



**WHEATLEY HOUSING GROUP LIMITED
BOARD MEETING**

**Wednesday 17 December 2025 at 9.30am
Wheatley House, Glasgow**

AGENDA

1. Apologies for absence
2. Declarations of interest
3. Minutes of meeting held on 12 November 2025 and matters arising
4. Group CEO update
5. Chair updates

Main Business

6. 2026-2031 Group strategy
7. [REDACTED]
8. Strategic governance review
9. 2025/26 rent and service charge uplift
10. [REDACTED]

Other Business

11. Strategic risk register
12. Finance report
13. Mechanical and Electrical Compliance and Repairs – contract award
14. AOCB

Group Audit Committee Chair update
 Covering the meeting held on 19 November 2025

Activity	Update
Decisions	<ul style="list-style-type: none"> ▪ The Committee reviewed and approved the rolling Internal Audit Plan. It will mainly focus on: fleet management; cybersecurity; payroll; and Lowther arrears management. ▪ The Committee reviewed the corporate risk register, in particular the ongoing risk associated with cybersecurity, the incoming legislative requirements in relation to damp and mould and the risk profile associated with the Wheatley care transition. The Committee agreed to recommend the changes to the Strategic Risk Register to the Board at this meeting.
Scrutiny	<ul style="list-style-type: none"> ▪ The Committee reviewed progress with the 2025/26 Internal Audit plan, in particular the rationale for the delays in delivering the planned reviews and completing overdue recommendations. The Committee requested that a more detailed update be provided at its next meeting on progress with both, and comfort that sufficient activity has taken place to provide an Annual Internal Audit Opinion. ▪ The Committee were updated on whistleblowing reports over the course of the year and assured that the investigations have identified no cause for concern or recurring theme. ▪ The Committee reviewed progress with the Group rolling Internal Audit Plan and the implementation of recommendations raised. It noted that, as with the previous quarter, no material internal control recommendations were raised.
Future activity	<ul style="list-style-type: none"> ▪ The Committee will continue to undertake more in-depth scrutiny on behalf of the Board on how we are managing our risks in relation to cybersecurity.
Escalation	<ul style="list-style-type: none"> ▪ Neither the Committee nor the Committee Chair has identified any issues requiring escalation to the Board.



Group RAAG Committee Chair update

Covering meetings held on 12 November 2025.

Activity	Update
Decisions	<ul style="list-style-type: none">▪ The Committee agreed that the outline findings presented by Campbell Tickell be incorporated into formal recommendations for onward consideration by this Board at its December meeting.
Scrutiny	<ul style="list-style-type: none">▪ The Committee received detailed feedback from Campbell Tickell on their findings during the strategic governance review and agreed that the three key areas related to succession planning, the relationship between the Group Board and subsidiary Boards, and the transitioning of ex-officio roles.
Future activity	<ul style="list-style-type: none">▪ The Committee will continue to review the application of our ER/VR policies and oversee Board and Chair recruitment and succession planning across the Group.
Escalation	<ul style="list-style-type: none">▪ Neither the Committee nor the Committee Chair has identified any issues requiring escalation to the Board.

Wheatley Developments Scotland Chair update

Covering the meetings held on 12 and 29 September 2025 and 20 November 2025

Activity	Update
Decisions	<ul style="list-style-type: none"> ▪ The Board considered and approved the development of 26 social rented units at Dalhousie South with Springfield Properties ▪ The Board considered and approved the acquisition of land at Dargavel North, Bishopton on a Golden Brick basis and the development of 20 social rented units at Dargavel North with Taylor Wimpey. ▪ The Board agreed to enter into a build contract for site investigation and associated enabling works with McTaggart Construction Ltd for Calton Phase 3. ▪ The Board considered and approved the acquisition of land at Albion Car Park, Ibrox, and for the construction of 80 social rented units and 80 MMR units at Albion Car Park with JR Construction (Scotland) Limited. ▪ The Board considered and approved the acquisition of land at Deans South Phase 3, Livingston and to enter into a Design and Build contract with Springfield Properties Ltd for the construction of 37 social rented flats and houses. ▪ Subject to a grant offer which meets our project IRR and an agreed collateral warranty package for Wheatley Homes East to acquire land at Merchant Quay/Tower Street from BDW Trading Ltd (a trading company of Barratt Homes) on a Golden Brick basis and to enter into development obligations with BDW Trading Ltd for the construction of 23 homes for social rent ▪ The Board agreed to acquire land at New Town Quarter, Edinburgh at a cost of £1 (exc. VAT) from Izar V Lux S.à r.l. subject to funding consent being received from the City of Edinburgh Council for the acquisition of the site ▪ The Board considered and approved entering into a design and build contract with CCG (Scotland) Ltd for the construction of 44 units for social rent at Summerhill in Dumfries
Scrutiny	<ul style="list-style-type: none"> ▪ The Board reviewed the delivery performance of our development programme for the year to date. ▪ The Board reviewed the financial performance of the Group's development programme and project level financial performance. ▪ The Board considered the review of new build development appraisal target rates of return and our ability to continue to achieve these rates in our onward programme
Future activity	<ul style="list-style-type: none"> ▪ The Board will continue to closely monitor our new build housing development programme.
Escalation	<ul style="list-style-type: none"> ▪ There were no points that were escalated.

Report

To: Wheatley Housing Group Board

By: Anthony Allison, Group Director of Governance and Business Solutions

Approved by: Steven Henderson, Group Chief Executive

Subject: 2026-2031 Strategy update

Date of meeting: 17 December 2025

1. Purpose

1.1 To seek the Board's feedback on the draft 2026-2031 Wheatley strategy.

2. Authorising and strategic context

2.1 The agreement and any subsequent amendments thereto of the Group strategy are reserved to the Group Board. Under their Terms of Reference, our partner Boards are responsible for approving their own strategies, within the context of the overarching Group strategy.

2.2 Our organisational values are an expression of principles which guide the way we operate, shape the behaviours we ask of our people and serve as broad guidelines in our decision-making. A key strength of our Group is a shared set of values, and on this basis, we have always operated under a common set of values. The importance of our values is reflected in their approval being reserved to this Board.

3. Background

3.1 At its strategy workshop in June, the Board received feedback from the first phase of our customer engagement. This phase was independently facilitated by external market research firm Research Resource, which has a well-established track record of engaging with customers in our sectors.

3.2 We used this customer feedback, alongside feedback from our staff and Boards across Wheatley, to develop a refined purpose, vision and values for our 5-year strategy and proposed key areas of focus under each proposed strategic theme.

3.3 The Board, as did our subsidiary Boards, agreed in principle that the key themes and the associated areas of focus reflected the strategic direction we want to set out for 2026-2031.

4. Discussion

Strategy – customer and staff engagement

- 4.1 Following feedback from the Board in August, we have continued engagement with customers, our staff and subsidiary Boards in developing our strategy.
- 4.2 We had an ambitious target to engage with or receive feedback from at least 2,500 customers in developing our strategy and were targeting around 2,200 responses from our digital survey. We also issued a survey to those on our waiting lists to capture potential future customer insight.
- 4.3 Our survey was primarily promoted through digital channels, including our social media and website, with video content bringing to life how we had used customer insight to develop our proposals. The video attracted thousands of views. Our Housing Officers and Stronger Voices Officers were also briefed to support customers to provide feedback, and we undertook an email campaign with a link to a digital survey.

Wheatley Homes South

Help shape our future

We're developing our plans for the next five years - and want to hear from you.

Earlier this year, over 75 customers took part in conversations with an independent researcher to discuss priorities. Now we'd like your feedback on these updated proposals.

If you haven't already, please take a few minutes to complete our survey by clicking the link below.

By completing this survey, you'll have a chance to enter a draw to win a £100 supermarket voucher.

Wheatley Homes Glasgow

Earlier this year, we asked customers what matters most – from safer neighbourhoods and better homes to clear communication and fair rents.

We've listened, and now we're planning important changes for you and your community.

Tell us what matters to you by completing our survey: <https://ow.ly/HU2050WP4jL>

The survey takes less than 10 minutes.

You could win a £100 supermarket voucher.

What changes are planned? Wheatley's commu

How to improve neighborhood safety How to partic

4 1 comment 1.1K views

- 4.4 **Almost 6,000** customers, including prospective customers, provided us with feedback through our digital survey. This means in total, considering both phases of engagement and discussion through our Group Scrutiny Panel and stronger voices structures, **over 6,000** customer voices have helped shape our future.
- 4.5 Feedback from this phase 2 engagement showed the vast majority (around 90%) supported our proposed key priorities, with strong agreement on the importance of keeping rent fair and transparent, investing in existing homes, and improving the repairs experience.
- 4.6 Open text responses asking customers to consider 'what's missing' reaffirmed our areas of focus - safety, repairs, and maintaining a clean, secure area were the most frequently mentioned personal priorities. From the survey, it is evident that the most preferred way to engage is being kept informed about personal queries, replying to online surveys via text or email, and following updates on social media.

- 4.7 Many customers also indicated they value opportunities to participate in walkabouts and policy discussions. This insight will inform our Group customer engagement framework review, which is currently being refreshed to align with our future strategy.
- 4.8 In parallel with the customer survey, we ran a programme of cross-team workshops exploring each strategic theme in more detail. The initial workshops were independently facilitated by an EFQM expert and thereafter facilitated using the same structure and techniques. These workshops included key staff who will be particularly involved in delivering our objectives.
- 4.9 The key areas of discussion and outcomes from the workshops, in particular how our priorities are set out in a way that engages staff with our 2026-2031 strategy, were presented to the Group Executive team by a core group of workshop participants.

Strategy development

- 4.10 The content under each proposed theme in the strategy has been developed, informed by our customer engagement and staff engagement through cross-team workshops. This was then further developed at the subsidiary level into subsidiary level 2026-2031 strategies.
- 4.11 As we narrow our focus in 2026-2031 to our core business of housing, our subsidiary strategies have a naturally high level of consistency. However, it is important to understand that whilst they have common objectives, how they are achieved will need to take into account and reflect their differences, such as stock types, geography, local partnership priorities and existing performance levels. For example, achieving a Wheatley Standard will be very different in Glasgow, Edinburgh and Dumfries.
- 4.12 Based on feedback from subsidiary Boards, our draft Wheatley 2026-2031 strategy is attached at Appendix 1. The strategy is an aggregation of the priorities of our subsidiaries, with the following key themes and objectives:

Strategic theme	Strategic Objectives			
Homes and neighbourhoods to be proud of	<i>Maintain and enhance homes to meet the Wheatley standard</i>	<i>Create thriving neighbourhoods, collaborating with customers and partners</i>	<i>Lead the way in expanding the supply of affordable, quality homes</i>	
Personalised services	<i>Connect with customers through proactive, tailored communication</i>	<i>Enhance and apply what we learn to drive customer focused services</i>	<i>Deliver seamless services to meet customer needs</i>	
Better Lives	<i>Make the largest landlord contribution to ending homelessness of any Scottish landlord</i>		<i>Shape powerful partnerships to alleviate poverty and open doors to new opportunities</i>	
Delivering sustainable value	<i>Nurture and invest in our people, recognising their contribution</i>	<i>Drive effective solutions, harnessing digital capabilities and data assets</i>	<i>Ensure financial efficiency today, prepared for tomorrow</i>	<i>Grow our reputation as an ethical, trusted business</i>

- 4.13 The strongest themes and headline areas of focus throughout the strategy include:
- **Tackling damp and mould** a clear commitment to exceed the requirements of Awaab’s law;
 - **Defining a Wheatley Standard**, which embodies our determination to improve the quality of our homes beyond legal requirements;
 - **Tenant Satisfaction** – customer insight driving our services and customer satisfaction as the key barometer of our success;
 - **Regenerating communities** in particular addressing issues such as vacant and derelict land in priority areas such as Red Road, Milton and Lochside;
 - **Partnership working** our commitment to working with partners in helping to address the underlying drivers of poverty in our homes;
 - **Leading the way in homelessness** - our continuing ambition to lead in addressing homelessness; and
 - **Digital and data maturity** – developing our data, and capability to use it, to develop a single view of our customers and properties
- 4.14 There was also discussion at subsidiary Boards regarding our strategic measures and the balance of stretch targets to improve performance, and maintaining areas of historically strong performance, such as overall customer satisfaction.
- 4.15 We have a number of measures which remain challenging, such as achieving 90% satisfaction with repairs, which we have historically not reached and measures where we have raised the expectation, such as satisfaction with neighbourhoods meeting 90% in every locality rather than just in aggregate. On balance, the proposed targets are considered to be appropriately ambitious and ones which will drive improvement across Wheatley.
- 4.16 We have also considered feedback from the Board, as well as our staff and other Boards across the Group, and refined our vision to make it more succinct and explicitly reference our desire to listen and learn from our customers. The proposed updated vision is as follows:

“Our homes and neighbourhoods are places we, and our customers, are proud of. We listen, we learn, and we deliver what matters most to our customers.”

Customer engagement – Phase 3

- 4.17 We took the opportunity at the Group Scrutiny Panel (“**the Panel**”) on the 2nd of December to discuss the results of phase 2 of our customer engagement and our draft strategy to get a customer perspective.
- 4.18 The Panel were positive about the draft strategy and agreed that it covered the right priorities. In particular, the Panel praised the emphasis on communication and partnership working, both internally and with external partners, recognising that this is pivotal to delivering an excellent customer experience.
- 4.19 Panel members also supported the prospect of embracing Artificial Intelligence to deliver efficiencies for the benefit of our customers. The Panel were supportive of our plans to design customer-friendly versions of our strategies, supported by video content, to bring the documents to life and help ensure understanding. The Panel emphasised the need for customer communication to be straightforward and jargon-free.

Next steps

- 4.20 Following feedback from the Board on the draft 2026-2031 strategy, we will refine the content and develop a design version of the strategy. The design version will incorporate imagery, examples of work we have done, customer and staff stories and visual emphasis of key concepts such as the Wheatley Standard. In parallel, we are developing an organisational-wide approach to engaging staff on what this strategy means for them and the important role each staff member will play in delivering it.

5. Customer engagement

- 5.1 Customer engagement has been at the heart of the development of our 2026-2031 strategy. The level of engagement has exceeded our expectations and provided us with important insight as we review our customer engagement framework.

6. Environmental and sustainability implications

- 6.1 We understand that investment, particularly to ensure energy-efficient homes, is a priority for customers, reaffirmed by the phase 2 engagement. Our 2026-31 strategy prioritises this with a focus on improving the energy efficiency of our homes.

7. Digital transformation alignment

- 7.1 Our 2026-31 draft strategy aligns with our digital transformation plans. We understand that there are opportunities to reshape Wheatley for the future with better use of data, artificial intelligence and digital technology. Increased digital and data maturity will therefore support us in making decisions and improving services through to 2031 as detailed under theme 4 of our strategy.

8. Financial and value for money implications

- 8.1 We understand that keeping rents fair and transparent is a priority for customers, so our 2026-31 strategy details how we will maintain financial security and deliver value for money for customers, particularly in delivering investment. This is specifically detailed in theme 4 of the strategy.

9. Legal, regulatory, and charitable implications

- 9.1 The Scottish Housing Regulator (“**SHR**”) Regulatory Standards of Governance sets out a number of requirements which are relevant for the development of our strategy, including that:
- *“[the] governing body sets the RSL’s strategic direction”;*
 - *“The RSL gives tenants, service users and other stakeholders information that meets their needs about the RSL, its services, its performance and its future plans”;* and
 - *“The RSL actively seeks out the needs, priorities, views, concerns and aspirations of tenants”*
- 9.2 Our approach to engagement in developing our 2026-2031 strategy will provide us with strong evidence of how we are meeting these requirements.

10. Risk appetite and assessment

- 10.1 As part of the strategy development process we are considering how the strategy both reflects our existing risks and our future risk appetite in relation to how it is delivered.

11. Equalities implications

- 11.1 As part of our engagement, including with staff, customers and wider stakeholders, and the development of our strategy, we will take into account the key principles in our Equity, Diversity and Inclusion (“**EDI**”) and Human Rights policy and associated action plan. In particular, our extensive engagement helps ensure a diverse range of customer voices and perspectives have been considered.
- 11.2 Our strategy is also being informed by key partners and stakeholders. In terms of EDI, this includes best practice guidance from Business in the Community to ensure our strategic plans align with EDI sector expectations.
- 11.3 Our strategy will be subject to an Equality Impact Assessment to inform its implementation; we have strengthened our EDI messaging in this strategy, especially supporting our aims around creating pride in neighbourhoods, delivering a personalised service and being a responsible business.

12. Key issues and conclusions

- 12.1 Our draft 2026-2031 Wheatley strategy is the product of the highest level of customer, staff and governing body engagement ever undertaken in our strategy development. This provides us with a high level of confidence that our vision, values and priorities reflect those of our customers and staff and will enable us to maintain high customer satisfaction levels.
- 12.2 The key theme throughout our strategy is ensuring that across Wheatley our staff and customers can take pride in the homes and neighbourhoods they live in and serve and that this is deeply rooted in our culture.

13. Recommendations

- 13.1 The Board is asked to provide feedback on the draft 2026-2031 strategy.

LIST OF APPENDICES:

Appendix 1: Draft Wheatley Group 2026-31 Strategy

Making homes and lives better



Building on strong foundations – Highlights from our 2021-2026 strategy

New vehicles for investment

Creation of Wheatley Homes Glasgow and Wheatley Homes East to unlock greater investment capacity

A customer focused culture

Retained Customer Service Excellence

Reducing homelessness

11,000+ homes to homeless households

High tenant satisfaction

90%+ tenant satisfaction for our four Registered Social Landlords

Delivering much needed new homes

Developed nearly 3,000 new affordable homes

A strong customer voice

A redefined, reshaped approach to customer engagement

Enhancing our stock

98% meeting Scottish Housing Quality Standard

Financially resilient
A+ Credit rating retained

A workforce that feels valued

Retained liP Platinum, the highest level of accreditation for people management

Supporting communities

Over 44,000 people accessing services which help alleviate poverty in our communities

Steven Henderson, Group Chief Executive



We know our customers want more—and the future demands it.

As we launch this new strategy, our focus is clear: doing even more to deliver excellent services, make life better for our customers and supporting our staff, the people who make that possible.

Our commitment is to provide homes that are safe, warm, and affordable—places where customers feel safe, secure and proud to live. We know that the decisions we make and actions we take can have a lasting impact on the lives of our customers and the communities they live in. We value the dedication of our staff, whose efforts ensure customers receive the best possible experience every day.

This strategy is about turning commitment into proactivity and action. It sets out how we will invest in existing homes, build new ones where they are needed most, and work with partners to bring new energy into communities through ambitious regeneration plans.

It promises to listen more, respond faster, and deliver services that customers trust and value. It challenges us to innovate, embrace the possibilities technology can offer, and maintain strong financial foundations so we can keep delivering what matters for generations to come.

Together, by focusing on what matters most to customers, we will deliver on our purpose and improve the lives of our customers.

Strategic context

Our 2026-2031 strategy is set against the backdrop of a National Housing Emergency declared by the Scottish Government in May 2024. The legislative context is also changing through the Housing (Scotland) Act 2025, which introduces new duties for landlords, in particular in relation to homelessness and a Scottish equivalent of Awaab's Law. Housing is recognised as a key policy priority at both the national and local levels.

Demand for affordable homes continues to outstrip supply across Scotland and homelessness services are under acute pressure. This pressure will continue and building new homes alone will not be enough. Acquisitions, investing to bring long-term voids back to a lettable standard and converting buildings to housing will also need to be part of the solution.

The introduction of Awaab's Law highlights our responsibility to maintain comprehensive stock condition and repairs data. This data is vital for understanding the condition of our customers' homes and guiding investment decisions. It also reminds us of the importance of putting customers at the heart of everything we do.

The forthcoming Social Housing Net Zero Standard (SHNZ) will replace the post-2020 Energy Efficiency Standard for Social Housing ("EESH2"), requiring a fabric-first approach, clean heating systems, and improved ventilation. Delivering this transition at scale will demand significant capital investment, supply chain capacity, and tenant engagement. There remains a lack of certainty over what, if any, grant support will be available to support local authorities and housing associations with capital investment to achieve the standard.

At the same time, rising costs, inflation, and interest rates impact our ability to invest in new homes, existing homes and services. These pressures also impact our customers, with the costs of running a home, from food to heating, putting additional strain on household finances.

The need to recognise the challenges our customers face and be able to respond to their individual needs has never been in sharper focus. That goes beyond the basics of treating customers with dignity and respect and demands that landlords have services which can truly respond to individual needs. Collaboration is vital here, working with key partners to eradicate family poverty, which we know impacts many of our tenants. Breaking cycles of disadvantage and truly providing person-centred support means better data, customer-focused policies and processes, listening to customers and acting.

This context underlines the need for a strategy that balances building new homes, investment in existing homes, customer experience, and financial resilience, while having a clear focus on meeting regulatory obligations and supporting Scotland's long-term transition to a greener housing system.

How we developed our strategy

Our strategy is a product of extensive engagement and consultation with our customers, staff, governing bodies and key stakeholders.

Over 6,000 customers engaged with us about what their priorities are for this strategy, ranging from small, independently facilitated focus groups, through our existing engagement and scrutiny structures and a survey open to all customers and prospective customers.

We identified clear priorities for our customers during this engagement:

Key customer priorities
Safety and Security <i>Customers want to feel safe in their home and neighbourhood</i>
Invest in Existing Homes <i>Customers want quality, comfort, and energy efficiency</i>
Transform Communication and Customer Contact <i>Excellent communication creates trust and satisfaction</i>
Continue to improve the Repairs Experience <i>Customers want consistent, high-quality, and timely repairs completed right first time</i>
Create Pride in Place <i>Enhance Local Environments, which matter to wellbeing</i>
Keep Rent Fair and Transparent <i>Customers want to feel their rent is affordable and value for money</i>

The priorities identified by our customers were shared by our staff, Boards and partners and have directly influenced the priorities within the strategy. We held local strategy workshops with staff, with 1,200 pieces of feedback showing the top priority for our people is investment in our neighbourhoods, with repairs, value for money and continuing to improve communication also key.

Our purpose, vision and values

Our Purpose

Making homes and lives better

Our Vision

Our homes and neighbourhoods are places we, and our customers, are proud of. We listen, we learn, and we deliver what matters most to them.

Our Values

Excellence: we proactively pursue the highest standards.

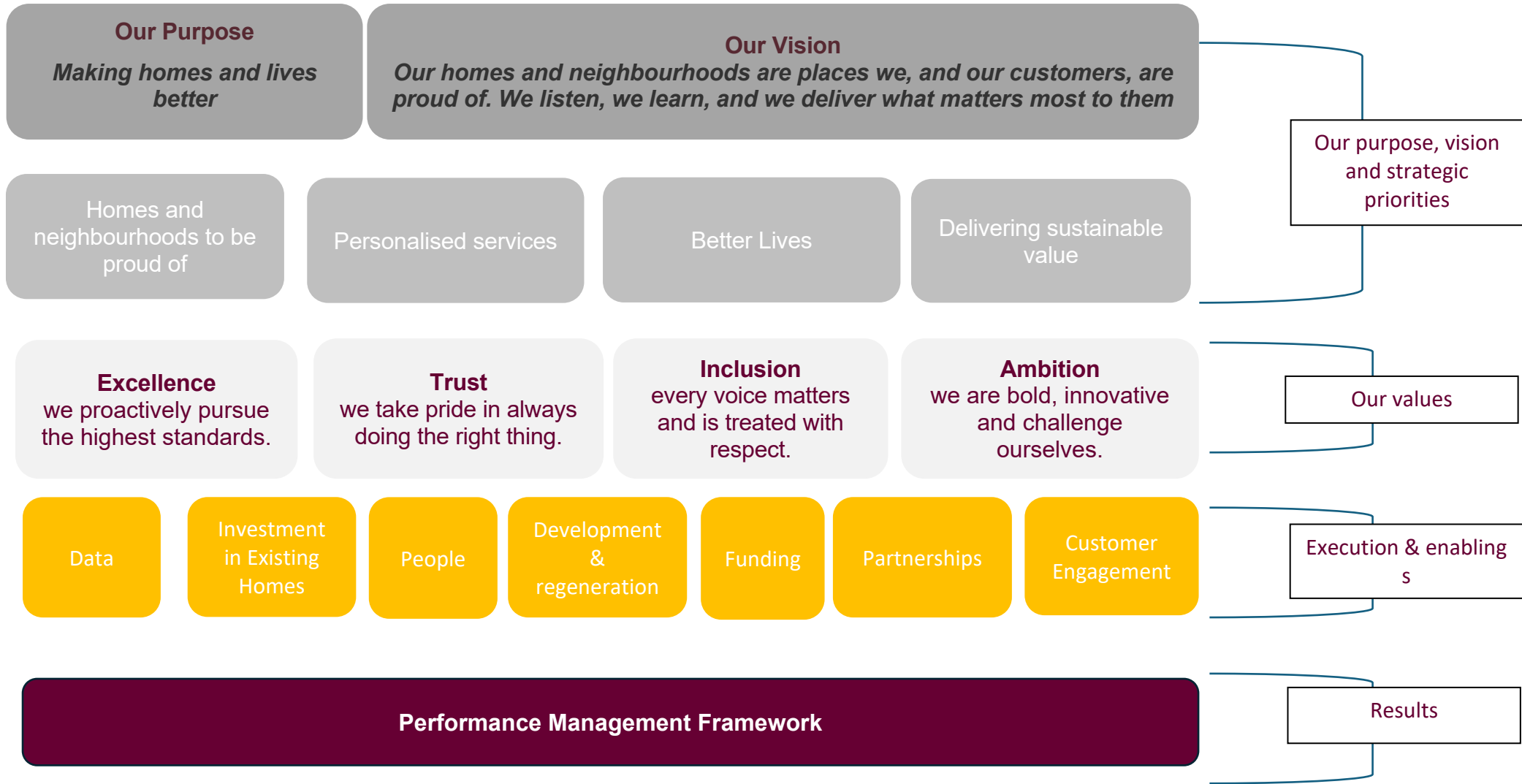
Inclusion: every voice matters and is treated with respect.

Trust: we take pride in always doing the right thing.

Ambition: we are bold, innovative and challenge ourselves

Our strategic plan....in a page

2026-2031 strategy – Making Homes and Lives better



Our strategic themes and objectives to 2031

Our strategy is structured across four themes, reflecting the priorities of our customers, staff and key stakeholders.

Within each strategic theme, we have identified specific objectives that we want to achieve. This strategy sets out how we will achieve these objectives and how we will measure our progress.

Strategic theme	Strategic Objectives			
Homes and neighbourhoods to be proud of	<i>Maintain and enhance homes to meet the Wheatley standard</i>	<i>Create thriving neighbourhoods, collaborating with customers and partners</i>	<i>Lead the way in expanding supply of affordable, quality homes</i>	
Personalised services	<i>Connect with customers through proactive, tailored communication</i>	<i>Enhance and apply what we learn to drive customer focused services</i>	<i>Deliver seamless services to meet customer needs</i>	
Better Lives	<i>Make the largest landlord contribution to ending homelessness in Scotland</i>	<i>Shape powerful partnerships to alleviate poverty and open doors to new opportunities</i>		
Delivering sustainable value	<i>Nurture and invest in our people, recognising their contribution</i>	<i>Drive effective solutions, harnessing digital capabilities and data assets</i>	<i>Ensure financial efficiency today, prepared for tomorrow</i>	<i>Grow our reputation as an ethical, trusted business</i>

Key strategic results:

90%+ customer satisfaction by 2031

11,000 homes allocated to homeless households by 2031

At least 4,300 new homes by 2031

**Exceed all requirements on addressing damp and mould under Awaab's Law
Investor's in People (IiP) Platinum retained with staff satisfaction over 90% by 2031**

Theme 1: Homes and neighbourhoods to be proud of

Our customers continue to tell us that investment in their home and a repairs service which maintains their home to a high standard remain key priorities. Our customers also tell us it is not just about inside their home, that investing in common areas and the local environment contributes to them feeling proud, safe and secure in and around their home.

Over the life of our previous strategy, we invested £XXXm in improving and modernising our existing homes. We now want to build on this. Our Wheatley Asset Strategy and Strategic Asset Investment Plans set out the key drivers for asset investment and management, but we want to go further and set a minimum standard all customers can expect, a *Wheatley Standard*.

As the largest social landlord in Scotland, we recognise our responsibility to continue to step up and play an important role in addressing the housing crisis and increasing the supply of homes of different tenure types.




We also recognise the need for wider regeneration to address issues such as low demand stock, vacant and derelict land and a lack of local amenities and social exclusion.

Wheatley in 2031: Through the Wheatley Standard, our customers are clear on the quality of home they can expect from us. By having a single view of each property, we are clear on where every customer's home is relative to the Wheatley Standard and have a clear plan for all homes to achieve it.

We will know how our homes measure up to this demanding standard and have a clear plan to ensure every single home meets it. Warm, safe, and decent homes, in thriving neighbourhoods where customers feel proud and secure, will be synonymous with Wheatley landlords.

Through refreshed Strategic Agreements, in particular with Glasgow City Council and Dumfries and Galloway Council, and strong relationships with a network of partners across the country, Wheatley will be playing a key role in making our communities better places to live.

Our objectives over the next 5 years:

	Maintain and enhance homes to meet the Wheatley standard
	Create thriving neighbourhoods, collaborating with customers and partners
	Lead the way in expanding supply of affordable, quality homes

Establish the Wheatley Standard and enhance homes to meet it

We recognise that current published Scottish Government standards for social housing do not go far enough in meeting our and our customers' expectations of a home to be proud of. That is why we will create an ambitious Wheatley Standard, recognising that not all our homes will initially meet this, but the aspiration this provides is essential in driving improvement. For a home to meet the Wheatley Standard it must:


- be free from disrepair, meet the SHQS (Social Housing Quality Standard) and future SHNZ requirements;
- be compliant with all building safety requirements;
- until SHNZ is in place, be energy efficient with an EPC of at least "C", unless this is technically or economically impractical;
- have modern internal components including kitchens, bathrooms, windows, heating systems etc;
- have external fabric, hard surfaces, back courts, bin areas, external doors, soffits, fascias and rainwater goods, and closes that are in a good condition; and
- have an external environment which achieves the 5 star Keep Scotland Beautiful (KSB) standard



Neighbourhood Improvement Team upgrades to exterior of property

Example: Cranhill – transforming the fabric to a Wheatley Standard

Our roadmap to achieving our objectives:

 Maintain and enhance homes to meet the Wheatley standard	
Wheatley Standard baseline	<ul style="list-style-type: none"> ➤ Design an assessment framework and criteria, reflecting the ambition of the Wheatley Standard, against which each property can be assessed ➤ Systematically assess our properties – using further surveying capability we will develop data from various sources including repairs history, stock condition assessments and energy performance to provide a ‘single view of each property’ - against the Wheatley Standard, and develop a roadmap for each property to achieve and maintain the standard ➤ Publish in the first year of the strategy our assessment of the number of properties that meet the standard, and details of areas where investment is needed for homes that do not to meet it. Use this assessment as the baseline for measuring progress and more efficiently directing our Strategic Asset Investment Plans ➤ Reduce the number of homes not meeting the Wheatley Standard from the baseline each year
Homes where our customers can feel safe	<ul style="list-style-type: none"> ➤ Continue to prioritise delivering our building safety programme, including annual gas safety checks, 5 yearly electrical inspections, checks to common plant such as lifts and water tanks, and specialist condition and fire safety inspections ➤ Proactively address damp and mould as a top priority, including through integrating smart monitoring devices and workforce training to support early identification, effective treatment and sustainable, lasting solutions ➤ Update our policy approach to damp and mould to reflect requirements from Awaab’s law and enshrine specific Tenants’ Rights within the policy, including the right to request further investigation ➤ Enhance our assurance checks and customer follow-up to ensure customers are satisfied with how we handled damp, mould or leaks in their home and that no issues remain ➤ Work with the Scottish Government as it develops its approach to Single Building Assessment, and implement these requirements in a structured and phased manner
Energy efficient homes	<ul style="list-style-type: none"> ➤ Unless it is technically or economically not possible, deliver investment to ensure all our homes meet the minimum fabric requirements in SHNZ once finalised, and, in advance of this, ensure our homes are at least EPC C by 2031 ➤ Where it is not technically or economically feasible to meet the SHNZ requirement or in advance of this EPC C, maximise the delivery of achievable fabric improvement works ➤ Explore modern, affordable future heating options, including district heating and links to wider heating networks ➤ Ensure the heating systems in our homes are easy to operate and cost effective for our customer, while recognising constraints such as the availability of suitable alternative heating options, future net-zero requirements and energy market considerations

**Investing in
customers' homes**

- Develop and deliver targeted investment strategies for specific property types including Multi Storey Flats, properties in mixed tenure blocks, pre-1919 blocks and pre-stock transfer improved tenement stock and specific property issues such as damp, mould and leaks
- Make sure we strike the right balance between investment and keeping rents affordable through a needs-based investment approach, based on up-to-date information on stock condition
- Deliver upgrades so no properties have internal components beyond what a stock condition assessment would consider to be their reasonable economic life
- Develop and consistently deploy cyclic maintenance programmes, including gutter cleaning, fence, door, soffits and facias painting, and explore models that maximise impact for the money available
- Ensure customer engagement continues to inform priorities, and that our asset investment aligns with Neighbourhood Plans, which we will publish and deliver with partners as required



Create thriving neighbourhoods, collaborating with customers and partners




Pride in place and community	<ul style="list-style-type: none">➤ Develop, with customers and partners including local authorities, a common understanding of 'neighbourhood', recognising this will differ according to localities or property type➤ Enhance our neighbourhood approach by developing standards informed by local priorities, customer engagement and data, with every neighbourhood achieving the Keep Scotland Beautiful (KSB) 5-star standard➤ Reduce anti-social behaviour and fly-tipping and revitalise underused green spaces in partnership with local authorities and community groups
Safe and welcoming communities	<ul style="list-style-type: none">➤ Review our anti-social behaviour approach and Community Improvement Partnership (CIP) to ensure it is delivering sustained impact in our neighbourhoods for the benefit of customers➤ Through partnership, including local authorities, CIP and local policing, work closer than ever to share knowledge and intelligence, co-ordinate services and provide support so our customers feel safe and secure. We will do this through enhanced structures and shared resources including our Neighbourhood Forums and Community of Excellence➤ Expand environmental service offering and support community-led initiatives, with priorities driven by customer-led walkabouts, engagement and real time feedback➤ Explore and expand the support we can provide together with local partners, being particularly mindful of customers who require extra help, recognising the diversity of our customer base and their needs➤ Strengthen multi-agency partnerships including with local authorities and community groups, to address waste management, green space maintenance and vacant land➤ Evolve community safety partnerships including with Scottish Violence Reduction Unit and Scottish Community Safety Network to better understand issues affecting our neighbourhoods and co-create lasting solutions➤ Look to extend sharing and use of neighbourhood data with key partners and undertake experiments to trial new approaches to solve issues faced by our customers
Empowered customers	<ul style="list-style-type: none">➤ Increase engagement with customers, including new and younger household members, through education, awareness and capacity-raising exercises➤ Deepen our understanding of customer behaviours utilising and enhancing our customer insight mechanisms and develop key messaging to provide clarity around our services and responsibilities, supporting customers to maintain their environment➤ Work closely with Police Scotland and local authorities to promote and support good neighbourliness and responsibility for maintaining welcoming and safe communal spaces



Lead the way in expanding supply of affordable, quality homes

Deliver new, high-quality homes to help alleviate the housing crisis	<ul style="list-style-type: none">➤ Strengthen strategic relationships with local authorities, landowners and private developers to expand the development pipeline, seeking to agree a programme-level agreement for new homes which provides efficiency, streamlining and certainty of delivery➤ Diversify funding sources and explore innovative housing models to unlock capacity for new builds, aligned with the Scottish Government's commitment to £4.9Bn funding of the Affordable Housing Supply Programme over 4 years➤ Identify opportunities and develop a programme for our City Building (Glasgow) partner to build new homes for us as part of our wider development programme➤ Evaluate pilot projects, such as Shandwick Street, and integrate lessons learned and the voice of the customer into future development, construction and delivery approach➤ Work with local authorities and the Scottish Government to purchase suitable homes on the open market to supplement our available housing stock and help alleviate homelessness
Regenerated, rejuvenated communities	<ul style="list-style-type: none">➤ Utilise Strategic Agreements with local authorities and develop new and underutilised funding models, such as Partnership Support for Regeneration, to deliver affordable home ownership in areas where there is vacant land➤ Work with partners and engage with communities to prioritise regeneration in identified areas, such as Transformation Regeneration Areas (TRAs) at Sighthill, Govan, Red Road and North Toryglen, as well as Wyndford and Lochside. Identify priorities for regeneration in developing areas including in Milton and Drumchapel➤ Explore opportunities with partners, including City Building (Glasgow), for wider regeneration projects, in areas such as Lochend in Easterhouse, which support the delivery of mixed tenure housing and address wider community needs and aspirations; creating a sense of place➤ Deliver our first new build project at Findlater Court in Lochside, a former demolition site, to deliver around 50 new homes. We will form a programme of site starts thereafter, agreeing a funding allocation with Dumfries and Galloway Council which enables continuity of delivery
Energy efficient new homes	<ul style="list-style-type: none">➤ Enhance our understanding of future trends and customer needs, further embedding the analysis of the demographics of our prospective customers to inform our development programme such as, for example, building larger family homes that meet the needs of a wider demographic where appropriate➤ Development and regeneration efforts will emphasise the need for improved amenities such as playparks, recreational spaces, and local infrastructure which we know are important to customers➤ Use the learnings from demonstrator projects, customer satisfaction feedback, trends analysis and legislative requirements to inform future updates to our Design Guide

Outcomes:

<p>Customer priorities met:</p>	<ul style="list-style-type: none"> ▪ Safety and Security ▪ Invest in Existing Homes ▪ Create Pride in Place
<p>Outcomes:</p> 	<p>Strategic result: 90% customer satisfaction with the quality of their home</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ At least 99.6% of our homes meet SHQS ▪ The percentage of homes that meet the Wheatley Standard ▪ All our homes, except where it is not technically or economically possible, will be EPC C by 2031 unless this measure is replaced through the SHNZ
	<p>Strategic result: 90% of customers are satisfied with our contribution to the management of their neighbourhood at locality level by 2031.</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ The percentage of our customers that feel safe and secure in their home ▪ 100% neighbourhoods maintaining KSB 5-star rating
	<p>Strategic result: Net increase of new affordable homes by at least 4,300 by 2031</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ Annual progress with our development programme against both social and mid-market targets ▪ Regeneration areas in motion, with 100% of TRAs activated ▪ Delivery of new homes through the regeneration of Wyndford and Lochside ▪ Unlock 45 hectares of brownfield land to market ▪ Satisfaction with new homes annually, with a target of 95%

Theme 2: Personalised Services

Our previous strategy focused on tailoring services for an exceptional customer experience, using local teams and a geographic approach. We strengthened wraparound services, launched the Customer First Centre, and enhanced repairs through specialist teams and partnership with City Building (Glasgow).

We aim to further personalise services, with a strong emphasis on communication and contact, making every interaction timely, relevant, and accessible, as these are top customer priorities.




We recognise that customers value quick resolution over the channel used and are open to digital and Artificial Intelligence (AI) solutions if human support remains accessible. We are now leveraging our rich data and expanded real-time feedback to drive continuous improvement, ensuring customers feel heard and see action taken.

‘Thinking Yes’ to deliver seamless, accountable, and innovative services—especially in repairs—remains central, with a focus on minimising hand-offs and building trust and driving overall customer satisfaction.

Wheatley in 2031: Through a step change in the personalisation of our services, every customer receives support and communication tailored to their needs. We do this by embedding a culture of proactive engagement, harnessing data and digital tools, and strengthening local delivery and accountability.

Our services are shaped by the customer voice, delivered through empowered local teams, and supported by robust data and digital tools. Through a deeper understanding our customers we will continue to adapt to changing needs and expectations, ensuring that every customer feels listened to, respected, and well served. This supports us to achieve 90+% customer satisfaction and demonstrate value for money with our services.

Our objectives over the next 5 years:

	Connect with customers through proactive, tailored communication
	Enhance and apply what we learn to drive customer focused services
	Deliver seamless services to meet customer needs

Our roadmap to achieving our objectives:



Connect with customers through proactive, tailored communication

Transform customer connection - every interaction timely, relevant, and accessible

- Launch a refreshed communication framework, co-designed with customers and staff, ensuring all contact is personal, local, and relevant
- Continue to set out transparently the investment we plan to make in localities so we can be accountable for the promises we make and publish annual progress reports and performance metrics
- Evaluate and refine our service journey maps and communication touch points to prioritise keeping customers informed at every step and ensure consistent messaging
- Shift our service model including through new IT platforms, to provide seamless digital communications that meet the needs of factored homeowners and residential customers
- Refresh our approach to reasonable adjustments and understanding vulnerabilities, informed by our data, taking steps to ensure customers understand our information and can access our services in a way that suits their needs

Proactively communicate, actively listen - be open and transparent on what we can deliver

- Be more proactive in communicating progress where things cannot be resolved straight away, such as follow-up repairs and anti-social behaviour
- Provide direct contact options, regular updates, and acknowledgement of queries to ensure customers are clear about what contact they can expect from us about their home, such as a visit from a housing officer or a compliance check
- Expand digital self-service options, while maintaining accessible human support for those who need or prefer it
- Provide greater clarity in the billing of communal repairs – what's the work, who's completing it and how much it costs and ensure effective communication with owners who have multiple properties

Engagement shaped by customer preferences, balancing digital and face-to-face, committed to clarity and transparency.


- Ensure all staff are trained and confident in delivering our communication standards, with clear accountability for follow-up and resolution
- Balance digital offering with personal contact, such as through annual tenant visits, our Stronger Voices engagement approach or face-to-face discussion
- Maintain our network of local hubs with experienced staff and a visible community presence, so customers can choose how and where they engage with us
- Offer quality services that are empathetic and knowledgeable, regardless of the method of contact (online, phone, email, in-person) channel






Enhance and apply what we learn to drive customer focused services

Listen, learn and act - customer insight-driven service improvement

- Continue to refine and expand the ways we garner customer insight through a combination of real-time digital feedback, annual tenant complaints, satisfaction surveys and customer engagement
- Independently track satisfaction with our services across at least 50 households over the life of this strategy to gain insight into how satisfaction is tracking and any changes in key satisfaction drivers
- Deepen understanding of future needs, including through analysis of consumer trends and engagement with our potential future customers, involving younger household members or younger people living in our communities, acknowledging the potential for lifetime association through Wheatley tenures
- Enhance information flows and review our people processes to help test and pilot learning, supported by a 'culture of curiosity' and innovation
- Integrate all forms of customer feedback into a single insight platform, enabling learning, targeted interventions and personalised engagement
- Communicate the impact of customer input through "You said, we did" reporting and regular storytelling, supporting us to demonstrate value for money
- Use data to inform the architecture of a 'single view of the customer', empowering staff to respond to customer insight and embed every day, continuous learning
- Explore segmentation mapping to ensure services are responsive to the needs of all customer groups, including those who are hard to reach or particularly disadvantaged or vulnerable

<p>A strong, engaged, influential tenant voice</p>	<ul style="list-style-type: none"> ➤ Launch our refreshed engagement framework, collaborate with community partners to expand opportunities for customers to participate in shaping services, including digital and in-person engagement, with a focus on accessibility and inclusion ➤ Continue to identify and engage with hard-to-reach and disadvantaged groups, including specific approaches to support homeless customers, New Scots, and those supported by our charity partner, the Wheatley Foundation
 Deliver seamless services to meet customer needs	
<p>Reliable, joined up services, easy to access, particularly repairs and wraparound support</p>	<ul style="list-style-type: none"> ➤ Prioritise enhancing the repairs experience to deliver first-time completion, accurate and flexible appointments, and clear communication ➤ Explore customer reporting channels, for example through our Customer First Centre platform and web self-service, and the introduction of photo or video sharing technologies ➤ Consider the needs of different customer groups, such as those in mixed tenure blocks and factored homeowners, and develop new approaches to better meet their needs
<p>Integrated, joint working with City Building (Glasgow)</p>	<ul style="list-style-type: none"> ➤ Standardise and enhance core repairs processes across Wheatley ➤ Enhance repairs diagnostic accuracy and optimise parts availability to increase first-time repair completion ➤ Introduce new ways to monitor that customers are satisfied repairs are completed to a high standard ➤ Always keep customers informed about what will happen next and indicate the likely overall time to achieve completion of repair before we leave their home ➤ Further embed customer focus and a commitment to excellence among all staff who provide our repairs service
<p>Minimised hand-offs, well defined processes and staff ownership of outcomes - service feels seamless for customers</p>	<ul style="list-style-type: none"> ➤ Empower staff to resolve issues at the first point of contact, supported by training and clear escalation routes ➤ Strengthen collaboration, including with colleagues within Wheatley, to deliver our range of wraparound services and signpost customers to support achieving sustainable, long-term solutions ➤ Use predictive analytics and enhance use of data to identify potential issues and resolve them before they impact the customer or lead to dissatisfaction ➤ Innovate and trial new approaches, using technology and partnerships to improve efficiency and customer experience, allowing staff to deliver services with all the information they need at their fingertips through a single view of the customer

Outcomes:

<p>Customer priorities met:</p>	<p>Transform Communication and Customer Contact Continue to improve the Repairs Experience</p>
<p>Outcomes:</p> 	<p>Strategic result: 90% customer satisfaction with how we communicate</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ Over 90% of customers agree it is easy to get in touch with Wheatley ▪ 90% first contact resolution at Customer First Centre
	<p>Strategic result: 90%+ customer satisfaction with listening to views and acting upon them</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ 90%+ of customers agree there are clear opportunities to participate ▪ 100% of customer-facing policies and strategic projects informed by customer insight ▪ 10% reduction in complaints escalated to stage 2 from a 2026 baseline
	<p>Strategic result: 90%+ overall customer satisfaction for tenants and residential customers in key services including repairs, allocations, Customer First Centre and the Wheatley Foundation</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ Over 90% of customers feel treated fairly and with respect ▪ Over 90% customer satisfaction with repairs experience ▪ 100% of tenants receive an Annual Tenant Visit

Theme 3: Better Lives



We play a leading role in addressing Scotland's housing crisis, having, during our last strategy period, exceeded targets for new homes and support for homeless households, and maintained high tenancy sustainment. We are not just a landlord; we provide wraparound support from the outset, incentivise downsizing, and deliver targeted help for vulnerable groups.

Through the Wheatley Foundation and external partnerships including with Glasgow Community Planning Partnership, we prioritise initiatives that tackle poverty, improve wellbeing, and create opportunities such as jobs, training, community larders, and education bursaries.

Customer engagement has highlighted affordability as a key priority, reinforcing our commitment to sustainable support that genuinely improves lives.

Wheatley in 2031: Through our strengthened role as a collaborative leader—working with partners to tackle homelessness, alleviate poverty, and drive social mobility, we embed responsible business practices across all we do. Our approach is underpinned by measurable outcomes, continuous improvement, and a commitment to building trust.

Our objectives over the next 5 years:

	Make the largest contribution to ending homelessness of any Scottish landlord;
	Shape powerful partnerships to alleviate poverty and open doors to new opportunities

Our roadmap to achieving our objectives and the outcomes delivered



Make the largest contribution to ending homelessness in Scotland



<p>Work with national and local government to deliver solutions to homelessness</p>	<ul style="list-style-type: none"> ➤ In collaboration with sector partners, influence national funding and policy and implement the next phase of Housing First ➤ Bring empty homes back into use and expand housing options, while delivering value for money ➤ Support customers to downsize and develop resettlement initiatives to meet demand for larger family homes
<p>Enhance wraparound services - focus on prevention, early intervention, and sustaining tenancies</p>	<ul style="list-style-type: none"> ➤ Informed by customer insight, review our homelessness and allocations policies ➤ Through the Wheatley Foundation support funding models for enhanced wraparound support, advocacy and enhance financial wellbeing services, using data and co-production to target support ➤ Collaborate internally and externally to expand wraparound support and build enhanced services to support tenancy sustainment, including with Community Planning and Health & Social Care Partnerships
<p>Place emphasis on community resilience</p>	<ul style="list-style-type: none"> ➤ Promote and increase participation in our Stronger Voices engagement programme to boost neighbourhood connections ➤ Build staff capacity and local networks to foster neighbourhood connections and resilient communities



Shape powerful partnerships to alleviate poverty and open doors to new opportunities

Create pathways out of poverty	<ul style="list-style-type: none">➤ Work with local authorities and partners to better understand the root cause of family poverty➤ Commit to Glasgow City Council's programme of 'demonstration of change' to target solutions across Glasgow. In Drumchapel, we will support the Demonstration of Change project, to work closely with 50 of our families in a pilot project with Glasgow Helps targeted at delivering meaningful, sustainable change for families living in poverty➤ Participate in key local forums and direct engage stakeholders to drive progress with strategic ambitions➤ Enhance tenancy sustainment efforts using insights from annual tenant visits to understand how customers live and shape the support we provide in tackling poverty, particularly for families➤ Leverage data and customer insight to underpin the development of an anti-poverty strategy and pilot 'crisis support' approach➤ Utilise the 'single view of the customer' and enhanced socio-economic data to tailor resources and monitor outcomes
Focus on employability, income, and social mobility - accessible, person-centred, and impactful support	<ul style="list-style-type: none">➤ Strategically track employability and income outcomes to inform our social mobility support➤ Explore new external partners to collaborate and partner with to deliver skills, jobs, and training➤ Engage with decision makers to influence policy on social mobility, education, and skills➤ Further embed the use of community benefit in procurement and strengthen the monitoring of supplier contributions➤ Promote our work through customer testimonies and explore digital initiatives to help customers get online and build digital skills and confidence
Build and sustain the strategic partnerships we need to deliver for our customers	<ul style="list-style-type: none">➤ Make the most of our Strategic Agreements with local authorities to align our efforts for the benefit of our tenants and citizens➤ Further develop our existing partnership with Scottish Fire and Rescue as part of continuing to reduce fire risk in our homes➤ Work with Wheatley Care as a strategic partner to ensure care and support needs of our customers are met➤ Continue to foster closer, and new, partnership working arrangements with organisations who have an interest in benefiting our customers and neighbourhoods

Outcomes:

Customer priorities met:	Create Pride in Place Keep Rent Fair and Transparent
Outcomes: 	Strategic result: Housing at least 11,000 homeless households by 2031 We will measure success through: <ul style="list-style-type: none">▪ Over 90% tenancy sustainment
	Strategic result: 5000 jobs, apprentice and training places created for our customers and communities We will measure success through: <ul style="list-style-type: none">▪ Reduce the value of arrears and the number of customers in debt with us▪ On average, keeping our rent levels below 30% of disposable income

Theme 4: Delivering sustainable value

We are committed to delivering exceptional services, empowering our people and communities, and driving innovation through a strong financial and cultural foundation. Through our last strategy, we introduced flexible, home-based models for key teams while maintaining strong community presence. We support a diverse workforce through digital, remote, and in-person networks. We have broadened our focus to become a responsible, ethical business, embedding sustainability, equity, diversity, inclusion (EDI), and social mobility into our operations.





Our "Think Yes" ethos encourages staff to make decisions that best serve individuals and communities. As a platinum-accredited Investors in People organisation, we prioritise staff development, nurturing skills, and people-centred support.

We are embracing technology and data to enhance service delivery. With the launch of our data strategy and integration of Artificial Intelligence tools like CoPilot and Large Language Models, we've improved decision-making, streamlined operations, and supported staff development. These innovations position us to deliver smarter, more efficient services while maintaining a human touch.

Financial efficiency underpins our ability to build trust, deliver strategic goals and promises, and maintain affordability for customers. We prioritise value for money to meet customer needs and remain resilient in the face of change.

Wheatley in 2031: We've deepened our Think Yes culture by investing in workforce skills, dynamic learning, and strong internal relationships, and reinforced our leadership principles so these drive our behaviours. Strengthened change management ensures staff understand their impact and the importance of action that realises benefits. We fully leverage secure digital platforms and automation to enhance efficiency and experiences. A strong culture of utilising supports impactful transformation, while advanced analytics improve forecasting and strategic planning. Our A+ credit rating continues to unlock investment potential—particularly in new build development—and reassure our partners and stakeholders that we are financially stable.

Our objectives over the next 5 years:

	Nurture and invest in our people, recognising their contribution
	Drive effective solutions, harnessing digital capabilities and data assets
	Ensure financial efficiency today, prepared for tomorrow
	Grow our reputation as an ethical, trusted business

Our roadmap to achieving our objectives



Nurture and invest in our people, recognising their contribution

Enable growth through our development, - people are equipped, empowered, and celebrated for the vital role they play

- Implement a refreshed people strategy that integrates learning and development, strategic workforce planning, reward and recognition, and leadership development
- Enhance our approach to learning by refocusing annual reviews to support the right conversations at the right time between managers and staff, ensuring meaningful interactions.
- Improved reporting will inform development plans across Wheatley, embedding a culture of 360-degree feedback and continuous improvement
- Conduct a comprehensive analysis of learning needs and training methods, developing a roadmap to strengthen organisational capability. Prioritise skills essential to our strategy, including stock condition assessment and data-informed decision-making, while exploring new learning opportunities through external networks, funding, and contractor partnerships

Build leadership at every level, embedding Think Yes

- Embed a renewed, values-driven leadership framework aligned with our Think Yes culture, supporting leaders at all levels to model behaviours that drive change, remove barriers and foster innovation
- Nurture internal talent and attract external expertise to enrich our leadership pipeline and strengthen succession planning
- Reinforce our Think Yes ethos through cross-functional learning and revamped induction programmes at both corporate and local levels. Staff will feel trusted and empowered to make decisions that deliver better outcomes
- Strengthen Different Together, our EDI brand, ensuring leaders champion it internally and externally. Leaders will foster connections across teams to build capability and reduce social isolation
- Think Yes will be visible in our branding and communications, supported by consistent leadership messaging

<p>Amplified staff voice and innovation, supported by diverse learning and opportunities</p>	<ul style="list-style-type: none"> ➤ Diversify training methods, such as through mentoring, shadowing, development days, and bitesize learning to build confidence, clarify roles, and encourage innovation ➤ Enhance people functions and increase staff self-service, supported by data and automation, to help staff access knowledge and apply Think Yes in real time ➤ Expand opportunities for staff to contribute to decision-making and service design through refreshed Communities of Excellence and strategic staff networks. These platforms will ensure diverse voices shape innovation and drive customer satisfaction ➤ Promote intrapreneurship and evaluate engagement with our customer-focused culture ➤ Health and wellbeing of our people will remain a priority. Staff will help shape benefits that support them to deliver meaningful customer outcomes and meet diverse needs ➤ We will innovate in wellbeing support, addressing both physical and mental health through our Different Together approach. Continue to evolve our support for staff, placing employee experience at the centre of our emotionally intelligent organisation
---	---



Drive effective solutions, harnessing digital capabilities and data assets

<p>Single view of customer and home, consolidating systems and streamlining processes</p>	<ul style="list-style-type: none"> ➤ Prioritise the development of integrated data and technology platforms that enable a unified view of our customers and assets to support smarter decision-making and allow staff to deliver services more efficiently and effectively ➤ Bespoke digital and data roadmaps will be collaboratively developed for each major service area, setting out clear pathways to better data accessibility and stronger, digitally enabled processes. These will be delivered through robust project and change management programmes to ensure lasting transformation ➤ Actively consolidate our technology platforms to establish a single source of core data and consistent ways of working. ➤ Deeper digital and data integration with City Building (Glasgow), transitioning to common platforms where appropriate ➤ A comprehensive view of our assets and customers enabled by a overarching data analytics platform will lay the foundation for enhanced predictive analytics and Artificial Intelligence integration
--	--

<p>Embed Artificial Intelligence ethically and sustainably, focussing on enhanced experiences</p>	<ul style="list-style-type: none"> ➤ Adopt Artificial Intelligence selectively and ethically, targeting manual workflows that can be automated to free up staff for customer-focused, value-added work. Initial focus areas will include teams that support us in Wheatley Solutions and the Customer First Centre, with learning shared across Wheatley ➤ Artificial Intelligence will be limited in areas requiring significant human judgment until we are confident there is low risk; smart data applications, such as in-home sensors, diagnostic tools, and real-time communications will be explored to manage our portfolio more effectively ➤ Work with external partners to deliver our digital maturity roadmap aligned with our Wheatley data strategy. This will focus not only on systems but also on developing staff skills and fostering a culture of data ownership, stewardship, and literacy ➤ Enhanced data capability and understanding of our customers will inform and influence our activities to support our communities and better equip us to measure impact
<p>Safely cultivate innovation, for the benefit of our communities</p>	<ul style="list-style-type: none"> ➤ Develop programmes to encourage and support innovative thinking and approaches, as part of developing and improving the services we provide ➤ Collaborate with acknowledged leaders, including those from industry and academia, in the field of emerging technologies and innovation to develop new solutions that meet our and our customers' needs ➤ Embed accountability for innovation in the responsibilities of our senior staff ➤ Take an open and ambitious approach to exploring new ways of working, while also applying robust frameworks to ensure there is evidence that such innovation will deliver benefits for our customers and our business before large-scale deployment ➤ Prioritise strong data governance to ensure ethical use, including as new technologies including Artificial Intelligence evolve ➤ Support customers who may be disadvantaged by the increasing shift to digitisation, such as through the potential introduction of digital identities in welfare and public services ➤ Achieve Cyber Essentials accreditation across Wheatley, demonstrating our commitment to safeguarding systems, protecting customer data, and maintaining business continuity



Ensure financial efficiency today, prepared for tomorrow

<p>Maintain financial strength and flexibility</p>	<ul style="list-style-type: none"> ➤ Retain our A+ credit rating and adhere to our financial ‘Golden Rules’, ensuring Wheatley remains a trusted organisation in the eyes of funders, stakeholders, and customers ➤ Negotiate funding arrangements through making best use of our financial and asset strength to reduce the cost of funds and maximise capacity for new build ➤ Evaluate governance and funding models to unlock new capacity—particularly for new build development—through a housing bond and innovative funding approaches. ➤ Maintain flexibility to allow us to respond quickly to emerging opportunities and adapt our financial strategy to meet changing market conditions through to 2031
<p>Champion transparency and customer trust</p>	<ul style="list-style-type: none"> ➤ Demonstrate financial transparency by publishing clear information on how rent is spent, including through our annual rent consultation. ➤ Explore expanding financial support for tenants, tailoring assistance to meet diverse needs and helping customers navigate the cost-of-living crisis
<p>Future proof through data and insight</p>	<ul style="list-style-type: none"> ➤ Increase our use of predictive analytics to support business continuity planning, improve supply chain resilience, and anticipate future risks ➤ Our data-driven finance approach will help us make informed decisions, optimise resource allocation, and ensure long-term sustainability







Grow our reputation as an ethical, trusted business

<p>Recognised as a responsible, ethical leader—embedding sustainability, equity, diversity, and inclusion (EDI)</p>	<ul style="list-style-type: none"> ➤ Refresh and deliver our EDI action plan, supporting our staff and customers to feel respected and included ➤ Benchmark and improve our Onvero ‘Talent Inclusion and Diversity Evaluation’ rating ➤ Refresh our Wheatley Sustainability Framework, focusing on net zero, understanding climate impacts on our business, and work with partners to deliver a just transition and value for money for customers
--	--

<p>Embed continuous improvement across our organisation and value chain</p>	<ul style="list-style-type: none"> ➤ Adopt the Business in the Community ‘Responsible Business Health Check’ to drive change and support thriving communities and workplace. ➤ Engage leaders in responsible business and systems thinking to pilot new approaches and measure impact with leading and lagging indicators. ➤ Adopt and implement an organisation-wide approach to continuous improvement, such as EFQM, that can provide us with opportunities for independent assurance, assessment and benchmarking
<p>Deepen stakeholder collaboration with networks and partners</p>	<ul style="list-style-type: none"> ➤ Embed a comprehensive stakeholder engagement and communication plan reflecting preferences and influence to help us focus efforts on the most pressing social and environmental challenges for our customers ➤ Undertake stakeholder engagement that is dynamic and inclusive, seeking input from our broad ecosystem to inform decisions ➤ Deepen collaboration on national and international forums to identify gaps and share best practice. Utilise memberships, undertake joint studies and research to demonstrate value beyond our workplace, particularly in EDI, sustainability, and social impact ➤ Where appropriate, challenge existing best practices to develop innovative solutions ➤ Leverage our scale to build strategic procurement partnerships, attract private sector expertise into the public domain, and support local businesses and create job and training opportunities for our customers. Reinvest financial efficiency from purpose-driven procurement into communities.

Outcomes:

<p>Customer priorities met:</p>	<p>All</p>
<p>Outcomes:</p> 	<p>Strategic result: Retain platinum IIP accreditation</p> <p>Measure progress through:</p> <ul style="list-style-type: none"> ▪ Over 90% staff consider Wheatley to be a good employer ▪ 90% of staff are satisfied with the development opportunities available to them ▪ Increasing the diversity of our workforce
	<p>Strategic result: Increase our data maturity score</p> <p>Measure progress through:</p> <ul style="list-style-type: none"> ▪ Achieve Cyber Essentials accreditation ▪ 90% of staff are confident using data and AI as it relates to their role ▪ Number of staff who engage with our innovation activities increases annually from 2026 baseline
	<p>Strategic result: Maintaining our A+ credit rating</p> <p>Measure progress through:</p> <ul style="list-style-type: none"> ▪ Raising £1.2 bn of private finance to invest in new homes ▪ Launch Scotland’s first Housing Bond programme ▪ Comply with our financial “Golden Rules”
	<p>Strategic result: recognised by the EFQM as a top organisation, achieving 6 stars or above</p> <p>We will measure success through:</p> <ul style="list-style-type: none"> ▪ Retaining our Customer Service Excellence accreditation ▪ Improving our Business in the Community ‘Responsible Business’ and Overo ‘Talent Inclusion and Diversity Evaluation’ ratings ▪ Reducing harmful emissions from our homes and businesses

Report

To: Wheatley Housing Group Board

By: Anthony Allison, Group Director of Governance and Business Solutions

Approved by: Steven Henderson, Group Chief Executive

Subject: Strategic governance review

Date of meeting: 17 December 2025

1. Purpose

1.1 To set out the findings of the independent strategic governance review and our proposals for Board consideration and approval on how we respond to its recommendations.

2. Authorising and strategic context

2.1 The Board is responsible for the overall governance of the Group. This is codified through our wider governance framework, including the Group Standing Orders, subsidiary constitutions and Intra-Group Agreements. Any review of these arrangements is subject to approval by the Board.

2.2 As we develop our 2026-2031 strategy, the Board agreed the timing was appropriate to initiate a strategic governance review to ensure our governance remains aligned with our strategic direction. At its meeting in August, the Board agreed to initiate a strategic governance review and approved the Terms of Reference (“**ToR**”) for the review.

3. Background

3.1 We keep our operational governance under review incrementally through well-established processes such as annual Board appraisal and Board effectiveness reviews. We have also undertaken periodic strategic governance reviews to consider how our governance operates in totality, how it reflects or should adapt to reflect our strategic direction and our governance framework as a whole. These two elements together have been the foundation of how we continue to comply with the SHR Regulatory Framework.

4. Discussion

4.1 The ToR for the strategic governance review set out the following key areas for consideration:

- 1) The overarching Group structure;
- 2) The role and remit of Boards and Group Committees within the Group;
- 3) Board compositions; and
- 4) Board practice.

We commissioned Campbell Tickell, a well-established consultancy which specialises in governance, to undertake the review based on the ToR.

4.2 A key element of the brief was that the review engaged Boards and governing body members across the Group to ensure their feedback was reflected in the findings and recommendations. This was achieved through a combination of an independent survey, facilitated workshops with a number of subsidiary Boards and individual meetings with Group Board members.

4.3 The overall findings headline finding was as follows:

“In summary, our overall findings are highly positive. Wheatley demonstrates strong governance, effective leadership, and a culture of mutual respect: elements that collectively support its continued growth and impact.”

4.4 A copy of Campbell Tickell’s report, setting out its findings and recommendations in detail, is attached at Appendix 1. Specific proposals for how we respond to each individual recommendation are set out in Appendix 2. A summary of the key findings in each area is set out below:

Group structure

4.5 The report recognises that we have continued to reduce the complexity of our Group structure and that it is better understood, stating:

“Since our previous review, we observed clear progress in the understanding and operation of the Group structure.”

The planned changes with Wheatley Care will continue in this direction. It also affirms that there is no appetite to consider collapsing the Group structure.

4.6 The report identifies some areas where we could further clarify the role of subsidiary Boards and this Board in decision-making. We have several well-established decision-making processes where the subject for approval by this Board takes into account the views of subsidiary Boards.

4.7 The Group level five-year investment plan, five-year development programme and five-year business plan are all driven from subsidiary variants reviewed and approved by subsidiary Boards prior to being consolidated and agreed by this Board. There have been no instances of this Board not agreeing with or changing any such subsidiary Board decisions; rather, confidence is taken from such items having been subject to review by subsidiary Boards.

4.8 We also have some areas where we could be more consistent, for example, Group policies. In some cases, we seek subsidiary Board feedback in advance of Group Board approval, but in other cases Group policies have already been approved by the Group Board when presented to subsidiary Boards. This has primarily been driven by timing issues rather than by the nature of the policy.

4.9 It is proposed that we will define which decisions and decision types will be agreed at the Group level first (eg agreeing overall rent parameters) and which should be agreed at the Group level following subsidiary Board feedback (eg operational policies such as complaints).

4.10 The report observes that Loretto Housing sits outside the wider Wheatley branding and suggests that this may warrant further consideration. Although not a specific recommendation, it is proposed that we engage with the Loretto Housing Board on this point and the potential for it to transition to the wider *Wheatley Homes* branding used in Glasgow, the East and the South. It is intended that alongside this, we will give further consideration to our branding more widely in advance of our 2026-2031 strategy coming into effect.

- 4.11 The report reiterates the importance of keeping our Group structure under review. We have consistently undertaken such periodic reviews and will continue to do so. It is, however, proposed that the Group Remuneration, Appointments, Appraisal and Governance (“**RAAG**”) Committee is tasked to do so at least triennially in the absence of any specific event or Board decision triggering an earlier review eg the recent Wheatley Care options appraisal or commissioning a governance review.

The role and remit of Group/ Subsidiary Boards/ Committees

- 4.12 The report recognises the improvements in communication within our governance structure and a shared sense of purpose. This area of the report reiterates the earlier content on the importance of clear information flows, key messaging for subsidiary Chairs and clarifying the role of subsidiary Boards.
- 4.13 A specific area where we will seek to be clearer in subsidiary Board reporting is where an item may not be for ultimate decision, such as a Group policy, but their input is an important element of the decision-making process. In this instance, we will seek the subsidiary Board’s agreement that it progresses to the Group Board for ultimate approval to reflect this.
- 4.14 As has been the case in all previous governance reviews, in recognition of its importance, the role of Boards in overseeing risk management was a key theme. Campbell Tickell states in the report that:

“Our view overall is that the approach to risk currently works well”.

- 4.15 The report and recommendations also identify areas for incremental improvement in relation to how risk is positioned in Board agendas and how we can refine communication and decision-making on Group-wide risks and the effectiveness of controls.

Board and Committee Composition

- 4.16 The report recognises the commitment of our governing body members across the Group and their passion for the roles. The report considers our approach of Board members having multiple ‘hats’, acknowledging that this is not unusual in a structure of our nature or currently considered a cause for concern. It also recognises, as has been our experience, that subsidiary Chairs being part of this Board supports effective governance.
- 4.17 It does, however, highlight some risks associated with this approach, namely that if an individual(s) undertakes too many roles, this represents a risk in terms of succession planning, the diversity of views across our Boards/Committees and maintaining objectivity. Campbell Tickell recommend a limit of three roles for any individual to mitigate these risks.
- 4.18 It is proposed that we accept this recommendation in principle, but that the Group RAAG Committee is asked to consider and make recommendations to the Board on how this should be applied. It is not proposed that any changes be made during the intervening period.

- 4.19 The report also recommends that no Committee membership should be ex-officio and membership should be driven by skills and experience. In practical terms, this relates only to the Group RAAG Committee. It is proposed that we consider this recommendation as part of the annual review of Committee memberships. At this point, the Board can also consider the related recommendation that the Chair of the Group Board should not also be the Chair of the RAAG Committee.
- 4.20 The report identifies an anomaly in subsidiary constitutions regarding the governance process for appointing staff members who are related to governing body members or vice versa. It also suggests that this type of provision be extended to cover relatives of senior staff members. As the report suggests, the anomaly is an unintended consequence of incremental changes to subsidiary constitutions.

Succession planning and recruitment

- 4.21 The report recognises the complexity of our succession planning and, in part, links this with the nature of having Board members with multiple roles. It also identifies that greater clarity than the existing annual review of the rolling three-year succession planning is required for Boards.
- 4.22 Over the early part of 2026, we will refresh our Group Board recruitment and succession planning process and engage with Boards in more depth about our approach, their role and their existing succession plan.

Induction and development

- 4.23 The feedback on induction and development have a consistent theme of a need for them to be refreshed, strengthened and consistent. It is intended that we will, engaging with Boards across the Group for their input, refresh both areas early next year and implement the changes immediately thereafter.

Board practice

- 4.24 The report recognises a number of positives, in particular the following observation:

“our interviews and workshops revealed multiple strong examples of constructive and effective challenge, demonstrating that healthy scrutiny is very much present. There were no indications of groupthink; rather, challenge is delivered in a respectful and non-confrontational manner.”

- 4.25 The areas for refinement are mainly related to how we can achieve enhanced clarity and efficiency in Board papers. As a starting point for this, we will review the current Board reporting template and, in parallel, explore options to present information in ways other than text.

Other

- 4.26 Alongside the feedback in their report, we will receive feedback from Campbell Tickell on their document review. We will take the feedback from both and undertake a comprehensive review of all our existing governance framework documents and present any changes to the relevant Board(s)/Committee for approval.

5. Customer Engagement

5.1 As an internally focused review, no customer engagement was appropriate.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

7.1 There are no direct digital transformation implications associated with this report.

8. Financial and value for money implications

8.1 There are no direct financial or value for money implications associated with this report.

9. Legal, regulatory and charitable implications

9.1 We are required under the Scottish Housing Regulator's Regulatory Framework to achieve Standards of Governance as well as ensure compliance with other statutory duties relating to effective governance, such as company and charity law where they apply across the Group.

9.2 One element of how we achieve this is submitting ourselves independent review to gain assurance over the strength of our governance and evidence to support it.

10. Risk appetite and assessment

10.1 Our risk appetite in relation to governance is cautious, which is defined as "Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward".

10.2 Undertaking periodic independent strategic governance reviews to gain assurance on the strength of our governance is one of our risk mitigations in relation to the risk of a governance failure.

11. Equalities implications

11.1 There are no direct equality implications associated with this report.

12. Key issues and conclusions

12.1 The independent Campbell Tickell report is a positive reflection on our governance arrangements, how they operate and the role our Boards and governing body members play in achieving strong governance.

12.2 The overarching message is to avoid complacency and continue to refine our approach from the sound footing we have. The proposed approach to how we respond to the recommendations seeks to support us in further strengthening our governance.

13. Recommendations

13.1 The Board is asked to:

- 1) Approve the proposed approach to implementing the Campbell Tickell recommendations as set out in Appendix 2;
- 2) Agree that we engage with the Loretto Housing Board on its future branding;
- 3) Agree the Group RAAG Committee review the Group structure at least triennially in the absence of any specific event or Board decision triggering an earlier review; and
- 4) Otherwise provide feedback on the contents of the report.

LIST OF APPENDICES:

Appendix 1: [REDACTED]

Appendix 2: Strategic governance review – implementation approach

Appendix 2 - Strategic governance review – implementation

Recommendation/Area for refinement	Proposed approach	Indicative timescale
1) Our overarching recommendation is that the Group Board follows its own advice and avoids complacency, using our recommendations below as a starting point (No response required)		
2) Continue to consider options to reduce complexity through:		
a) Regular review of the role of each subsidiary within the group, its alignment with purpose and whether there are more effective structures (for example collapsing or releasing a subsidiary).	We routinely undertake governance reviews and review the role of each subsidiary, evidenced by the recent review of the future role of Wheatley Care. It is proposed that the Group Remuneration, Appointments, Appraisal and Governance Committee next review our structure in 2028 in the absence of any specific event or Board decision triggering an earlier review.	2028
b) Clarifying the role of subsidiary Boards in contributing to Group decisions and policies, whether noting a Group approach which is being implemented across the structure, or opportunities for more upstream involvement and influence.	<p>We will define which decisions and decision types will be agreed at Group level first (eg agreeing overall rent parameters) and which should be agreed at Group level following subsidiary Board feedback (eg operational policies such as complaints)</p> <p>It is proposed that, with immediate effect, the default position will be that Group-wide policies are considered by Subsidiary Boards prior to being presented to the Group Board. We will then feed back, via Chairs, the outcome of the Group Board's decision on the final policy.</p>	Feb 2026
c) Strengthening links between the Group and subsidiary corporate plans and the reporting framework by putting in place clear, measurable targets to underpin each outcome in each plan.	To be considered as part of the development of the performance framework for the 2026-2031 Group strategy	May 2026
d) We also suggest that additional guidance be provided to chairs of subsidiary Boards to support them in cascading key messages from the Group Board.	All subsidiary Chairs will be provided with a key messages briefing note ahead of their Board meetings.	Feb 2026

3) Review and update standing orders and related documents more frequently and to reflect current practice, considering the following amendments:		
a) Define more clearly the roles of Group Chair and Senior Independent Director through enhanced role descriptions.	We will undertake a full review of the Group Standing Orders and cover the role descriptions of the Group Chair and Senior Independent Director roles as part of this review.	Feb 26
b) Formalise the arrangements through which the Chair of a subsidiary Board is also a member of the Group Board.	This is already enshrined in our Articles of Association, however, we will formally document the existing practice that subsidiary Chairs are selected by the Group Board, or a Committee thereof, based on factors such as the skills and experience required.	Feb 26
c) Review, and we suggest remove, ex officio membership of committees.	This currently only applies to the Group Remuneration, Appointments, Appraisal and Governance Committee. It is proposed that this is considered by the Group Board as part of the next annual review of Committee memberships.	Sep 26
d) On the current Group Chair stepping down, review RAAG terms of reference so that the Group Chair may be a committee member but may not chair the committee.	It is proposed that this is considered by the Group Board as part of the next annual review of Committee memberships.	Sep 26
4) Appointment of governing body member relatives		
Review and update arrangements a) so that the same probity expectations apply to all Board members across the group and b) with regards the appointment of a member of staff who is related to a senior staff member or member of a Board, so that there is a greater level of control for the Board. We suggest that RAAG could review and approve such appointments.	It is proposed that any such appointments are subject to Group Remuneration, Appointments, Appraisal and Governance Committee approval. The Committee will be asked to agree on a process in February, setting out the information it requires to allow it to review the process and the process will come into effect immediately thereafter.	April 26
	It is intended that we update each constitution (of those subsidiaries that directly employ staff) to reflect the process, as there is currently an inconsistency in how it is documented across subsidiaries.	Sep 26
5) Put in place incremental improvements to the ownership of risk by subsidiary Boards through:		
Earlier consideration of risk on board agendas to ensure the focus of adequate time and energy	It is proposed that how risk is placed on the agenda remains subject to agreement with each Chair when reviewing the agenda for individual meetings.	Feb 26

<p>Clarity over whether Group-level risks should be discussed at subsidiary Boards, and ensure there is consistency in how risks are communicated and interpreted.</p>	<p>Group-level risks remain relevant for subsidiaries, for example cyber security and core financial controls. Although they are managed at Group level, it is still expected that subsidiary Boards are scrutinising the assurance they receive.</p> <p>It is intended that future risk reports are, however, clearer on this and that subsidiary Boards can and should give feedback on our risk appetite levels and mitigation approach(es).</p>	<p>May 26</p>
<p>Including clearer information on the effectiveness of controls within the risk register, to support better oversight and decision-making.</p>	<p>We will refine how this information is more explicit in the reports and seek Board feedback on whether the refined approach is clearer.</p>	<p>May 26</p>
<p>6) Review how Board and committee succession is planned and managed including</p>		
<p>a) Limiting the number of Board / Committee posts to no more than three for any individual.</p>	<p>It is proposed that this recommendation is accepted in principle, but that how it is given practical effect is subject to review by the Group Remuneration, Appointments, Appraisal and Governance Committee. This review will be clear which posts would form part of the three, for example, some posts such as Non-Executive Director of the WFLs may not necessarily be given the same weighting as a subsidiary Board or Group Committee post.</p> <p>It is proposed that the Committee consider and recommend to the Board which posts should count towards the maximum of three.</p>	<p>June 26</p>
<p>b) Clarifying the role, responsibilities and expectations of subsidiary Chairs within recruitment onto their Board</p>	<p>We will refresh the Group Board recruitment and succession planning process to explicitly set out the role of subsidiary Chairs. As part of this, we will take into account feedback from subsidiary Chairs.</p>	<p>Feb 26</p>
<p>c) Considering how Boards can further increase their own diversity, including when and how external recruitment or internal appointments should be considered.</p>	<p>It is not proposed that a blanket provision be developed. This is and will continue to be considered by the relevant Board/Committee at the point of initiating recruitment, and where appropriate, reports and decisions will document the rationale for whether external or internal was selected.</p>	<p>Ongoing</p>

7) Board induction		
Strengthen and standardise induction across the Group, with greater emphasis on orientation to the broader governance model and ongoing development support.	We will undertake a comprehensive review of the Board induction process and feedback will be sought from every Board over the Feb-March Board cycle. The Group RAAG Committee will thereafter be asked to review the proposed standard approach.	April 26
8) Board learning and development		
Strengthen the approach to learning and development through linking the offer more explicitly to the appraisal process, creating a clearer pathway for individual development and performance improvement.	We will undertake a comprehensive review of the Board Continuous Professional Development approach and feedback will be sought from every Board over the Feb-March Board cycle. The Group RAAG Committee will thereafter be asked to review the proposed standard approach.	April 26
	We will strengthen the link in the annual appraisal process during the next cycle.	Nov 26
9) Board discussions		
Consider, for each Board, the introduction of NED only sessions from time to time (perhaps six monthly) and other opportunities for information time together.	Given that the report explicitly identifies the high level of trust and transparency, this is interpreted as a desire for more unstructured discussions. It is proposed that this is addressed via a combination of allowing greater time for such discussions at the annual strategy workshop and through the reintroduction Group wide events. We will also reinforce each Board's ability to consider the agendas for Board meetings through reviewing and agreeing the Board planner.	Ongoing
10) Continue to strengthen reporting to Board by reviewing the standard committee cover sheet and:		
a) Introducing an Executive Summary section	We will review the Board report template and introduce these elements within the updated template. We will seek subsidiary feedback in advance of this Board approving the revised template.	April 26
b) Raising recommendations / action to be taken to the top of the report		
c) Including explicit reference to the audit trail of a paper (where it has been considered and when).		

11) Presentational approach and style		
Continue to improve the presentation of information to Boards by further streamlining of content, by considering use of visuals and dashboards in reporting and by challenging staff presenting at meetings to consider both the length and the value added of presentations.	<p>As part of the Board template review we will consider how future standard reports (such as the performance report) can be further streamlined.</p> <p>All relevant staff will be provided with more explicit guidance on presenting to Boards and Committees, reinforcing principles such as taking papers as read and presentations which accompany reports must add to a paper, not recap it.</p>	April 26
12) Board minutes		
Review the approach to Board minutes so that Board discussion and challenge has greater profile, capturing something more of the flavour of meetings. We caution that this should not in any way be seen as a recommendation to adopt verbatim style minutes.	Whilst Board minutes are subject to Board approval, we will circulate draft minutes within 10 working days to all Board/Committee members to allow them to provide feedback when they will have a fresher recollection of discussions.	Feb 26

Report

To: Wheatley Housing Group Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: 2025/26 rent and service charge uplift

Date of Meeting: 17 December 2025

1. Purpose

- 1.1 This report provides the Board with feedback from tenant focus group discussions on our draft 2026/27 rent and service charge setting proposals. It seeks approval for the next steps, process and timeline for consulting RSL tenants.

2. Authorising and strategic context

- 2.1 Under the Group Standing Orders, the Group Board is responsible for the Group rent setting framework. Subsidiary Boards approve their rent increases within this framework.
- 2.2 The Board approved rent and service charge increase options for discussion at the tenant focus groups and the consultation approach at its meeting on 12 November 2024. Our RSL Boards subsequently considered and agreed on the proposed options for tenant focus groups at their meetings during November.

3. Background

- 3.1 The Board and partner RSL Boards agreed on two options, 6.9% and 7.4%, as our assumption for the 2026/27 rent and service charge increase and as a basis for holding initial engagement with tenants through focus groups in each of our four RSLs. It was agreed that we would consider the feedback and tenant views from the focus groups prior to finalising the proposed increase for the wider tenant consultation in January 2026 at our December meeting.

4. Discussion

Tenant feedback

- 4.1 Engagement and consultation continue to be key elements of our rent-setting framework. As with previous years, the Board agreed that our tenant focus groups would focus on understanding tenants' feedback on the potential rent and service charge increase range, what any additional investment should be focused on and how well the tenant brochure explained why the proposed range was necessary. This also follows a new approach introduced last year that was well received by customers, including locality-based brochures within Glasgow.

- 4.2 Research Resource independently facilitated the focus groups for each RSL across the Group during late November and early December. In total, we held 16 focus groups which were attended by 138 tenants. Several consistent themes emerged across all RSLs. These were:
- Pragmatism that rent needs to increase, albeit an initial reaction that the options are higher than anticipated;
 - The importance of an efficient and effective repair service, investment in homes, including prioritising energy efficiency, and keeping neighbourhoods safe, clean and tidy;
 - A need to support those who may be struggling, acknowledging cost increases and low-paid employment; and
 - Providing assurance that tenants' views on the consultation are considered and that commitments made will be monitored and delivered.
- 4.3 Based on this feedback, we have updated the rent setting brochures, with an example attached at Appendix 1. The main changes are:
- The investment plans and what rent is spent on have been moved earlier in the booklet and made more explicit it does not cover new build;
 - Clearer images have been included on the investment plans page, with a brief description of the work;
 - The priority we are placing on listening and responding to tenant feedback on repair improvements is referenced alongside the financial challenge of the cost of delivering this service;
 - Reference to the provision of alternative formats has been added earlier; and
 - Last year's consultation results are signposted.

Affordability

- 4.4 We know from our analysis considered at the November meeting, that our rent levels continue to meet affordability criteria. The recent UK Budget confirmed a number of measures designed to support individuals with lower incomes with the cost of living.
- 4.5 The National Living Wage will increase by 4.1% to £12.71 per hour for eligible workers aged 21 and over. The UK Government has indicated this will increase the gross annual earnings of a full-time worker on the NLW by £900, benefiting around 2.4m low-paid workers. Pensions will increase by over £10 per week from 1 April 2026 through a 4.8% increase to the full state pension.
- 4.6 The UK Government also announced that the two-child limit to Universal Credit will also be removed from 1 April 2026. The Scottish Government had been planning to mitigate the limit, so this will now free up Scottish Government funding. The Fraser of Allander Institute advise:

“We estimate that the abolition of the two-child limit will reduce child poverty in Scotland by around 1 percentage point in 2026-27, representing around 10,000 children, although the Scottish Government had been planning to mitigate the limit. Based on April 2025 statistics, the Treasury estimates that 95,000 children in Scotland live in households that will benefit from its removal, although the number is closer to 98,000 if we include those who are subject to the Benefit Cap, a different policy which is mitigated in Scotland.”¹

¹ <https://fraserofallander.org/budget-2025-reaction-meeting-the-briefed-expectations/>

- 4.7 The majority of our tenants are entitled to some form of financial support with the cost of living, through either Housing Benefit or Universal Credit, and have an income below the benefit cap of £22,020, which means benefit payments will meet the cost of rent in full. For others, the Benefit Cap will be mitigated by the Scottish Government.
- 4.8 We will continue to provide targeted support to tenants through our wraparound service and Helping Hand Fund. This is emphasised in our brochure and our Housing Officers and Customer First Centre (“CFC”) staff will be briefed to ensure they both remind tenants of this and support them as necessary.
- 4.9 Our draft 2026-31 strategy also has a strong focus on alleviating poverty, working in partnership both nationally and locally for the benefit of our customers. This includes our work with the Glasgow Community Planning Partnership on the priority of child poverty.

Comparability analysis

- 4.10 When considering the rent and service charge increase, we assessed our existing levels relative to comparator groups. In our largest stock areas Wheatley Homes Glasgow (“**WHG**”) was mid-table among RSLs with more than 1,000 units and Wheatley Homes South (“**WHS**”) remained lower than all other RSLs in its area of operation.
- 4.11 At that time however, limited information was available on what Local Authorities and RSLs were planning for 2026/27. A number of social housing providers have now confirmed the range of increase on which they plan to consult tenants.
- 4.12 A more detailed list of the proposed increases is set out in Appendix 2. The key points to note are:
- There are at least 14 Social Landlords across Scotland with options for increases greater than 6.9%; and
 - A common theme amongst the rent proposals over 5% is that investment, repairs and compliance, particularly considering energy efficiency, are the key drivers.

RSL rent and service charge increases for tenant consultation

- 4.13 Taking into account the feedback from tenant focus groups, and consideration of the implications of an alternative lower rent option balanced against:
- Consistent tenant feedback on their strong desire for investment in homes;
 - The need to invest to prevent deterioration in the condition of our properties;
 - Maintaining financial capacity to deliver what our customers have told us are their priorities for our 2026-2031 strategy; and
 - The comparability and affordability analysis.

It is proposed that the following options are agreed for consultation with tenants and these remain within the range previously agreed:

RSL	Options
WHG	6.9% and 7.4%
Loretto Housing	6.9% and 7.4%
WHS	6.9% and 7.4%
WHE	6.9% and 7.4%

- 4.14 As in previous years, it is proposed that rents for stock formally classified as for demolition will not increase.
- 4.15 After applying the 6.9% increase we would remain broadly at the lower to middle end of rents in the sector. Whilst our affordability and comparability analysis confirms our rents are affordable and not amongst the highest relative to local comparators, we will ensure that we promote the support available to tenants. This includes Financial Wellbeing, Home Comforts and the Helping Hand Fund.

Consultation timeline

- 4.16 The proposed key steps and timelines for the RSL consultation are as follows:

Key action	Timescale
Group Board approve final consultation levels – taking into account focus group feedback and available comparability data	17/12
Chairs confirm to RSL Boards consultation increase options	17/12
Consultation with tenants (subject to mail drops but a minimum of 2 weeks)	12-26/01/26
RSL Boards receive consultation results and approve rent and service charge increases	6-12 February
Rent and service charge increase letters issued	25 February onwards

- 4.17 As previously agreed, where an RSL Board agrees on one of the two options it has delegated authority to implement this. This provides us with essential additional time to issue notification to tenants, have our local staff engage with tenants and provide tenants with support updating the Universal Credit portal where applicable. Civica will again independently validate and count the returns and provide us with certified results.

5. Customer Engagement

- 5.1 The final tenant brochure has been shaped by feedback from our customers and we will now commence with formal consultation with all tenants.
- 5.2 Our local housing and CFC staff will be briefed on our proposals to allow them to proactively engage and communicate with customers. In addition to this, we will proactively engage with local elected members to set out our proposed approach, the key drivers and what our plans are for investment in their local area. We will also strongly promote the support services we have available for customers.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

- 7.1 Tenants will once again be able to participate in the consultation through a wide range of means, both in person and digitally. Responses will also be able to be emailed to the independent provider Civica.

8. Financial and value for money implications

- 8.1 Our proposed rent and service charge increases strike an appropriate balance between affordability for our tenants, whilst ensuring the ongoing financial viability of our operations, the preservation of appropriate levels of investment in our homes to ensure the condition of our homes does not deteriorate, we continue to meet our current and known future legislative obligations, the continuation of high-quality services to tenants and the financial viability of the business.

9. Legal, regulatory and charitable implications

- 9.1 Consultation with tenants on any increases in rent or service charges is a requirement of the Housing (Scotland) Act 2001. The tenant engagement to date and the approach set out in this paper will meet our requirement to consult under the Act.

10. Risk Appetite and assessment

- 10.1 Our risk appetite to business planning assumptions such as rent increases is open. This is defined as “*willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward*”.
- 10.2 In relation to the statutory requirement in consulting and engaging tenants on any rent increase, our risk appetite is averse, that is “avoidance of risk and uncertainty is a key organisational objective”.
- 10.3 We are mitigating this risk to the extent possible with an approach which:
- Ensures we had a strong customer voice in shaping our final consultation proposal;
 - Formally consulting all tenants; and
 - Making the final decision after we understand the consultation feedback from tenants.

11. Equalities implications

- 11.1 The initial focus groups with tenants across our four RSLs have informed our proposals, materials and approach for formal consultation. The focus groups included a diverse range of tenants.
- 11.2 This has shaped the formal consultation, including proactive provision of alternative formats (large print, audio and braille) for tenants who have recorded this requirement and with the translation of brochures available on request (and to be available via our supplier within 4 days). To support awareness of translation, we will also add a translation note in English and the 5 most requested languages – Arabic, Dari (Afghan), Portuguese, Polish and Urdu.
- 11.3 An equalities impact assessment has been reviewed, which acknowledges the potential barriers some tenants could face and details the provisions put in place to reduce such barriers.

12. Key issues and conclusions

- 12.1 The feedback from our tenant focus groups indicates that tenants overall, whilst some expected the proposed options to be lower, understand our proposals and recognise the need for an increase to maintain services and investment.

12.2 Tenants also provided us with some positive feedback on the content and clear messaging within the brochure, providing some suggestions for the order and further clarity. We have updated the draft brochure to tenants to reflect this.

13. Recommendations

13.1 The Board is asked to approve the options of 6.9% and 7.4% for consultation on the 2026/27 rent and service charge increase by each RSL.

LIST OF APPENDICES:

Appendix 1: Rent setting brochure

Appendix 2: Sector rent increase

Investing in your community

Consultation on rent and service charges
for Wheatley Homes East 2026-27

Have
your
say

DRAFT



Rent consultation

We reinvest rent money every year in delivering services, improving homes and communities, and supporting our tenants.

As a Registered Social Landlord, we have a legal duty to consult with tenants about rents and any service charges you pay. We want to hear your views on our proposals, and we will use your feedback to help decide rent and service charges for 2026-27.

This rent and service charge consultation booklet will:

- explain why we propose to increase rent and service charges;
- show you the proposed rent and service charges increase for 2026-27;
- outline what your rent and service charges pay for; and
- explain how you can have your say on the proposals.

We would ask you to take the time to read this booklet and let us know what you think about our proposals. **Please note, when we refer to rents in this brochure, we mean rents and any service charges you pay.**

We can provide this document translated, in large print, in Braille, on tape or in another non-written format on request and at no cost. Visit: www.wheatleyhomes-east.com/ways-we-can-help/accessibility



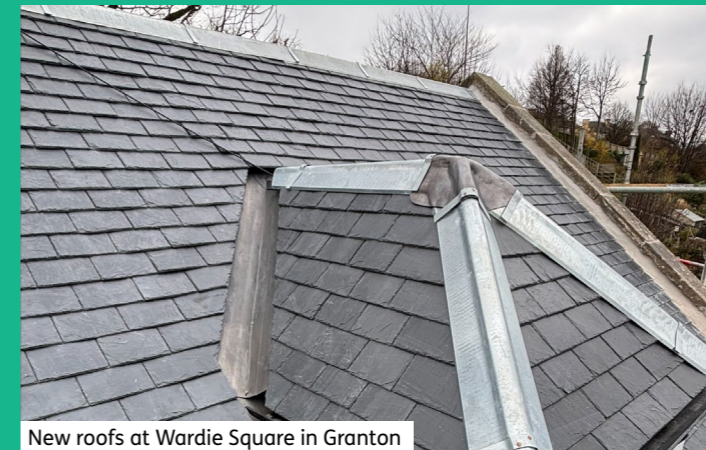
You have until **26 January 2026** to give us your feedback

Investing in your community across the East

Our three-year investment programme continues from 2025-2028 to transform homes for the better. You can see below some of the improvements we've made over the past year.



New kitchens at Stevenson Avenue in Gorgie



New roofs at Wardie Square in Granton



New windows at Sneddon Court in Kelty

Your rent money allows us to invest further in your area and neighbourhoods. We use tenant feedback to help prioritise how this money is spent. For example, tenants have told us they want more money invested in making homes warmer, drier, and cheaper to run.

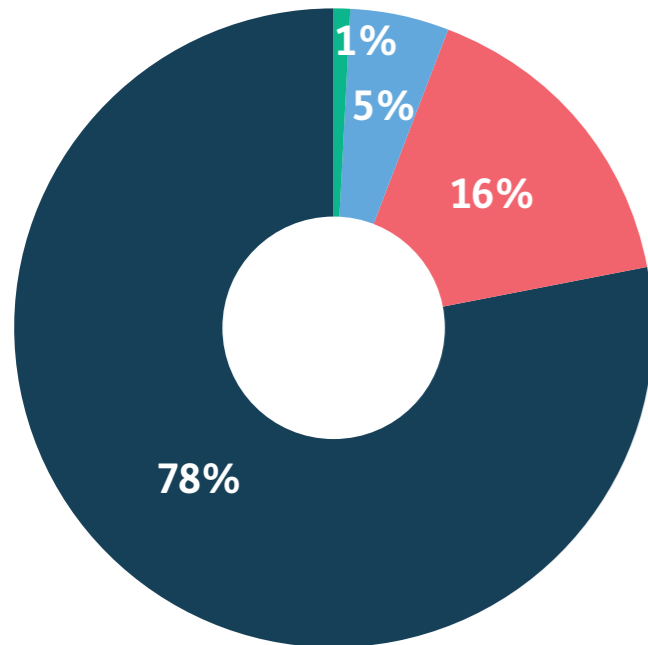
Over the three-year period, we will invest around **£21.7m** improving homes. This will include £16.2m in Edinburgh, £4.4m in West Lothian and £1.1m in other areas to deliver:

- new kitchens in almost **500** homes and new bathrooms in **250** properties;
- new pitched roof coverings in over **30** homes;
- nearly **350** new front or back doors;
- over **90** new close doors;
- new windows in nearly **40** closes;
- extra energy efficiency improvements, including nearly **50** new electric heating systems and over **450** new gas boilers;
- environmental improvement works to closes and other common areas such as external insulation, upgraded paths, external painting and gutter replacements in **460** homes; and
- loft, wall or floor insulation improvements in over **330** homes.

What your money pays for

We continue to work hard to keep our overheads low and provide you with value for money.

Check out the pie chart below to see how income was spent by Wheatley Homes East in the financial year 2024-25.



- Activities supporting communities
- Business loan repayments
- Staffing and administration costs
- Investment, repairs and maintenance

Investment and maintenance

Around half of our overall costs, such as repairs and meeting our legal requirements in areas such as fire safety and building safety, are unavoidable.

These costs include renewing fire doors, smoke and heat detectors, gas and electrical testing and everyday repairs.

The remaining money allows us to focus on tenants' priorities, including making homes warmer, continuing to improve our repairs service, and keeping neighbourhoods clean and tidy. Rent is not used to fund new-build homes.

In 2024-25, across our communities, we:

- carried out **32,705** repairs
- spent **£7.3m** improving existing homes
- spent **£13.9m** on repairs and maintenance

Staffing and admin costs

This money paid for housing officers to be out in communities, 24/7 services available through our Customer First Centre (CFC) and Neighbourhood Environmental Teams keeping communities clean and tidy. This also includes support staff, such as those providing engagement activities and welfare

benefits advice, as well as the cost of running our offices and depots. Last year we:

- had **302** tenants involved in 'Stronger Voices' projects
- handled **69,151** calls at the CFC

Rent options for 2026-27



Our proposed increases are similar to several social landlords across the country.

Other landlords are consulting tenants on proposed rent increases, with East Lothian between 7% and 8%, Falkirk at 9.5%, West Dunbartonshire between 6.7% and 7.45%, Renfrewshire at 7.5%, Dundee between 8% and 8.5%, and Aberdeen proposing a 9.5% rise.

Here are the options for your proposed rent levels, as well as what these would mean for services and investment.

In the last five years, our overall rent increases have matched inflation, but our costs have increased faster in areas such as insurance and repairs.

Option 1 6.9%

This option would allow us to keep repairs and building safety spending at current levels and carry out our three-year investment programme. You'll find details of our investment plans in your local area on page 3.

As an example, this option would mean an average increase of £8.68 per week on an average two-bedroom home.

Option 2 7.4%

This option would deliver all of Option 1 and fund further investment of £230,000 each year in homes and neighbourhoods in your local area.

As an example, this option would mean an average increase of £9.31 per week on an average two-bedroom home.

Financial challenges ahead

We are doing all we can to deliver the services you want, invest in your home and community, and provide value for money in everything we do.

But, like all social landlords in Scotland, we also face challenges in meeting our legal requirements, delivering our tenants' priorities and improving the quality of homes, all while keeping rent affordable.

Here are some of the challenges we face.

Investing to improve your home and community

Tenants have told us they want to see more investment in their homes. Without the proposed minimum increase for 2026-27, we will not be able to keep our communities clean and tidy, and it would be very difficult for us to improve the quality of our homes. You can find out more about our 2025 to 2028 investment in your area based on the proposed increase, on page 3.

Repairs and maintenance

We are doing everything we can to make our repairs and maintenance service more efficient but it makes up one of the biggest parts of our spending. Costs, such as materials, are increasing. Since April the average rate of inflation for repairs was 6.5%. We've been listening and responding to feedback from tenants on areas for improvement within the repairs service to make it more efficient, and ensure quality and value for money. We'll continue to make these improvements.

Legislation

We are legally obliged to comply with Scottish Government requirements for retrofitting as well as legislation on energy efficiency standards, such as insulation, for all homes. This means we must make significant extra investment in our homes, alongside delivering other priority investment such as kitchens and bathrooms.

Interest rates

The interest rate at which housing associations borrow money is linked to the cost of the UK Government borrowing. This has risen by 1% in the last year.

Message from the Chair



At Wheatley Homes East, we are here to deliver outstanding services for our tenants.

We know how important it is to invest in our homes to make them warm, safe, and energy efficient. We also know how important it is for us to continue investing in our neighbourhoods and to help create communities people are proud of.

As part of our ongoing investment programme, we want to continue to invest in areas which are priorities for tenants.

We are delighted that 96% of tenants who took part in our latest satisfaction survey said their rent represented good value for money, above the Scottish average of 81.7%. Delivering value for money is always important to us, and a key element of this is our annual rent setting and the proposals we present to tenants through our rent consultation.

In addition to feedback from our tenants, we asked independent customer insight organisation Research Resource to hold focus groups with our Customer Voices. Their views were central to the contents of this brochure and the rent setting proposals for 2026-27. We understand the difficult economic circumstances our tenants face, with energy costs and food prices continuing to rise. At the same time, since April the average cost of repairs and maintenance has increased by 6.5%.

That's why we are doing as much as we can to keep our rents and service charges as low as possible. Our rent levels reflect the services tenants tell us they want and the improvements they want to see in homes and communities.

Please take the time to read our proposals on pages 3 and 5 for the money we plan to invest in your community and rent and services charge options for 2026-27.

It is really important you have your say. Remember, if you are worried about rent, please don't hesitate to get in touch. We are here to help.

Kenneth Barclay
Chair, Wheatley Homes East

We're here for you

There are lots of ways we can support tenants who may be struggling.

We can help with benefits, managing your income, jobs and training, education bursaries, free furniture, support to get online and much more.

If you are worried about your rent, please get in touch. We are here to support you. Call us on **0800 561 0088**.





Have your say

We really want to hear your views on our proposals for rent and service changes for 2026-27. Please take the time to give us your feedback.

You can contact us by text, online, phone or post. The quickest and easiest way is online. We've included a consultation response sheet with a unique code for you to submit your response. This unique code can't be used to identify you.

The consultation closes on 26 January 2026.

You can also contact TPAS (Tenant Participation Advisory Service) for independent advice by emailing eveline.armour@tpasscotland.org.uk or calling 07593 565 183, Monday to Friday, 9am to 5pm

What happens next?

All feedback received through the consultation will be independently checked by Civica, an independent organisation which specialises in verifying the results of consultations.

The Board will then consider all the feedback before making a final decision on rent and service charge levels for 2026-27.

We will let you know the results of the consultation and the final decisions on rent and service charge levels on our website. You can view the result of last year's consultation at www.wheatleyhomes-east.com/ways-we-can-help/accessibility

We will also write to you to let you know your rent and service charges for 2026-27.

We can produce information on request in other languages, large print, Braille and audio formats.

Visit www.wheatleyhomes-east.com or phone us on 0800 561 0088.

Appendix 2 – Sector rent increases

Landlord	Proposed rent increase (options)
Aberdeen City Council	9.5%
Angus Council	8%, 8.25% or 8.5%
City of Edinburgh Council	7%
Clackmannanshire Council	6%/7%/8%
Dundee City Council	8%/8.25%/8.5%
East Ayrshire Council	7%/7.5% (for 27/28 also)
East Lothian Council	7%/8%
East Renfrewshire Council	4.8% / 5.8%
Falkirk Council	9%
Fife Council	5.5%/ 6%/ 7%
Highland Council	8%/9%/10% (to 2031)
Moray Council	6% (to 2028)
North Ayrshire Council	3.84% (temporary accommodation)
Perth and Kinross Council	6.5%/7.5%/8.5%
South Lanarkshire Council	6.5% (15% for new homes)
West Dunbartonshire Council	6.7%/6.95%/7.2%7.45%
West Lothian Council	3.5%
Ark Housing	4.5%/5.5%
Barrhead Housing	4.8%/5.3%
Bield	4.8%
Clyde Valley Housing Association	4.8%
Cunninghame	5.5%
Dalmuir	5.3%/5.8%
Hebridean Housing Partnership	4.5%/5.5%
Link Housing	4%/5%
Maryhill	5.8%/6.3%
NG Homes	6%/6.5%/7%
Queens Cross Housing	6%
Partick Housing Association	5.3%
Shire Housing	5.5% and 6.5%
Viewpoint	5%
Waverley Housing	4.5%/5.5%
West Whitlawburn Housing Co-op	5.1%
Yorkhill Housing Association	5.8%/7.6%

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: 17 December 2025

1. Purpose

- 1.1 This report asks the Board to consider and approve the proposed changes to the Strategic Risk Register considered and recommended by the Group Audit Committee; this includes the addition of five new risks including one on the impact of care structural change which was specifically discussed and the addition agreed at the Committee meeting on 19 November.

2. Authorising and strategic context

- 2.1 In accordance with its Terms of Reference, the Group Audit Committee is responsible for “monitoring, reviewing and advising the Group Board on the overall risk assessment and management system within the Group”. The Group Audit Committee on 19 November 2025 recommended the changes being proposed below to the Strategic Risk Register, for approval by the Group Board.

3. Background

- 3.1 This paper 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 risks to bring to the attention of the Board. This includes risks in the following categories:
- Risks outwith risk appetite (A in the chart on the next page);
 - Risks with a residual risk score of 12 or 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 (B in the chart on the next page); and
 - Risks highlighted for consideration (C in the chart on the next page). 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**”).

4. Discussion

4.1 The chart below shows all risks within the Strategic Risk Register. The chart and the summary risk register at Appendix 1 are colour-coded as follows:


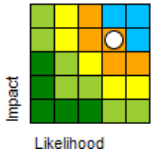
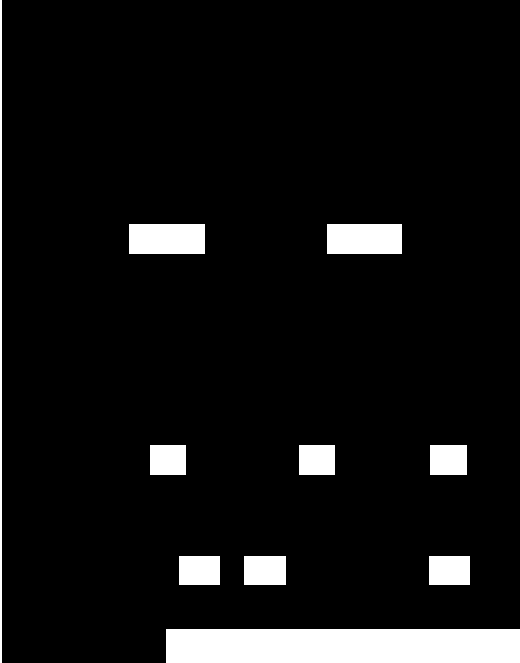

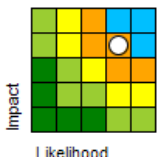
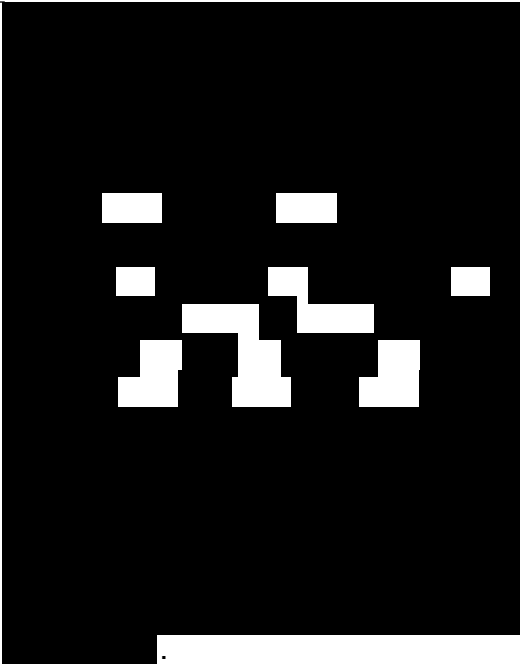
- Red font – risks highlighted for Member consideration (as set out in paragraph 3.2) and discussed further below;
- Purple font – risks with a high residual risk or inherent risk score where Boards have received an update on the operation of the controls in the last 6 months; and
- Black font – lower scoring risks that have remained stable within the current period.


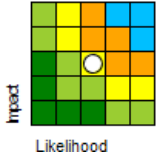

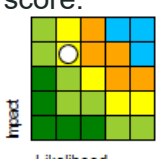
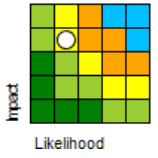
Impact	5					
	4	<ul style="list-style-type: none"> • NEW: Large Panel System structural condition (C) 	<ul style="list-style-type: none"> • Financial viability of Care services (A & C) • Fire Event (A) • Ability to meet Scottish Government legislative requirements for energy efficiency 	<ul style="list-style-type: none"> • Reduced availability of financial support from S Gov't / Local Gov't 	<ul style="list-style-type: none"> • Delayed recovery in the event of a cyber-attack (A) • Disruption following a cyber-attack on a key system provider (A) 	
3		<ul style="list-style-type: none"> • Damp and Mould (C) • Care and support services • Business Continuity • Senior staff recruitment • Staff development and succession planning • Fire Safety • Group Credit Rating • Customer Satisfaction (tenants) • Rent arrears management • Governance Structure • Commercial Operations • New build contractor non-conformance with building standards 	<ul style="list-style-type: none"> • Radio Teleswitch switch off (A & C) • NEW: Impact of CBG consolidation on Group (C) • NEW: Responsibilities under Awaab's Law (C) • Underperformance of main delivery partner against Investment Plans (C) • NEW: Underperformance of Repairs delivery partner (West) (C) • Impact on our customers of reduced public funding • Laws and Regulations • Staff behaviour enables a cyber-attack • Compliance with funders requirements • Repairs supply chain disruption • Securing new funding and adverse market changes • Political & Policy changes impact on strategic key partnerships • Non-achievement of sustainability targets 	<ul style="list-style-type: none"> • NEW: Impact of Care Structural Change Proposal (A & C) 	<ul style="list-style-type: none"> • Climate change impact on Group Assets and Services (C) 	
2				<ul style="list-style-type: none"> • Monitoring H&S arrangements 		
1						
		1	2	3	4	5
						Likelihood

4.2 The remainder of this section provides additional commentary on those risks highlighted in red font. The full details of each risk listed in the tables below are available in **Appendix 2**.

A - Risks outwith risk appetite

4.3 There are five 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
RISK 019.2: 		Cautious	
RISK 019.3: 		Cautious	

Risk	Residual Risk Score	Risk Appetite Level	Commentary
RISK 020 - Radio Teleswitch switch off	 <p>Revised score:</p> 	Minimal	The scoring of this risk has reduced, reflecting the continuing reduction in the number of the Group's customers affected (c3500) and the staged approach to switching adopted by the energy companies. Overall, it remains outwith risk appetite because the Group is unable to directly resolve this issue on behalf of its customers. Engagement with third parties and awareness-raising communications to customers and staff continue. Our RSL Boards are monitoring progress and the risks of Radio Teleswitch off as a standing item at their meetings.
RISK072 – Financial viability of Care services	 <p>Revised score:</p> 	Minimal	The residual risk score has been reduced to reflect additional controls now in place to monitor use of overtime and agency staff. Successful outcomes to recent tendering activity provide additional confidence over projected income, and all Care services are currently reporting a financial surplus. While the risk has reduced, this risk remains outwith risk appetite overall. Financial performance of care services is monitored by the Care Board and reported to the Group Board as part of the Group Finance Report.
RISK 089 – Fire Event		Minimal	This is focused on the risk of a fire within a customer's property. It is outwith risk appetite due to the limited control the Group has over the actions of third parties to minimise fire risk. Despite best efforts, we cannot eliminate all risk of accidental dwelling fires. We have reduced these year-on-year, through proactive engagement with our customers and rigorous fire safety inspections of our assets on a rolling programme basis and mitigating measures, but we will continue to experience accidental dwelling fires. RSLs and Lowther monitor fire risk and progress against action identified by Fire Risk Assessments through regular Board performance reporting.


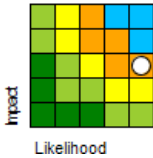
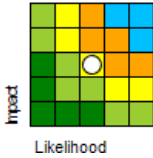
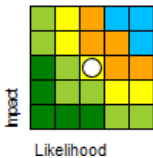
4.4 The implementation of any identified actions will be monitored, and residual risk scores will be reviewed as part of the scheduled quarterly review of all risks.

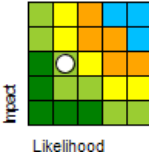
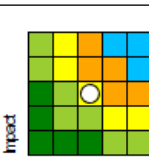
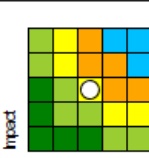
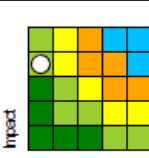
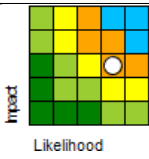
B – High scoring risks with controls due for review

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 Our review of the Strategic Risk Register has identified eight changes to bring to the attention of Board members, as set out in the table below.

Risk	Residual Risk Score	Risk Appetite Level	Commentary
RISK137 – Climate change impact on Group customers, assets and activities	 <p>Revised score:</p> 	Open	The inherent and residual risk scores have been increased to reflect increasing evidence of weather-related incidents that require an escalated response.
RISK100 – Underperformance of main delivery partner against investment plans		Open	Following changes to the management structure within the Group, RISK100 has been split in two. The updated RISK100 has been revised to focus on the delivery of investment plans. There has been no change to the risk scoring of this risk.
NEW RISK RISK182 – Underperformance of Repairs delivery partner (West)		Open	The new risk RISK182 has been introduced to capture the risk associated with delivery of the repairs service in the West. The residual score for this risk remains in line with the scoring of the original, joint risk (RISK 100).
RISK053 – Damp and mould		Minimal	The description and controls for this risk have been updated, to focus on the requirement to

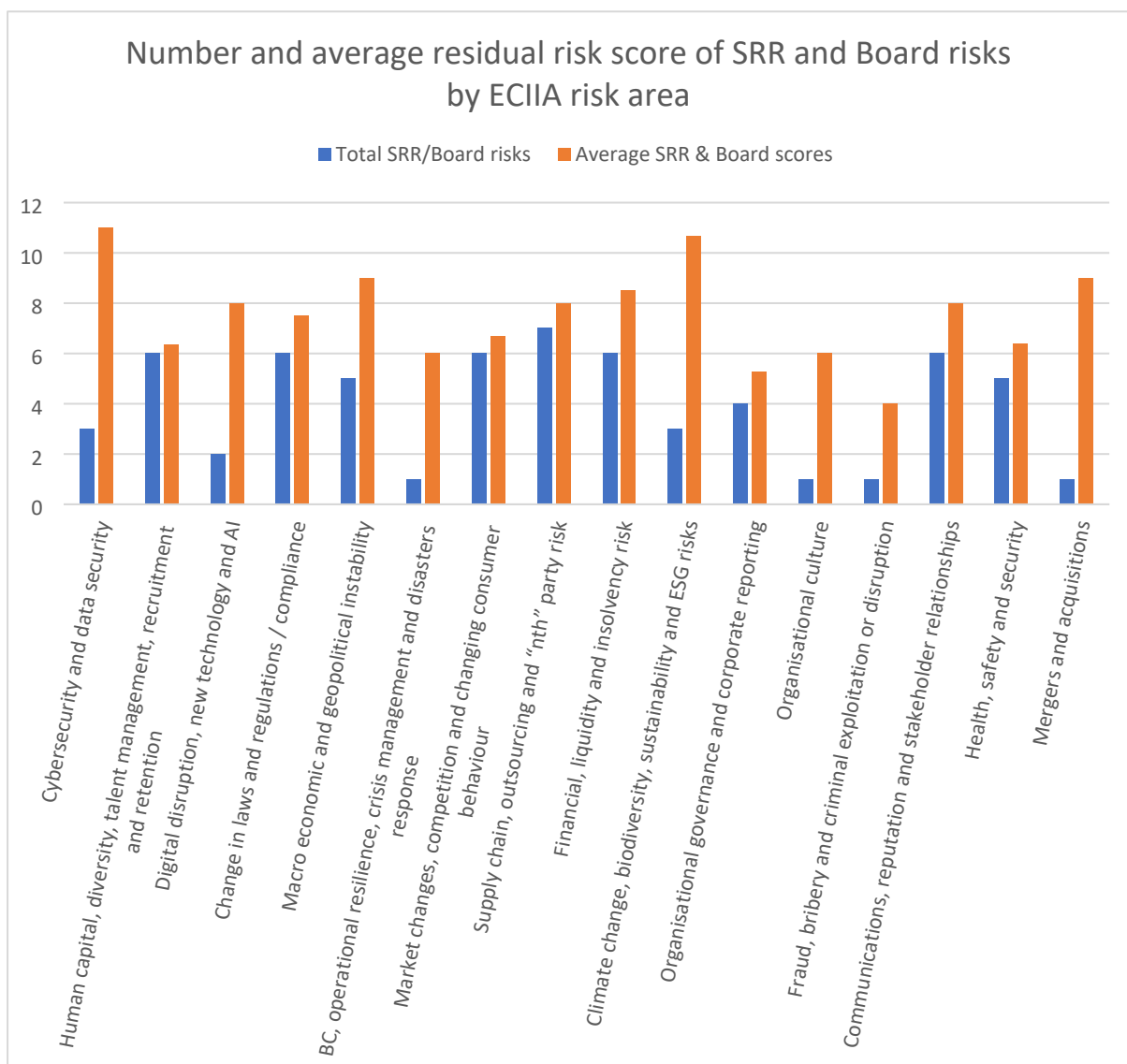
Risk	Residual Risk Score	Risk Appetite Level	Commentary
			comply with legislation in this area, and to outline updated controls that have been recently introduced.
NEW RISK: RISK052 - Responsibilities under Awaab's Law		Open	This new risk has been added to the register, to reflect the potential for reputational damage due to stakeholders' differing knowledge and understanding of the law's scope and the requirements it places on social landlords.
NEW RISK: RISK002 - Impact of CBG consolidation on Group		Cautious	This new risk relates to the change in the relationship with CBG when it becomes a subsidiary of the Group.
NEW RISK: RISK036 - Large Panel System structural condition		Minimal	This new risk captures the chance of building collapse or extensive fire damage if we do not meet the Large Panel System (LPS) criteria set by the UK Government. There are 12 blocks with LPS in the Group, which are regularly inspected and surveyed.
NEW RISK: RISK 048 – Impact of Care Structural Change Proposal		Open	This risk has been added to the risk register to reflect the risks that due diligence to inform the proposed change of Wheatley Care's relationship with the Group is not sufficient.

Effectiveness of Internal Controls

- 4.7 The Group operates a “Three Lines” Model to provide the Board with robust assurance over the effectiveness of internal controls, compliance with regulatory requirements, and the management of key risks across the Group.
- **First Line:** Operational management implements and monitors internal controls as part of daily activities, ensuring compliance with statutory and regulatory obligations;
 - **Second Line:** Oversight functions develop frameworks, monitor adherence, and report on control effectiveness to the Board, Subsidiary Boards and the Group Audit Committee;
 - **Third Line:** Internal audit provides independent assurance to the Group Audit Committee, evaluating the effectiveness of controls and reporting directly to the Board or Audit Committee; and
 - **Board Oversight:** The Board sets risk appetite, oversees the annual assurance exercise, and receives regular reports confirming compliance with regulatory standards, statutory obligations, and tenant safety requirements.
- 4.8 When risk owners complete their biannual review of their risk registers, they review the controls detailed for each risk. An update on the controls review will be included in Group Audit Committee, Board and Subsidiary reports going forward. This structure ensures clear accountability, robust assurance, and effective governance across the Group.

Risk In Focus 2026

- 4.9 In addition to the information presented in relation to existing risks, the Internal Audit team has also reviewed the Group’s Strategic Risk Register and Subsidiary Board Risk Registers against the European Confederation of Institutes of Internal Auditing’s (“**ECIIA’s**”) annual publication “*Risk in Focus 2026*”. This publication summarises the results of a survey of Chief Audit Executives (“**CAEs**”) in which they are asked to rank the risks that are of most concern to their organisation.
- 4.10 The chart below shows the ECIIA’s 16 risk categories in order of descending risk when read from left to right. The chart also shows the total number of risks within either the Strategic Risk Register or Subsidiary Board Risk Registers (in blue) and the average residual risk score of those risks (coloured to align with the risk heat-map location).



4.11 This demonstrates that the Group has risks in all categories assessed by the ECIIA, and that the Group’s highest scoring Board level risks are related to cyber and data security, and climate change, sustainability and ESG. The risk category with the highest number of risks is “supply chain, outsourcing and “nth” party risk”, reflecting the importance of the Group’s partners and suppliers.

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 paper. Instead, the review of risks within the Strategic Risk Register, as outlined in this paper 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 planned 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 This report summarises the results of the most recent review of the Strategic Risk Register, which has resulted in updates to risks as summarised in section 4.3 and 4.6. The report identifies five risks that are out-with risk appetite and a further five new risks added to the strategic risk register.

13. Recommendations

13.1 The Board is asked to:

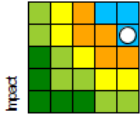

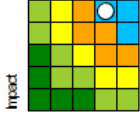





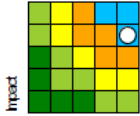
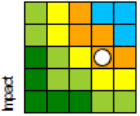




- 1) Note the contents of this report;
- 2) Consider whether any changes should be made to the Strategic Risk Register, or if any matters discussed elsewhere during the meeting result in additional risks to be captured in the risk register; and
- 3) Approve the proposed changes to the Strategic Risk Register.

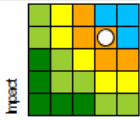
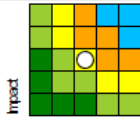
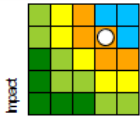
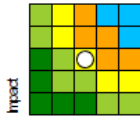
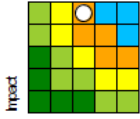
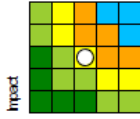
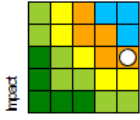
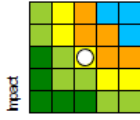
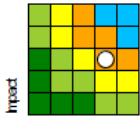
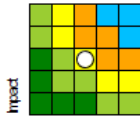
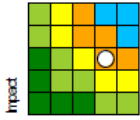
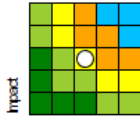
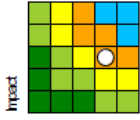
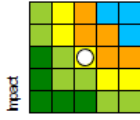
LIST OF APPENDICES:

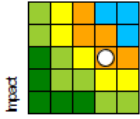
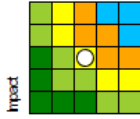
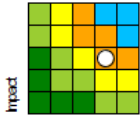
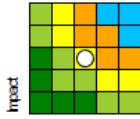
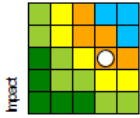
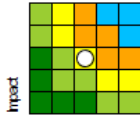
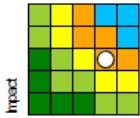
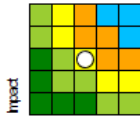
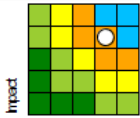
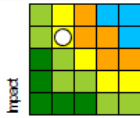
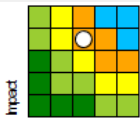
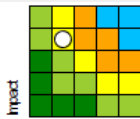


Appendix 1: Wheatley Group Summary Strategic Risk Register

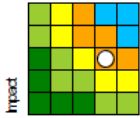
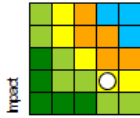
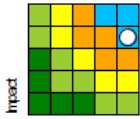
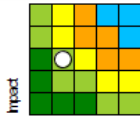
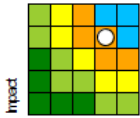
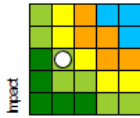
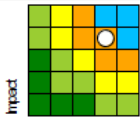
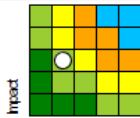
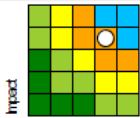
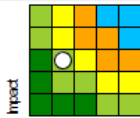
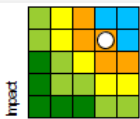
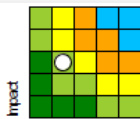
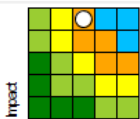
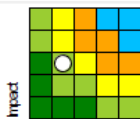
Appendix 2: Risks flagged for Board Attention

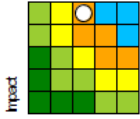
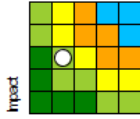
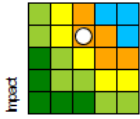
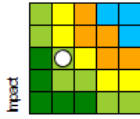
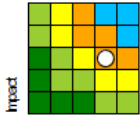
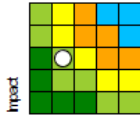
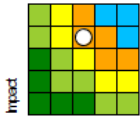
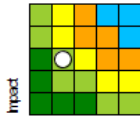


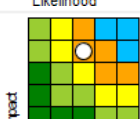
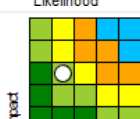
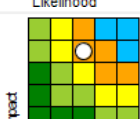
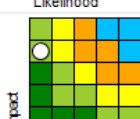
Appendix 1 – Wheatley Group Strategic Risk Register

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 Housing	Setting the benchmark for sustainability and reducing carbon footprint	Page 14 Amended risk
RISK 019.2 F	Delayed recovery in the event of a cyber attack		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance and Business Solutions	Maintaining a strong credit rating and managing financial risk	Page 15 Above risk appetite
RISK 019.3 F	Disruption following a cyber attack on a key system provider		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance and Business Solutions	Maintaining a strong credit rating and managing financial risk	Page 16 Above risk appetite
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
RISK 048	Impact of Care Structural Change Proposal		Risk Appetite is OPEN (Orange)		Group Director of Communities	Shaping our Care Services for the Future	Page 17 New Risk
RISK 001	Impact on our customers of reduced public funding		Risk Appetite is OPEN (Orange)		Group Director of Communities	Supporting economic resilience in our communities	N/A
RISK 016	Laws and Regulations		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance and Business Solutions	Progressing from Excellent to Outstanding	N/A

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 019.1 F	Staff behaviour enables a cyber-attack		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Governance and Business Solutions	Maintaining a strong credit rating and managing financial risk	N/A
RISK 020	Radio Teleswitch switch off		Risk Appetite is MINIMAL (Light Green)		Group Director of Housing	Progressing from Excellence to Outstanding	Page 18 Above risk appetite
RISK 008	Compliance with funders' requirements		Risk Appetite is OPEN (Orange)		Group Director of Finance	Raising the funding to support our ambitions	N/A
RISK 018	Repairs supply chain disruption		Risk Appetite is OPEN (Orange)		Group Director of Governance and Business Solutions	Investing in existing homes and environments	N/A
RISK 002	Impact of CBG consolidation on Group		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Finance	Maintaining a strong credit rating and managing financial risks	Page 19 New Risk
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 impact on strategic key partnerships		Risk Appetite is OPEN (Orange)		Group Director of Governance and Business Solutions	Influencing locally and nationally to benefit our communities	N/A

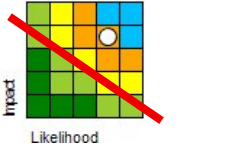
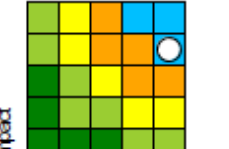
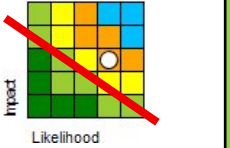
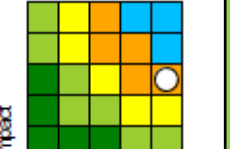
Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 052	Responsibilities under Awaab's Law		Risk Appetite is OPEN (Orange)		Group Director of Housing	Investing in existing homes and environments	Page 20 New Risk
RISK 100	Underperformance of main delivery partner against investment plans		Risk Appetite is OPEN (Orange)		Group Director of Housing	Investing in existing homes and environments	Page 21 Updated risk
RISK 137	Non-achievement of sustainability targets		Risk Appetite is OPEN (Orange)		Group Director of Housing	Setting the benchmark for sustainability and reducing carbon footprint	N/A
RISK 182	Underperformance of Repairs delivery partner (West)		Risk Appetite is OPEN (Orange)		Group Director of Housing	Developing a customer led Repairs Service	Page 22 New risk
RISK 072	Financial viability of Care services		Risk Appetite is MINIMAL (Light Green)		Group Director of Communities	Maintaining a strong credit rating and managing financial risks	Page 23 Above risk appetite
RISK 004	Ability to meet Scottish Government legislative requirements for energy efficiency		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Housing	Investing in existing homes and environments	N/A
RISK 089	Fire Event		Risk Appetite is MINIMAL (Light Green)		Group Director of Communities	Developing peaceful and connected neighbourhoods	Page 24 Above risk appetite

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 090	Monitoring H&S arrangements		Risk Appetite is CAUTIOUS (Yellow)		Group Director of Communities	W.E. Work – Strengthening the skills and agility of our staff	N/A
RISK 005	Care and support services		Risk Appetite is MINIMAL (Light Green)		Group Director of Communities	Shaping Care Services for the future	N/A
RISK 012	Business Continuity		Risk Appetite is OPEN (Orange)		Group Director of Communities	Progressing from Excellent to Outstanding	N/A
RISK 031	Senior staff recruitment		Risk Appetite is HUNGRY (Blue)		Group Director of Governance and Business Solutions	W.E. Work – strengthening the skills and agility of our staff	N/A
RISK 032	Staff development and succession planning		Risk Appetite is HUNGRY (Blue)		Group Director of Governance and Business Solutions	W.E. Work – strengthening the skills and agility of our staff	N/A
RISK 053	Damp and Mould		Risk appetite is MINIMAL (Light Green)		Group Director of Housing	Investing in existing homes and environments	Page 25 Amended risk
RISK 003	Fire Safety		Risk Appetite is MINIMAL (Light Green)		Group Director of Communities	Investing in existing homes and environments	N/A

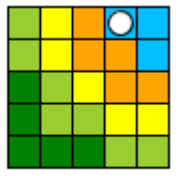
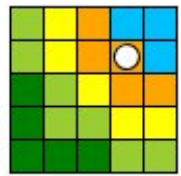
Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 010	Group Credit Rating	 Impact Likelihood	Risk Appetite is MINIMAL (Light Green)	 Impact Likelihood	Group Director of Finance	Maintaining a strong credit rating and managing financial risks	N/A
RISK 006	Customer Satisfaction (tenants)	 Impact Likelihood	Risk Appetite is OPEN (Orange)	 Impact Likelihood	Group Director of Housing	Enabling customers to lead	N/A
RISK 007	Rent Arrears management	 Impact Likelihood	Risk Appetite is OPEN (Orange)	 Impact Likelihood	Group Director of Housing	Enabling Customers to Lead	N/A
RISK 009	Governance Structure	 Impact Likelihood	Risk Appetite is CAUTIOUS (Yellow)	 Impact Likelihood	Group Director of Governance and Business Solutions; Group CEO	W.E. Work– strengthening the skills and agility of our staff	N/A
RISK 013	Commercial Operations	 Impact Likelihood	Risk Appetite is OPEN (Orange)	 Impact Likelihood	Group Director of Communities	Supporting economic resilience in our communities	N/A
RISK 204	New Build contractor non-compliance with building standards	 Impact Likelihood	Risk Appetite is MINIMAL (Light Green)	 Impact Likelihood	Group Director of Development and City Building	Increasing the supply of new homes	N/A
RISK 036	Large Panel System structural condition	 Impact Likelihood	Risk Appetite is MINIMAL (Light Green)	 Impact Likelihood	Group Director of Housing	Investing in existing homes and environments	Page 26 New risk

Appendix 2 – Risks flagged for Board Attention

RISK 023 Climate change impact on Group customers, assets and services

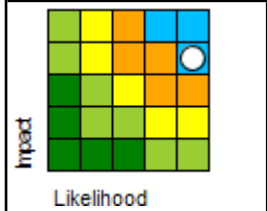
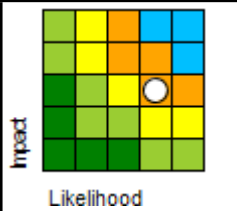
Strategic Outcome	Setting the benchmark for sustainability and reducing carbon footprint	Risk type	Financial or VFM	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk that the impact of climate change consequences on Group customers, assets and services are not anticipated resulting in damage to the value of our assets and our ability to deliver services to our customers.</p>		<p>Further development of, and emphasis on, business continuity plans (both at Group and local level) and testing to provide for operational responses to extreme weather events such as flooding and severe winter snow (e.g “Beast from the East” type events).</p> <p>Group works in line with National Planning requirements, including the use of SEPA flood risk maps to assess New Build locations.</p> <p>Asset Management Strategy will ensure future investment maintains and improves condition of our asset including to mitigate any climate change related risks.</p>			
Inherent risk	Residual risk	Risk Appetite level:		Previous / Next detailed Board update on operation of controls listed above:	
 <p>Likelihood</p>  <p>Likelihood</p>	 <p>Likelihood</p>  <p>Likelihood</p>	<p>Risk Appetite is OPEN (Orange)</p>		<p>Group Boards - Asset investment plans considered in February each year. Wheatley Solutions Board updated on sustainability related matters at its meetings. Sustainability updates provided to RSL Board at their September 2025 meetings</p>	

RISK 019.2 F Delayed recovery in the event of a cyber attack (Above risk appetite)

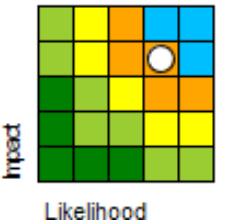
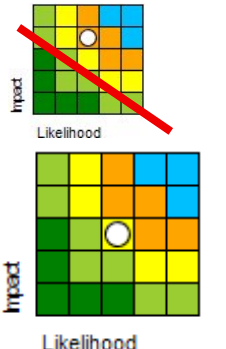
Strategic Outcome	Maintaining a strong credit rating and managing financial risk	Risk type	Operational Delivery	Risk owner	Group Director of Governance and Business Solutions
Description		Controls			
[Redacted]		[Redacted]			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
 <p>Likelihood</p>	 <p>Likelihood</p>	<p>Risk Appetite is OPEN (Orange)</p>	[Redacted]		

[Redacted]			
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted] financ	[Redacted]		
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:
 <p style="text-align: center;">Likelihood</p>	 <p style="text-align: center;">Likelihood</p>	Risk Appetite is CAUTIOUS (Yellow)	[Redacted]

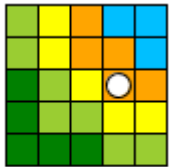
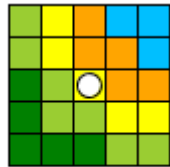
RISK 048 Impact of Care Structural Change Proposal (New risk)

Strategic Outcome	Shaping our Care Services for the future	Risk type	Operational Delivery	Risk owner	Group Director of Communities
Description		Controls			
<p>There is a risk that insufficient due diligence to inform the proposed changes to the Care structure result in unintended outcomes which could cause operational challenges.</p>		<ul style="list-style-type: none"> • External advisors appointed to provide independent advice to both Care and Group sides of the transaction. • Project management arrangements in place to manage required changes across the Group, including analysis of who will provide services to the new Care company • Staff consultation process supported by People Services • Business Planning assumptions under review 			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
		<p>Risk Appetite is OPEN (Orange)</p>	<p>Updates to each meeting of Group Board and Care Board. Care Board meetings being held more frequently to consider progress</p>		

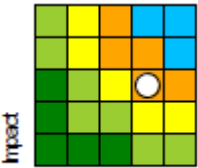
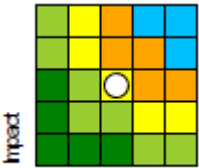
RISK 020 Radio Teleswitch switch off (Above risk appetite)

Strategic Outcome	Progressing from Excellence to Outstanding	Risk type	Reputation and Credibility	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk that customers with Radio Teleswitch (RTS) electricity meters (c.3500 customers) do not engage with their energy suppliers to have these meters updated in advance of the RTS switch off, resulting in these customers' storage heaters being left permanently switched on or off, depending on the last signal received. Either outcome could have a negative impact on customer experience and satisfaction, particularly as the Group is unable to directly resolve this issue on the behalf of its customers.</p>		<p>UK Government has refined the approach to Switch Off. It will now be by meter code which means it will be more cautious, with fewer (tens) of customers impacted at each code switch. Codes covering vast majority of our stock now not expected to be switched off until Spring 2026 at earliest.</p> <p>Continuing to engage with SFHA, OFGEM, Scottish and UK Government and energy companies to raise awareness of the issue from an RSL perspective;</p> <p>Continuing to work with Scottish Power including through regular updates that allow progress to be tracked, data sharing to support proactive contact with affected RTS customers to encourage switching and meetings with senior staff to address issues identified;</p> <p>Communications campaign including: letters to customers, at various times, to encourage contact with their energy company to arrange to switch; posters in MSF blocks; outbound calling from CFC and engagement with impacted customers through housing staff.</p> <p>Staff awareness campaign;</p> <p>Internal project team formed to monitor progress with switching and coordinate the listed control activities.</p> <p>Business continuity arrangements to provide any impacted customer with temporary heating and support to switch.</p>			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
		<p>Risk Appetite is MINIMAL (Light Green)</p>	<p>RSL Board updated on progress within Board performance reporting.</p>		

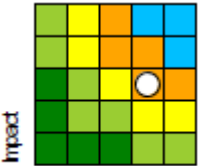
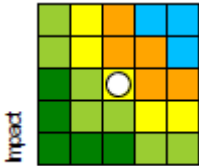
RISK 002 Impact of CBG consolidation on Group (New Risk)

Strategic Outcome	Maintaining a strong credit rating and managing financial risks	Risk type	Operational Delivery	Risk owner	Group Director of Finance
Description		Controls			
<p>There is a risk that the closer relationship with CBG with it becoming a subsidiary results in adverse implications to the Group and reputational damage as we are seen as being more responsible for the organisation.</p> <p>There is also a risk of delays to the implementation of CBG change management programme affecting the ability to consolidate CBG within the Group accounts, resulting in potential delays to Group financial statements and reputational damage.</p>		<p>Progress monitored by a Senior Officers Group comprised of representatives from WHG/GCC and CBG including both WHG and GCC Chief Executives</p> <p>Regular meetings with CBG Senior Management Team.</p> <p>Oversight of CBG internal control framework through membership of CBG Board.</p> <p>CBG management attend Group joint management meetings.</p>			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
 <p>Impact</p> <p>Likelihood</p>	 <p>Impact</p> <p>Likelihood</p>	<p>Risk Appetite is CAUTIOUS (Yellow)</p>	<p>GCC internal audit provide quarterly updates to Group Audit Committee.</p> <p>Updates to Group Board from CBG Board attendees</p>		

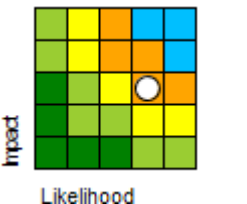
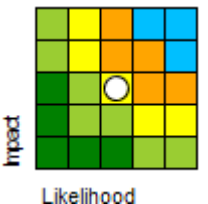
RISK 052 Responsibilities under Awaab's Law (New Risk)

Strategic Outcome	Investing in existing homes and environments	Risk type	Reputation and Credibility	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk that we face criticism or challenge about our response to and compliance with Awaab's Law, due to stakeholders' differing knowledge and understanding of the law's scope and the requirements it places on social landlords, resulting in customer dissatisfaction and reputational damage.</p>		<p>Satisfaction surveys are used to monitor and assess customer satisfaction with damp and mould repairs.</p> <p>Planned controls Engagement with 'critical friend' RSLs and relevant bodies to learn from how English bodies have responded to Awaab's law. Damp and Mould policy being revised to set out the tenant's right to an independent assessment if they are not happy with the Group's response to reports of suspected damp and mould in their home. It will also reflect changes to how we manage stage 2 complaints related to Damp and Mould.</p>			
Inherent risk	Residual risk	Risk Appetite level:		Previous / Next detailed Board update on operation of controls listed above:	
 <p>Likelihood</p>	 <p>Likelihood</p>	<p>Risk Appetite is OPEN (Orange)</p>		<p>Damp and Mould update to February Group Board to include changes to Policy.</p>	

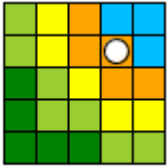
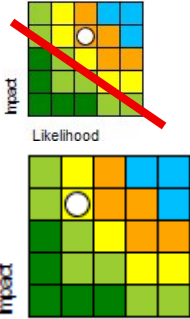
RISK 100 Underperformance of main delivery partner against investment plans

Strategic Outcome	Investing in existing homes and environments	Risk type	Reputation and Credibility	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk that Wheatley’s main delivery partner in the West (CBG) fails to deliver WH-G, Loretto and Lowther’s annual investment plans through an ineffective operational and systems environment which could and repair targets- result in reputational damage through failing to deliver commitments made to customers.</p>		<p>CBG prepare a 5-year business plan each year. This is informed by workload information provided by both Members and for WHG linked directly through to the WHG financial projections and informs CBG resource and labour planning. The investment plans are routinely monitored in respect of delivery and reports are considered monthly at DMT on the delivery status of the annual programme. The CBG Board reviewed agreed 3 year IT Strategy at their meeting in September 2025 and have a delivery plan for improvements to their systems environment.</p> <p>Performance in the delivery of the repairs service is also routinely monitored between operational delivery and management teams. WHG and CBG staff are co-located to ensure that this is achieved. Service levels and efficiency are measured against agreed targets and where issues are identified as part of this monitoring, improvement actions are then agreed and their effect monitored.</p>			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
		<p>Risk Appetite is OPEN (Orange)</p>	<p>Regular updates on the performance of CBG and the delivery of the investment programme are provided to relevant RSL Boards, Lowther and the Group Board primarily through regular performance and financial reporting.</p>		

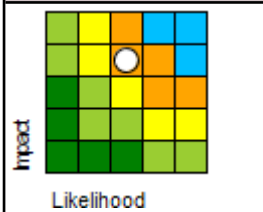
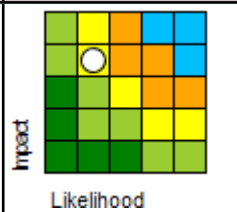
RISK 182 Underperformance of Repairs delivery partner (West) (New Risk)

Strategic Outcome	Developing a customer led Repairs Service	Risk type	Reputation and Credibility	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk that the Group’s main repairs delivery partner in the West (CBG) does not meet agreed delivery standards due to factors such as missed/late appointments, poor quality repair work, ineffective systems and/or poor service delivery, resulting in increased complaints and customer dissatisfaction.</p>		<p>Performance in the delivery of the repairs service is routinely monitored between operational delivery and management teams. WHG and CBG staff are co-located to ensure that this is achieved. Service levels and efficiency are measured against agreed targets and where issues are identified as part of this monitoring, improvement actions are then agreed and their effect monitored.</p> <p>Management reports cover areas including customer feedback, complaints monitoring, lessons learned, and training. Repairs performance is discussed at DMTs. Using My Voice scores and customer voice panels to obtain feedback on service delivery. Feedback from customers is monitored and used to deliver service improvement activities.</p> <p>The CBG Board reviewed agreed 3 year IT Strategy at their meeting in September 2025 and have a delivery plan for improvements to their systems environment.</p>			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
		<p>Risk Appetite is OPEN (Orange)</p>	<p>Regular updates on the performance of CBG and the delivery of the repairs service are provided to relevant RSL Boards, Lowther and the Group Board primarily through regular performance and financial reporting.</p>		

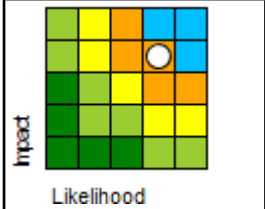
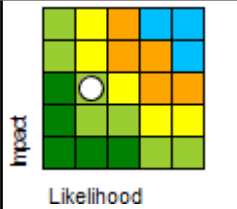
RISK 072 Financial viability of Care services (Above risk appetite)

Strategic Outcome	Maintaining a strong credit rating and managing financial risks	Risk type	Financial or VFM	Risk owner	Group Director of Communities
Description		Controls			
<p>Reduction in income or increased expenditure, unnecessary capital commitments, poor debtor control, reductions in housing benefit, or poor cash flow forecasting result in a reduced cash balance, threatening Wheatley Care’s ability to pay staff or creditors and deliver services.</p>		<ul style="list-style-type: none"> • Care Business Framework includes triggers to flag concerns and associated actions. Potential actions include decision to invoke exit clause, giving 3- 6 month notice. • Scrutiny of monthly finance reports at performance meeting and finance meetings. • Increased financial monitoring and controls implemented across services in March/April 2025 and reported against regularly. • Care viability matrix in place. • Strategic priorities linked to growth and maintenance, and operational growth plans target income maximisation. • Care business planning process allows us to manage costs and maximise income and assess the financial implications across a variety of scenarios and stress tests. • Target for reserves in place and reported quarterly to the Care Board. • Twice monthly monitoring of Unprocessed Invoice Reports to reduce potential for debt accumulation and non-compliance with 30 day payment terms. • Approved Group overdraft facility for use in event of emergencies. • Finance team manage debtors and is scrutinised by Board at each meeting. • Review and refinement of protocols linked to overtime and agency use and AL allocation. • Review of all service rotas to ensure maximising available hours 			
Inherent risk	Residual risk	Risk Appetite level:		Previous / Next detailed Board update on operation of controls listed above:	
 <p>Likelihood</p>	 <p>Likelihood</p>	<p>Risk Appetite is MINIMAL (Light Green)</p>		<ul style="list-style-type: none"> • Finance Report to each Wheatley Care Board providing details of financial performance of each service. Group Board Finance Report includes performance of Wheatley Care • Quarterly performance and business development report to each W Care Board. • Business Plan paper (Feb 2025, next due Feb 2026) 	

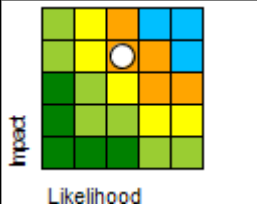
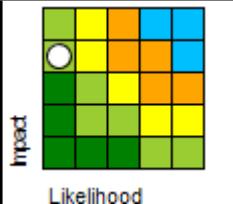
RISK 089 Fire Event (Above risk appetite)

Strategic Outcome	Developing peaceful and connected neighbourhoods	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Communities
Description		Controls			
<p>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.</p>		<p>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 are built with Water Suppression Systems as per new Building Standards requirements. Flats are designed to prevent the spread of fire through compartmentalisation. 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. Compliance Steering Group established to monitor and review compliance events that could contribute to risk of fire e.g. Gas Safety, Electrical Safety etc. Weekly report of PCRA Outstanding Actions issued to Managing Directors, Locality Housing Directors and Heads of Housing for Action.</p>			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Next detailed Board update on operation of controls listed above:		
		<p>Risk Appetite is MINIMAL (Light Green)</p>	<p>Annual report to RSL 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) Board updates are provided annually in May – next update due May 2026</p>		

RISK 053 Damp and Mould

Strategic Outcome	Investing in existing homes and environments	Risk type	Compliance - Legal / Regulatory	Risk owner	Group Director of Housing
Description		Controls			
<p>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.</p> <p>There is a risk that we do not address all damp and mould hazards that present a significant risk of harm to tenants within legislative timeframes because either we do not identify the hazards, or we do not take appropriate action to triage, investigate and complete relevant safety work to make the property safe, resulting in harm to tenants' health, property damage and reputational damage.</p>		<p>The Group has a Damp and Mould Policy, which is supported by detailed procedures. Information about reporting signs of mould and damp, factsheets and guidance videos are available to tenants on Group websites. All frontline staff who work with tenants or have reason to visit customer homes (including housing, wraparound services, CFC and care staff, and CBG trade operatives) are trained to recognise signs of damp and mould and raise repair jobs to address any issues identified. CFC staff have specific script for probing when someone raises concern about damp or mould to help clarify the extent of the issue. Trades staff are trained to identify condensation and its causes, and in the application of products to manage it. Annual Tenant visit process in place for RSLs and annual visits to properties as part of technical compliance programme, with those in attendance required to report any issues noted while in a property, including damp and mould. Specialist teams are in place for mould repairs with arrangements in place to provide specialist external support to this team as and when required. There are specific work order descriptions for mould and damp, with agreed timescales for completion of the works. All damp and mould jobs include a full inspection within target of 2 working days. Where mould or damp is found, jobs are categorised as mild, moderate or severe. No Access Policy enables us to force access where repeated issues of damp and mould are raised but access is refused. A process is in place to contact tenants with completed mould and damp jobs to determine whether the reported issue has been resolved.</p> <p>Planned control Introduce a right for tenants to request a report by an independent expert to verify that the damp and mould has been effectively treated.</p>			
Inherent risk	Residual risk	Risk Appetite level:		Previous / Next detailed Board update on operation of controls listed above:	
		<p>Risk appetite is MINIMAL (Light Green)</p>		<p>Damp and Mould measures included in regular performance reporting to RSL and Group Boards. From 2025/26, ARC measures on damp and mould will be reported to RSL and Group Boards as part of established ARC reporting before submission to SHR. Damp and Mould update to future Group Board to include changes to Policy.</p>	

RISK 036 Large Panel System structural condition (New risk)

Strategic Outcome	Investing in existing homes and environments	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Housing
Description		Controls			
<p>There is a risk of building structural damage or fire damage if we do not meet the Large Panel System (LPS) criteria set by the UK Government; resulting in potential harm to customers, staff and/or members of the public, prosecutions and reputational damage.</p>		<ul style="list-style-type: none"> ▪ High-Rise Inventory 2020, published by Scottish Government, lists the multi-storey blocks (MSFs) across Scotland which have been constructed using LPS (12 are owned by Wheatley Homes Glasgow). ▪ A regular inspection and survey programme is in place in line with the Building Research Establishment (BRE) guidelines. ▪ Surveys of our 12 MSF blocks with LPS showed no visible evidence of anything for concern. ▪ Intrusive surveys are scheduled over the coming years in line with recommended practice from BRE and will be completed in the next 3-5 years. 			
Inherent risk	Residual risk	Risk Appetite level:		Previous / Next detailed Board update on operation of controls listed above:	
		<p>Risk Appetite is MINIMAL (Light Green)</p>		<p>An update on Large Panel Systems and our approach to surveying was provided to WH-Glasgow Board and Group Board in August 2025. Further updates will be provided once the surveying programme is complete and through Board stock condition reporting.</p>	

Appendix 1: Wheatley Group Financial Report To October 2025 (Period 7)

1.	Income & Expenditure	
	a) Year-to-Date results	2-3
2.	RSL Borrower Group	
	a-g) Year-to-Date results	
	4-12	
3.	Summary of RSL operating costs and margin v budget	13
█	█	
	█	15-16
█	█	17
█	█	█
█	█	19
8.	Wheatley Group consolidated Balance Sheet	20

1a) Wheatley Group – Period to 31 October 2025

	Period to 31 October 2025			Full Year Budget £'000
	Actual £'000	Budget £'000	Variance £'000	
INCOME				
Net Rental Income	224,024	222,998	1,026	382,279
Grant income New Build	49,929	30,693	19,236	80,845
Grant income Other	4,337	3,825	512	5,114
Other Income	26,853	26,104	749	43,965
Total Income	305,143	283,620	21,523	512,203
EXPENDITURE				
Employee Costs	57,510	57,704	193	99,863
ER/VR	120	120	-	1,025
Running Costs	30,510	30,830	320	53,446
Repairs & Maintenance	60,440	59,222	(1,218)	98,778
Bad debts	1,930	3,116	1,186	5,336
Depreciation	72,748	72,748	-	124,714
Demolition Programme	2	-	(2)	-
Total Expenditure	223,260	223,739	479	383,162
NET OPERATING SURPLUS	81,883	59,881	22,002	129,041
	26.8%	21.1%		25.2%
Net interest payable	(43,255)	(43,705)	450	(80,301)
STATUTORY SURPLUS	38,628	16,176	22,452	48,740

Key highlights:

Statutory surplus of £38,628k is reported, £22,452k favourable compared to budget with additional grant income of £19,236k recognised on the early handover of completed units contributing to the favourable position. Excluding new build grant income, operating performance continues to be strong with additional net rental income reported from the early handovers and reduced void losses reflecting the letting performance. Overall, there is a favourable expenditure position compared to budget, with lower spend on staff, running costs and bad debts accommodating the additional repair costs incurred in the YTD.

- Within net rental income £376k has been generated from new build units have completing ahead of schedule. In Lowther, rental income is ahead of budget due to higher rents at re-let (not budgeted) In addition, rent loss on voids is £659k favourable with voids at 1.09% compared to the budgeted 1.38%.
 - Grant income recognised is £19,236k favourable to budget due to the earlier than budgeted completion of units in the YTD. Overall, 401 units have completed compared to the budgeted 277 units.
 - Other grant income includes £381k of unbudgeted adaptations grant in WH South and WH East (with corresponding higher costs in Investment spend), unbudgeted grant from GCC for contribution to cover the costs of customers downsizing. Additional renewable heat incentive grant funding has also been received in WH South.
 - Other income is £749k favourable to budget, with the West Craigs service in Wheatley Care, which commenced in July and was not included in the 2025/26 budget, contributing £276k of unbudgeted income in the YTD. Additional external funding of £210k received in Foundation and higher income from solar panels in WH Glasgow is also contributing to the variance.
 - Employee costs (direct and group services) reflect the favourable position in Wheatley Care due to vacancies and in Wheatley Solutions due to the timing of changes compared to the budgeted structures. This is partly offset by additional direct employee costs in WH Glasgow and WH East with additional costs to cover staff absences.
 - Running costs (direct and group services) are £320k favourable. Within direct running costs, subsidiaries are reporting a favourable position to budget offset by the additional costs in Wheatley Foundation matched with additional external funding. Within Wheatley Solutions costs are £290k favourable with several departments reporting lower costs.
 - Revenue repairs and maintenance includes higher spend reported in responsive repairs of £1,587k driven by the reduction in live job to be completed and an overall higher number of jobs in year to date.. Cyclical and compliance spend is £369k favourable to budget due to the timing of spend compared to the budgeted programme.
- Net Interest payable is £450k favourable to budget linked to the timing of loan drawdowns, lower variable rate payable and additional interest received in WFL1, WH South and the Foundation than budgeted.

1a) Wheatley Group – Period to 31 October 2025

Capital Investment	Period to 31 October 2025			Full Year Budget £'000
	Actual £'000	Budget £'000	Variance £'000	
CORE PROGRAMME				
SHNZ	0	0	0	0
Empty Homes	270	270	0	270
Adaptations	2,227	1,846	381	2,454
Other Capital grants	0	0	0	0
Grant Income	2,497	2,116	381	2,724
Core Investment Programme	30,889	32,409	1,520	60,707
SHNZ	0	0	0	0
Empty Homes	359	359	0	468
Adaptations	2,230	2,231	1	3,768
Voids	11,713	10,043	(1,670)	15,709
Capitalised Repairs	7,593	6,766	(827)	11,621
Total Core Investment	52,784	51,808	(976)	92,273
NET CORE INVESTMENT SPEND	50,287	49,692	(595)	89,549
NEW BUILD				
New Build Grant Income Received	42,049	45,270	(3,221)	83,697
New Build investment	82,331	74,009	(8,322)	136,829
NET NEW BUILD INVESTMENT SPEND	40,282	28,739	(11,543)	53,132
OTHER FIXED ASSET INVESTMENT SPEND	5,257	7,563	2,306	12,033
TOTAL NET CAPITAL INVESTMENT SPEND	95,826	85,994	(9,832)	154,714

Key highlights:

Within net core investment in tenants' homes spend is £595k higher than budget:

- Within the core investment programme spend is £1,520k favourable to budget. The favourable position reflects the timing of compliance and component replacements in all RSLs; namely window and door and lowrise spend in WH South, Internal common works, lift replacement and lowrise spend in WH Glasgow and windows and doors and central heating in Loretto. This is partly offset by additional spend in WH Glasgow on the kitchen programme as we are seeing higher spend due to above inflationary increases in the unit cost.
- The additional void spend is mainly attributable to Glasgow where YTD spend is £1,552k higher than budget. Higher spend is linked to the review of the void standard and several voids requiring more extensive work including properties which required major refurbishment works.
- Capitalised repairs includes additional spend of £299k in the WH East which includes remedial works following 2 fires (Gorgie Park Road and Earl Gray Street) totalling £130k and £55k in relation to specialist damp & mould work at a property in Granton. It also includes £395k additional spend in WH Glasgow of which £296k relates to damp & mould repairs works.
- The majority of the adaptation spend in the YTD has been grant funded. The additional funded spend in WH South and WH East has been offset by lower than budgeted spend in WH Glasgow and Loretto, due to timing of job requests in the YTD.

Net new build:

- New build grant income is £3,221k less than budget. Within WH Glasgow, grant income is £9,484k lower than budget mainly due to grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects with grant budgeted to be received in 2025/26. Within WHEast, new build grants received are £4,767k more than budget due to grant claims made at Deans South Ph2, Charlesfield and Longniddry being ahead of budget and in Lowther grant claims for Bellgrove being £492k ahead of budget in line with spend.
- New build spend is £8,322k ahead of budget and includes the accelerated spend in WH East at Deans South Ph 2, Wallyford 5 A/B, Charlesfield and Longniddry and in WH Glasgow at North Toryglen and the early completion of the land acquisition for Albion Street, partly offset by the timing of payments for onsite developments in WH Glasgow including Abbotshall and Shawbridge Arcade. It also includes the accelerated spend at Bellgrove in Lowther.
- Other fixed assets investment expenditure reflects the timing of spend on corporate estate and IT capital projects.

Wheatley Group Financial Report To October 2025 (Period 7)

RSL Borrower Group

2a) RSL Borrower Group – Period to 31 October 2025

Key highlights:

Statutory surplus of £37,528k is reported, £22,563k favourable compared to budget with additional grant income of £20,296k recognised on the early handover of completed new build units contributing to the favourable position. Excluding new build grant income, operating performance remains strong with additional net rental income reported from the early handovers and reduced void losses reflecting the strong letting performance. Overall expenditure is favourable to budget with the favourable position on running costs and bad debts accommodating the additional repair costs incurred in the YTD.

- Net rental income is £757k favourable to budget. Gross rental income is £245k favourable, due to the earlier than budgeted handovers in WH East where 219 SR units have completed compared to the budgeted 171 units, in Loretto where at East Lane 24SR units due to complete in June 2025, completed earlier than budgeted in 2024/25 and at South Crosshill 44SR units have completed earlier than the budgeted November 2025. In Glasgow 40SR units have completed at Calton Ph2 ahead of schedule. In addition, rent loss on voids is £512k favourable with voids at 1.08% compared to the budgeted 1.32%.
- Grant income recognised is £20,296k favourable due to the earlier than budgeted completion of units in the YTD. Overall, 389 units have completed compared to the budgeted 261 units, with a further 24 units at East Lane completing early in 2024/25. Units completed YTD are 4SR Sibbalds Brae, 108SR West Craigs Ph1 & 2, 26SR & 35MMR West Craigs Ph 3, 28SR Winchburgh BB Ph3, 30SR Dalhousie South, 23SR Builyeon, 40SR Calton Ph2, 51MMR at Shawbridge Arcade, and 44SR South Crosshill.
- Other grant income includes £381k of additional adaptations grant in WH South and WH East (with corresponding higher costs) in Investment spend, unbudgeted grant from GCC for contribution to cover the costs of customers downsizing. Additional renewable heat incentive grant funding has also been received in WH South.
- Other income is £280k higher than budget at P7, with higher than budgeted MMR rental income in line with the timing of new build completions and rent uplifts on MMR relets, and higher income from solar panels.
- Employee costs (direct and group services) are £54k favourable to budget at P7. The favourable £157k position from staff recharges from Wheatley Solutions due to the timing of changes compared to the budgeted structures in Wheatley Solutions is partly offset by additional NETs employee costs, mainly in WH Glasgow.
- Running costs (direct and group services) are £402k favourable. Within direct running costs all RSLs are reporting a favourable position to budget. Group services running costs are £236k favourable to budget due to cost efficiencies and the timing of spend across several departments, including The Academy, IT and Finance, in Wheatley Solutions.
- Revenue repairs and maintenance includes higher spend reported in responsive repairs of £1,521k initially driven by the reduction in live jobs and a continuing higher number of jobs completed year to date when compared to the same period last year. An additional 2,706 jobs have been completed compared to YTD to October 2024. Cyclical and compliance spend is £369k favourable to budget mainly due to the timing of spend for communal utilities. The full compliance budget will be utilised by the year end.

	Period to 31 October 2025			Full Year Budget £'000
	Actual £'000	Budget £'000	Variance £'000	
INCOME				
Net Rental Income	209,664	208,907	757	357,255
Grant income New Build	49,005	28,709	20,296	78,861
Grant income Other	4,337	3,825	512	5,114
Other Income	9,877	9,596	280	16,806
Total Income	272,883	251,037	21,845	458,036
EXPENDITURE				
Employee Costs	42,053	42,108	54	71,747
ER/VR	120	120	-	1,025
Running Costs	21,465	21,867	402	39,811
Repairs & Maintenance	55,588	54,436	(1,152)	91,069
Bad debts	1,662	2,789	1,127	4,781
Depreciation	72,748	72,748	-	124,714
Demolition Programme	2	-	(2)	-
Total Expenditure	193,639	194,068	430	333,148
NET OPERATING SURPLUS	79,244	56,969	22,275	124,888
	29.0%	22.7%		27.3%
Net interest payable	(41,716)	(42,004)	288	(77,400)
STATUTORY SURPLUS	37,528	14,965	22,563	47,488

Net Interest payable is £288k favourable to budget linked to the timing of loan drawdowns, lower variable rate payable and additional interest received in WFL1 and WH South than budgeted.

2a) RSL Borrower Group – Period to 31 October 2025

Capital Investment	Period to 31 October 2025			Full Year Budget £'000
	Actual £'000	Budget £'000	Variance £'000	
CORE PROGRAMME				
SHNZ	0	0	0	0
Empty Homes	270	270	0	270
Adaptations	2,227	1,846	381	2,454
Other Capital grants	0	0	0	0
Grant Income	2,497	2,116	381	2,724
Core Investment Programme	30,649	31,989	1,340	59,357
SHNZ	0	0	0	0
Empty Homes	359	359	0	468
Adaptations	2,230	2,231	1	3,768
Voids	11,421	9,856	(1,565)	15,388
Capitalised Repairs	7,500	6,712	(788)	11,517
Total Core Investment	52,159	51,147	(1,012)	90,498
NET CORE INVESTMENT	49,662	49,031	(631)	87,774
NEW BUILD				
New Build Grant Income Received	34,263	37,977	(3,714)	75,681
New Build investment	78,230	70,297	(7,933)	129,128
NET NEW BUILD INVESTMENT	43,967	32,320	(11,647)	53,447
OTHER FIXED ASSET INVESTMENT	5,144	7,458	2,314	11,855
TOTAL NET CAPITAL INVESTMENT	98,773	88,809	(9,964)	153,076

Key highlights:

Within net core investment in tenants' homes spend is £631k higher than budget:

- Within the core investment programme spend is £1,340k favourable to budget. The favourable position reflects the timing of compliance and component replacements in all RSLs; namely window and door and lowrise spend in WH South; Internal common works, lift replacement and lowrise in WH Glasgow and windows and doors and central heating in Loretto. This is partly offset by additional spend in WH Glasgow on the kitchen programme as we are seeing higher spend due to above inflationary increases in the unit cost.
- The additional void spend is attributable to Glasgow where YTD spend is £1,552k higher than budget. Higher spend is linked to the review of the void standard and voids requiring more extensive work.
- Capitalised repairs includes additional spend of £299k in the WH East which includes remedial works following 2 fires (Gorgie Park Road and Earl Gray Street) totalling £130k and £55k in relation to specialist damp & mould work at a property in Granton.
- All adaptation spend in the YTD has been grant funded. The additional funded spend in WH South and WH East has been offset by lower than budgeted spend in WH Glasgow and Loretto, due to timing of job requests in the YTD.

Net new build investment is £9,964k higher than budget.

- New build grant income is £3,714k less than budget. Within WH Glasgow, grant income is £9,484k lower than budget mainly due to grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects with grant budgeted to be received in 2025/26. Within WH East, new build grants received are £4,767k more than budget due to grant claims made at Deans South Ph2, Charlesfield and Longniddry being ahead of budget.
- New build spend is £7,933k ahead of budget and includes the accelerated spend of £5,763k at WH East at Deans South Ph 2, Wallyford 5 A/B, Charlesfield and Longniddry and in WH Glasgow at North Toryglen and the early completion of the land acquisition for Albion Street, partly offset by the timing of payments for onsite developments in Glasgow including Abbotshall and Shawbridge Arcade and the delayed start at Cook Street.
- Other fixed assets investment expenditure reflects the timing of spend on corporate estate and IT capital projects.

2b) RSL Borrower Group underlying surplus – Period to 31 October 2025

The Wheatley Group and RSL Borrower Group operating Statement (Income and Expenditure Account) are prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2018).

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

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

An underlying surplus of £11,607k has been reported for the period to 31 October 2025. The favourable variance of £1,872k to budget reflects the continued solid operating performance with additional net rental income reported from the early handovers and reduced void losses and an overall favourable expenditure position compared to budget.

Borrower Group Underlying Surplus				
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks	FY Budget £ks
Net Operating Surplus	79,244	56,969	22,275	124,888
add back:				
Depreciation	72,748	72,748	0	124,714
less:				
Grant Income	(49,005)	(28,709)	(20,296)	(80,653)
Net interest payable	(41,716)	(42,004)	288	(77,400)
Total Core investment	(49,664)	(49,269)	(395)	(85,690)
Underlying surplus	11,607	9,735	1,872	5,859

2c) Wheatley Homes Glasgow – Period to 31 October 2025

	Year To October 2025			Full Year Budget Eks
	Actual Eks	Budget Eks	Variance Eks	
INCOME				
Rental Income	141,446	141,361	85	241,420
Void Losses	(1,513)	(1,804)	291	(3,034)
Net Rental Income	139,933	139,557	376	238,386
Grant Income New Build	16,210	240	15,970	25,685
Grant Income Other	2,570	2,530	40	2,863
Other Income	7,313	7,169	144	14,913
Total Income	166,026	149,496	16,530	281,847
EXPENDITURE				
Employee Costs - Direct	22,313	22,248	(65)	37,846
Employee Costs - Group Services	8,906	9,016	110	15,388
ER / VR	84	84	(0)	1,025
Direct Running Costs	8,564	8,660	96	16,402
Running Costs - Group Services	5,083	5,250	167	8,942
Revenue Repairs and Maintenance	40,664	39,488	(1,176)	64,808
Bad debts	1,184	1,696	512	2,907
Depreciation	48,752	48,752	0	83,576
Demolition	0	0	0	0
TOTAL EXPENDITURE	135,550	135,193	(357)	230,894
NET OPERATING SURPLUS / (DEFICIT)	30,476	14,303	16,173	50,953
<i>Net operating margin</i>	18.4%	9.6%	8.8%	18%
Net Interest Payable	(28,694)	(28,794)	100	(54,695)
STATUTORY SURPLUS / (DEFICIT)	1,782	(14,491)	16,273	(3,742)
INVESTMENT				
Total Capital Investment Income	17,172	26,656	(9,484)	46,313
Investment Programme Expenditure	36,564	35,620	(944)	62,937
New Build Programme	34,806	32,433	(2,373)	62,305
Other Capital Expenditure	3,376	5,609	2,233	8,625
TOTAL CAPITAL EXPENDITURE	74,746	73,662	(1,084)	133,867
NET CAPITAL EXPENDITURE	57,574	47,006	(10,568)	87,554

Key highlights:

A net operating surplus of £30,476k, £16,173k favourable to budget and a statutory surplus of £1,782k, £16,273k favourable to budget, is reported. The financial performance reflects early completion of new build units and related grant recognition, the strong letting performance, offset in part by higher repair costs.

- Net rental income is £376k favourable to budget with the variance mainly related to lower than budgeted voids at 1.07% for the YTD compared to the budgeted YTD rate of 1.28%.
- Grant income recognised to date relates to units completed in September and October at two new build sites; 40SR completions at Calton Ph2 (budgeted for January 2026) and 51MMR completions at Shawbridge Arcade (budgeted for March 2026). In addition, grant income includes grant for 4 property acquisitions, completed in May, August and October.
- Other grant income is £40k higher than budget following receipt of two unbudgeted grants 1) grant from GCC to cover the costs of customers downsizing and 2) grant from Cycling Scotland for the installation of bike storage.
- Other income is £144k higher than budget, with higher than budgeted MMR rental income, in part due to the early new build completions and higher income from solar panels.
- Total employee costs (direct and group services) are £45k favourable to budget. Direct employee costs are £65k unfavourable to budget. The variance is driven by changes in the NETs service with new gardening and painting teams. Group services are £110k favourable to budget due to the timing of changes compared to the budgeted structures in Wheatley Solutions.
- Total running costs (direct and group services) are £263k favourable to budget. Within direct running costs, several lines report variances due to timing, totalling £96k. Group services running costs are £167k favourable to budget due to several departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance spend is £1,176k unfavourable to budget. In the YTD, responsive repairs are £1,608k higher than budget. 102,071 responsive repair jobs have been completed, compared to 99,365 in the same period last year, with a reduction in live jobs increasing completed numbers and a higher average cost, contributing to the higher spend YTD. Cyclical and compliance spend is £433k favourable, mainly due to lower communal utility costs, noting that overall full year cyclical spend is forecast to be in line with budget.

Net interest payable is £100k favourable to budget due to the lower variable interest rate payable than assumed in the budget.

Net capital expenditure of £57,574k is £10,568k higher than budget, mainly due to timing of new build grant income.

- Capital investment income is £9,484k lower than budget driven by grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects with grant budgeted to be received in 2025/26. The delayed starts at Cook Street and Abbotshall Avenue were partly offset by the earlier Albion Street start date.
- Investment spend is £944k higher than budget, with lower spend of £658k on core programme due to the timing of works (noting spend will continue to increase in line with forecast expectations) offset by void spend being £1,552k over budget YTD due to an increase in the number of higher specification voids.
- New build spend is £2,373k higher than budget, mainly due to the early start of the Albion Street development following GCC grant availability in 2025/26, higher spend at North Toryglen linked to the profile, partly offset by timing of payments for onsite developments including Abbotshall and Shawbridge Arcade and the delayed site start at Cook Street.
- Other capital expenditure is £2,233k lower than budget due to the timing of IT project and office premises spend.

2d) Loretto Housing – Period to 31 October 2025

	Period To 31 October 2025			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	10,890	10,791	99	18,652
Void Losses	(216)	(246)	30	(422)
Net Rental Income	10,674	10,545	129	18,230
Grant Income New Build	4,466	2,883	1,583	9,922
Grant Income Other	64	28	36	120
Other Income	71	68	3	351
Total Income	15,275	13,524	1,751	28,623
EXPENDITURE				
Employee Costs - Direct	911	906	(5)	1,548
Employee Costs - Group Services	588	595	7	1,015
ER / VR	0	0	0	0
Direct Running Costs	1,066	1,098	32	2,079
Running Costs - Group Services	345	356	11	606
Revenue Repairs and Maintenance	2,758	2,650	(108)	4,969
Bad debts	59	155	96	266
Depreciation	4,554	4,554	0	7,807
TOTAL EXPENDITURE	10,281	10,314	33	18,290
OPERATING SURPLUS / (DEFICIT)	4,994	3,210	1,784	10,333
<i>Net operating margin</i>	32.7%	23.7%	9.0%	
Net Interest Payable	(2,282)	(2,328)	46	(4,185)
STATUTORY SURPLUS / (DEFICIT)	2,712	882	1,830	6,148

	Period To 31 October 2025			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	1,947	694	1,253	1,885
Investment Programme	1,818	2,258	440	4,497
New Build Programme	4,211	4,051	(160)	6,537
Other Capital Expenditure	192	176	(16)	282
TOTAL CAPITAL EXPENDITURE	6,221	6,485	264	11,316
NET CAPITAL EXPENDITURE	4,274	5,791	1,517	9,431

Key highlights:

A net operating surplus of £4,994k, £1,784k favourable to budget and a statutory surplus of £2,712k, £1,830k favourable to budget is reported. The favourable variance reflects the earlier than budgeted recognition of grant income following the early completion of units at South Crosshill and good letting performance.

- Net rental income is £129k favourable to budget due to 24 East Lane units, budgeted to complete in July 2025, completing ahead of schedule in March 2025, 44 units at South Crosshill completing early (16 in June and 28 in September), ahead of the budgeted time of November, in addition to void losses of 1.98% in the year to date compared to the budgeted 2.28%.
- Grant income relating to new build is £1,583k favourable to budget due early completion of 44 units at South Crosshill in July and September 2025, budgeted for November 2025. This is partially offset with the early completion of 24 East Lane units in March 2025, which were in the current year budget.
- Grant Income other is £36k favourable to budget due to receipt of unbudgeted grant income from Cycling Scotland to install bike shelter infrastructure.
- Total employee costs (direct and group services) are £2k favourable to budget due to the timing of changes compared to the budgeted structures in Wheatley Solutions.
- Total running costs are £43k favourable to budget due to the timing of spend and cost savings across several departments within Wheatley Solutions and due to the timing of direct running costs.
- Revenue repairs and maintenance are £108k unfavourable to budget. Revenue responsive repairs are £56k unfavourable. YTD, 6,847 responsive repair jobs have been completed, compared to 6,419 in the same period last year. This is linked to both an increase in the demand and a reduction in live jobs, (615 at March to 331 at the end of October). Compliance spend, is £52k higher than budget due to additional maintenance costs for mechanical and electrical assets (e.g. ventilation mechanical doors, fire alarms etc), which are being slightly offset by communal utilities.
- Net Interest payable is £46k lower than budget, due to the timing of loan drawdowns and a reduced lending rate compared to the budget.

Net capital expenditure of £4,274k is £1,517k lower than budget.

- Capital investment income (grant) is £1,253k higher than budget due to the timing of the new build grant income for Bank Street and accelerated claims at Forfar Avenue due to the earlier than budgeted start on site.
- Investment programme expenditure of £1,818k relates to core programme works, capitalised repairs and voids. A favourable variance is reported due to the timing of core programme works, (noting the favourable variance will reduce as spend increases over the coming months), offset by higher spend on capitalised repairs in the YTD, linked to the increase in completed jobs.
- New build spend is £160k higher than budget due to spend at Forfar Avenue which has started onsite ahead of the budgeted date, This overspend is partly offset by the timing of spend across projects including South Crosshill where there was accelerated spend in 2024/25.
- Other capital expenditure of £192k mainly relates to Loretto's contribution to Wheatley Group IT costs. An overspend is reported due to installation of bike shelter infrastructure at 2 sites, noting that grant income was received for this.

2e) Wheatley Homes East – Period to 31 October 2025

Key highlights:

Net operating surplus of £33,985k is £2,994k favourable to budget. Statutory surplus for the period is £27,368k, £2,988k favourable to budget. Earlier than budgeted handover new build completions, generating additional rental and lease income, and additional adaptations grant funding are contributing to the favourable variance.

- Gross rental income is £38k favourable to budget due to additional rental income from the new build completions. Void losses are £11k favourable to budget with voids losses of 1.42% compared to the budget of 1.47%.
- Grant income recognised of £28,329k is £2,743k favourable to budget. 254 properties have completed to date with 237 budgeted. Completed units were at West Craigs Ph1 & 2 (108SR), West Craigs Ph3 (26SR & 35MMR), Buileyon (23SR), Winchburgh BB (28SR), Dalhousie South Ph 1 (30SR) and Sibbalds Brae (4SR).
- Other grant income of £396k includes £158k adaptation grant income which is £51k ahead of budget due to increased grant approved for the year and is in line with additional corresponding adaptation spend.
- Other income of £2,833k is £116k favourable to budget reflecting the higher than budgeted lease income from Lowther and includes the 35 MMR properties at West Craigs Ph3 that completed ahead of budget.
- Total employee costs are £11k favourable to budget with group employee costs favourable to budget by £21k due to the timing of changes compared to the budgeted structures in Wheatley Solutions. Direct employee costs are unfavourable and include additional agency costs to cover staff absences at the supported Livingwell sites and the Harbour.
- ERVR costs of £36k are unfavourable YTD with spend managed within budget across the Group.
- Total running costs are £40k favourable to budget due to group running costs being £33k favourable to budget due to several departments reporting lower costs across Wheatley Solutions. Direct running costs are favourable to budget by £7k, with several departments reporting variances due to timing.
- Revenue repairs and maintenance spend are £11k favourable to budget. Responsive repairs are £80k favourable to budget with job numbers remaining stable from the prior year. Cyclical maintenance is £69k higher than budget driven by the timing of EICR works with spend expected to align with budget over the year.

Net interest payable of £6,617k includes interest due on the loans due to Wheatley Funding No.1 Ltd and external funders. Loan interest is broadly in line with budget.

Net capital expenditure of £23,394k is £1,317k higher than budget.

- Capital investment income is £4,818k higher than budget due to grant claims made at Deans South Ph2, Charlesfield and Longniddry being ahead of budget in line with the accelerated progress and spend on site.
- Investment programme spend is £552k higher than budget. Higher capitalised repairs of £299k are reported including £130k of remedial works following two fires, £55k of specialist works in relation to damp & mould works at one property in Granton and £76k for four high value rot and roof repairs. Core programme is £230k higher than budget driven by increased spend on district heating and on boilers.
- New build spend of £24,170k is £5,763k higher than budget due to the profiling and acceleration of spend at sites including Deans South Ph2, Charlesfield Road, Wallyford 5 A/B and Longniddry.

	Period to 31 October 2025			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	27,314	27,276	38	47,147
Void Losses	(389)	(400)	11	(685)
Net Rental Income	26,925	26,876	49	46,462
Grant Income	28,329	25,586	2,743	37,011
Other Grant Income	396	343	53	588
Other Income	2,833	2,717	116	5,982
TOTAL INCOME	58,483	55,522	2,961	90,043
EXPENDITURE				
Employee Costs - Direct	3,088	3,078	(10)	5,258
Employee Costs - Group Services	1,706	1,727	21	2,944
ER/VR	36	0	(36)	0
Direct Running Costs	2,885	2,894	9	5,172
Running Costs - Group Services	1,001	1,034	33	1,759
Revenue Repairs and Maintenance	5,214	5,225	11	8,794
Bad Debts	280	285	5	489
Depreciation	10,288	10,288	0	17,636
TOTAL EXPENDITURE	24,498	24,531	33	42,052
NET OPERATING SURPLUS	33,985	30,991	2,994	47,991
<i>Net Operating Margin</i>	<i>58%</i>	<i>56%</i>	<i>2%</i>	<i>53%</i>
Net Interest payable & similar charges	(6,617)	(6,611)	(6)	(11,299)
STATUTORY SURPLUS	27,368	24,380	2,988	36,692

	Period to 31 October 2025			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	7,700	2,882	4,818	2,126
Investment Programme Expenditure	6,538	5,986	(552)	9,156
New Build & Other Investment	24,170	18,407	(5,763)	34,945
Other Capital Expenditure	386	566	180	945
TOTAL CAPITAL EXPENDITURE	31,094	24,959	(6,135)	45,046
NET CAPITAL EXPENDITURE	23,394	22,077	(1,317)	42,920

2f) Wheatley Homes South – Period to 31 October 2025

OPERATING STATEMENT	Period to October 2025			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
INCOME				
Rental Income	32,304	32,281	23	54,778
Void Losses	(172)	(352)	180	(600)
Net Rental Income	32,132	31,929	203	54,178
Grant Income	0	0	0	6,244
Other Grant Income	1,307	924	383	1,542
Other Income	658	654	4	2,364
TOTAL INCOME	34,097	33,507	590	64,328
EXPENDITURE				
Employee Costs - Direct	3,150	3,127	(23)	5,344
Employee Costs - Group Services	2,023	2,048	25	3,492
Direct Running Costs	1,693	1,724	31	3,348
Running Costs - Group Services	1,187	1,226	39	2,086
Revenue Repairs and Maintenance	6,952	7,073	121	12,496
Bad debts	139	653	514	1,119
Depreciation	9,154	9,154	0	15,695
Demolition and compensation	2	0	(2)	0
TOTAL EXPENDITURE	24,300	25,005	705	43,580
NET OPERATING SURPLUS	9,797	8,502	1,295	20,748
<i>Net operating margin</i>	29%	25%	3%	32%
Interest receivable	66	53	13	90
Interest payable & similar charges	(4,220)	(4,324)	104	(7,311)
STATUTORY SURPLUS	5,643	4,231	1,412	13,527
INVESTMENT	Actual £ks	Budget £ks	Variance £ks	Budget £ks
TOTAL CAPITAL INVESTMENT INCOME	10,700	10,620	80	19,930
Capital Investment spend	7,238	7,283	45	13,908
New Build Programme	15,043	15,406	363	27,229
Other Fixed Assets	1,190	1,107	(83)	1,983
TOTAL INVESTMENT EXPENDITURE	23,471	23,796	325	43,120
NET CAPITAL EXPENDITURE	12,771	13,176	405	23,190

Key highlights :

Net operating surplus of £9,797k, £1,295k favourable to budget and a statutory surplus of £5,643k, £1,412k favourable is reported. The favourable position in the period to October reflects the letting performance and the overall favourable expenditure position to budget.

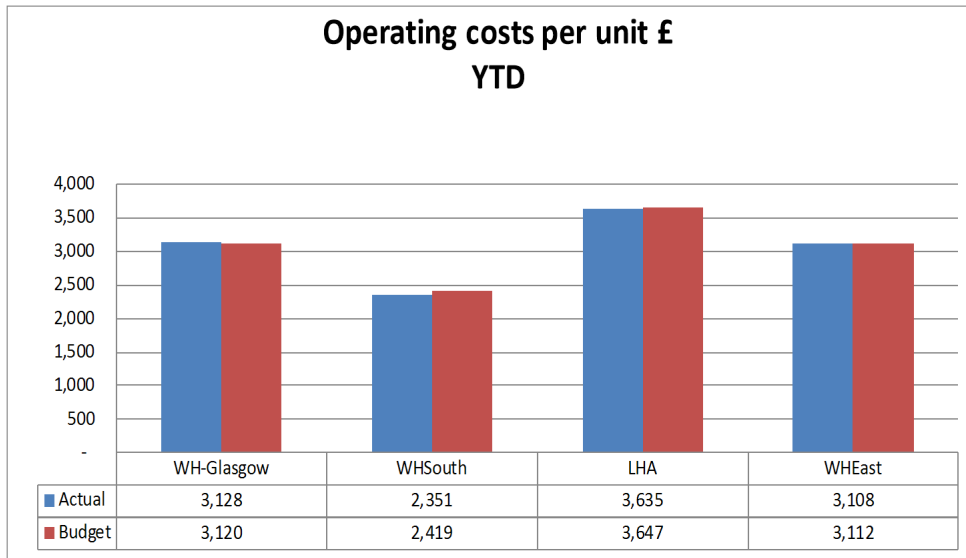
- Net rental income is £203k higher than budget. Void losses are £180k favourable to budget, with a void loss rate of 0.5% vs 1.1% in budget. Rental income is favourable to budget after successful negotiations with DGC to increase the service charge income at Young Persons Project (YPP).
- Other grant income is £383k favourable to budget and includes additional aids & adaptations grant (with corresponding higher costs) and higher renewable heat incentive (RHI) grant funding.
- Total employee costs (direct and group services) are £2k favourable to budget due to the timing of changes compared to the budgeted structures in Wheatley Solutions, partly offset by higher apprenticeship levy and the costs in relation to the timing of health and wellbeing claims.
- Total running costs (direct & group services) are £70k favourable to budget due to the timing of spend and cost savings across several departments within Wheatley Solutions and within direct running costs.
- Repairs costs are £121k favourable to budget. Responsive repairs are £61k favourable due to a reduction in demand compared to this time last year (1,100 fewer jobs) partly offset by higher average cost per job. Gas planned maintenance is favourable to budget due with the works to date costing less than the allocated budget and other compliance spend is higher than budget due to additional asbestos removal jobs. All compliance work is delivered within the required legislative timeframe.

Interest payable of £4,220k represents interest due on the loans due to Wheatley Funding No.1 Ltd and external funders. The favourable position is due to lower drawdowns than budgeted to date and a lower variable lending rate than budgeted.

Net capital expenditure of £12,771k is £405k lower than budget.

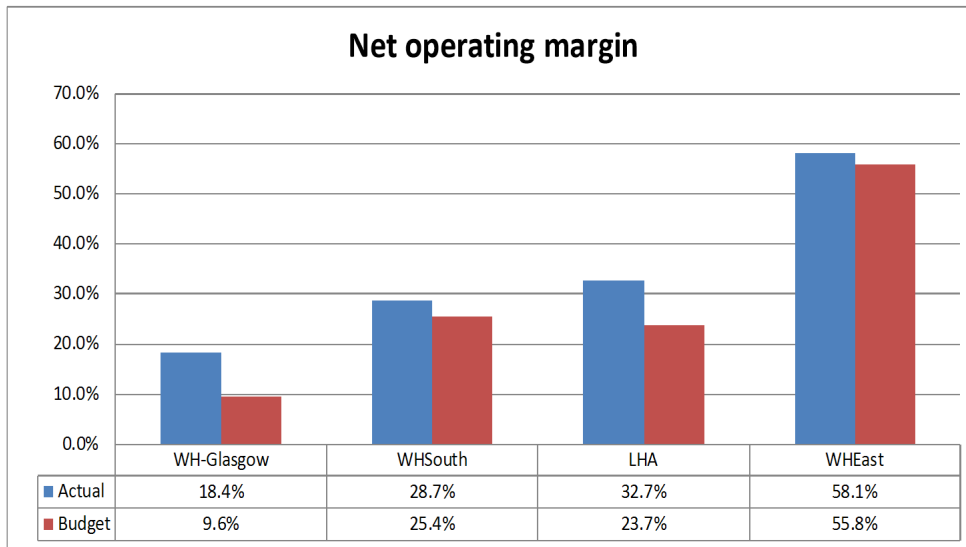
- Capital investment income is £80k higher than budget. New build grant income is less than budget with a delayed start at Leswalt partly offset by additional grant income due to accelerated spend at Ashwood Drive. Adaptations spend is £330k higher, in line with higher income reported in other grant income.
- Total capital investment spend of £7,238k is £45k lower than budget due to timing of spend on core programme (windows & doors and lowrise) partly offset by higher capitalised voids due to more higher value voids (>£10k) and additional funded aids & adaptations spend.
- New Build expenditure, reflecting the movement in grant income, is £363k lower than budget due to the delayed start at Leswalt, offset by accelerated spend at Ashwood Drive and Johnstonebridge.
- Other capital expenditure of £1,190k is £83k higher than budget due to accelerated spend on the office at Ashwood Drive, partly offset by reduced costs due to the timing of IT project spend.

3) Summary of RSL operating costs and margin v budget



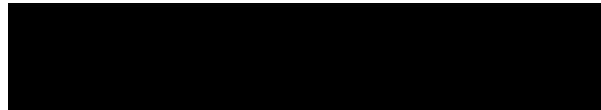
Operating costs per unit:

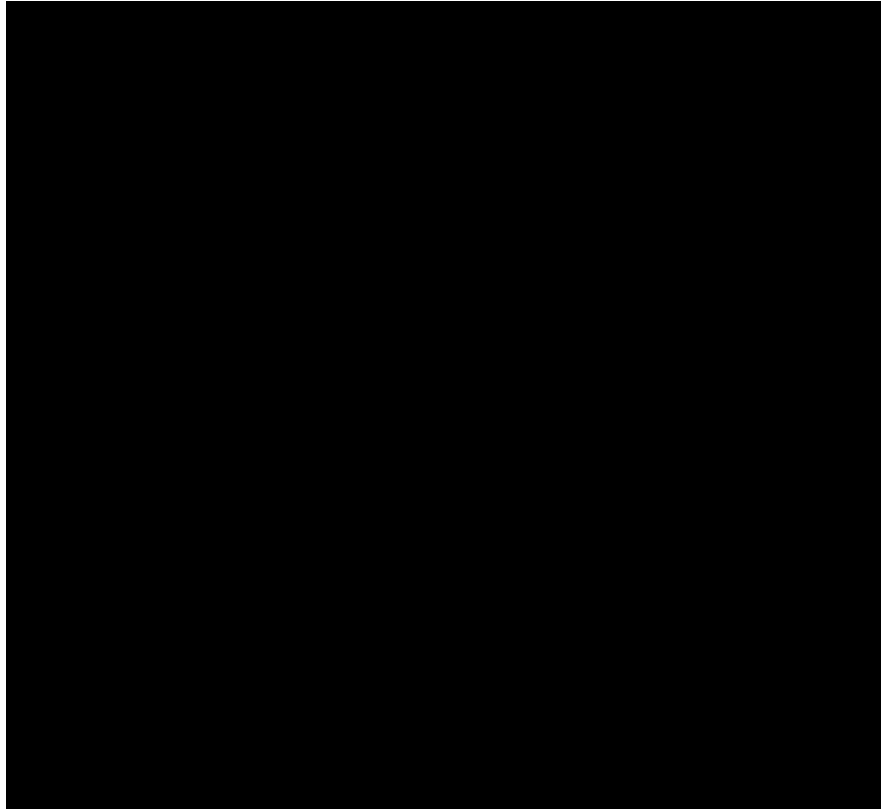
- At October 2025 operating costs per unit are lower than budget for WH South, Loretto and WH East and marginally higher for WH Glasgow. Within WH Glasgow the higher than budgeted repair costs including the reduction in the number of live jobs and an increase in the average cost per job is driving the higher unit cost variance.
- Operating costs per unit vary across the RSLs depending on the stock profiles and types of accommodation offered.



Net operating margin

- Net operating margin is favourable to budget in all RSL's is due to the early recognition of the new build grants in 2025/26.
- Similar to operating costs, the favourable variances across expenditure lines is impacting margins in the RSLs.





- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

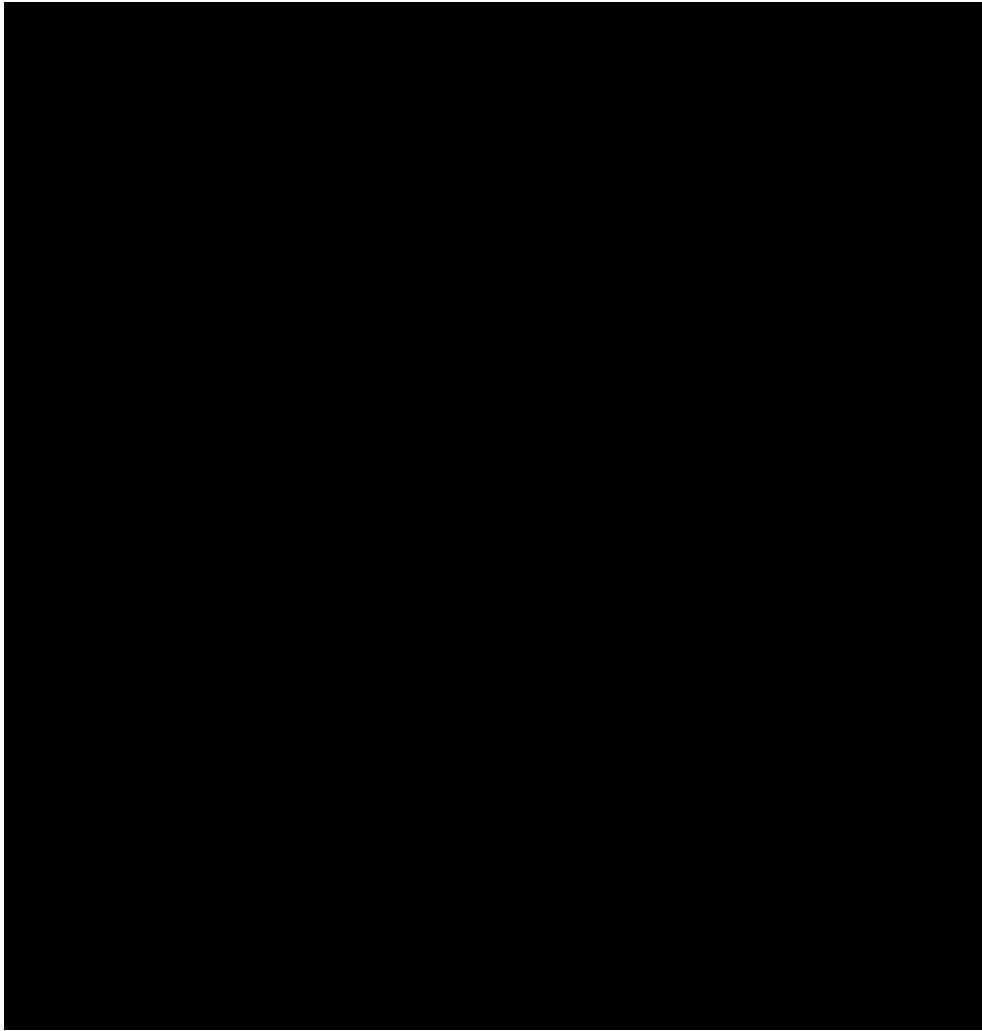
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

8) Wheatley Group – Consolidated Balance Sheet



	As at 31 October 2025	As at 31 March 2025
	£ks	£ks
Fixed Assets		
Social Housing Properties	3,131,502	3,062,066
Investment properties	386,978	386,255
Other tangible fixed assets	85,451	87,933
Investments -other	416	416
Fixed Assets	3,604,347	3,536,670
Debtors Due More Than One Year		
Current Assets		
Stock	2,324	2,278
Rent & Service charge arrears	19,995	25,560
less: Provision for rent arrears	(14,231)	(13,967)
Prepayments and accrued income	13,531	16,234
Other debtors	26,719	18,132
	48,338	48,237
Bank & Cash	32,091	36,299
Current Assets	80,429	84,536
Current Liabilities		
Trade Liabilities	(8,893)	(15,713)
Accruals	(60,547)	(50,305)
Deferred income	(37,989)	(74,457)
Rents & service charges in advance	(18,146)	(23,329)
Bank Loans	(30,502)	(29,790)
Other creditors	(15,549)	(19,235)
	(171,626)	(212,829)
Net Current Assets	(91,197)	(128,293)
Long Term Liabilities		
Contingent efficiencies grant	(46,943)	(46,943)
Bank finance	(1,437,843)	(1,399,199)
Bond finance	(300,000)	(300,000)
Provisions	(10,282)	(10,506)
Deferred income	(55,324)	(27,603)
Pension liability	(7,114)	(7,114)
Long Term Liabilities	(1,857,506)	(1,791,365)
Net Assets	1,655,644	1,617,012
Funding Employed		
Capital & Reserves		
Share Capital	0	0
Retained Income b/fwd	816,275	720,296
Income & Expenditure	38,628	95,975
Revaluation Reserves	800,741	800,741
Funding Employed	1,655,644	1,617,012

Key highlights:

The balance sheet as at 31 March 2025 reflects the audited position and year end statutory adjustments, including the revaluation of both housing and investment properties and actuarial valuations of the defined benefit pension schemes.

At 31 October 2025:

- The movement in fixed assets reflects investment in the core programme, the new build programme, and other fixed asset additions, less depreciation to date.
- Current assets (excluding cash) are in line with the balances at March 2025. A decrease of £5.8m in rent and service charge arrears is mainly due to the timing of receipt of Housing Benefit was offset by the movement in other debtors of due to timing.
- Bank and Cash of £32.1m includes deposits in transit and outstanding payments showing in the bank after the month end.
- Current liabilities of £171.6m have decreased £41.2m from the position at March 2025 with the main movement of £36.5m being in deferred income reflecting the timing of the recognition of new build grant on the completion of development properties.
- Long term liabilities at 31 October 2025 are £66.1m higher than 31 March 2025 due to £38.6m additional loans received to finance the developments across the RSL's and an increase of £27.7m in deferred income reflecting the timing of the recognition of new build grant on the completion of development properties.
- Income and expenditure of £38.6m relates to the group surplus for the period.

Report

To: Wheatley Housing Group Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: Finance report

Date of Meeting: 17 December 2025

1. Purpose

- 1.1 The purpose of this paper is to:
- Provide the Board with the financial results for the period to 31 October 2025; and

2. Authorising and strategic context

- 2.1 Under the Terms of Reference, the Group Board is responsible for the ongoing monitoring of performance against agreed targets. This includes the ongoing performance of its finances.
- 2.2 The key themes and aims of the 2021-26 strategy, Your Home, Your Community, Your Future set the context for the 2025/26 budget.

3. Background - Financial performance to 31 October 2025

- 3.1 The results for the period to 31 October, as presented in Appendix 1, are:

£m	Year to Date (Period 7)		
	Actual	Budget	Variance
Turnover	305.1	283.6	21.5
Operating expenditure	(223.2)	(223.7)	0.5
Operating surplus	81.9	59.9	22.0
<i>Operating margin</i>	26.8%	21.1%	
Net interest payable	(43.3)	(43.7)	0.4
Surplus	38.6	16.2	22.4
Net Capital Expenditure	95.8	86.0	9.8

4. Discussion

- 4.1 The Group is reporting a strong position with financial performance £22.4m favourable to budget. Within operating surplus, our property letting performance continues to improve the income position and total expenditure is managed within the budget, with scope in other expenditure lines to accommodate the higher spend on repairs. The variance to budget includes the recognition of £19.2m of new build grant on new build units that have completed ahead of schedule with 401 completing compared to the budgeted 277 units.
- 4.2 The most notable variance to budget is within repairs and maintenance spend which is reporting a year-to-date adverse variance to budget of £1.2m and equivalent of 2.1% of the year to date budget. This is driven by an increase in the number of completed jobs in the year and a higher than average cost per job, particularly notable in WH Glasgow. The higher job numbers include action in the first quarter to reduce the number of live jobs. However, since the start of the second quarter we have seen the underlying demand for repairs increase, with job numbers up by 3% compared to the same period last year and the average cost also increased by 4%.
- 4.3 In response, a Working Group has been established led by senior staff from both Wheatley and CBG to deliver a number of agreed actions to address the drivers for increased costs and demand. These include:
- A review of the use of subcontractors, the associated charging and post inspection of works carried out;
 - The establishment of a joint team with CBG to interrogate the scope of works for larger jobs more costly jobs;
 - The implementation of new process for approval of higher value work;
 - The extension of the validation process to verify quantities and charges; and
 - The development of a new joint dashboard to provide weekly performance data and forward looking forecasting implications.

The actions and outcomes are being monitored by the Executive team on a fortnightly basis.

- 4.4 Other key variances against budget include:
- Net rental income continues to report a favourable variance against budget with lower void levels at 1.09% compared to a budget of 1.38% resulting in all RSLs and Lowther performing favourably to budget. Rental income is also benefitting from the earlier than budgeted completion of new build homes;

▪ [REDACTED]

▪ [REDACTED]

4.5 Within capital investment net spend is £9.8m higher than budget, the key drivers are:

- New build grant income is £3.2m less than budget due to changes in the timing of the cash receipts compared to what was expected when the budget was set. Within WH Glasgow, grant income is £9.5m less than budget mainly due to grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects with grant budgeted to be received in 2025/26. Within WH East, new build grants received are £4.8m more than budget due to grant claims made at Deans South Ph2, Charlesfield and Longniddry being ahead of budget;
- New build spend is £8.3m higher than budget and includes the accelerated spend in the WH East at Deans South Ph 2, Wallyford 5 A/B, Charlesfield and Longniddry and in WH Glasgow at North Toryglen and the early completion of the land acquisition for Albion Street offset by the timing of payments for onsite developments in WH Glasgow including Abbotshall and Shawbridge Arcade. In Lowther, the new build variance mainly relates to the timing of grant received and spend at Bellgrove; and
- Net investment spend was £0.6m higher than budget. Within the core investment programme spend is £1.5m favourable to budget reflecting the timing of compliance works and component replacements at this point in the year. In voids, an additional £1.6m of void spend is mainly attributable to Glasgow. The level of spend is linked to the number of properties being returned in poorer condition and requiring more extensive work. A review of the level and scope of void works more generally will be included as part of the action plan for repairs

[REDACTED]

[REDACTED]

[REDACTED]

5. Customer Engagement

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

6. Environmental and sustainability implications

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

7. Digital transformation alignment

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

8. Financial and value for money implications

8.1 As noted above.

9. Legal, regulatory and charitable implications

9.1 As noted above.

10. Risk Appetite and assessment

10.1 The Board's agreed risk appetite for business planning and budgeting assumptions is "open". This level of risk tolerance is defined as "prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level".

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

11. Equalities implications

11.1 There are no equalities implications arising from this report.

12. Key issues and conclusions

12.1 This paper reports a strong financial performance position for the period to 31 October 2025 with a Group statutory surplus £22.6m higher than budget driven by the early recognition of £20.3m of new build grant. Operationally all income and expenditure lines are managed favourably to budget with the exception of repairs and maintenance which reports higher costs arising from an increase in job numbers and a higher number of more costly jobs. An action plan has been agreed to managing the drivers of the higher average repairs spend; it is led by senior staff at both Wheatley and CBG and overseen by the Executive Team.

13. Recommendations

13.1 The Board is requested to:

- 1) Note the Group management accounts for the period ended 31 October 2025; and
- 2) Note CBG's accounts are on schedule to be signed and filed by the deadline of 31 December 2025.

LIST OF APPENDICES:

Appendix 1: Group Financial Report to 31 October 2025

To: Wheatley Housing Group Board

By: Anthony Allison, Group Director of Governance and Business Solutions

Approved by: Steven Henderson, Group Chief Executive

Subject: Mechanical and Electrical Compliance and Repairs

Date of Meeting: 17 December 2025

1. Purpose

- 1.1 To seek Group Board approval to award a Group contract for the provision of Mechanical and Electrical ('**M&E**') compliance and repairs to Equans Services Ltd for a contract period of three years with the option to extend for a further 24 months.

2. Authorising and strategic context

- 2.1 Under the Scheme of Financial Delegation, the award of contracts is based on the financial value over the life of the contract. Group Board approval is required for contracts relating to revenue expenditure of more than £1m.
- 2.2 The value of this contract, based on our current service requirements, over the maximum term of the five-year period is £41m (including VAT). The contract will start with an initial three-year term, with an option to extend for an additional two years at our sole discretion.
- 2.4 Mechanical & Electrical compliance supports a key component of our strategy as we will maintain our commitment to "make the most of our homes and assets". We will ensure, through our home safety compliance programmes, that we protect and maintain our existing and future assets.

3. Background

- 3.1 We manage a diverse array of M&E equipment, including local extraction ventilation systems, fire alarms and firefighting equipment, pumps and tanks, warden calls, and emergency lighting. In 2019, our programme comprised 8,200 cyclical visits to our assets to undertake the appropriate checks and inspections.
- 3.2 Since 2019, the programme has expanded to include Wheatley Homes South, incorporating our new build programme. Our new build programme includes a high number of flats. These new build flats have rigorous compliance standards, including integrated emergency lighting, sprinkler systems, fire suppression measures, and automatic ventilation systems. Each of these features must be maintained to our stringent compliance requirements. Combined with the inclusion of our corporate estate our programme is now some 19,000 visits annually.

- 3.2 Our assets covered by the contract will continue to grow as we continue to build new homes and as we consolidate legacy contracts within Wheatley Homes South and East upon their expiry.
- 3.3 There are over 200 individual compliance requirements which are included within our M&E workstream. The main work types are:

Asset Types	
Communal TV	Water tank treatment (including water sampling)
Fire alarms	Cold water pump and storage installations
Intruder alarms	Sewage systems
Alarm receiving	Sprinkler systems
Emergency lighting	Pressure reducing valves
Warden / nurse call systems	Feature lighting
Domestic water pumps and communal cold-water tanks	Fixed installation testing (dwellings and blocks)
Dry and wet riser firefighting installations pressure tests	Sprinkler flow tests
Lightning conductor tests	Thermostatic mixing valve Checks
Automatic smoke vents	Track Hoist System
Warden Call Service	Access Control Systems
Legionella/Water Hygiene Maintenance	Hearing Aid Alarm Systems
Radon Pump Service	Smoke Extraction System

- 3.4 Many of our M&E assets, while well-maintained and compliant, are older technology. The Equans maintenance contract is essential for safely and compliantly preserving and extending their lifespan.

4. Discussion

- 4.1 To ensure the continued delivery of essential M&E services for compliance inspection, testing, certification, and reactive repairs, we have assessed three strategic options:

- **Option 1;** Market Engagement for a contractor via a compliant procurement;
- **Option 2;** Consider the possibility of bringing the service requirements in-house; and
- **Option 3;** Utilise a procurement framework to re-appoint Equans via a Direct Award.

- 4.2 Each option was considered based on the following:

- Price/Value for money;
- Quality - ability to demonstrate the capability to deliver the current 19,000 visits per annum and future increase linked to new build and any emerging compliance obligations; and
- Quality – the ability to integrate the contract into existing operations with no major impact on service delivery and quality, including the anticipated TUPE from the existing provider.

Option 1 - Market Engagement

- 4.3 In January 2025, market engagement was undertaken through the Crown Commercial Services framework for Facilities Management ('FM'). Twenty-eight suppliers were invited to participate, with three expressing initial interest. Subsequent discussions were held with Mitie, BAM FM, and City FM.
- 4.4 Following these conversations, the suppliers communicated limited interest in moving forward and subsequently withdrew from consideration. The withdrawals primarily cited a lack of interest in moving into the housing sector and the additional complexities it brings such as managing access for visits (the suppliers were primarily in retail/defence sectors where there are no such issues).
- 4.5 On this basis, a competitive tender was not considered to be an option that would support us in achieving our price or quality needs.

Option 2 - Services In-house

- 4.6 We considered whether it would be viable to transition to undertaking the work in-house through City Building Glasgow ("CBG"). The key elements of our assessment relative to our price and quality objectives were as follows:

Requirements	Assessment
Ability to meet the service needs of 19,000 visits per year and future growth	<ul style="list-style-type: none"> ▪ Capabilities in some areas (but no capacity) would need to rely on the current and new supply chain to meet most requirements; and ▪ Specialist and particular nature of work would require new staff, procured sub-contractors and management arrangements, so a single view of delivery against requirements was maintained.
Value for Money	<ul style="list-style-type: none"> ▪ Reliance on a supply chain means the scope for VAT benefits is limited; ▪ Higher costs and overheads compared to the current contract; ▪ Limited scope to get economies of scale through a specialist supply chain because services are for only one customer; and ▪ Higher staffing costs.
Contract integration	<ul style="list-style-type: none"> ▪ The complexity of the service requirements will make any transition challenging; ▪ Lack of experience in complex service transition; ▪ Limited current IT capabilities or capacity; and ▪ Management attention on other service improvement priorities.

- 4.7 Based on this assessment, it is not considered that the timing is appropriate for the scale of change and level of management focus that bringing this activity in-house would require.
- 4.8 We will, however, keep under review the potential for elements of our compliance programme to transition to CBG in future.

Option 3 - Equans direct award reappointment

- 4.9 We assessed the option of maintaining a partnership with Equans through a direct award on the same price/quality drivers, with the key elements as follows:

Requirements	Assessment
Ability to meet the service needs of 19,000 visits per year	<ul style="list-style-type: none"> ▪ Equans has a CAFM (Computer-Aided Facility Management) system, which holds all relevant asset data; ▪ Established and proven supply chain covering over 100 necessary compliance areas; ▪ Equans also provides an online customer platform with a portal to raise jobs, review documentation, and update jobs in real-time; ▪ Equans has an established interface with PIMMs to hold all certifications; and ▪ Maintains continuity of service in a key compliance area
Value for Money	<ul style="list-style-type: none"> ▪ 100% Open Book.
Contract integration	<ul style="list-style-type: none"> ▪ Proven, established delivery model with no change required as the incumbent.

- 4.10 Equans' performance under the current contract remains above satisfactory levels with planned preventative maintenance (“PPM”) operating above 95% for statutory compliance checks. The outstanding 5% relate to access challenges outwith their control.
- 4.10 Re-appointing Equans as our specialist M&E contractor will maintain consistent delivery and compliance across our diverse estate. The open book model allows us to continue to have the ability to monitor and drive value for money. Additionally, our market engagement indicates that a full tender is highly unlikely to drive additional price or quality benefits and a direct award negotiation gives us more scope to do so.
- 4.11 The Crown Commercial Services (“CCS”) ‘Hard FM’ framework provides a Direct Award Call-Off contract option. Considering the limited interest generated during our market engagement process, and in accordance with the framework rules, we can award contracts without further competition. Our assessment indicated that Equans presents the most advantageous solution under these provisions.

5. Customer Engagement

- 5.1 Engagement with customers was not directly applicable to this tender.

6. Environmental and sustainability implications

- 6.1 Equans has confirmed its environmental policies and shown how its services align with our Group Sustainability Framework. The company focuses on transport decarbonisation, material reuse, and promoting the climate and circular economy in all service areas. Equans supports Wheatley’s carbon reduction goals by operating efficiently and sustainably to minimise its carbon footprint without affecting contract delivery.

- 6.2 Equans is decarbonising its fleet, with 38% now electric or hybrid, plus 15 e-cargo bikes. Equans has pledged at least four, which could save around 60 tonnes of CO2 annually.
- 6.3 Equans will actively invest in the principles of the circular economy, focusing on waste management, sustainable procurement, and introducing initiatives like a Material Reuse Tracker and the development of a reuse marketplace to facilitate the repurposing of redundant materials through partnerships with community groups.
- 6.4 For our contract, all employees will be upskilled on sustainable practices and deliver regular awareness training with mandatory training in sustainability, regular updates, Toolbox Talks and workshops on climate change.

7. Digital transformation alignment

- 7.1 We integrate directly with Equans' CAFM system using our asset management system, Servitor, and Email. This ensures all asset data, work orders, and compliance records are accurately logged and transferred into our asset management system for full traceability.
- 7.2 The benefit of this integration means time stamped instructions, accurate billing, and asset cost control improving transparency, compliance, and operational efficiency across our estate.

8. Financial and value for money implications

- 8.1 Since 2019, the financial commitment for this contract has grown significantly, reflecting our new build delivery and the addition of Wheatley Homes South. Initially, the contract covered 8,200 cyclical visits per year at an annual cost of approximately £3.7m. Today, the scope has expanded to 19,000 cyclical visits, with the annual cost rising to £6.5m for both PPM and Repair works.
- 8.2 With our growth expected to continue in the next five years through our new build development program, coupled with 3% anticipated annual inflation, the forecast expenditure, including an allowance to increase to 24,000 annual visits, is outlined in the table below:

	2026	2027	2028	2029	2030
PPM	£3,265,463	£3,363,427	£3,464,330	£3,568,260	£3,675,307
Repairs and Maintenance	£2,385,082	£2,456,634	£2,530,333	£2,606,243	£2,684,431
Sub Total	£5,650,545	£5,820,061	£5,994,663	£6,174,503	£6,359,738
TOTAL Inc VAT	£6,780,654	£6,984,074	£7,193,596	£7,409,404	£7,631,686

- 8.3 In the past six years, the pandemic, war in Ukraine, and rapid inflation have driven up costs for contracts like M&E compliance. Wages in this sector have increased by 20%, as demand for skilled tradespeople has increased.
- 8.4 The new costs with Equans represent value for money due to our commercial negotiations and the scale of opportunity we can offer. A direct comparison of 2019 rates and proposed future rates shows that the cost for PPM cyclical visits have stayed at similar levels and less than the rate of inflation during this period.

- 8.5 Alongside PPM and repair activities, it is anticipated that capital works for planned upgrades will also be delivered through this contract. To support these future upgrades, a potential of £5m has been allocated in the budget plan, bringing the total projected spend over five years to £41m including VAT.
- 8.6 To ensure we are delivering value for money to our customers, an independent assessment of the commercials delivered to date was reviewed by NBM cost consultants. The rates charged by Equans to date were found to be of market value and in line with public sector average rates.

9. Legal, regulatory and charitable implications

- 9.1 Our risk appetite in respect of Laws, Regulations and Covenant Compliance is averse, i.e. avoidance of risk and uncertainty is a key organisational objective. Procuring by way of the Crown Commercial Services framework offers a compliant route to appoint Equans the risk of challenge is considered low. The commercial terms were agreed upon as part of the commercial negotiation.

10. Risk Appetite and assessment

- 10.1 The Group's risk appetite for technical compliance (e.g. health and safety, gas, electricity) and its Laws & Regulations is averse i.e. avoidance of risk and uncertainty is a key organisational objective.
- 10.2 The proposed approach is legally compliant, provides us with a proven supplier and minimises the uncertainty and associated risks that our assessment indicates a full tender or transition to in-house would give rise to. An Equifax report has been conducted for Equans, and its financial stability is rated A.

11. Equalities implications

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

12. Key issues and conclusions

- 12.1 We require a supplier with proven experience, reliability, and responsiveness to deliver specialist M & E services. After an evaluation of available options, our price and quality needs are best met through a direct award.
- 12.2 As with any direct award to an existing supplier, a continued focus on value for money and the quality of service delivery will be rigorously enforced through contract management.

13. Recommendations

- 13.1 The Board is requested to approve the award of mechanical and electrical compliance and repairs to Equans Services Ltd for a period of three years with an option to extend for a further 24 months starting April 1st, 2026, based on a maximum contract value of £41,000,000 including VAT.

LIST OF APPENDICES:

None