



WHEATLEY HOUSING GROUP LIMITED

SC426094

MEETING OF BOARD OF DIRECTORS

held by videoconference

on Wednesday 24 June 2020 at 10.30

Directors Present: Alastair MacNish (Chair), Jo Armstrong, Martin Armstrong, Jo Boaden, Sheila Gunn, Bernadette Hewitt and Martin Kelso.

In Attendance: Anthony Allison (Director of Governance) and Steven Henderson (Group Director of Finance)

1. Directors not in attendance

It was noted that consistent with the interim proposals for our governance Bryan Duncan, Professor Paddy Gray, John Hill, Peter Kelly, Angela Mitchell, James Muir and Mary Mulligan were not in attendance but their feedback on the reports had been circulated to attendees in advance.

2. Declarations of Interest

The Board noted the standing declarations of interest.

3. Minutes of meeting held on 12 May 2020

Decided: The Board approved the minute of 12 May 2020.

4. Group CEO update

The Board received an update on a range of matters including: senior staffing; the Barony Transfer of Engagements; plans for holding virtual General meetings; the latest position of the Scottish Government route map; and OFGEM funding secured to support our customers.

The Board discussed the senior staffing position further and received further detail of the focus of the new role and how existing responsibilities will be redistributed.

Decided: The Board noted the updates.

5. Business Update

The Board received feedback on business activity across the Group, in particular the current position in relation to arrears, staff absence, voids, repairs and gas safety visits.

The Board discussed our very low staff absence levels and instances of staff testing positively for Covid 19. It was explained that we have a daily tracker in place to monitor Covid 19 related absence and there have been a small number of cases in the very early stages of the pandemic. It was explained we have also had, as expected, staff who are self-isolating or shielding.

The Board discussed our Eat Well service and the sustainability of our current level. It was explained that we have received funding from Scottish Government and will seek further funding. It was further explained demand is starting to fall, we are refining the eligibility criteria as restrictions ease and it is anticipated this will see the provision begin to taper.

The Board discussed how we are seeking to identify and mitigate emerging cyber security risks. It was agreed an update on this be provided to the next Group Audit Committee.

The Board considered progress to date and future plans for gas safety CP12s. It was explained that we have targeted specific resource at outstanding certificates as well as those that we know will become due in the short term. It was confirmed we will, if necessary, undertake forced access save where the customer is shielding.

The Board discussed the findings from the Fire Door Inspection Scheme inspections and issues identified in relation to building regulation compliance. It was recognised that the inspection did not cover our own fire doors having been subject to any inspection but that an update on our own inspection arrangements be circulated to the Board.

Decided: The Board noted the contents of the report.

6. Service remobilisation

The Board received a detailed update on the planned staged approach to the remobilisation of business operations over the coming months, including the methodology for transitioning between stages.

The Board welcomed the clearly defined approach to remobilisation and in particular the disciplined review point before moving through the stages of remobilisation. The Board discussed the potential risk of a second wave and it was confirmed our business continuity planning is taking this risk into account.

The Board discussed the current position regarding the level of anti-social behaviour and the impact of the restrictions on what action we can take. It was confirmed that it remains an area of focus and we recognise it is a priority for customers.

Decided: The Board:

- 1) agreed the approach set out in the report; and**
- 2) noted that a further update on our service models will be provided to the next meeting in August**

7. Partnership opportunity

The Board received an update on a prospective partnership opportunity and the results of our assessment of the partnership opportunity relative to our Business Growth Authorising Framework. It was confirmed that based on the assessment it was not recommended we pursue the opportunity.

The Board discussed the key elements of the assessment and agreed with the recommendation.

Decided: The Board agreed we should not pursue the partnership opportunity.

8. Fire Prevention and Mitigation Update

The Board received an update on: the national picture and the how the Scottish Fire & Rescue Service have redesigned their services to reflect and take account of the Covid-19 pandemic; measures we have introduced to ensure fire safety and customer well-being continues to be of paramount importance during the post Covid 19 lock down period; and year end performance for fire safety remedial work. The Board were further updated on our plans for the resumption of services when it is permissible under government guidelines.

The Board discussed progress in having the range of data across the full Group, including extending this to also now include Dumfries and Galloway. It was confirmed this was underway and would be reflected in the current year's reporting.

The Board reiterated the need for a continued strong focus on fire safety, prevention and mitigation and having a visible presence in communities.

Decided: The Board:

- 1) noted the information provided within the report that evidences the measures we have introduced to reflect national policy changes and ensure fire safety and customer well-being continues to be of paramount importance during the COVID-19 pandemic; and**
- 2) noted the update on our end of year performance for fire safety remedial work**

9. Annual Return on Charter

The Board received feedback on year end performance against Charter measures across the Group, including progress against our strategic objective of achieving 80% of measures at top quartile level.

The Board discussed performance across the Group, in particular the intragroup comparisons and Loretto Housing's performance within this context. The actions taken to date to develop performance within Loretto Housing to date were set out.

The Board discussed the impact of the pandemic on in year performance and recognised that the current year would, by necessity, be a transitional year in performance terms. The Board discussed the individual action plans to respond to feedback from satisfaction surveys and the importance of these informing partner Board discussions taking into account their own operating contexts.

It was confirmed we are considering how we establish in year performance targets and that satisfaction survey action plans were based on the individual partners operating context.

Decided: The Board noted the contents of the report.

10. Treasury Update

The Board received a summary of our current liquidity position within the Group and feedback from the WFL 1 Board review of the updated Treasury Management Policy. It was confirmed the WFL 1 Board's feedback had been incorporated into the policy.

The Board discussed our current liquidity and reiterated the importance of our strong position in the current operating context.

The Board received a summary of the regulatory return containing details of our current loan portfolio.

Decided: The Board

- 1) noted the liquidity position for the Group;**
- 2) approved the revised draft Treasury Management Policy; and**
- 3) approved the submission of the loan portfolio return to the Scottish Housing Regulator.**

11. Finance report

The Board received a summary of financial performance for the year to date, in particular the variances arising from restrictions in areas such as development and investment activity.

The Board sought an update on the member support for City Building Glasgow to date and anticipated further short term requirements. The Board received an update on the member support to date and it was confirmed an updated forecast was also due from City Building Glasgow to update the anticipated future requirement which was not anticipated to be beyond the level already agreed.

Decided: The Board noted the content of the report.

12. Business Plan Financial Projections Reforecast

The Board received a detailed on the expected impact of Covid 19 on the Group's financial projections and key financial ratios. It was explained that the key change was to significantly accelerate our assumed reduction in the rental uplift, particularly in the next 2 years.

The Board reviewed the proposed changes and noted that they will remain under review as part of an iterative process. The acceleration of the reduction of the rent uplift assumption was strongly supported.

Decided: The Board:

- 1) noted the update to our financial projections, including the reduction in the long term rent increase to 2.9%;**
- 2) [redacted]; and**
- 3) noted that a further revision to the projections will be brought back to the Board in August**

13. Interim governance arrangements update

The Board received feedback on the review of interim governance arrangements and the proposals for our next phase of our governance arrangements.

The Board discussed our Committee memberships and agreed that Jo Boaden be appointed as a member of the Strategic Development Committee

Decided: The Board:

- 1) noted the feedback from the Board member survey;**
- 2) agreed the interim governance arrangements remain in place until the conclusion of the October partner Board cycle; and**
- 3) noted the potential for the October Group Board to be held in person**

14. AOCB

There was no other competent business.