Are there any new ways we might engage in future?
- How do we make it easier for people to engage?
- How can we listen better? and
- Is there more we could do to keep you informed on how you are influencing decision-making?

4.23 Analysis of the feedback from the focus group is underway to inform the review and the EIA. Some feedback we have had in terms of the barriers customers face to engagement relate mainly to medical concerns, for example becoming unable to attend events due to hospital appointments. The EIA is therefore a key part of assessing and evidencing the inclusivity and diversity of our engagement approach. The updated framework is intended to be presented to the Group Board for approval in Q4.

4.24 A recent Shelter Scotland report[2] found that the occurrence and fear of racial harassment were common for people from minoritised ethnic communities living in social housing and recommended a more effective zero-tolerance approach against perpetrators of racial harassment. We were mentioned twice in the report as an example of good practice for (i) our use of Choice Based Letting and (ii) our anti-social behaviour framework and approach. Following the publication of this report, Shelter Scotland held workshops at the end of August to bring the sector together to define the key actions required to take forward the report's recommendations. Representatives from our Governance, MyHousing and Group Protection teams attended this workshop to bring back learning to inform our own Action Plan review.

4.25 Prior to the report publication, we had already initiated the development of a Hate Crime policy, to further strengthen our Hate Crime approach and training; this is presented in a separate agenda item. As part of the development of this policy, we have used our Customer Voice EDI data to engage with ethnic minority groups ensuring the experience shapes our policy. We have also facilitated a women-only focus group to help increase participation from ethnic minority women.

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[2] Shelter Scotland: Minoritised ethnic groups' access to social housing in Scotland June 2023

4.26   Feedback from these groups was positive in regards to our approach and aims of the Hate Crime policy, feeling this will give a greater understanding of what a Hate Crime is and also encourage people to report when they have been a victim. Some mentioned poor experiences they had had with other housing associations and agencies, for example different treatment or stigmatisation, but all had encouraging comments about the support and experience with us. Insight from this engagement will also feed into the EIA for the Hate Crime policy. The policy lead, along with a number of other senior leaders and policy leads, attended an EIA masterclass in July to expand their knowledge and support their undertaking of the assessment. The Hate Crime policy and EIA are presented in a separate agenda item.

4.27   We have one action in this section of the action plan still to complete: *Benchmark Board diversity annually against sector data and report via RAAG Committee, with approach to diversity being extended to all partner Boards.* This will be undertaken in November, following the annual Board retirements, appointments/reappointments that take place this month.

Equality Outcome 3: Open to all

4.28   This outcome focuses on supportive services, in particular for refugees and access to housing; inclusive recruitment and induction; fostering an EDI culture and; ensuring our employee wellbeing benefits package is suitable for different needs.

4.29   We continue to show our commitment to supporting refugees, increasing plans to house Ukrainian refugees from 300 to more than 700 across the Group. To date, as a group we have supported temporary accommodation and reported a total of 214 lets to local authorities in Edinburgh, Glasgow, Dumfries and Galloway, West Lothian and South Lanarkshire for Ukrainian families.

4.30   We have also now developed a New Scots e-learning module; this training is aimed at frontline staff including housing, NETs and CFC to raise awareness on who is a 'New Scot' and how we support customers including through our New Scots welcome package and translations. This also includes a 'journey of a refugee' video to increase staff understanding about the particular barriers this group may face, as well as common queries we get and how to respond to these cases in terms of mental health/isolation, no recourse to public funds and family reunions. The training covers safety and wellbeing issues particularly known to have an increased likelihood of being experienced by New Scots (e.g. domestic abuse, forced marriage, female genital mutilation, hate crime and human trafficking). Once this module is launched, all actions within this outcome are complete.

4.31   We want our employees to have an understanding/awareness of EDI considerations/implications in order to appreciate the value and importance of taking an EDI approach in our work. We have refreshed our EDI training approach to enhance and complement the mandatory e-learning modules currently available for staff by working with bitc to deliver in-person, in-depth Inclusion Champion sessions. To date, all People Services staff and all members of the CoE have attended sessions.

4.32   In enhancing our EDI organisational culture. bitc have also delivered an Inclusive Leadership training programme which has seen **over 250** people managers across the group receive face-to-face training, equipping them with the skills and knowledge to manage in an EDI positive way. We also held a bespoke session for trade union representatives, which 22 representatives attended. Overall, participants agreed that they felt better informed on the topics covered and on average, rated the sessions as 9.68 out of 10. When asked how the training could be improved, feedback included:

'Thought the session was great. Would like refreshers every 6 or 12 months.'

'Perhaps some scenario-based discussions would be good. It was great and like how it was tailored to Wheatley.'

4.33   In utilising our bitc membership, we are taking part in a Skills Exchange programme with Glasgow Caledonian University to engage and inspire future leaders; this involves welcoming a Masters Student in Climate Justice to write their dissertation project on Sustainable Housing, drawing on the expertise of our Sustainability team. In addition, our Group Chief Executive has joined the bitc Scotland Leadership Board. This brings together the knowledge, skills and connections of senior-level professionals to provide strategic guidance and support to bitc's commitment 'changing business, transforming lives and helping the planet and communities thrive.'

4.34   To better disseminate bitc resources to staff internally, we have added their events and webinars to our EDI learning suite so staff can self-serve. In addition to bitc, we also engaged with specialists to celebrate Neurodiversity Week; we held in-person and online events for staff, supported by our Disability and Neurodiversity network group, with approximately 80 colleagues participating in this. This included Supporting Neurodiversity in the Workplace webinars delivered by Lexxic, a specialist psychological consultancy. Following this celebration week, two staff disclosed a disability to their manager which they had previously kept private. This is strong evidence that helps demonstrate how we support and empower staff with differing needs.

4.35   Our recruitment team has been working more closely with our Stronger Voices team to attend events, outreach to communities and encourage underrepresented groups to apply for jobs with us, for example at a recent East End Homes Community event. We have also utilised the Customer First Centre welcome message to highlight recruitment opportunities and distributed leaflets/posters within our multi-storey sites to encourage customers to apply for roles in environmental teams. To further encourage underrepresented groups to apply with us, a review of our careers and attraction pages is underway for all our websites to rebrand this under *Different Together*, promote EDI campaign information and highlight examples of current staff diversity.

4.36   We have seen success recently following the improvements to our recruitment process, particularly following the review from our neurodiverse and disability group. For instance, in a recent NETs recruitment campaign, we provided applicants with themes in advance of the interview. We also had a candidate disclose their neurodiversity and request additional support after seeing our Different Together campaign. The candidate received 1-2-1 interview skills training which included a mock interview and following this the candidate was successful. Whilst this is only one individual it is evidence that our public messaging can make a difference.

4.37   We have also launched a new Interview and Selection Skills training module, which is mandatory for hiring managers and has a 3 year re-certification cycle. This module is designed to prepare managers for the recruitment process, reduce the likelihood of any bias and ensure the experience is a positive one for applicants and interviewees. In launching this training, we have also promoted recommended good practice on setting up diverse interview panels and our updated Unconscious Bias e-learning.

4.38   Working with our CoE members we have developed a Statement of Commitment[3]. This was signed by our Group CEO and Group Chair, who have both attended a *Different Together* CoE meeting. This is published on our websites and follows best practice as a short, formal articulation that clearly demonstrates to our customers and employees (both prospective and current), and other stakeholders our organisational values, expectations and goals when it comes to EDI. We define what EDI means for us, why this is important to us and how we plan to include EDI within our organisation.

4.39   The Statement was reviewed externally by the Employer's Network for Equality and Inclusion ("enei") also. All this sends a strong signal to staff that our leaders are championing inclusion and provides assurance that EDI is a focus at both executive management and Board level.
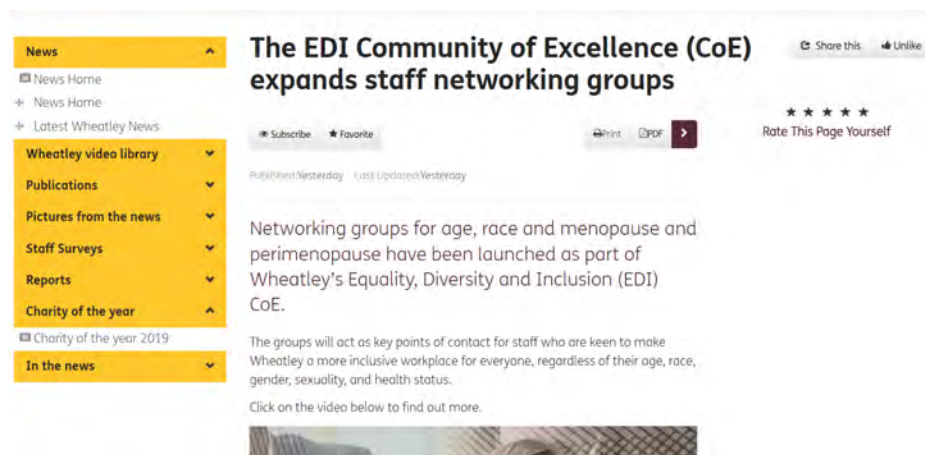
4.40   We now have six staff EDI networks, all sponsored by a senior executive. These groups continue to make progress, for instance:

- Our race and multicultural group met Kaleidoscope, a cultural diversity network from L& Q Housing Group, to learn from the successes the group has had at L & Q. The group is also leading on singing up to BITC's Race at Work Charter and will attend a BITC Race at Work Charter on 26th September, in preparation for an internal campaign to celebrate Black History Month;
- Following feedback from the Carers Network we have enhanced our paid carers leave to a minimum of 6 days leave and promoted this across the organisation as part of Carers Week;
- Perimenopause and menopausal group are working on menopause training and guidance to support staff and managers – launched in October; and
- LGBT+ had a successful Pride campaign attending events in Glasgow and Edinburgh (see images below) and gained interest from allies to support the Group.

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[3] Wheatley-Group-EDI-Statement-of-Commitment-signed-2023.pdf

Inclusiveness by design

4.41   The final Equality Outcome focuses on embedding our EDI culture within policies, services, communication, training and benchmarking. We are awaiting the outcome of our submission for our enei Talent Inclusion and Diversity Evaluation ("TIDE"); representatives from our people services and governance teams are meeting with enei on 27 September to discuss our results and how we have benchmarked against others. Last year we were accredited Bronze so this self-assessment will provide us with a measurable impact of all our recent EDI progress.

4.42   Publicly, ensuring our websites are welcoming and representative of our communities is important. We reviewed and rebranded the equality sections of our websites under our *Different Together* brand. The imagery used follows feedback from customers that this was their preference and felt the most inclusive and representative of different customer groups.

Equality, diversity and inclusion

Our customers come from all walks of life. But one thing is always the same – everyone is valued and gets fair treatment.

Wheatley Group is committed to the principles of Equality, Diversity and Inclusion (EDI); this goes to the heart of the common values shared by the Group. For us, this means:

> **equality** - people with different characteristics are treated fairly and have access to equal opportunities

> **diversity –** respecting and valuing individual differences and unique characteristics, both in our organisation and in our communities

> **inclusion –** making sure our employees and customers feel comfortable being themselves and that they feel valued, respected and heard

Latest news

Wheatley staff help tenants with millions of pounds of support

Wheatley Group has helped tenants across Scotland access almost £9 million in benefits and financial support.

4.43 The Wheatley Foundation continues to deliver projects that improve access to education, employment opportunities as well as social and community activities. The Wheatley Works team has been working with partners in our communities to reach more diverse groups and improve access to our projects. This has included CEMVO Scotland, a strategic partner of the Scottish Government Equality Unit and Enable Scotland, an organisation that support people who have a learning disability. Our new partnership employability contract also launched in Q1 which aims to support disabled parents with children under 5 to begin to prepare for work in the future. This project will be delivered in partnership with Enable, Parents in Trauma and One Parent Families.

4.44 The 2023/24 Bursaries programme launched in Q1 this year providing people living in our homes with financial support to attend university or college. Bursaries are awarded based on specific criteria including prioritising people who are carers, care experienced, or live in areas of multiple deprivation. This year, we received 125 applicants from our customers and 50 were successful in receiving a bursary.

4.45 To further strengthen our EIA approach, bitc delivered an in-person masterclass to 15 key policy and service leads from across the business including Care, Business Improvement, Group Protection, MyHousing and People Services. The session focussed on:

- Understanding why EIAs are important and their benefits;
- Understanding best practice for conducting an EIA, what processes to go through and which stakeholders to engage; and
- Increasing knowledge of the Group's approach to EIAs

4.46 Feedback from the session was positive with 80% of participants indicating they felt better informed, and in particular felt going through an example EIA on a Group policy was beneficial. For ongoing support and development, we will hold internal EIA sessions as required to help leads in conducting the assessments. This will supplement our comprehensive guidance and training.

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4.47   To support our staff EDI learning going forward, we have considered proposals and appointed Diversity Scotland to deliver a 'train the trainer' approach. This will allow 8 of our in-house MyAcademy trainers to deliver in-person EDI training to staff with a view to all staff having received this by December 2024. This will then form part of the induction process for all new employees.

4.48   Through this training programme, we will also have access to licensed Diversity Scotland resources such as e-learning modules. The founder and CEO of Diversity Scotland attended the Different Together CoE in June, and members of the CoE will also pilot the training giving us an opportunity to feedback and influence the delivery going forward.

4.49   Informed by the results of our staff and customer equality survey, we have developed and published an EDI calendar (both a staff and customer-facing version). This has been designed to support staff and promote EDI-friendly interactions with customers and colleagues by detailing important celebration and awareness days. This has been published on our intranet and EDI section of our websites. The calendar is also being used by the Stronger Voices team when planning engagement events- this is attached at appendix 4.

4.50   Finally, we have strengthened equalities within our procurement by adding the existence of an EDI policy as a desirable requirement within our own Procurement policy. Having this as a desirable requirement helps ensure small businesses that may not have a policy are not penalised whilst demonstrating the importance to us and seeking to normalise the development of such policies.

5.   Customer Engagement

5.1   The collection of equalities data required extensive customer engagement as we were required to ask all waiting list applicants, new tenants and existing tenants for protected characteristic data.

5.2   We co-created our approach towards this with customers through focus groups as it was critical that as part of asking for this information, we were clear on why we were collecting it, what we will do with it and that provision of this information was voluntary and anonymous. By involving customers in the design of our approach, we believe this has supported a higher response rate.

5.3   This data, as detailed above and within our EDI action plan, is used within our service design and delivery- this includes informing our engagement approach which we are currently reviewing. Our EDI approach is a key influence in the review.

6.   Environmental and sustainability implications

6.1   There are no direct environmental or sustainability implications arising from this report. Diversifying our engagement structures will support our Group Sustainability Framework implementation by engaging customers with our sustainability priorities, ensuring different perspectives are involved.

7.   Digital transformation alignment

7.1   We have developed digital platforms to allow for easier analysis and utilising of our customer equality data, for example through the use of PowerBI.

8. Financial and value for money implications

8.1 There are no financial implications associated with this report.

9. Legal, regulatory and charitable implications

9.1 The progress made and highlighted in the report, as well as our reviewed EDI and Human Rights policy, provide us with a clear basis for evidencing our compliance with our legal and regulatory obligations.

10. Risk Appetite and assessment

10.1 Our agreed risk approach for governance is "cautious". This level of risk tolerance is defined as a "preference for safe delivery options that have a low degree of inherent risk and have only limited potential for reward". This reflects our risk appetite in relation to laws and regulations, which is "averse", with the avoidance of risk and uncertainty is a key organisational objective and a priority for tight management controls and oversight.

10.2 To mitigate this we engage independent external advice as part of developing an approach to demonstrate and evidence how we meet our equalities regulatory obligations.

11. Equalities implications

11.1 The report outlines the recent progress that has been made with our EDI agenda, particularly against the actions contained within our Group EDI action plan. These actions will support us to assess equality implications more clearly in our decision-making.

12. Key issues and conclusions

12.1 As a Group we are strongly committed to EDI. This is demonstrated through our action plan and the oversight of our EDI being a formal responsibility of the Wheatley Solutions Board.

12.2 Since our action plan was agreed in November last year, we have made significant progress with most actions now being complete or ongoing as business as usual. We have significantly improved in a number of areas, in particular our data collection, data monitoring and analysis, and taking decisions based on the data and analysis.

12.3 We are now in the development phase of the next iteration of our action plan, which will build on our success to date and also factor in the result of our TIDE assessment and information for the national census as it emerges.

13. Recommendations

13.1 The Board is asked to note the progress on our Equality, Diversity and Inclusion activity across the Group.

LIST OF APPENDICES:
All appendices redacted, see here

Report

To:	**Wheatley Housing Group Board**
By:	**Laura Pluck, Group Director of Communities**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Group Hate Crime Policy**
Date of Meeting:	**27 September 2023**

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1. Purpose

1.1 To provide the Board with an overview of the newly designed Group Hate Crime Policy, including its purpose, content, and desired outcomes.

1.2 To seek approval from the Board to implement the Group Hate Crime Policy into the Group policy register.

2. Authorising and strategic context

2.1 Under the Group Standing Orders, the Board is responsible for approval of Group policies and frameworks.

2.2 The Hate Crime Policy aligns to our strategic theme, *Changing Lives and Communities* and our strategic outcome of *developing peaceful and connected neighbourhoods*.

3. Background

3.1 Hate crime is an issue affecting communities across Scotland and is particularly harmful given the nature of the offending relates to targeting a person, group, or a community based on who they are, how they look, or how they choose to live. If left unchallenged it can create division and leave people feeling isolated and unwelcome within communities, which is in direct contrast to the type of neighbourhoods we want our customers to live in.

3.2 In our strategy we outline that we want our customers to feel safe and secure and the neighbourhood they live in to be peaceful, vibrant, and somewhere people look out for each other. The existence of hate crime within our communities is a clear barrier to achieving this, therefore the creation of a Group Hate Crime Policy will help mitigate against this by raising awareness and detailing how we will approach this as an organisation.

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3.3 Hate crime is defined by Police Scotland as "***any crime which is perceived by the victim or any other person to be motivated (wholly or partly) by malice and ill will towards a social group".*** Essentially it is a criminal offence where there was a motivation of hostility or prejudice based on one of five protected characteristics:

- Race;
- Religion;
- Sexual Orientation;
- Disability; and
- Transgender identity.

3.4 The Hate Crime & Public Order (Scotland) Act 2021 extends the protected characteristics to include:

- Hostility or prejudice based on age; and
- Updated definition of transgender identity, where it now includes a separate provision for 'variations in sex characteristics' as a protected characteristic.

3.5 This legislation has still to be implemented, where it is expected to come into force in early 2024.

3.6   People with shared characteristics can experience hate crime differently and this can be magnified for them (e.g. sexual orientation and race).

3.7 The Scottish Government and Police Scotland recently launched the Hate Crime Strategy for Scotland in March 2023, which outlines their vision ***for a Scotland where everyone lives free from hatred and prejudice.*** To achieve this vision, they have set out 3 clear aims and 14 supporting commitments, where working collaboratively with partners and stakeholders is essential to take this work forward. The strategy is underpinned by development of a delivery plan that will set out the immediate and medium-longer terms priorities.

3.8 Hate crime is dealt with under our antisocial behaviour (ASB) framework when reported by our customers. It is dealt with under our most serious categorisation of offence – Category A – and assigned to the caseload of the antisocial behaviour intervention and prevention officers (ASBIP) within the Community Improvement Partnership (CIP) to deal with. This demonstrates the seriousness afforded to hate crime given the nature of this and impact it has on individuals and wider communities.

3.9 During 2022/2023 there were 157 cases of hate crime recorded across Group and dealt with by the ASBIP officers, which comprised:

- 87 Race related incidents;
- 32 Religious related incidents;
- 26 Sexual Orientation related incidents; and
- 12 Disability related incidents.

There were no incidents reported related to transgender identity during 2022/2023. Given that we know hate crime is vastly underreported, the true picture is likely to be much higher than that reported above.

3.10 Early intervention and prevention activity are key to targeting and tackling hate crime and it is important we work in partnership with agencies and organisations to help build confidence and trust for those impacted to report this. Our Group Hate Crime policy will be a tool to support this, where we will raise awareness and understanding of the crime with staff and customers to outline the process to report and support available.

4. Discussion

4.1 Our Group RSLs have a responsibility to work in partnership with other agencies and help ensure as far as reasonably possible that tenants and other customers live in well-maintained neighbourhoods where they feel safe. We report on our anti-social behaviour performance through our Annual Return on the Charter. Hate crime is a form of anti-social behaviour. We developed a policy to support staff awareness around hate crime and to ensure they hold the correct knowledge, skills and understanding to recognise and respond to this.

4.2 This type of crime has a significant impact on communities and is in direct contrast to our approach towards neighbourhoods as outlined within our Group strategy. Hate Crime creates fear, isolation and mistrust and it is essential this is tackled robustly and appropriately to foster communities where everyone feels safe and included.

4.3 Our role is to raise awareness of the existence and prevalence of hate crime, encourage increased reporting, and utilising the policies, resources, and powers at our disposal, to tackle it and support those impacted.

4.4 Reporting is a crucial element and the policy outlines how to report hate crime, the process, reasons why some people don't feel confident reporting and alternatives to reporting directly to Police Scotland including via Crimestoppers or the Third-Party Reporting mechanism.

4.5 The process for dealing with hate crimes reported to us is covered extensively in the document and includes the types of preventative measures we utilise to support victims and perpetrators and the more enforcement-based approaches we can use through our RSL subsidiaries to deal with the exhibited behaviours and conduct where necessary.

4.6 The document covers essential areas important to enhance the understanding of hate crime, including the picture of hate crime within Scotland, the legislation, the definition, types of hate crime and the importance of perception. Perception is a key element for victims and witnesses, where if it is believed the incident was motivated by hate or prejudice, then this would be determined to be a hate crime.

4.7 It is important that our staff are confident in dealing with hate crime and that they are informed and educated to be able to provide the correct level of support that our customers require. The policy will help with this. It will be launched across Group and particular attention will be paid through the implementation plan for bringing the policy to staff in frontline roles where they routinely interact with customers (e.g. Frontline Housing, CFC, NETs, Wheatley Care). We will utilise communication mechanisms to ensure maximum reach to all staff across Group including WE Connect, Talk Together and the Wheatley Leaders Forum.

4.8   The policy is supported by our Hate Crime e-learning module, which was co-written between Wheatley Group and Police Scotland and covers hate crime from both a Police and housing perspective. The policy will sit alongside the Group Protection Protecting People Policy Framework, next to our recently launched Suicide Prevention Framework.

4.9   The policy was written taking account of the Scottish Government and Police Scotland Hate Crime Strategy for Scotland, to ensure it was in line with the aims and commitments outlined within here. It is clear within this strategy that hate crime is no one organisations responsibility; it is everyone's responsibility within society to ensure that it is not tolerated.

4.10   The draft Group Hate Crime Policy has been presented to our RSL Boards for review, with no material change requested.

5.   Customer Engagement

5.1   Two focus groups were arranged with some of our New Scots customers, where consultation was held on the hate crime policy. One group was mixed and the other a female-only group. The policy was well received by our customers, and they were very pleased to see that we had one and felt supported by this.

Some comments included:

"this is a step in the right direction"

"good that you have policy and can see what action is being taken, how this will be done and also about support for the victims".

5.2   The policy was issued for consultation to internal staff through the Protecting People and Communities CoE, which includes colleagues from across the business such as health and safety, legal, employee relations, care, and frontline housing. It was also circulated to the LGBTQ+ and Disability & Neurodiversity staff networking groups from the Different Together CoE, where again feedback was positive, and the policy described as "*very in depth and informative".*

5.3   In terms of external partners, the policy was shared with our colleagues at Police Scotland within the CIP for comment, as well as with the Glasgow City Council Hate Crime Policy Officer. The Hate Crime Policy Officer described the policy as being *"extremely strong with things in here that would be considered as best practice".* All comments were considered and incorporated into the policy, which on the main centred around clarity and precision of language.

6.   Environmental and sustainability implications

6.1   Development and implementation of the Group Hate Crime Policy meets three of the UN Sustainable Development Goals, which include:

- ▪ Goal 3: Good health and wellbeing;
- ▪ Goal 10: Reduced inequalities; and
- ▪ Goal 16: Peace, Justice, and Strong Institutions

6.2   Embedding the policy within our Group Policy Framework means we're able to demonstrate our commitment to creating thriving neighbourhoods where all customers feel:

- Integrated;
- Safe; and
- Proud to be part of the community.

7.   Digital transformation alignment

7.1   The policy will be available digitally for staff to access from our Group Policy Hub on WE Connect and be available for our customers via Group and subsidiary websites.

7.2   In terms of implementation of the policy and roll out across Group, digital methods of communication will be utilised to raise awareness of the policy (WE Connect and Talk Together) and online methods for overview sessions with staff teams (MS Teams).

8.   Financial and value for money implications

8.1   There are no financial implications as a result of adoption of the Hate Crime Policy into the Group Policy Framework.

8.2   In terms of value for money, the policy will help raise awareness and understanding of hate crime for our staff, therefore ensuring we deal with this appropriately to achieve positive outcomes for victims.   This should therefore have the potential to support tenancy sustainment for any customers impacted within our communities.

9.   Legal, regulatory and charitable implications

9.1   The policy has been written by taking cognisance of current hate crime legislation, whilst making reference to the fact that new legislation in the form of the Hate Crime & Public Order (Scotland) Act 2021 has been passed into law, however, has yet to be implemented. The policy will be reviewed once the legislation is implemented, which at this time is expected to be in early 2024.

9.2   Our legal team have reviewed the policy and provided comments which have been fully incorporated within the final version.

9.3   Our RSL subsidiaries report antisocial behaviour incidents to the Scottish Housing Regulator through the annual return of the Scottish Social Housing Charter. Hate crime is defined as the highest category of antisocial behaviour (ASB) within our ASB framework. Implementation of the hate crime policy will help support our compliance with this, given improved awareness of hate crime for staff across Group.

10.   Risk Appetite and assessment

10.1   The Group Hate Crime Policy supports our ambitions within our strategic themes of Changing Lives and Communities, Developing our Shared Capability and Enabling our Ambitions. Our risk appetite in relation to operational delivery for these themes ranges from open to hungry.

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10.2 This means that innovation is supported where we seek to explore new working practices that offer high business reward for staff and customers. The creation of the Group Hate Crime Policy is consistent with these risk appetites.

10.3 The risk to the organisation for non-development of the policy could be:

- Increased hate crimes occurring within our communities which we remain unaware of to be able to appropriately support our customers;
- Customers continuing to be unaware they've been victims of hate crime given lack of understanding;
- Uneducated workforce who are unable to respond to the needs of our customers;
- Reputationally, it puts us behind other similar organisations who are actively involved in raising awareness of hate crime and educating their staff in this area; and
- Less awareness of how much of an issue hate crime is for us, without a clear ambition to capture and analyse this data.

11. Equalities implications

11.1 Equality and diversity are at the heart of the Hate Crime Policy, as the aim outlined is "*to work with customers, staff, and partners to develop peaceful and connected neighbourhoods and make homes and lives better for all. We will design and deliver services to minimise the risk of harm, abuse and prejudice within our communities and engage with customers and stakeholders to ensure their opinions and experiences feature throughout*".

11.2 Tackling hate crime is key to building stronger and more thriving neighbourhoods, where our customers feel safe, included, and valued. The policy helps to achieve this and will be utilised to raise awareness of hate crime to support with early intervention and prevention activity. Alongside our ASB Framework, it sets out how we will deal with reports of hate crime and the seriousness around which is it considered, making clear to anyone involved in this type of conduct the action that will be taken.

11.3 An Equality Impact Assessment has been completed on the policy. It is of note that the policy addresses a number of the characteristics identified within the EIA given the alignment of the protected characteristics covered by hate crime legislation. A copy of the EIA is attached at Appendix 2.

12. Key issues and conclusions

12.1 Hate crime is an issue affecting all communities across Scotland and has a particularly adverse effect on those impacted by it given the nature of the crime is to target individuals for their personal characteristics including who they are, how they look and how they choose to live their life.

12.2 Our Group Strategy sets out that we want our customers to feel safe and secure and live in thriving and peaceful neighbourhoods. Hate crime is a clear obstacle to achieving this vision and something that must be tackled accordingly.

12.3 The Scottish Government and Police Scotland launched the Hate Crime Strategy for Scotland in March 2023, which outlines that all agencies must work together to tackle hate crime as no one agency can do this alone. The vision for this strategy is ***for a Scotland where everyone lives free from hatred and prejudice.*** A corresponding delivery plan is in development to support achievement of the stated 3 aims and 14 commitments set out within the strategy.

12.4 Our Group Hate Crime Policy has been established to set out our approach towards tackling hate crime within our communities and what support we have in place to deal with this. It outlines the picture of hate crime in Scotland, the legal context, how to report hate crimes (including third party reporting), as well as all support services in place within Wheatley for those affected.

12.5 Extensive engagement has taken place with staff, customers, and external partners to ensure the policy is accurate, relevant, and fit for purpose. All feedback received was positive around the existence of such a policy and incorporated into the final version.

13. Recommendations

13.1 The Board is asked to note that the Policy has been reviewed by our RSL subsidiary boards with no material changes required.

13.2 The Board is asked to approve the Group Hate Crime policy as being suitable for inclusion into our Group policy framework.

LIST OF APPENDICES:

Appendix 1: Group Hate Crime Policy [redacted] available here

Report

To:	**Wheatley Group Board**
By:	**Laura Pluck, Group Director of Communities**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Winter resilience planning**
Date of Meeting:	**27 September 2023**

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1. Purpose

1.1 To update the Board on our approach to winter resilience planning this year for our business operations and customers experiencing hardship.

2. Authorising and strategic context

2.1 Under the Group Standing Orders the Group Chief Executive is responsible for our operations. Under our Terms of Reference, we are responsible for the Group strategy and monitoring performance. This report explains the operational plans we are putting in place to mitigate the ongoing risks from winter-related incidents and economic factors impacting our customers' household costs.

2.2 'Delivering Exceptional Customer Experience' and 'Changing Lives and Communities' are key strategic themes of the Your Home, Your Community, Your Future Strategy 2021- 2026. This report sets out our winter planning approach which seeks to ensure customer service levels are consistent throughout this period by anticipating and planning proactively for the winter months and unique challenges it brings. The plan covers the provision of core services to customers including supporting customers through the cost-of-living crisis.

3. Background

3.1 We have well-established approaches that have been deployed in previous years to address the operational risks of the winter period across all business areas. These plans have been reviewed and augmented to take the wider actions and approaches developed across a range of services including City Building Glasgow and our local repairs service, the Customer First Centre (CFC), our Neighbourhood Environmental Teams (NETs) and Housing and Care services, to mitigate against business impact linked to winter challenges our customers and services face.

3.2 As an example, Wheatley Homes South (WHS) who were impacted by severe flooding in the winter of 2022/23, have sourced additional temporary heating and dehumidifiers, and have improved their resource planning arrangements.

3.3   This year, winter planning continues to focus on current risks around business continuity throughout the winter months as well as the ongoing impact of the cost-of-living crisis on tenants. The approaches developed reflect both the learning of previous years and the revised approach to business continuity planning.

3.4   The report sets out the key areas of risk and the measures in place, underway or planned to mitigate the anticipated winter impact.

4.   Discussion

Cost-of-living crisis

4.1   One of the challenges continuing to face us this winter is to adequately support tenants through the continuing cost-of-living crisis. Although inflation has reduced over the year, with an expectation it will drop to 5% at the end of 2023, tenants are still experiencing exceptional pressures on their income. In July inflation rates dropped to 6.8%, which is still significantly higher than normal. Food and fuel costs remain high, with food prices 14.8% higher than a year ago. We expect that the challenges tenants face will be as significant as 2022.

4.2   Our 'Here for You' initiative and campaign, launched in August 2022, continues to highlight the wide range of internal and external tenant support and advice on offer. Demand for the 'Here for You' fund has continued in the first 5 months of this year. We continue to support our tenants most in need with financial support offered for the cost of food, fuel and rent where people are in crisis. The aim continues to be to reach those most in need, supporting tenants in crisis, while raising their awareness of and access to the range of wider wraparound support on offer to them both internally and externally.

4.3   A key focus of the 'Here for You' initiative and campaign is to ensure frontline staff and tenants continue to be aware of and directed to the support available to them in their local communities. Our digital directory of support available is updated regularly to ensure staff have at their fingertips, the organisations and funds available to our tenants externally. In Q1 of this year, 55% of 'Here for You' referrals included onward referrals for customers to access support externally. This included referrals to external food support such as local pantries and larders, mental health organisations and local authority support funds.

4.4   External grant funding is being accessed at every possible opportunity to enhance how we can support customers. Since April 2023, the Foundation has successfully secured £266k to support customers specifically with fuel /benefits advice, energy efficient cooking appliances, digital devices and food vouchers. Securing additional external funding to support customers will remain a key priority for the Foundation over the coming months. We anticipate securing an additional £350k of funding to support customers over the winter period with energy costs and food security from the National Lottery Cost of Living Fund and the Fuel Insecurity Fund administered by SFHA.

Rent Campaign

4.5   Our highly successful rent campaigns are launched each year and run from November to January. As is always the case, the annual rent campaign focuses on early intervention, encouraging and supporting tenants to pay their rent and reduce the risk of debt, ensuring their home is not at risk. The campaign reminds customers of the importance of paying rent, whilst recognising the challenges faced by customers.

4.6   We will continue to make customers aware of our suite of wraparound services, stressing that we are here to help everyone, whatever their circumstance and we are available 24/7. This includes our Welfare Benefit Officers; Fuel Advisors and 'Here for You' fund. Our operating model sees housing staff spending more time in the community supporting customers who are at risk of or in arrears.

4.7   The key outcomes of the rent campaign are to;

- Maximise income collection over the Christmas period;
- Reduced number of customers in arrears – reducing the stress of debt;
- Increase in customers paying by Direct Debit;
- Increased use of appropriate wraparound services; and
- Increased number of customers contacted during the campaign.

Business Continuity

4.8   Business Continuity and its planning (BCP) is well established across all service areas for the purpose of returning to normal levels of service following an incident which causes disruption and affects our ability to provide key services.

4.9   Our BCP and associated impact assessments are in place and are reviewed on an annual basis as a minimum by Business Continuity Co-ordinators. To ensure these are effective, elements of the BCP are tested on a quarterly basis across each service area. Continuity plans consider risk and impact in respect of the following areas as a minimum:

- Loss of Key Suppliers and Supply Chain;
- Loss of IT, Data Networks and Data Servers;
- Epidemic / Pandemic Outbreak;
- Severe Weather Event;
- Loss of Utilities;
- Fuel Supply Shortage; and
- Local and National power outage (planned and unplanned).

4.10   Senior Leaders across the business who have responsibility for Business Continuity Plans and Emergency Plans have undertaken scenario planning sessions facilitated by our Health & Safety Team throughout the year. A scenario planning session for a severe weather incident is planned for October 2023 with all business leads across the organisation. This gives business leads an opportunity to talk through a specific scenario for the purposes of testing our business continuity plans and refining these based on any lessons learned from the session.

4.11   Additionally, we have a detailed suite of emergency response plans and escalation procedures covering all services including the Customer First Centre, City Building Glasgow (CBG) and our local repairs team and key contractors. These plans set out specific protocols if faced with any of the events described above such as severe weather (snow, storm, and flood) as well as practical issues such as snow socks, grit, sandbags, temp cooking, key contact information and emergency staff cover arrangements. The plans reflect legislative and regulatory requirements and priorities of each business area.

4.12   As part of our Strategic Partnership with Glasgow City Council we agreed that we would join the Council Resilience Group. The Director of Health and Safety attends this group representing us. This affords opportunity for sharing experience and learning as well as access to shared resources in the event of critical incidents which impact provision of services.

Repairs

4.13   We know from experience that repairs demand increases throughout the winter months because of the impacts of colder and wetter weather. We are working together with CBG and our local repairs team on our annual approach to winter inclement weather ensuring there are sufficient resources available to meet demand for gas and heating breakdowns. To protect the resource that would be needed to attend reported breakdowns throughout this period, and ensuring that we remain fully gas safety compliant, work is underway to ensure gas servicing due to expire between December and January is complete prior to the festive period.

4.14   We will, as in previous years, step up the level of monitoring of repairs, reviewing repairs raised in the previous 24 hours to monitor demand. Any significant spikes in demand because of winter weather events or negative trends will be quickly identified and escalated to target resources or inform key business areas. Processes are in place to implement daily business continuity meetings should demand for repairs spike. These will be led by the Director of Repairs, Investment and Compliance and will include colleagues from CBG and our local repairs team, housing and the CFC. Weather warnings/patterns will also be monitored daily by our CFC and flagged to all relevant business leads.

4.15   Our CFC staff have undergone enhanced training around repairs with a small, dedicated team of advisors receiving most repairs calls from customers throughout each day. This will help us to ensure that repairs are diagnosed appropriately and the correct trades attend within the correct timescale.

Winter Home Checks

4.16   Each year we offer 'Winter Ready' checks for some of our most vulnerable customers. The purpose of the 'Winter Ready' check is to give a personalised, proactive review of heating systems prior to the colder weather as well as share advice and tips on managing throughout the winter. In addition, we will publish 'Keeping Safe and Warm' advice on our websites and social media channels throughout the winter period.

Damp and Mould

4.17   Damp and mould continue to be an area of focus and it is anticipated that over the winter period there will be a seasonal increase in the number of reported mould cases. Our current processes are robust, and our target is that anyone reporting damp or mould is visited within 2 working days.

4.18   To mitigate seasonal fluctuations analysis is being undertaken to identify customers who have reported issues with damp and mould on 2 or more occasions this year. These customers will then be contacted to identify and put in place any supports needed proactively. Additional inspection resources are also being made available by our local repairs team to meet any increase in reported cases of damp or mould.

4.19   A 'See it, Report it' campaign is currently being developed and further enhances our already strong approach to damp and mould. This is an internal campaign aimed at staff to reiterate our messaging around the seriousness of damp and mould in tenants' homes and staff's responsibility when in tenants' homes to identify and report immediately any issues relating to damp or mould to ensure we respond timeously.

4.20   Damp and mould cases will continue to be monitored daily throughout the winter and resources adjusted accordingly to ensure we continue to meet our response timescales.

Infection prevention and control

4.21   Covid, flu and general infection control remains an important consideration in our planning through this winter. General Infection Prevention and Control Training remains available on MyAcademy for all staff. This promotes good infection, prevention, control procedures, donning on/off PPE, awareness of symptoms and signposting to national IPC Manual.

4.22   Coronavirus Awareness Training has been delivered extensively and whilst all social restrictions have been eased and the course outdated, the retention of knowledge remains current in reducing the risk of infection.

4.23   Working Safely with Covid Guidelines have been updated to reflect changes in Public Health Scotland Guidance and our guidance and Operating Safety Manual (OSM) reflect this. We continue to maintain 12 weeks of supply of relevant PPE, provide sanitiser and cleansing wipes in all areas of the business. We also have a stock of LFD for staff to use should they be symptomatic.

4.24   We have a flu vaccination programme available to all staff, who are currently being asked to book an appointment at one of our Centres of Excellence through October. Where staff do not book an appointment via this programme, we encourage them to utilise working time to access the vaccination through their GP or pharmacist, and they are able to claim any associated costs from our W.E. Benefit portal. This year the Covid vaccination programme (managed by Public Health Scotland) is targeted at over 65's, health and social care staff and those with health vulnerabilities. We will ensure staff who are eligible are supported to utilise working time to receive this vaccination.

4.25   Our well-established hybrid working allows for staff who may be unable to attend a Hub or be out in the community, the ability to be able to work from home. This supports the wider teams to continue to provide our key services to customers.

4.26   While our winter plan has been established, we will monitor the need to alter our approaches throughout the coming 6 months in response to changing needs or circumstances.

5.   Customer engagement

5.1   Customer engagement will take place through Housing Officer customer conversations in the community, or targeted contact as part of the rent or 'Here for You' campaigns.

5.2   Our CFC staff are fully aware of our winter planning approach, wider wraparound supports and how to support customers and arrange referrals where this would benefit the customer.

5.3   At the end of August, customer visits by housing staff have increased significantly, with over 2,000 visits carried out this year to the end of August.

6.   Environmental and sustainability implications

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

7.   Digital transformation alignment

7.1   We communicate relevant winter planning information to customers through a range of face-to-face, telephony and digital methods including social media, bulk texting and emails.

7.2   All staff have access to handheld technology and can be contacted and have messages promptly disseminated should the need arise in any emergency event.

7.3   Business Continuity and Emergency Plans and protocols are retained digitally on SharePoint as well as hard copies with key personnel in the event of limited or no access to IT systems.

8.   Financial and value for money implications

8.1   The activities set out in this report will be delivered from within existing partner organisation budget allocations and reflect what customers value.

9.   Legal, regulatory and charitable implications

9.1   There are no legal, regulatory or charitable implications as a result of this paper.

10.   Risk Appetite and assessment

10.1   The risk appetite in respect of delivering exceptional customer experience is 'open'. The primary risk in relation to winter-related incidents is a service failure as a result of an unplanned emergency situation. We mitigate this by having robust business continuity planning in place. This is augmented by additional winter planning which considers all relevant and current risks and proactively plans to mitigate against these.

11.   Equalities implications

11.1   Equalities will be considered in the implementation of our winter resilience plan, particularly in terms of supporting those with health vulnerabilities, the over 65s and those experiencing socio-economic disadvantage as outlined in this report.

12.   Key issues and conclusions

12.1   We have well-established approaches that have been deployed in previous years to address the operational business risks of the winter period across all business areas. Planning this year reflects current areas of risk including the ongoing cost of living crisis, our repair service response and the potential for staff shortage.

12.2   Winter planning is well underway in each business area and will be continuously monitored and reviewed as we progress throughout the winter months.

13.   Recommendations

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

LIST OF APPENDICES:
None

Report

To: **Wheatley Housing Group Board**

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

Approved by: **Steven Henderson, Group Chief Executive**

Subject: **New build performance update**

Date of Meeting: **27 September 2023**
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1.   Purpose

1.1   This report provides an update on the Group's development programme and an overview of new build programme performance to 31 July 2023.

2.   Authorising and strategic context

2.1   Under the Group Standing Orders, the Group Board is responsible for key matters relating to the Group's financial and strategic framework including approval of our Group new build programme. The Group Board retains strategic oversight of progress with our asset growth programme.

2.2   Our subsidiary Boards are responsible for approving their rolling five-year development programme each February. The Wheatley Developments Scotland Limited ("WDSL") Board then is responsible for scrutinising and approving each individual contract award in line with our agreed development criteria.

2.3   Our development programme links to our 2021 - 2026 strategy and the strategic theme, 'Making the Most of our Homes and Assets'. This also helps us to deliver against the strategic theme of 'Changing Lives and Communities' through increased opportunities for training and employment and through community benefit contributions to the Wheatley Foundation.

2.4   The delivery of our development programme supports our ongoing role as a key partner for the Scottish Government in their *More Homes Scotland* commitments and by the recently published Programme for Government commitment to deliver 110,000 new supply affordable homes.

2.5   The development programme requires ongoing partnership working with the Local Authorities in our operational areas including those with Transfer of Management Development Funding ("TMDF") powers, namely Glasgow and Edinburgh. We additionally continue to be in contact with a broad range of private developers, housebuilders, and land agents to seek to put ourselves into a position to exploit any development opportunities as they may emerge.

3. Background

Affordable Housing Supply Programme

3.1 The Scottish Government confirmed funding for the Affordable Housing Investment Programme of £3.5Bn in the five-year period from 2021/22. This announcement was one of the major pillars within the Housing to 2040 strategy launched by the Scottish Government in March 2021 and reaffirmed in the Programme for Government announced in September 2021.

3.2 The respective resource planning assumptions for the local authorities in our operating areas have been confirmed for the five years from 2021/22, with £3.2Bn committed. The resource planning assumption from 2021/22 to 2025/26 for the City of Glasgow is £538m and the City of Edinburgh is £234m; for Dumfries and Galloway in the same period it is £106m. Since the announcement of this budget, inflationary cost pressures have impacted the delivery of new homes with cost per metre rising above £2,000 in most projects.

Grant Benchmark

3.3 The Grant Benchmark was reviewed in June 2023, in line with the below.

Project Type	West Highland, Island and Rural Argyll	Other Rural	City and Urban
RSL Social Rent	£111,640	£97,027	£91,182
Council Social Rent	£97,027	£88,260	£83,584
RSL Mid Market Rent	£68,387	£66,049	£62,542
Council Mid Market Rent	£61,957	£60,024	£57,281

3.4 In addition to the benchmark grant rates, further grant per unit remains available for additional quality measures, as detailed in the below table:

Additional Measure	Grant Available (per unit/3p equivalent)
Section 7, Silver level in respect of energy for space heating	£2,338
Balconies in flatted developments	£4,676
Provision of home working space	£4,092
Digitally enabled	£351
Ducting for EV charging points	£585
Automatic Fire Suppression Systems	£3,507
Zero Emissions Heating Systems	£4,676
TOTAL Available	£20,225

3.5 The revised grant levels provide an overall uplift of 16.9% from previous grant levels.

3.6   We continue to work with local offices to agree above benchmark grant awards to support programme delivery. Where projects are above benchmark, technical appraisal is required which extends the period of time for grant assessment.

Open Market Acquisitions

3.7   An announcement was made by the Scottish Government in June 2023 that £60M would be made available for homes to be acquired on the open market. It is important to note, that the £60M is being made available through existing Resource Planning Assumptions and is not a new allocation of funds to Local Authorities and TMDF authorities. The intention of the fund is to allow for new homes to quickly be made available and address any shortfall in areas RPA spend. We have contacted all Local Authorities within our operating area and will continue to liaise with them to take forward opportunities for the use of this fund.

Building Standards

3.8   Scotland's new Domestic Environmental Standards Bill has been endorsed by government, which sets out that all new housing must meet passive house standards in the future. Secondary legislation will be used to secure the standard, which is expected to apply to new homes by 2024. We are engaged in a working group which has been established by Building Standards to establish a route map to the new standard. The initial meeting has been held and it is anticipated that a number of workshops will follow. The WDSL Board will be updated on the key outcomes of the working group.

Cost Pressures Working Group

3.9   The Scottish Government has established a cost pressure working group, on which we sit alongside the SFHA, Homes for Scotland, other RSLs and contractors. The purpose of the group is to establish a clear evidence base and shared understanding of the challenges in construction costs whilst exploring a range of short- and medium-term solutions.

3.10   The group highlighted significant cost challenges particularly over the last 12 months being compounded by rising interest rates, indicating that this will increase the challenges facing the sector. Increased tender prices, construction costs, supply and demand imbalance in construction are all contributing to the cost pressures.

4.   Discussion

4.1   Commentary on the development programme, including highlights and exceptions, is provided in Table 1 below. Further details of the current programme is included in Appendix 1. This information is reported to the end of Period 4 (July 2023). As of 31 July 2023, 146 units have been completed (at 13 September, 172 units have been completed). 347 completions are forecast in 2023/24

Table 1

Dashboard Indicators	Dashboard: Highlights & Exceptions
On site	At 31 July 2023 we have 1,521 units (total development numbers) in the live programme across 20 sites. Our largest project is West Craigs for Wheatley Homes East (300 units).
Due on site	At the end of P4, we had 125 units due on site across 3 projects. This will bring our total development programme to 1,646 units.
2023/24 budget v actual spend	At period 4 our spend across the Group was £38.2m, £20.0m lower than the budgeted figure of £58.2m. This is primarily due to later than budgeted site starts at a number of developments.
Completions to 31 July 2023	To 31 July 2023 we have completed 146 new homes. This was split 92 Social Rent units, and 54 Mid-Market units.
Engagement status	We have 6 'high engagement' projects on site. These projects mainly relate to the scale of the project (over 70 units) or where the project involves complex ground conditions. Updates on high engagement projects are detailed below.

4.2   The following sections of this report provide a summary of progress across our key sites and projects.

Wheatley Homes South Programme

4.3   CCG (Scotland) Limited are making good progress at Curries Yard, Heathhall with the project aiming to deliver a handover of 16 units in October which is ahead of schedule with a further 15 units due in March 2024. Ashleigh are on site with the development of 47 houses at Springholm with good progress being made. An application has been made to the vacant and derelict land fund to support the delivery of the Glenluce Project (9 homes/brownfield). The outcome of this application is expected to be known by October.

4.4   Dumfries and Galloway Council (DGC) expect to be able to approve the planning application for Johnstonebridge (33 units) in October, with a tender expected by November 2023. Design work is underway for the new build element of regeneration projects at Newington and Summerhill; these developments will significantly enhance the area when complete. The Scottish Government has confirmed that grant funding for the year 2023/24 is confirmed as £14.854m.

4.5   We and DGC have now jointly engaged Smith Scott Mullan as master planner for the regeneration of Lochside. Initial design studies have been undertaken informed by the Local Delivery Group. The Local Delivery Group is a collection of community groups and local residents who are shaping the emerging plans, ensuring the customer voice is heard and reflected in the plans.

4.6   Analysis of the development opportunities alongside our stock appraisal has been undertaken. A community masterplan will be drafted by March 2024.

        Kelvin Wynd (WH-Glasgow)

4.7   Our rehousing strategy for the four 26-storey blocks has progressed well. 99.5% of residents have already moved or have been offered an alternative property which meets their needs.

4.8   Safedem are now mobilising and will start their demolition programme as each block becomes void. There is a twelve-month programme of soft strip before demolition in Summer 2024. There will then be a twelve-month period of post-demolition completion of works.

4.9   Customers have been actively participating in the Future Focus Groups. This has given local tenants the opportunity to be at the centre of shaping the plans for regeneration. Tenants have attended a series of workshops which have involved, for example, a community walkabout and placemaking activities with the design team for the project. Workshops will continue to take place and engagement supported by Tenant Participatory Advisory Service (TPAS).

4.10   We continue to engage with GCC (Glasgow City Council) in the regeneration proposals with a series of joint engagement events proposed with the Future Focus Group. A programme is being agreed with GCC for the disposal of their land to WH-Glasgow as part of the regeneration plans which will be considered by their committee in the near future.

        Calton Village (WH-Glasgow)

4.11   Calton Village Phase 1 continues to progress well on site and is running to programme. Works commenced on site in July 2021 and completion is expected in November 2024. The land remediation works have been concluded. There is significant build works to all blocks, with the district heating system plant currently being installed on site which will service all three phases. Handovers are due to start in the second quarter of 2024/2025. Calton Village Phase 2 commenced in May 2023 and is now a split tenure project with 40 SR and 58 MMR.

        Bellgrove (Lowther)

4.12   The former Bellgrove Hotel was acquired by Lowther Homes in April 2021 with a planning application being submitted in March 2023. Subject to consents and Board approval, a site start is planned for May 2024.

4.13   The design team and CCG (Glasgow) have undertaken several options appraisals to produce an efficient design proposal, relative to the constraints of the site. The design allows for the retention of the Category B listed front portion of the building, with the rear being demolished to make way for access and parking area. The adjoining open space will be developed for new build housing; overall the project is expected to deliver a mixture of 70 MMR homes with a mixture 1 and 2 bed flats.

Glasgow City Centre Living

4.14   We are working with GCC to identify suitable city centre sites for future development and have carried out high-level site appraisals. Our development team are working closely with GCC on this. The GCC City Centre Living Strategy Vision (the Vision) seeks to enable a sustainable, inclusive and diverse city centre population of around 20,000 by 2035. The Vision supports the wider regeneration strategy through actions focussed on delivering a more liveable place with the necessary supporting policy and physical infrastructure such as The Avenues project which aim to improve the public realm in the City Centre.

4.15   GCC has produced a new Vision and Plan (Aug 23) for the City Centre's Golden 'Z' to reimagine this area and unlock its potential. The new Vision and Plan establishes a shared and renewed regeneration direction and identifies priorities for intervention and investment to further stimulate its economic recovery and support longer-term economic, social and environmental resilience.

Sighthill (North Bridge)

4.16   Sighthill achieved a significant milestone with all units in the current phase of 86 MMR homes, now handed over to Lowther tenants. Within our contract with Keepmoat, there remain a further 112 MMR homes to be built. [redacted] Photos of the recent completions are below:

West Craigs – WH East

4.17   Plots 4/5 with Crudens are making good progress with first handovers of homes planned for May 2024.

4.18   West Craigs plot 13 also started on site in April 2023 with CCG. Works are also on programme with the first timber kits due to be erected in October. There are now 425 affordable homes under construction across the West Craigs Sites.

Deans South – WH East

4.19   Deans South is a long-running regeneration project in Livingston, where significant rehousing, demolition and new build construction has taken place by the local authority and developers.

4.20   Springfield Properties acquired the majority of the land and remaining stock from West Lothian Council in 2021. WH East approved in November 2022 to proceed with Phase 1B entering a Design and Build contract with Springfield Properties PLC to deliver 46 units. Work commenced on site in June 2023 and is on programme. The opportunity remains for WH East to develop a further 90 homes as part of Phases 2, 3A and 3B, subject to an agreement on cost with Springfield.

Queens Quay - Loretto

4.21   All residential units have been handed over to Loretto, Clydebank Housing Association and West Dunbartonshire Council.   We are seeking to reach agreement with Clydeside Regeneration Limited (CRL) on the Deed of Conditions to allow the commercial units to be handed over. The Development and Property Legal Teams are working with our external legal advisers, Shepherd and Wedderburn, as well as Clydebank HA and their legal advisers to progress this matter to a satisfactory conclusion.

Contractor Financial Exposure

4.22   Credit rating scores from Equifax are included within the new project reports as these are presented to the WDSL Board for approval. Equifax scores are monitored monthly, along with Companies House and London Gazette data.

[redacted]

4.23   [redacted – paragraphs 4.23-4.26]

External recognition – Development Awards/shortlisting

4.27   We remain keen to promote our new build completions to all arising awards available. Queens Quay was awarded the Silver Award for Regeneration at the Scottish Design Awards on Thursday 29th June and has been shortlisted in the Saltire Awards. Queens Quay and Almondvale have also been shortlisted in the Herald Property Awards and Queens Quay in the Inside Housing Awards (national awards). The outcome of each of these will be known on the 28th and 29th September, respectively.

5.   Customer Engagement

5.1   We work closely with our internal customers in the planning and delivery of our Group Development Programme. The respective RSL housing management teams and Lowther Homes letting team are closely aligned to our programme. As part of any new project approval, we will report on the capacity of the new operating model to meet the requirements of new stock in relation to housing management and maintenance.

5.2   Local communities are engaged in the planning process at a neighbourhood level in all of our developments as part of the statutory consent process. Additionally, as the programme is delivered, we undertake customer satisfaction surveys from our end customers across both social rent and mid-market rent tenures. The integration of Customer Voices in the new build process has commenced with the aim of placing the customer at the heart of how we plan and design our new build developments.

6.   Environmental and sustainability implications

6.1   Our Sustainability Framework sets out our key actions in relation to new build homes. This includes:

- New-build homes will meet the planning requirements in relation to no fossil fuel as required through Building Regulations (March 2024);
- We will size our solar PV systems to generate sufficient electricity to mitigate high cost of operating some systems;
- Our large-scale regeneration proposals will include an assessment of 'carbon payback';
- We will explore the implications of design for deconstruction and look to incorporate requirements for this as part of future new-build standards;
- We will pilot modern methods of construction; and
- Our new homes will be at least EPC (Energy Performance Certificates) B.

6.2   To achieve the above, new properties will be developed to meet Aspects 1 and 2 of the Silver Sustainability Standards which covers reduction in carbon emissions and energy use for space heating. The EPC level for current projects will be Band B and our specification includes the use of zero emissions heating systems as the preferred approach as we move towards the national decarbonisation targets and gas free developments by 2024.

6.3   Scotland's new Domestic Building Environmental Standards Bill has been endorsed by the Scottish Government, which sets out that all new housing must meet passive house standards in the future. Secondary legislation will be used to secure the standard, which is expected to apply to new homes by the end of 2024. The new regulations will set a minimum standard for environmental design standards for new build homes to secure high levels of thermal performance and energy efficiency. We are engaging with our Framework Consultants to determine the performance specification which will apply to this standard for our new build homes as well as with the Building Standards working group which will inform the route map to the new standard.

7.   Digital transformation alignment

7.1   Our Group Strategy sets a clear direction for our new homes being digitally enabled to support home working and modern living. All of our new build homes as standard are now enabled by the provision of fibre to the home. This is free of charge to the end customer and included with the total development costs. The customer then has choice as to the internet provider they wish to use.

7.2   The digital enablement of affordable homes is one of the additional quality measures that the Scottish Government is assessing within the current grant benchmark. Digitally enabled homes will be considered as part of our Specification development.

8.   Financial and value for money implications

8.1   Our ability to successfully deliver new build housing helps strengthen the income streams in our business plan and supports our RSLs' charitable objectives to address housing need by providing much needed homes for potential customers on our waiting lists.

8.2 Delivering value for money to our funders and stakeholders, including the Scottish Government and local authorities, continues to maintain our position as a key delivery partner.

8.3 In order to ensure developments undertaken by the group are viable and generate sufficient income to cover funding costs a financial appraisal is carried out, with each scheme required to meet a target internal rate of return. In recognition of the recent increases in interest rates and the impact of this on our cost of funding an increase in the target rate of return to [redacted]% for social rent and [redacted] % for mid-market rent was approved by this Board in August 2023.

8.4 The 2023/24 Business plan forecast a total of 338 units to be completed in the current financial year, with 9 completions carried from 2022/23 increasing this to a total of 347 new homes to be delivered. At present, it is assumed that the business plan assumption will be met.

Development Fund

8.5 The 2023/24 Business Plan includes an allocation to the development fund of £453k, available over the year.

8.6 In the year to date £80k of this fund has been allocated to three projects, Deans South (£25k), Calton Village phase 2 (£38k) and Wallyford 5 (£17k). This leaves funds of £373k available to support long-standing and strategically important projects. We will continue to report to WDSL Board on the proposed utilisation of the fund.

9. Legal, regulatory and charitable implications

9.1 The Scottish Housing Regulator seeks regular updates on our new build programme and funding position.

9.2 The in-house property legal team undertakes title due diligence relative to all site acquisitions required to facilitate the development programmes along with preparation of documentation and due diligence associated with asset securitisation.

9.3 The legal team also assist with the preparation of legal documents including Building Contracts and Development Agreements to safeguard our development operations.

10. Risk Appetite and assessment

10.1 Our risk appetite relating to the operational delivery of new homes is 'Open', balancing this with a minimal risk appetite for legal or reputational risk and an adverse financial risk appetite.

10.2 The information provided in this report supports our management of risk in respect of the development programme by providing a robust performance management framework.

10.3 Inflationary cost pressures remain within the market, although having slowed recently. We continue to engage with our Framework contractors, Local Authorities and the Scottish Government on grant implications of the increased cost level on projects and through the SFHA Managing Cost Pressures working group which has been established. Scotland's new Domestic Building Environmental Standards Bill has been endorsed by the Scottish Government, which sets out that all new housing must meet passive house standards in the future. This requirement will affect project costs and we will engage with the supply chain and our consultants on the implementation of this requirement.

11. Equalities implications

11.1 Within the programmes, all new build units are designed to Housing with Varying Needs (Part 1), as integrated into the Glasgow standard. The inclusion of wheelchair units on a number of sites is a standard funding requirement.

11.2 Within the Group, our development teams work with our local housing and allocations teams to consider equalities in design ensuring that we develop a suitable mix of properties. We recently collected equality data on all protected characteristics from customers through an anonymous exercise. We also now collect equality information from people who submit a housing application. We will use this data to help inform our new build programme. We will also consider the inclusion of LivingWell projects across the programme which are specifically designed to support those aged 55+.

12. Key issues and conclusions

12.1 Good progress is being made against our profiled handovers in the year date, with 146 completions to the end of P4, and 172 having been completed by the 13th September 2023. Cost pressures continue to exist with higher build standards through the requirement to meet passive house levels expected from 2024. Engagement with the SFHA, Scottish Government and our supply chain will continue on each of these matters. We are also represented on the Building Standards Scottish Passive House working group and SFHA cost pressures working group.

13. Recommendations

13.1 The Board is asked to note the contents of the report.

LIST OF APPENDICES:

Appendix 1 - Period 4 Development Update

Development Update

2/8/23 20:23

projects on site:	projects due on site:
20	**3**

units on site:	units due on site:
1,521	**125**

units comp. this FY:
146

smallest project:	average project:	largest project:
24	**75**	**198**

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● Loretto ● WHE ● WHG ● WHS

Wheatley Group
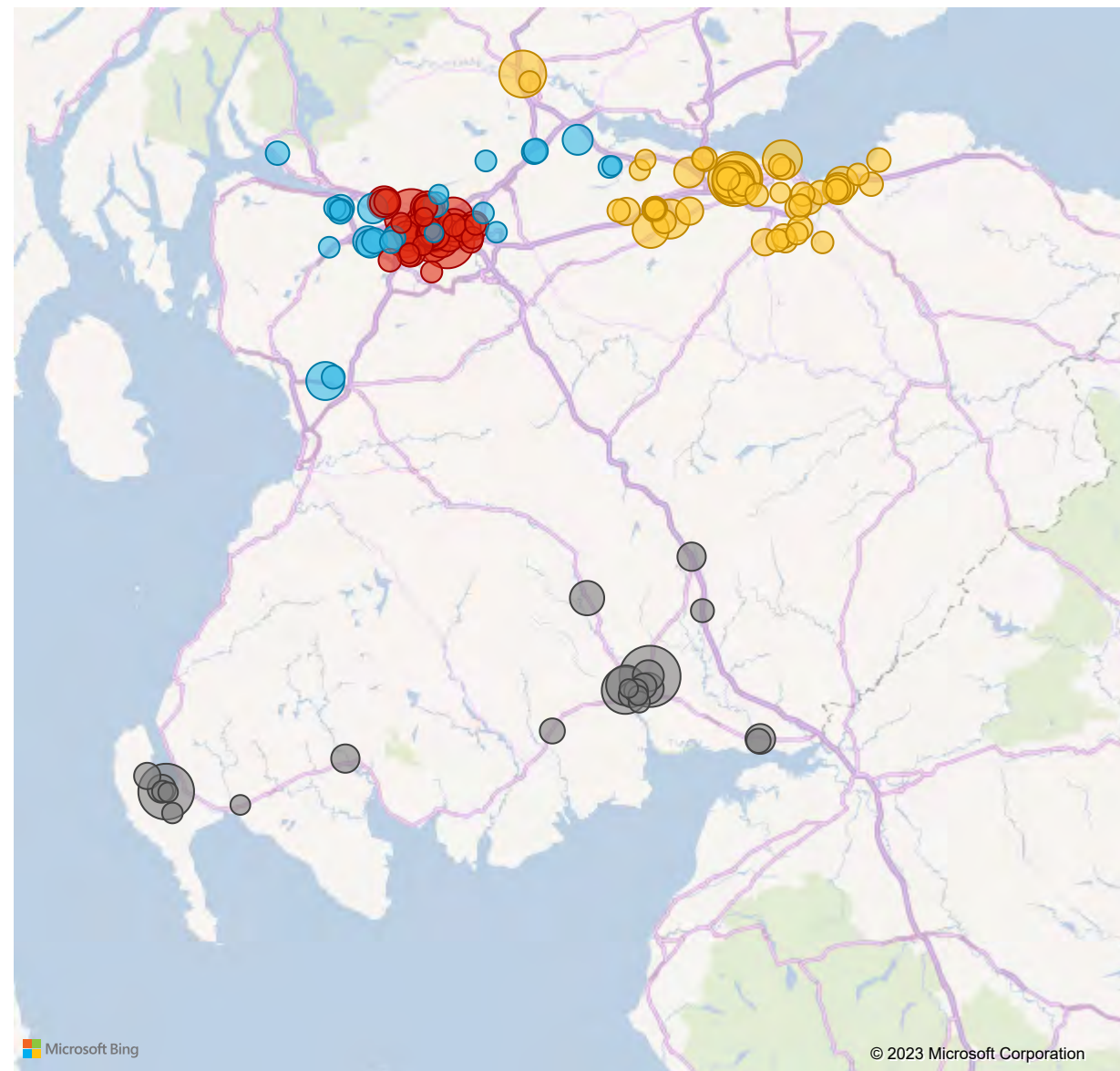
Programme Summary

Status	Loretto	WHE	WHG	WHS	Total
A. Potential	15	20	29	11	75
B. Feasibility	4	9	9	4	26
C. Initial Design Agreed	3	3	1	2	9
C. Initial Design Stage	1		2	3	6
D. Contractor Appointed			4	2	6
E. Board Approval Stage		2			2
F. Due on Site		2			2
F. Due on Site / Detail Design		1			1
G. On Site	2	11	5	2	20
H. Complete (Defects Period)	5	7	1	1	14
Total	30	55	51	25	161

	SR units	MMR units	Total
A	3,884	773	4,657
B	1,330	351	1,681
C	563		727
D			301
E	75		75
F			125
G	747	756	1,503
H	567		659
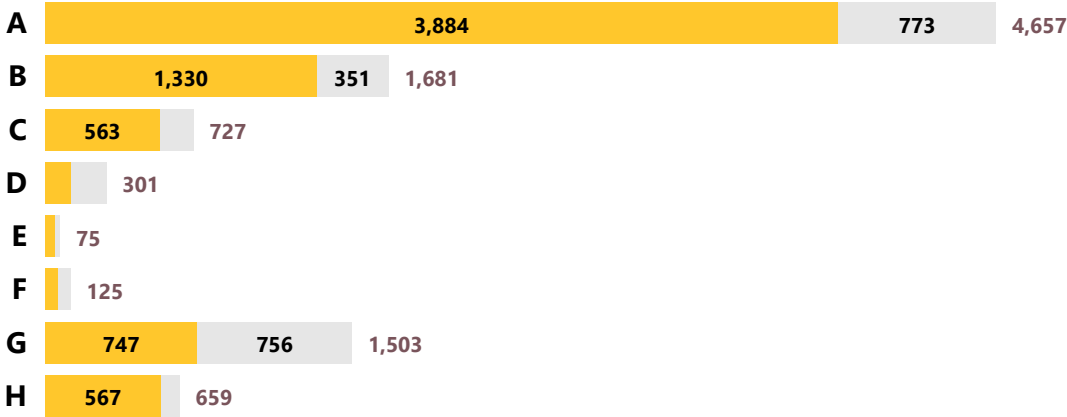
● SR units ● MMR units

● Loretto ● WHE ● WHG ● WHS

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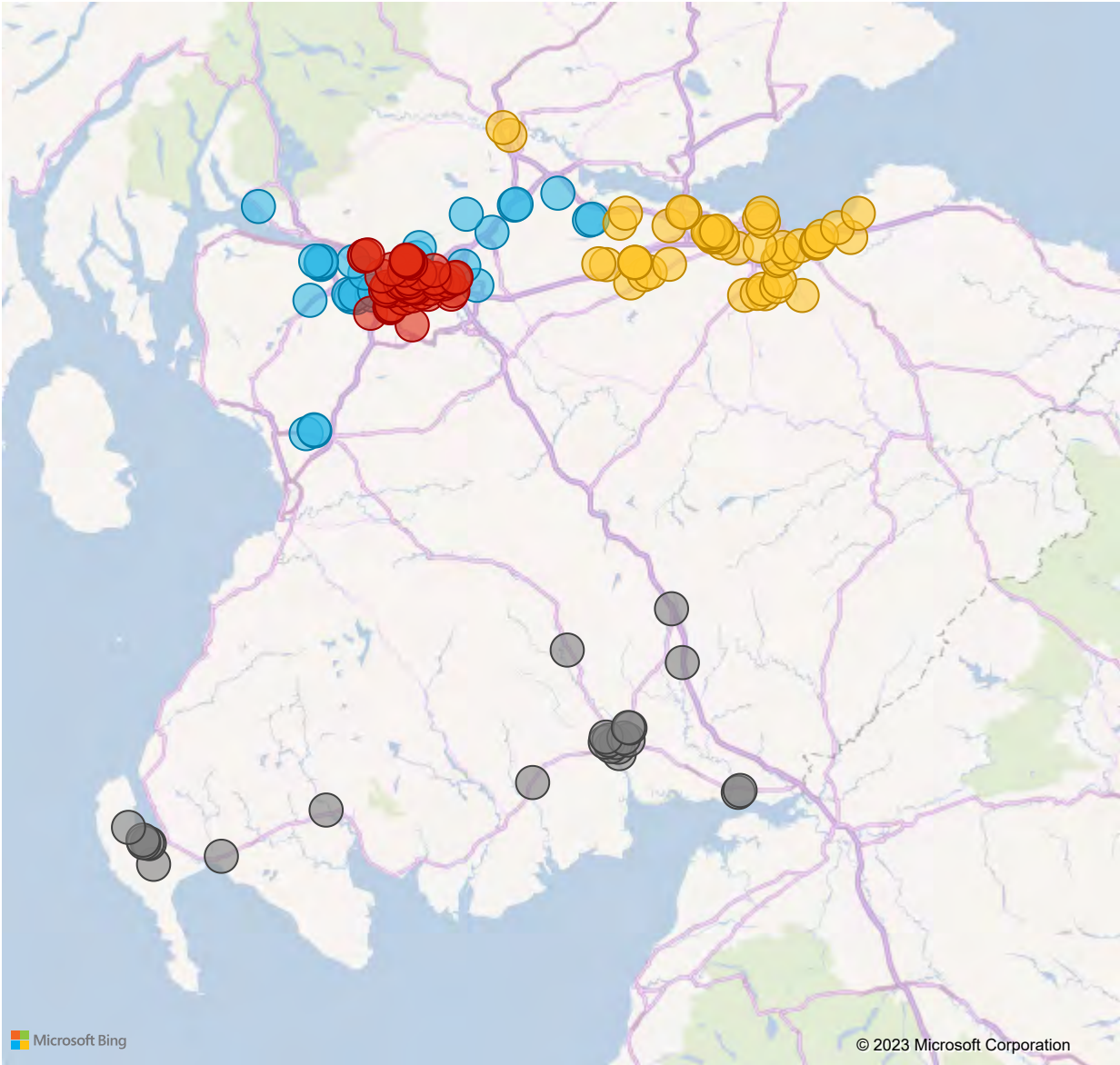
Completions Summary

Project	21/22	22/23	23/24	Total
⊟ **Complete**				
Penicuik		22	35	**57**
Roslin Ph1		26	12	**38**
Roslin Ph2		18	20	**38**
The Wisp Phase 3C		23	12	**35**
⊟ **On Site**				
Main St, Maddiston			13	**13**
Raw Holdings		4	14	**18**
Sighthill MMR	30	20	25	**75**
Wallyford Area 7		12	15	**27**
	30	**125**	**146**	**301**

Actual Handovers and Targets by Month

ACTUAL   TARGET
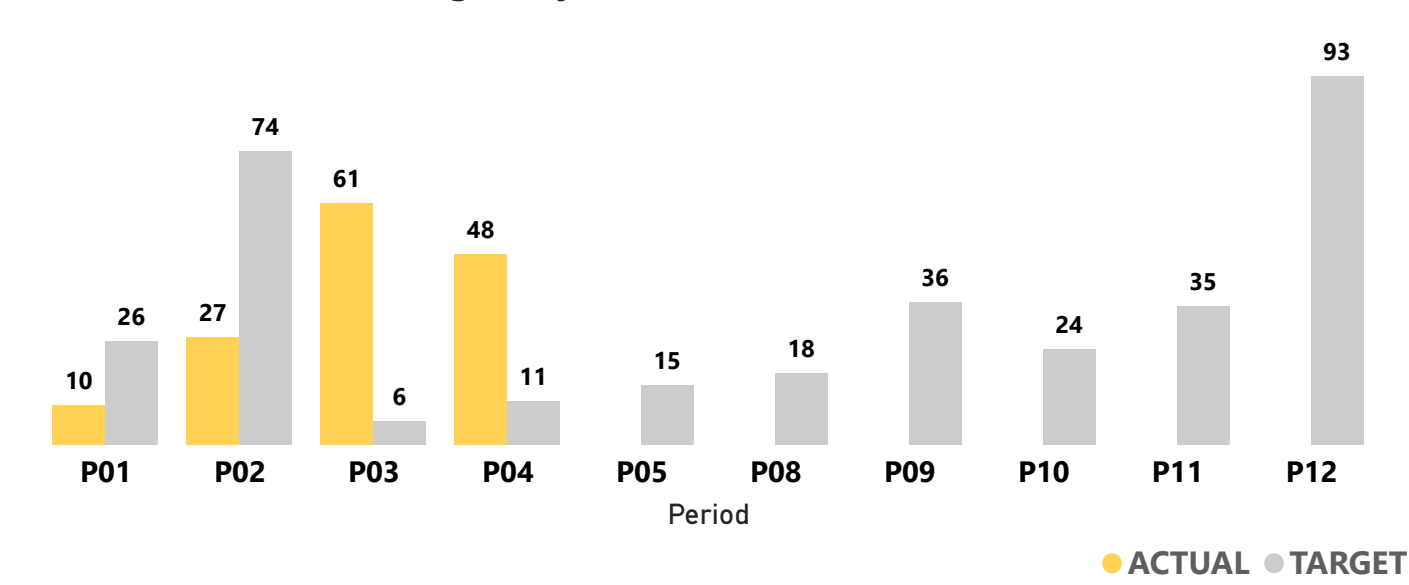
BP Projection to Year End

RSL	MMR	SR	Total
Loretto		24	**24**
WHE	39	189	**228**
WHG	55		**55**
WHS		31	**31**
Total	**94**	**244**	**338**

Completions this FY

RSL	MMR	SR	Total
Loretto		13	**13**
WHE	29	79	**108**
WHG	25		**25**
Total	**54**	**92**	**146**

Approved projects, not yet on site

RSL	Project	Procurement	Board Approval	Site Start	Grant	BW ▼	Planning	RCC	Scottish Water	Stopping Up
WHE	Blindwells Plot 11	S75	June 2023	September 2023						
WHE	St Crispins	S75	June 2023	July 2023						
WHE	Wallyford Area 5	Direct Award	November 2022	September 2023						

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● WHE

Contractor Exposure

Status	Due on Site		On Site		Total	
Project	Projects	Total Cost	Projects	Total Cost	Projects	Total Cost
Ambassador			1	£4.147	1	£4.147
Artisan			1	£4.884	1	£4.884
Ashleigh			1	£11.614	1	£11.614
Balfour Beatty			1	£5.243	1	£5.243
Barratt			1	£4.601	1	£4.601
Cala	1	£2.256			1	£2.256
CCG			3	£61.042	3	£61.042
Cruden			3	£61.642	3	£61.642
JR Construction			1	£9.003	1	£9.003
Keepmoat			1	£26.025	1	£26.025
McTaggart	1	£17.178	4	£48.209	5	£65.387
Miller			1	£3.752	1	£3.752
Ogilvie	1	£4.435			1	£4.435
Persimmon			1	£9.188	1	£9.188
Springfield			1	£9.613	1	£9.613
Total	**3**	**£23.870**	**20**	**£258.961**	**23**	**£282.831**

Contractor	Due on Site	On Site	
McTaggart	90	337	427
Cruden		360	360
CCG		262	262
Keepmoat		198	198
Persimmon		63	63
JR Construction		48	48
Ashleigh		47	47
Springfield		46	46
Balfour Beatty		36	36
Artisan		33	33
Barratt		25	25
Ambassador		24	24
Miller		24	24
Ogilvie	23		23
Cala	12		12

● Due on Site ● On Site
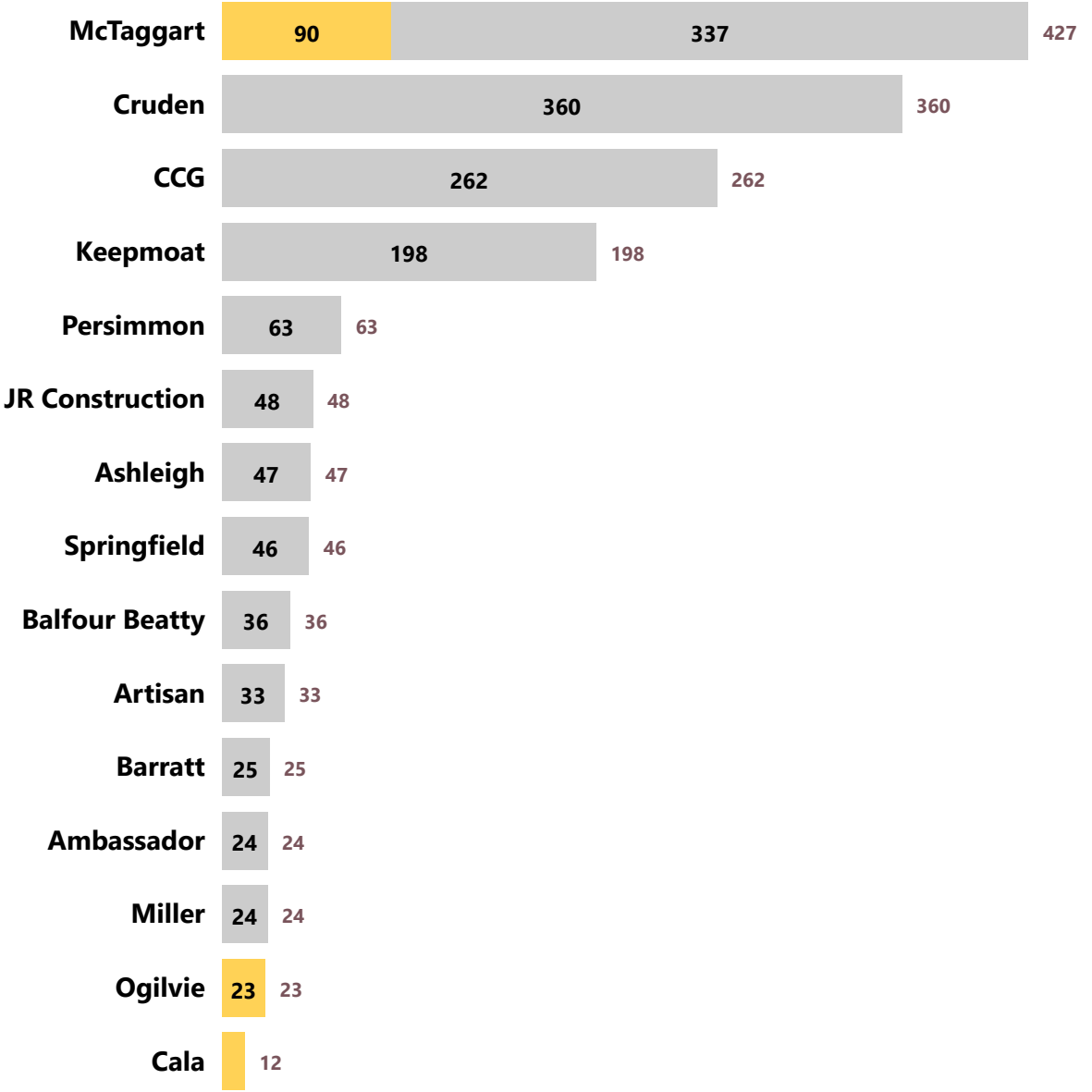
Awards in Last 18 Months

Project	Ceremony ▼	Award	Category	Nominee	Outcome
Hallrule Drive	21 June 2023	Scottish Home Awards	Age Exclusive Development of the Year	Wheatley Group	Finalist
Lincluden Depot	21 June 2023	Scottish Home Awards	Renovation of the Year	Wheatley Homes South	Finalist
Queens Quay	25 May 2023	Homes For Scotland	Development of the year Large (100+ units)	Wheatley Group	Finalist
Lincluden Depot	28 September 2022	Herald Property Awards	Affordable Housing Development of the Year	Dumfries & Galloway Housing Partnership	Shortlisted
Lincluden Depot	28 September 2022	Herald Property Awards	Best Renovation & Conversion	Dumfries & Galloway Housing Partnership	Shortlisted
Bell St / Watson St	15 December 2021	Saltire Housing Design Awards	Multiple Dwelling Award	GHA / Lowther	Winner
Bell St / Watson St	15 December 2021	Saltire Housing Design Awards	Saltire Medal for Housing Design	GHA / Lowther	Winner
Buckley Street	25 November 2021	CIH Scotland Housing Awards	Excellence in regeneration	Loretto	Shortlisted
Hinshelwood	25 November 2021	Glasgow Institute of Architects Design Awards		Elder & Cannon	Shortlisted
Queensberry Square	25 November 2021	CIH Scotland Housing Awards	Excellence in development for affordable housing	Dumfries and Galloway Housing Partnership	Shortlisted

Approved projects, not yet on site

Project	Update
Blindwells Plot 11	Approved by Board on 21 June 2023
St Crispins	Board approval June 23. target Contract Signing - July 2023 - draft with Cala to progress. Anticipated site start July, once planning consents purified by Cala Anticipated end July 2023
Wallyford Area 5	Board approval for access road at June board, with full tender approval being sought at August board. Tender returned and work being done to clarify and check costs.

On Site Projects

Project	Update
Ashgill Road	CCG submitted a revised soil remediation strategy to Contaminated Land Officer on 06 June Initial feedback from CLO received 14 July. Site start on hold until this is signed off. Soil costs will exceed provisional sum
Calton Village Ph1	Still awaiting conclusion of sub-station land disposal which is hampering works on site due to lack of power. Completion date of Nov 2024. Scaffolding starting to be taken down on block 1 and block 6. Kitchen and bathroom installs underway.
Calton Village Ph2	Delay to block 8 starting due to being unable to conclude proposal for demolishing and rebuilding wall with neighbouring site. Awaiting approval from Network rail who are currently undertaking testing to allow SR piling works to start.
Curries Yard	Letter of Undertaking signed and RCC & Stopping Up issued. Minute of Agreement with Transport Scotland also agreed. Updated programme / handover to be confirmed.
Deans South - Phase 1B	Building contract signed on site work well underway.
East Lane	Site Acquired on 15th March'23 and Building Contract signed by JR Group; Mobilisation and enabling works started on site 15th May'23. JR Group awaiting official Building Warrant Approval from Renfrewshire Council. Piling mats have been laid during works.
Ewart Place	Project approved by Board - site commence 09/05/2023 with completion due in 2024/25. Enabling works (formation of new junction) are now complete. Ashleigh progressing with main construction works - works are on programme with completion due in Sep '24
Macmerry	Build out route finalised with handovers still due for the 2023/24 financial year.
Main St, Maddiston	The contract concluded on 1 June 2022. The first Golden Brick tranche was achieved in September 2022 and other tranches will follow to March, 2023, with completions between Spring and late Summer 2023. 13 handovers took place in May/June.
Raw Holdings	Steady progress on works with handovers as per profiles
Rowanbank	Works on site on track to meet the revised programme date. Estimated completion date is now May 2024 in accordance with the business plan.
Shawbridge Street	Works continue to progress well - project reporting on programme. Roof installation and PV's completing, internal 1st & 2nd fix ongoing, scaffold drop expected to start early August 23.
Sighthill MMR	75 properties handed over so far Block 2 (11 Houses) handover 3rd of August and section 1a wil be complete. Next phases due to start October 2023
South Fort Street	Works are progressing well on site and it is expected that completion will take place as planned in May 2024.
Victory Lane, Wallyford	Works progressing well, final golden brick plots due shortly.
Wallyford Area 7	Site progress overall is good. Cruden internal programme is currently two weeks behind, but this does not affect the contractual completion date.
West Craigs Phase 1 (Plot 4)	Contract works are progressing well and remain on programme.
West Craigs Phase 2 (Plot 5)	Contract works are progressing well and remain on programme.
West Craigs Phase 3 (Plot 13)	Contractor started on site in May 2023. A number of foundations have been poured and progress is on track.
Winchburgh BB	Site start commenced on 15/5/23. Switchgear installation and making 'live' still incomplete and is affecting McTaggart's program. Estimated removal of overhead lines - end of July.

Report

To:	**Wheatley Housing Group Board**
By:	**Pauline Turnock, Group Director of Finance**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Risk management update**
Date of Meeting:	**27 September 2023**

_____

1. Purpose

1.1 This report seeks approval for proposed changes to the Strategic Risk Register attached at Appendix 1.

2. Authorising and strategic context

2.1 In accordance with our Terms of Reference, the Board is responsible for approving and setting the overall risk assessment and management system within the Group. This report summarises the risk management activity completed during 2022/23 and presents the Group Strategic Risk Register following the Group Audit Committee's most recent review.

2.2 In addition, following the most recent Group Audit Committee, the report includes a proposed change by the Executive Team to risk 018 "supply chain disruption".

3. Background

3.1 This report gives an overview of the Group's current risk position for consideration by the Board. As set out in the Group Risk Management approach, this update focuses on the risks management wish to bring to the attention of the Board.

3.2 This includes risks in the following categories:

A. Risks outwith risk appetite;

B. Risks with a residual risk score of 12 of more or an inherent risk score of 20 or more, for which the Board has not received an update on the operation of the controls in the last 6 months; and

C. Risks highlighted by management for consideration. This will include new risks, risks to be removed from the Strategic Risk Register, or risks with a significant change in scoring. It also includes brief details of any significant changes to the external environment that may impact on the Board's risk profile ("horizon-scanning").

3.3 The Strategic risk register is reviewed by the Board on a bi-annual basis. The Group Audit Committee reviews the register on a quarterly basis. Any material changes approved by the Audit Committee out-with the bi-annual cycle will be notified to the Board by exception.

4. Discussion

4.1 The chart below shows all risks within the Strategic Risk Register. These are colour-coded as follows:
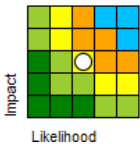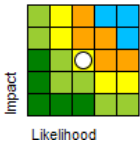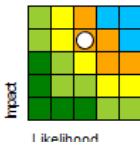
- Red font – risks highlighted for Member consideration (as set out in paragraph 3.2) and discussed further below;
- Purple font – risks with a high residual risk or inherent risk score where Boards have received an update on the operation of the controls in the last 6 months;
- Black font – lower scoring risks that have remained stable within the current period.
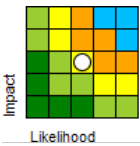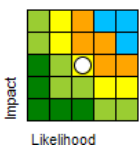
Impact	1	2	3	4	5
5					
4			• Failure to recruit, develop, retain & succession plan • Damp and Mould (A) • Supply chain disruption (C)	• Cyber Security (A) • Impact on our customers of Cost-of-Living crisis • Reduced availability of financial support from S Gov't / Local Gov't	
3		• BC/DR • Rent arrears arising from UC • New build contractor non-conformance with building standards • Commercial Operations • Fire Safety (C)	• Care and support services (A) • Financial impact of rent control legislation • New Operating Model • Non achievement of cost savings within the business plan (A) • Future waves of pandemic • Non-achievement of sustainability targets (C) • Fire Event (A,C) • Compliance with funders requirements • Customer Satisfaction • Governance Structure • Securing new funding • Political & Policy changes • Group Credit Rating (A)	• Climate change impact on Group Assets and Services (C)	
2			• Implementation of partnership promises	• Laws and Regulations	
1					

4.2 The following section of this report provides additional commentary on those risks highlighted in red font. A full description of each of these risks, and associated controls, is set out in Appendix 2.

A - Risks outwith risk appetite

4.3 There are six risks with a residual risk score that is greater than the approved risk appetite. These are set out in the table below:

Risk	Residual Risk Score	Risk Appetite Level	Commentary
[redacted]		[redacted]	
RISK005 – Care and support services		Minimal	Management continues to embed the Care Quality Framework which is providing improved controls. Enhancements have been made to the Framework following feedback and learning from the first full year of use. Just under half of the services are still awaiting inspection by the Care Inspectorate who have not been inspected since pre-pandemic periods. It is anticipated that these inspections would provide additional comfort in reducing any risk likelihood.
RISK 203: Non-achievement of cost savings within the business plan		Minimal	Detailed plans are in place to deliver the cost savings targeted within the business plans and actions are well underway to secure the cost savings planned for 2023/24. The volatility of the operating environment may require additional savings plans to be enacted to mitigate impact and financial performance is being kept under close review. As a result, the residual risk remains outwith risk appetite.
RISK 053: Damp and Mould		Minimal	The residual risk scoring for this risk was increased to 12 in August 2023 following discussion at the Group Audit Committee. This was due to the cost-of-living crisis, and in particular the higher cost of heating, increased the risk that tenants may face such issues, as properties become colder and less ventilated. It is expected that the roll-out of updated damp and mould processes in Autumn 2023 will provide

3

Risk	Residual Risk Score	Risk Appetite Level	Commentary
			additional assurance that could reduce the residual risk score.
RISK 089 – Fire Event		Minimal	Following discussion at Board, it is proposed that this risk is split between a fire event and compliance with fire safety legislation as outlined in table C of this report. This risk is focused on the risk of a fire event within a customer property. It is outwith risk appetite due to the limited control the Group has over the actions of third parties to minimise fire risk.
RISK010 – Group Credit rating		Minimal	The residual risk score remains above risk appetite due to the uncertainty within the external economic and policy environment. Management will continue to monitor the potential impact on business plans and keep the scoring of this risk under review.
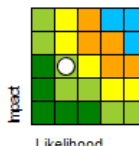
4.4 The implementation of any identified actions will be monitored by management and residual risk scores will be reviewed as part of the scheduled quarterly review of all risks.
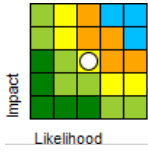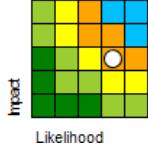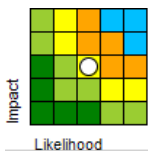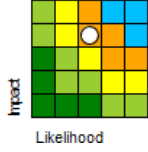
B – High scoring risks with controls due for review.

4.5 There are no risks with a residual risk score that is greater than the 12, or an inherent risk score of 20 or more, for which the Board has not received an update on the operation of the controls in the last 6 months.

C - Horizon Scanning

4.6 The table below summarises the key changes to the risks within the Strategic Risk Register; full details of these changes are detailed in Appendix 1.

Risk	Residual Risk Score	Risk Appetite Level	Commentary
AMENDED RISK: RISK 003 – Fire Safety		Minimal	Following discussion at Board, it is proposed that this risk is divided in two. This original risk has been revised to focus on the risk of non-compliance with legislation. The reduced residual risk score means this risk is now within risk appetite.

Risk	Residual Risk Score	Risk Appetite Level	Commentary
NEW RISK: RISK 089 – Fire Event		Minimal	This new risk has been added to focus on the risk of a fire event within a customer property. It is outwith risk appetite due to the limited control the Group has over the actions of third parties to minimise fire risk. (See section A).
AMENDED RISK: RISK 023 – Climate change impact on Group customers, assets and services		Open	Following discussion at the Solutions Board risk workshop, it is proposed that this risk is divided in two. This original risk is focused on the potential that climate change consequences on Group customers, assets and services are not anticipated, resulting in damage to the value of our assets and our ability to deliver services.
NEW RISK: RISK 137: non-achievement of sustainability targets		Open	This new risk has been added to focus on the risk that the Group is unable to demonstrate how it is contributing to climate change mitigation activities, due to non-achievement of targets within its Sustainability Framework.
AMENDED RISK: RISK 018 – Supply chain disruption		Open	The residual risk scoring has been revised to reflect the widening of the scope of supply chain risk to include the risk of a new build contractor's ability to satisfy their contractual obligations linked to increased economic instability or insolvency.

4.7   We are considering potential risks associated with new build contractors' ability to perform their contractual obligations due to the current economic climate. As a result, we are reviewing our mitigating measures including the use of performance bonds and their place within a suite of other protections. This will be discussed at the November 2023 Wheatley Developments Scotland strategy day and the mitigations noted against Risk 018 "Supply Chain Disruption" will be updated if required.

4.8   The Board is asked to consider whether any changes should be made to the Strategic Risk Register, or if any matters discussed elsewhere during the meeting result in additional risks to be captured in the risk register.

5.   Customer Engagement

5.1   No customer engagement implications arise directly from this report.

6.   Environmental and sustainability implications

6.1   No environmental or sustainability implications arise directly from this report.

7.   Digital transformation alignment

7.1   No digital transformation alignment implications arise directly from this report.

8.   Financial and value for money implications

8.1   No financial or value for money implications arise directly from this report.

9.   Legal, regulatory, and charitable implications

9.1   No legal, regulatory, or charitable implications arise directly from this report.

10.   Risk Appetite and assessment

10.1   There is no single risk appetite associated with this report. Instead, the review of risks within the Strategic Risk Register, as outlined in this report is designed to provide assurance on the controls in place to manage strategic risks such that the residual risk score is within risk appetite and to identify additional actions management plans to reduce residual risk further, where required.

11.   Equalities implications

11.1   This report does not require an equalities impact assessment.

12.   Key issues and conclusions

12.1   The report summarises management's review of the Strategic Risk Register, which has resulted in the identification of six risks that are out with risk appetite, and a further four risks highlighted for the Board's attention by management.

13.   Recommendations
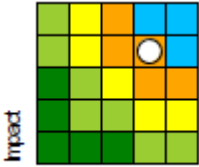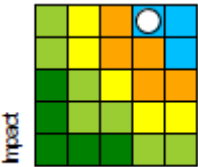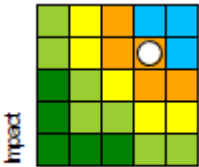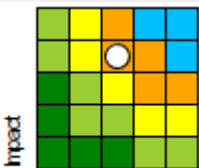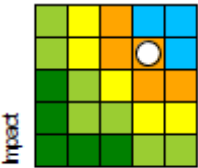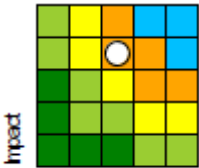
13.1   The Board is asked to note the content of this report and approve the proposed changes to the Strategic Risk Register.

LIST OF APPENDICES:
Appendix 1 - Summary status of Wheatley Group Strategic Risk Register
Appendix 2 - Extract of Wheatley Group Strategic Risk Register

Appendix 1 – Full detailed Risk Register for Board consideration
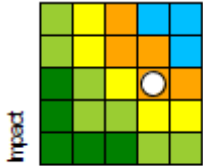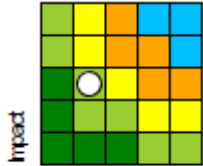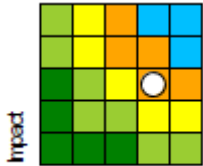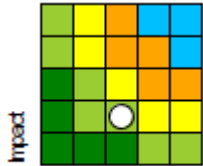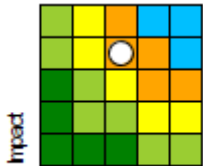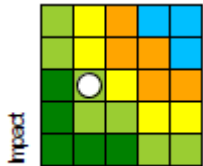
Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
[redacted]		[redacted]		[redacted]		[redacted]	
RISK 001	Impact on our customers of the cost of living crisis		Risk Appetite is **OPEN** (Orange)		Group Director of Communities	Supporting economic resilience in our communities	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)
RISK 021	Reduced availability of financial support from Scottish Government and / or local government		Risk Appetite is **OPEN** (Orange)		Group Director of Finance	Raising the funding to support our ambitions	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)
RISK 018	Supply chain disruption		Risk Appetite is **OPEN** (Orange)		Group Director of Governance & Business Solutions	Increasing the supply of new homes	Page 14 (Amended risk for Board approval)
RISK 015	Failure to recruit, develop, retain and succession plan		Risk Appetite is **HUNGRY** (Blue)		Group Director of Finance	W.E. Work – strengthening the skills and agility of our staff	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 023	Climate change impact on Group customers, assets and services		Risk Appetite is OPEN (Orange)		Group Director of Repairs and Assets	Setting the benchmark for sustainability and reducing carbon footprint	Page 15 (Amended risk for Board approval)
RISK 004	New operating model implementation		Risk Appetite is HUNGRY (Blue)		Group CEO; Group Director of Finance	W.E. Create– driving innovation	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)
RISK 005	Care and support services		Risk Appetite is MINIMAL (Light Green)		Group Director of Communities	Shaping Care Services for the future	Page 16 (Outwith risk appetite)
RISK 022	Financial impact of rent control legislation		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Finance	Progressing from Excellent to Outstanding	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 203	Non-achievement of cost savings within the business plan		Risk Appetite is **MINIMAL** (Light green)		Group Director of Finance	Maintaining a strong credit rating and managing financial risk	Page 17 (Outwith risk appetite)
RISK 053	Damp and Mould		Risk appetite is **MINIMAL** (Light Green)		Group Director of Repairs and Assets	Investing in existing homes and environments	Page 18 (Outwith risk appetite)
RISK 137	Non-achievement of sustainability targets		Risk Appetite is **OPEN** (Orange)		Group Director of Repairs and Assets	Setting the benchmark for sustainability and reducing carbon footprint	Page 19 (New risk for Board approval)
RISK 002	Ongoing threat of future waves of COVID-19 and / or another pandemic		Risk Appetite is **HUNGRY** (Blue)		Group Director of Repairs and Assets; Group CEO	W.E. Create- driving innovation	N/A
RISK 008	Compliance with funders' requirements		Risk Appetite is **OPEN** (Orange)		Group Director of Finance	Raising the funding to support our ambitions	N/A

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 089	Fire Event		Risk Appetite is MINIMAL (Light Green)		Group Director of Repairs and Assets	Developing peaceful and connected neighbourhoods	Page 20 (New risk for Board approval)
RISK 006	Customer Satisfaction		Risk Appetite is OPEN (Orange)		Group Director of Housing & Property Management	Enabling customers to lead	N/A
RISK 009	Governance Structure		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance & Business Solutions; Group CEO	W.E. Work– strengthening the skills and agility of our staff	N/A
RISK 011	Securing new funding and adverse market changes		Risk Appetite is OPEN (Orange)		Group Director of Finance	Raising the funding to support our ambitions	N/A
RISK 014	Political and Policy changes		Risk Appetite is OPEN (Orange)		Group Director of Governance & Business Solutions; Group CEO	Influencing locally and nationally to benefit our communities	N/A

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Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 010	Group Credit Rating		Risk Appetite is MINIMAL (Light Green)		Group Director of Finance	Maintaining a strong credit rating and managing financial risks	Page 21 (Outwith risk appetite)
RISK 016	Laws and Regulations		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance & Business Solutions	Progressing from Excellent to Outstanding	N/A (High inherent and residual risk scores; Boards have received an update within the last 6 months)
RISK 012	Business Continuity / Disaster Recovery		Risk Appetite is OPEN (Orange)		Group Director of Repairs and Assets	Progressing from Excellent to Outstanding	N/A
RISK 003	Fire Safety		Risk Appetite is MINIMAL (Light Green)		Group Director of Repairs and Assets	Investing in existing homes and environments	Page 22 (Amended risk for Board approval)
RISK 007	Rent Arrears arising from Universal Credit		Risk Appetite is OPEN (Orange)		Group Director of Housing & Property Management	Enabling Customers to Lead	N/A
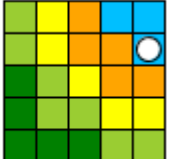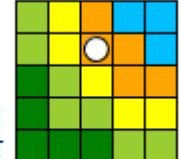
Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 013	Commercial Operations		Risk Appetite is **OPEN** (Orange)		Group Director of Housing & Property Management	Supporting economic resilience in our communities	N/A
RISK 020	Implementation of partnership promises		Risk Appetite is **MINIMAL** (Light Green)		Group Director of Governance & Business Solutions; Group CEO	Progressing from Excellent to Outstanding	N/A
RISK 204	New Build contractor non-compliance with building standards		Risk Appetite is **MINIMAL** (Light Green)		Group Director of Repairs and Assets	Increasing the supply of new homes	N/A

Appendix 2 – Full detailed Risk Register for Board consideration
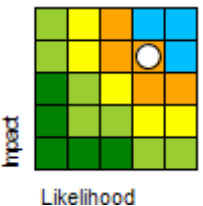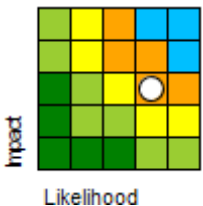
RISK [redacted] – *Outwith Risk Appetite*

Strategic Outcome	Evolving digital platforms to support our activities	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Governance & Business Solutions
Description			**Controls**		
[redacted]					
[redacted]		[redacted]			
[redacted]		[redacted]			
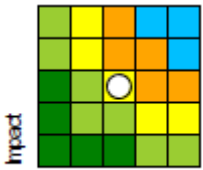
RISK 018 Supply chain disruption– *Amended risk for Board Approval*

Strategic Outcome	Increasing the supply of new homes	Risk type	Operational Delivery	Risk owner	Group Director of Governance & Business Solutions

Description	*Controls*
There is a risk that the Group faces disruption to its supply chain (including delays to supply deliveries, increased costs of supplies, or supplier business failure) due to global events such as the war in Ukraine, ongoing post-Covid manufacturing challenges, the UK cost of living crisis and rising inflation, resulting in delays or an inability to deliver operational targets and potential financial loss or reputational damage.	**General:** Procurement procedures include assessment of suppliers' financial health. Contract and supplier management guidance and e-learning module available. Active use of Contract Management System which contains system generated alerts to flag risk. Proactive monitoring of supply chains by Operational leads with regular contract management meetings. Regular engagement with Scottish Government on cost or delay impact as potential issues emerge. In the event of supplier insolvency, procurement frameworks / approved supplier listings would be used to identify alternative suppliers. **Repairs Service:** Manage stock levels including, where possible, advance purchase of components and materials. Engagement with key suppliers. Specific contingency plans for key services e.g. lifts. Local staff directly employed by CBG or DCPS. **Investment Programme:** Manage stock levels of components and materials. Engagement with key suppliers. **New Build**: Regular engagement with new build contractors where the Group's financial exposure is greatest to test financial standing. Monitor on a site basis the availability and adequacy of contactor's resource on site – consider increased clerk of works site monitoring to ensure quality of workmanship. Use of mitigations such as performance bonds and the use of retention payments. **Operational Supplies**: Utilisation of Group and 3rd party frameworks to minimise price increase risk. Engagement with key suppliers on stock levels. **Wheatley Care:** Working with SG via membership organisations to understand potential level of risk. Contingency plans to mitigate locally and maintaining a 15-week stock of PPE.

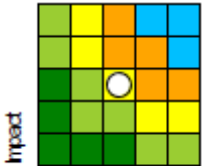| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **OPEN** (Orange)	Group DevCo - tenders/ programme performance/ Contractor financial exposure. These are standing items at each meeting. (Ongoing) Annual Procurement strategy and policy updates presented to Boards for approval (March 2023) All Boards performance, finance and development updates (Ongoing standing items)

RISK 023 Climate change impact on Group customers, assets and services – *Amended risk for Board Approval*

Strategic Outcome	Setting the benchmark for sustainability and reducing carbon footprint	Risk type	Financial or VFM	Risk owner	Group Director of Repairs and Assets

Description	Controls
There is a risk that the impact of climate change consequences on Group customers, assets and services are not anticipated resulting in damage to the value of our assets and our ability to deliver services to our customers.	Business continuity plans (both at Group and local level) provide for operational responses to extreme weather events such as flooding and severe winter snow (e.g "Beast from the East" type events). Climate Impact Assessment report commissioned from external consultants (Foresight report). Our business continuity plans are driven by our aim of protecting our homes and the services we provide to our customers and that the impact of climate change is minimised where possible.

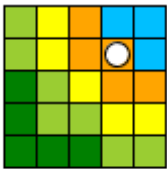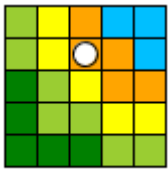| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **OPEN** (Orange)	All Boards – business plan including detailed 5 year capital investment plan and climate impact (Feb 23) Group Board (Sustainability Framework (Dec 22) and environmental sustainability update (Sept 23) Annual Sustainability Report (August 23)

RISK 005 Care and support services – *Outwith Risk Appetite*

Strategic Outcome	Shaping Care Services for the future	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Communities

Description	Controls
A failure in the care of an individual could result in serious personal harm, leading to risk to life and limb, financial liability and loss of future work due to reputational damage. The commissioning environment relating to care and support services creates risks that funding is insufficient to allow services to break-even while paying staff fair wages.	Care and support services governance arrangements, including the authorising environment, are clear and have been approved. These include regular reviews of service financial positions and processes to hand back services which cannot be delivered in a financially viable manner. Care Assurance Framework (which includes monitoring the results from Care Inspectorate service visits and Group Assurance inspections) in place which assesses the quality of care and adherence to Care policies and procedures across Group. A Care Quality Framework was approved by the Wheatley Care Board in April 2022. The Care Inspectorate has remobilised inspections of registered services as part of its scrutiny arrangements. The Care Quality Framework is kept up to date to reflect any enhancements following the outcomes of inspections. Regular management review of service users' care packages to monitor where people are leaving the services and how to redeploy resources or attract new users. The Protecting People Policy Framework sets out arrangement for protecting the People We Work For, including those considered to be vulnerable. Work to deliver against the Framework is reported to the Wheatley Care Board. Mandatory and service specific training is in place to give staff the knowledge to identify additional support needs in relation to the PWWF. A Training Needs Assessment is completed for each service annually to identify any additional training requirements in relation to the specific needs of people using that service. Dynamic risk assessments are completed for service users where risk has been identified and revisited on an ongoing basis to ensure the care and support arrangements in place continue to meet their needs.

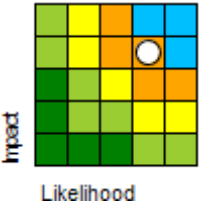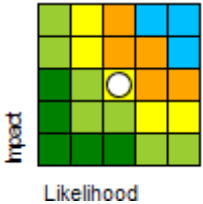| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
Impact / Likelihood	Impact / Likelihood	Risk Appetite is **MINIMAL** (Light Green) **Outwith Risk Appetite:** Management continues to embed the Care Quality Framework which is providing improved controls.	Finance reports are standing items at the Wheatley Care and Group Boards. (Ongoing) Care business plan and ongoing care performance reporting to Group and Wheatley Care Board (minimum quarterly) Care Strategy Review (April 2023)

RISK 203 Non-achievement of cost savings within the business plan – *Outwith Risk Appetite*

Strategic Outcome	Maintaining a strong credit rating and managing financial risk	Risk type	Financial or VFM	Risk owner	Group Director of Finance

Description	Controls
There is a risk that assumptions about cost efficiency targets contained in the business plan are not realised, creating a budget shortfall and resulting in a requirement to implement contingency cost savings plans and / or creating an adverse financial position.	Scenario planning in business plan modelling against rent restrictions. Mitigations in Financial Plan that highlight areas where the Group could save money if required. Capacity built into financial projections to provide a buffer against the covenants by using Golden Rules. Financial scenario planning in place to understand potential impact on the investment requirements. The Group Board approves the Business Plan, including key assumptions. Budget management procedures include monthly meetings with budget holders to review actual spend against budget and the maintenance of up to date rolling forecasts of full year out-turn compared to budget to inform any action required. Detailed implementation plans in place to support the achievement of the planned efficiencies. VFM group re-established to ensure cost efficiencies are achieved across the Group.

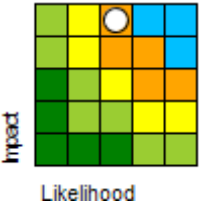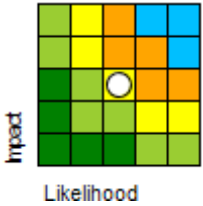| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **MINIMAL** (Light green) **Outwith Risk Appetite:** Detailed plans are in place to deliver efficiencies contained in the business plan and budget. These are reviewed in conjunction with actual financial performance. Given the volatility that exists in the operating environment the risk remains outwith risk appetite.	Financial Performance reported to Group and Subsidiary Boards (every meeting).

RISK 053 Damp and Mould – *Outwith Risk Appetite*

Strategic Outcome	Investing in existing homes and environments	Risk type	Compliance - Legal / Regulatory	Risk owner	Group Director of Repairs and Assets

Description	Controls
There is a risk that housing stock is in a poor-quality condition as a result of damp and mould, resulting in harm to tenants' health.	***Existing controls*** The Group has a Damp and Mould Policy, which is supported by detailed procedures. Mould and damp are recorded as specific work order descriptions, with agreed timescales for completion of the works. Timescales for completion of mould works have been reduced from 30 to 15 days and all jobs include a full inspection arranged by the RICO team within 48 hours. Additional staff, who will specialise in mould and damp, are being recruited to provide additional resource to the existing team. A process is in place to contact tenants with completed mould and damp jobs to determine whether the reported issue has been resolved. Trades staff are made aware of condensation and its causes, as well as being trained in application of products used to manage it. There are annual visits to all properties as part of technical compliance programme, with those in attendance advised to report any issues noted while in a property, including damp and mould. Housing Officers also access properties at least once per annum (usually more frequently). Housing Officers have access to information about current mould and damp jobs, factsheets to provide to tenants and are able to direct tenants to videos on how to manage issues. These are also available on Group websites. Training has been developed for all frontline staff who work with tenants including housing, wraparound services, CFC and care staff. CFC staff have specific script for probing when someone raises concern about damp or mould so we understand clearly the extent of concern at the outset. A No Access Policy to cover the Group's approach to forced access, including in instances where repeated issues of damp and mould are raised but access is refused, has been recently rolled out. ***Planned controls*** The Group Health & Safety team has sourced products that can be made available to tenants to help manage condensation, such as dehumidifiers, air dryers for clothes and anti-mould sprays. These will be stored locally and fuel advisors will be able to issue these products to assist tenants. All staff with reason to visit customer homes are being trained to recognise signs of damp and mould. Daily PowerBI reporting on numbers of mould and damp work orders is in development. The group is developing a pilot exercise to test environmental sensors in a small number of properties.

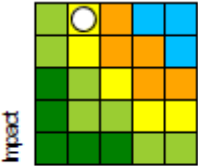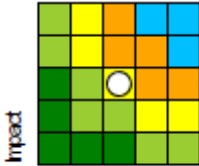| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk appetite is **MINIMAL** (Light Green) **Outwith Risk Appetite:** Roll-out of updated damp and mould processes in Autumn 2023 is expected to reduce the risk score.	Reports of damp and mould monitored in Group performance reporting and reported to RSL subsidiary boards Repairs Service and Damp and Mould update provided to Group Board in March 2023.

RISK 137 Non-achievement of sustainability targets – *New Risk*

Strategic Outcome	Setting the benchmark for sustainability and reducing carbon footprint	Risk type	Reputation and Credibility	Risk owner	Group Director of Repairs and Assets

Description	Controls
There is a risk that the Group is not able to demonstrate how it is contributing to climate-change mitigation activities, due to non-achievement of targets within its Sustainability Framework, resulting in reputational damage with key stakeholders, including investors, government and customers.	Our strategy includes an objective to reduce emissions from our corporate activities to be carbon neutral by 2026. We have detailed asset information and baseline data, an EESSH 2 plan is under development (subject to revisions to EESSH2 targets by SG), and we are in discussions with the Scottish Government about funding to accelerate investment in our properties through a bid to the SHNZ (Social Housing Net Zero Fund). In relation to our housing stock retrofit is our preferred option and demolition will only be considered where there are no other feasible options. We produce an annual ESG report for investors setting out our progress on the environmental agenda and have produced a sustainability framework for investors to support the raising of sustainability-linked finance. In addition to ESG reporting, increased public messaging around our work in relation to climate change is ongoing and we are in the process of developing a group sustainability strategy.

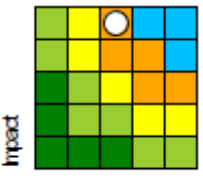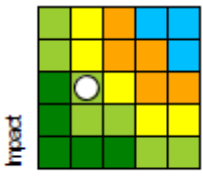| Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **OPEN** (Orange)	All Boards – business plan including detailed 5 year capital investment plan and climate impact (Feb 23) Group Board (Sustainability Framework (Dec 22) and environmental sustainability update (Sept 23) Annual Sustainability Report (August 23)

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RISK 089 Fire Event – *New Risk which is outwith Risk Appetite*

Strategic Outcome	Developing peaceful and connected neighbourhoods		Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Repairs and Assets

Description	Controls
Actions and behaviours of customers or third parties which are outwith the Group's control lead to a fire within our buildings, resulting in the injury or fatality of individuals, damage to Group property, and reputational damage.	Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell. Fire Risk Assessments are completed on a rolling cycle and include assessment of Wilful Fire Raising. Person Centred Risk Assessments (Home Fire Safety Visits) undertaken by Fire Safety Officers where vulnerable customers identified. Daily, weekly and monthly inspections of high rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed. Statutory maintenance of Domestic Properties undertaken to include Gas Safety Installations, Electrical Installations and the provision of Heat and Smoke Detection. New Build properties from 2022 onward will be built with Water Suppression Systems as per new Building Standards requirements. Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance. Fire Working Group attended by Snr Mgt Teams every 2 months that feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Leadership Directors to review performance, emerging issues and escalate matters as required

Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **MINIMAL** (Light Green)	Standing item at Group Audit Committee meetings. (Ongoing) Annual report to RSL Boards on Fire Prevention and Mitigation Framework. (May 23) Group, RSL and Lowther Boards - Fire safety performance related KPIs (ADFs and FRAs) as part of standing performance updates. (Ongoing)

RISK 010 Group Credit Rating - *Outwith Risk Appetite*

Strategic Outcome	Maintaining a strong credit rating and managing financial risks	Risk type	Financial or VFM	Risk owner	Group Director of Finance

Description	Controls
There is a risk that external factors such as a downgrade of the UK's credit rating or a default by another organisation within the social housing sector results in a downgrading of the Group's credit rating to BBB+ or below, resulting in a potential requirement to repay our European Investment Bank loans, a reduction in the availability of future borrowing, and/ or an increase in the cost of current debt.	The Group's business plan is designed to maintain a strong standalone credit rating, for example excluding build for sale. Our financial Golden Rules include maintaining strong levels of liquidity to mitigate refinance risks. Ongoing dialogue is maintained with relevant credit rating agencies in order to mitigate the risk of unexpected rating changes which are controllable. Mitigation drafting used in legal clauses - in the event the rating fell to BBB+, the legal clauses are specific that this is not an event of default (thereby avoiding cross-default). Negotiation period – the legal clauses provide for a period to negotiate with EIB on mitigating measures, such as revisions to covenants or posting of increased security/collateral. Standby funders to replace EIB if necessary - A strong relationship is maintained with EIB to mitigate future risk from external factors causing a credit rating downgrade. Strong investor/lender relationships are maintained with a number of other organisations at all times in case of unanticipated funding need. Annual review (April) and quarterly meetings held with the S&P ratings team to enable pre-emptive actions where required.

Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **MINIMAL** (Light Green) **Outwith Risk Appetite** - The residual risk score remains above risk appetite due to the uncertainty within the external economic and policy environment. Management will continue to monitor the potential impact on business plans and keep the scoring of this risk under review.	Business plan projections for all Boards set out how we will maintain financial position (February 2023) The Group and WFL1 Boards receive quarterly treasury reports on the current credit market conditions and any credit rating updates. (Quarterly through 2022 and 2023)

RISK 003 Fire Safety – *Amended risk for Board Approval*

Strategic Outcome	Investing in existing homes and environments	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Repairs and Assets

Description	Controls
There is a risk that a failure to comply with relevant fire safety standards for our buildings results in harm to the health or safety of our customers and/or staff, leading to injuries or fatalities, enforcement action and reputational damage	Group Fire Safety Team focuses on identification of fire preventions actions for implementation by MDs. Fire Working Group attended by Snr Mgt teams every 2 months feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Directors to review performance, emerging issues and escalate matters as required. Quarterly Bi-annual reporting of implementation of actions to Group Audit Committee. Outwith relevant premises, Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell, and Fire Risk Assessments are completed on a rolling cycle. Daily, weekly and monthly inspections of high-rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed. Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance.

Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
		Risk Appetite is **MINIMAL** (Light Green)	Standing biannual item at Group Audit Committee meetings. (May / November) Annual Report to RSL and Lowther Boards on Fire Prevention and Mitigation Framework Group, RSL and Lowther Boards - Fire safety performance related KPIs (ADFs and FRAs) as part of standing performance updates. (Ongoing)

Report

To:	**Wheatley Housing Group Board**
By:	**Anthony Allison, Group Director of Governance and Business Solutions**
Approved by:	**Steven Henderson, Group Chief Executive**
Subject:	**Approach to appraisal and Board effectiveness reviews**
Date of Meeting:	**27 September 2023**

_____

1. Purpose

1.1 To seek the Board's feedback and, where appropriate approval, in relation to:

    1) the approach to Board effectiveness review for 2023;

    2) the approach to individual Board member appraisals for 2023; and

    3) the approach for Chair appraisal for 2023

2. Authorising and strategic context

2.1 Under its Terms of Reference the Group Remuneration, Appointments, Appraisal and Governance Committee is responsible for agreeing the approach to Board effectiveness review and individual appraisal.

2.2 The Senior Independent Director ("SID") is responsible for a process to appraise the Group Chair being agreed by the Board. The approach set out in the report for the Group Chair appraisal has been reviewed and endorsed by the Group RAAG and is recommended by the SID.

3. Background

3.1 We have a strong commitment to ensuring effective governance. It is recognised that good governance provides a solid foundation for us to achieve our strategic ambitions. As part of the strategic governance review we introduced a new _Board and Committee effectiveness review and governing body member individual appraisal policy ("the Policy")._ Its key objectives are to:

- Facilitate continuous improvement of our governance arrangements through a clear and consistent approach to reviewing effectiveness;

- Set out the mandatory requirements for governing body members to participate in appraisal as part of their role; and

- Support us in discharging and evidencing compliance with our legal and regulatory requirements.

4. Discussion

4.1 Our wider appraisal process allows each Board and Committee member, including our Chairs, the opportunity to reflect on their role and contribution to, and the wider operation of, the Board or Committee over the year. Feedback from Board members and Chairs across the Group has consistently indicated the most value from Board effectiveness reviews and individual appraisals are derived from individual one to one conversations.

4.2 The Committee thoroughly discussed and agreed the following approach for this year's Group Board and individual appraisal (which is also already underway across subsidiary Boards):

- Core topics set for the Board effectiveness review and individual appraisal which are covered through discussion in Chair/Board member one-to-ones rather than through advance completion of a form;

- Chairs and the Group governance team capture formally any actions relating to individual members such as development opportunities and arrange to take these forward with each individual; and

- A report with the key themes and proposed actions for the overall Board is prepared and considered by each Board.

Core topics

4.3 The core topics for each one to one (between the Group Chair and Group Board members) will be as follows:

- Overall Board effectiveness;
- Personal effectiveness – interviewee's and Chair's perspective;
- Succession planning;
- Board CPD and group events;
- Areas for refinement; and
- Subsidiary Chair appraisal (where applicable).

One-to-one process

4.4 A key issue for the Committee was the process not requiring multiple interviews so far as practically possible. Based on the planned approach we will have the opportunity for one to ones to cover multiple Boards or Committees. For example, the Group Chair would cover Group Board members, subsidiary Chair appraisal and RAAG members in a single one to one. No Board member will be required to meet the Group Chair multiple times regardless of how many other Committee or Chair roles they hold.

4.5 The Committee requested that we strongly emphasise to Board members that they should take the opportunity to raise any issues with the Group Chair during the interview process. The normal process, not directly related to the appraisal process, of contacting the SID directly would apply regarding any issues individuals don't feel able to raise directly with the Chair or that they don't think are being heard.

4.6 The process for subsidiary Chair appraisal is that subsidiary Board members, following their one-to-one with the Chair, will be asked to complete a Chair appraisal form. A copy of the form is attached at Appendix 1. The Group Chair would receive the forms for subsidiary Chairs to discuss as part of their one-to-ones.

4.7 It is recommended that the same approach apply to the Group Chair, with the same form completed by Group Board members after their one-to-one. The only difference would be that the forms would be sent to the SID who would then discuss the responses with the Group Chair during an appraisal interview.

Timing

4.8 By necessity, we will require to have the subsidiary Board and Chair appraisals completed prior to commencing some Group Board one to ones. It is intended that the Group Board one to ones for the Subsidiary Board Chairs will follow the completion of the subsidiary Board appraisals which are already underway. This will allow the Subsidiary Chairs to provide feedback to the Group Chair on any themes that emerged during them. We will however immediately commence the one to ones with Group Board members who do not have a Chair appraisal immediately.

5. Customer Engagement

5.1 As a governance related matter there are no customer engagement implications associated with this report.

6. Environmental and sustainability implications

6.1 There are no environmental or 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 A key element of our individual appraisals is to ensure that we are achieving value for money for roles that we elect to remunerate.

9. Legal, regulatory and charitable implications

9.1 Individual Board appraisal is a mandatory requirement for RSLs under the SHR's Regulatory Standards of Governance. They also require that arrangements are in place such that:

"Existing governing body members are given ongoing support and training to gain, or refresh, skills and expertise and sustain their continued effectiveness"

9.2 The approach supports us in our compliance with this regulatory standard.

10.   Risk Appetite and assessment

10.1   Our agreed risk appetite for governance is "cautious". This level of risk tolerance is defined as a "preference for safe delivery options that have a low degree of inherent risk and have only limited potential for reward". This reflects our risk appetite in relation to laws and regulations, which is "averse", with the avoidance of risk and uncertainty a key organisational objective and a priority for tight management controls and oversight.

10.2   Our strategic risk register contains the risk "*The governance structure is not clearly defined, is overly complex and lacks appropriate skills at Board and Committee levels to govern the Group effectively. Failure of corporate governance arrangements could lead to serious service and financial failures.*"

10.3   Our policy and approach set out within this report supports us in mitigating this risk by having a clear process to consider our Board and Committee effectiveness annually. The process also ensures our skills and experience mix, individual performance and succession plans are reviewed annually.

11.   Equalities implications

11.1   There are no direct equalities implications arising from this report.

12.   Key issues and conclusions

12.1   The proposed approach reflects the changes we made during the last strategic governance review and supports us in continuously monitoring the effectiveness of our governance structures and governing body members. As with previous years, the focus of the process is a two-way flow of communication between the Chair and Board members.

13.   Recommendations

13.1   The Board is asked to:
1) Note the approach to Board effectiveness review for 2023; and
2) Note the proposed approach to individual Board member appraisals for 2023; and
3) Approve the approach to the Group Chair appraisal.

LIST OF APPENDICES:
Appendix 1: Chair appraisal questionnaire

Chair appraisal questionnaire

Introduction

We expect high standards from our Board members and are committed to continuous improvement of our governance. As part of the overall Board appraisal process, each Chair also expects to be appraised and welcomes the chance to learn from feedback offered by colleagues. This form is confidential - completed forms will be seen only by the Group Secretariat and the Group Chair.

The form sets out a series of statements about the Chair's competencies – as you will see, you are asked to rate these on a scale of 1-5, with 5 being the 'excelling' score (described on the right hand side). There is then space for you to add any comments. These will be used to prepare feedback to the Chair by the Group Chair, but on an unattributed, confidential basis.

Name	
Date	

COMPETENCY 1: BOARD MEETINGS

'Learning' stage Score 1	◀◀ ◀◀ 1 2 3 4 5 ▶▶ ▶▶ ☐ ☐ ☐ ☐ ☐	'Excelling' stage Score 5
There is little sense of purpose to the meetings. The Chair does not ensure that satisfactory progress is made through the agenda.	**Please add any comments about your score and if possible explain any scores that are below 3.** **Comments:**	The Board's business & meetings are conducted efficiently. Meetings start on time and finish at a reasonable hour. Decisions are reached and recorded correctly.

COMPETENCY 2: INCLUSIVENESS

'Learning' stage Score 1	◀◀ ◀◀ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ ▶▶ ▶▶	**'Excelling' stage Score 5**
The Chair may lead the discussion but fails to take account of different perspectives or allow/encourage contributions from all members.	**Please add any comments about your score and if possible explain any scores that are below 3.** **Comments:**	The Chair brings people in and encourages useful contributions. Appropriate standards of behaviour are maintained.

COMPETENCY 3: STRATEGIC FOCUS

'Learning' stage Score 1	◀◀ ◀◀ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ ▶▶ ▶▶	**'Excelling' stage Score 5**
The Chair allows the Board to become over-focused on operational and detailed matters that should be delegated to staff.	**Please add any comments about your score and if possible explain any scores that are below 3.** **Comments:**	There is sufficient delegation to senior staff. The Board remains focused on its strategic role

COMPETENCY 4: ASSURANCE

'Learning' stage Score 1		'Excelling' stage Score 5
The Chair does not facilitate the Board seeking the appropriate level of advice at the right time to enable it to reach good decisions.	◀◀ ◀◀ **1** **2** **3** **4** **5** ▶▶ ▶▶ ☐ ☐ ☐ ☐ ☐ **Please add any comments about your score and if possible explain any scores that are below 3.** **Comments:**	The Chair ensures that the Board receives professional advice when needed from its senior staff or external sources.

Further Comments

What does the Chair do best, and in what areas does the Chair add the most value?	
What does the Chair need to focus on as a priority?	
Do you have any other comments?	

Thank you for filling in this questionnaire.