



**WHEATLEY HOUSING GROUP LIMITED  
BOARD MEETING**

**Wednesday 30 April 2025 at 10.30am  
Brasswell, Dumfries**

**AGENDA**

1. Apologies for absence
2. Declarations of interest
3. a) Minutes of meeting held on 26 February 2025 and matters arising  
b) Action list

4. [REDACTED]

**Main Business**

5. 2025/26 Group Delivery Plan
6. [REDACTED]
7. Fire Prevention and Mitigation update
8. Health and Safety policy update and annual report
9. Home safety building compliance
10. 2025/26 Budget and finance report

**Other Business**

11. [REDACTED]
12. [REDACTED]
13. Repair materials partnership
14. Governance update
15. AOCB

## **Report**

**To:** **Wheatley Housing Group Board**

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

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

**Subject:** **2025/26 Group Delivery Plan**

**Date of Meeting:** **30 April 2025**

---

### **1. Purpose**

- 1.1 This report sets out for Board approval the draft 2025/26 Group Delivery Plan, comprising:
- 1) Strategic projects to be reported to the Board during 2025/26; and
  - 2) Board-level performance measures and corresponding targets.

### **2. Authorising and strategic context**

- 2.1 The Group Board approved the approach to monitoring the implementation of our strategy via our Group Performance Management Framework (“PMF”) at its meeting in June 2021. We review the PMF annually, including the targets for the then remaining years of the Group strategy. The targets were last reviewed and approved by the Board in April 2024 and the Board subsequently agreed amendments to our strategy as part of our strategy refresh in November 2024.
- 2.2 Under the Group Standing Orders the Group Board has an ongoing role in monitoring the performance of subsidiaries across the Group against the agreed measures. Individual RSL Boards are responsible for approving their Annual Return on the Charter (“Charter”) returns. They are also responsible for monitoring RSL performance against agreed targets.

### **3. Background**

- 3.1 As part of agreeing the original PMF in June 2021 the Board recognised that the strategic projects, strategic measures and targets would evolve throughout the life of our strategy as we refreshed and renewed it.
- 3.2 As such, strategic projects and our measures and targets are subject to annual review to take into account what has been delivered to date, our business operating context and the external operating environment.
- 3.3 For the same reasons, we also review and update our 5-year strategy each year. As part of this process, each partner Board within the Group considers its 5-year strategy and what refinements are appropriate within this context.

## 4. Discussion

### Strategic context

4.1 2024/25 was the penultimate year of our 2021-26 Group strategy. In considering our key priorities for 2024/25 the Board recognised that we had achieved a number of the key priorities in our five-year strategy, including:

- **A new operating model, agreed in consultation with tenants**, implemented with the Customer First Centre achieving 90%+ satisfaction;
- Implementing a **redefined, reshaped approach to customer engagement** exceeding our target of 1000+ Customer Voices;
- the expansion of digital real-time customer feedback methods and the use of customer insight to **resolve issues quicker and drive service changes**;
- **A common repairs platform** across the Group through the introduction Servitor in the East enabling common ways of working and shared practice;
- The creation of a **single housing and regeneration vehicle for Glasgow** in Wheatley Homes Glasgow;
- Agreed **transformational, long-term regeneration plans** for Wyndford and Lochside through engagement and consultation with local communities;
- Developed a **new, integrated Neighbourhood management approach** to allow us to get even closer to our communities;
- Developed a **plan and the financial capacity for the future energy efficiency fabric standard** for social housing;
- **Reshaped our corporate estate** to reflect our new ways of working, whilst reducing our carbon footprint and achieving financial efficiencies;
- Developed a **strategic framework for how we approach sustainability** with defined measures of success;
- Completed a **strategic review and set a clear strategic direction for our care business** whilst maintaining 90%+ customer satisfaction levels; and
- **Created the funding capacity**, whilst maintaining our golden rules and minimal risk exposure, to deliver our development programme.

4.2 Our delivery in 2024/25 and our plans for 2025/26 are set within the context of our operating environment continuing to be dynamic, including:

- In October 2024, the UK budget announced an extra 1.2% on employers' national insurance increasing staff costs by £2.8m;
- A direction of damp and mould becoming codified in law and regulation with the Scottish Housing Regulator introducing reporting requirements and the Scottish Government subsequently announcing that Awaab's Law will be introduced through amendments to the Housing (Scotland) Bill;
- the Scottish Government announced a reinstatement of the funding for the Affordable Housing Supply Programme to £768m for 2025/26;
- The first red alert storm, Storm Éowyn, in over 13 years significantly impacting the delivery of our repairs service in the final quarter; and
- Private sector long-term rent controls are being planned through the Housing (Scotland) Bill following the expiration of temporary controls.

- 4.3 In 2024/25 we wanted to maintain progress in well-developed areas such as customer insight shaping how we deliver services and driving improved customer satisfaction. We also wanted to retain a strong focus on key performance measures such as our upgraded target for lets to homeless households, arrears, tenancy sustainment, damp and mould, repairs timescales and building compliance and tenant safety.
- 4.4 We also wanted to start to lay the foundations in strategic areas that would span into our 2026-2031 Group strategy such as our long-term approach to asset strategy and investment in homes and environments, regeneration and the role of data, Artificial Intelligence and automation in our future ways of working.
- 4.5 Over the last twelve months we made strong progress in these areas, including:
- Wheatley Homes South achieving **95% tenant satisfaction** (up from 88%);
  - Improving and evolving our CFC, including **the launch of geographical delivery teams** and developing opportunities for automation such as call transcription and quality assurance;
  - expanded our range of digital customer insight and capacity to respond to it swiftly, with **over 58,000 pieces of customer feedback** received in 2024/25;
  - repairs satisfaction customer insight analysis being used as a **key driver for service changes and priorities** within the City Building (Glasgow) strategy;
  - **redesigned our factoring operating model** based on customer insight and identified a new digital platform to support it;
  - **Outlining our principles to personalised services**, influenced by an enhanced understanding of our customers' needs and staff input;
  - the Wyndford demolition and working with TC:G partners to develop a **clearer strategic vision and priorities** for its regeneration activity in Glasgow;
  - developed a **Group asset strategy and individual Strategic Asset Investment Plans** for each RSL and Lowther Homes which incorporate customer priorities including through our neighbourhood plans;
  - Exploring and **launching a pilot private garden maintenance service** in WH-Glasgow, supported by customer-focused evidence including our Group Scrutiny Panel thematic review of environmental services;
  - developed a **data and technology-driven approach** to how we manage the building compliance, which will further enhance how we protect tenant safety; and
  - Improving our **staff experience with us as an employer by introducing self-service offerings**, such as managing annual leave on their mobile.
- 4.6 Over the course of 2024/25 it also became clear that the timing is appropriate to reflect on the operating model and engagement model we introduced in 2022 ahead of the development of our new five-year strategy.

- 4.7 Alongside the development of the 2026-2031 strategy, we will consider what has worked well, how it is working for our customers and what we would wish to refine within the context of what else has evolved over the first five years of our strategy.
- 4.8 A key area of focus in reflecting on our operating model will be communication with customers. We know that when customers feel our communication has not been clear or frequent enough within any of our services it is a driver of dissatisfaction. A key area of focus will be handoffs, how these are managed, how the communication is maintained throughout service delivery and how we can shorten communication chains internally.

#### Group Delivery Plan 2025/26

- 4.9 As we commence the last year of our current 5-year strategy, our focus is on a few remaining areas where we can further enhance our impact during this strategy term, ending 2025/26 strong, while working to also shape our next strategy. As such and having delivered so much within the first four years of our strategy, the volume of strategic projects is continuing to reduce.
- 4.10 The key Delivery Plan areas of focus for the year ahead will be as follows:
- High quality, safe and secure homes
  - Transformation through regeneration
  - Next step engagement
- 4.11 The full list of proposed projects and milestones is set out at **Appendix 1**. For completeness, this includes projects which will be primarily monitored at partner Board level. For each project, we have also included the specific elements of the strategy that the projects will support or enable the delivery of.

#### High quality, safe and secure homes

- 4.12 The key strategic project for the year ahead within this theme will be our asset compliance data and technology programme. Whilst we have established processes and meet our compliance requirements the strategic project in 2024/25 identified technology, data and process changes which would support us managing it more efficiently.
- 4.13 It covers not just the six main areas of fire, gas, electrical, asbestos, water management and lifts but the 112 other compliance-related activities we need to manage across the Group.
- 4.14 The project is of such a scale that it will span multiple years and will deliver the following key outcomes:
- Fully align South, East & West approaches, processes and systems;
  - Changes to our existing technology platform to meet our needs;
  - Mandate contractor use of our systems or (at least) require direct interface to systems so we have direct data entry, real-time insights, quality checks and controls and an efficient operating environment;
  - Establish automated workflows and remove current manual activity; and
  - Enhanced, automated analytics, data governance and reporting.

- 4.15 As we build on the development of our Strategic Asset Investment Plans a key priority in Glasgow is our Multi-Storey Flats (“MSFs”). We know that MSFs have specific challenges such as complex mechanical and electrical systems eg pumps, tanks, ventilation, and lifts, wastewater and rising main pipework that is typically integrated into the core building structure and external wall insulation systems that were retro-fitted post-construction.
- 4.16 A proposed strategic project, at Group and Wheatley Homes Glasgow level, is the development of a bespoke asset strategy approach to and commencing the development of individual management plans for MSFs. The approach will be informed by the key sources of asset intelligence: Asset data such as repair levels and types; technical data from building pathology analysis to assess the property condition; and feedback from frontline teams on their day-to-day experiences within MSFs.
- 4.17 An area we have explored as part of our West Craigs development and propose a project for the year ahead to extend, is providing a safe and secure home for individuals who have been in long-term care in a hospital. Working with the Edinburgh Health and Social Care Partnership (“HSCP”) we are building 19 homes to be allocated to individuals who have been in long-term hospital care but are unable to be discharged due to a lack of suitable accommodation and the associated support not being in place and funded.
- 4.18 We plan to showcase this approach when it completes this summer and engage with the Glasgow and Dumfries and Galloway HSCPs about the potential for it to be replicated. This would involve joint working at an early stage to ensure that needs are reflected in our development programme. The needs vary depending on why individuals are in long-term hospital care.
- 4.19 This would also involve working with the Local Authorities and HSCPs to link funding from new build grant and adaptations as well as the long terms funding for the care packages that would be necessary. There is potential for funding to be allocated more efficiently for care and support in particular by having properties in close proximity.
- 4.20 This will be the first year we are required to report on damp and mould specific measures as part of the Annual Return on the Charter. The measures are:
- Volume of cases of damp and/or mould by causation;
  - Average timescale for the completion of cases of damp and/or mould;
  - Volume of re-opened cases of damp and/or mould by causation; and
  - The percentage of cases of damp and/or mould that have been re-opened.
- Within this context ‘causation’ is to be separated into one of three categories: condensation; structural; or other.
- 4.21 We undertook a review of our processes, data and staff training in preparation for these measures being introduced. As a result of this we have a number of system changes underway to automate our reporting for each measure, for example which of the causation categories apply and the calculation of timescales under the Charter Technical Guidance.
- 4.22 The requirements relate to absolute numbers and as such no specific targets are proposed and the measures will be reported as contextual. Over the course of this year, once the position on the extension of Awaab’s law in Scotland becomes clearer, we will undertake a review of our Group Managing Dampness, Mould and Condensation Policy.

4.23



4.24



4.25 Whilst we are still continuing to deal with the impact of Storm Éowyn the associated backlog relates to certain repairs types such as roofing rather than our higher volume repair types. It is therefore proposed that we retain our target of 7.5 days for the average length of time taken to complete non-emergency repairs.

4.26 Repairs satisfaction, which we know is a key driver of overall satisfaction, will continue to be a key measure for 2025/26 with a target of 4.5/5 for Book It, Track It, Rate It and a new My Voice overall repairs satisfaction target of 90%. This gives us a more rounded picture of repairs satisfaction covering both the appointment itself (Book It, Track It, Rate It) and overall satisfaction (My Voice).

#### Transformation through regeneration

4.27 Delivering new homes in existing communities as well as wider regeneration of areas continues to be a strong focus. We delivered 844 new homes in 2024/25, our second highest number in a single year whilst also concluding the Wyndford demolition and progressing the Lochside regeneration.

4.28 We will continue with the major regeneration projects in Glasgow, both at Wyndford and with our partners through Transforming Communities: Glasgow and in Dumfries at Lochside. A major focus of both the Wyndford and Lochside projects has been, and will continue to be, the continued engagement with the local community including through the Wyndford Future Focus Group and an ongoing engagement in Lochside.

4.29 The key priority for Wyndford will be concluding the post-demolition work whilst in parallel identifying a partner for the delivery of the 380 new homes and developing a planning application.

4.30 Regeneration in Glasgow more widely will be a strong focus as we seek to identify more social housing projects for Glasgow and develop a strategy for developing gap sites and vacant land. Working as part of TC:G and directly with Glasgow City Council as the Strategic Housing Authority, we will seek to:

- activate the Govan/Ibrox Transformational Regeneration Area;
- review empty or underused assets within our communities such as in Milton, Cranhill, Drumchapel and agree a strategy to deliver new homes; and
- conclude the Red Road site investigations and develop a remediation and regeneration strategy.

- 4.31 The key focus for Lochside will be a programme of community engagement ahead of the completion and submission of a masterplan.
- 4.32 We will maintain, within the context of the changing nature of funding for the Affordable Housing Supply Programme, an active development programme, with a target of 621 units for 2025/26.
- 4.33 We agreed to introduce a new measure this year of customer satisfaction with their new home. The Scottish Government subsequently made the collection and reporting of a similar measure part of the grant conditions for new build. It is therefore intended that in the interest of efficiency we will follow the Scottish Government criteria of a minimum 40% response rate and surveys conducted nine months post move in. A target of 95% customer satisfaction is proposed for this measure.

#### Next step engagement

- 4.34 Our engagement framework has been instrumental in reshaping how we engage with tenants and allowed us to significantly diversify the customer voice. It is however important that it is regularly reviewed and refreshed to ensure that it remains fresh, vibrant and appealing to customers.
- 4.35 It is proposed that a key strategic project for the year ahead will be reviewing our approach to customer engagement. It will consider how we can use new digital methods, engage with customers aligned to the development of our next five-year strategy and conclude with a revised framework for Board consideration.
- 4.36 We want to improve how our customers can engage with services digitally. Over the course of the year ahead it is proposed we undertake a project to review our current offering and explore options for a new self-service model and digital platform. This will be alongside the review of our wider operating model, which will, for example, consider whether wider range of services or home visits should be bookable online.

#### Non thematic projects

- 4.37 Within the non thematic projects there are two which will play important roles in the development of the Lowther Homes 2026-2031 strategy. Firstly, the implementation of a new digital platform, with a focus on how this enables both more efficient working and better customer service in key areas such as billing, consent and self-service.
- 4.38 We also plan to engage the Lowther Homes Board on options for growing its letting portfolio. We propose a wide-ranging approach looking at a range of options for how this would be funded and the corporate structure that may enable it such as through an equity based model or a joint venture, partnership approach.
- 4.39 We will also anticipate finalising the Loan note programme over the course of the year, which the Strategic Development Committee and Board will have oversight of at key points.



## Measures and Targets 2025/26

- 4.40 When initially agreeing measures and targets in June 2021, it was recognised these would be subject to ongoing review as well as formal review annually. Despite the continuing business and strategic change during 2024/25, we have once again made significant progress in this period and remain on track to deliver the majority of key outcomes and performance measures in our strategy. Particular highlights include:
- On track to meet our enhanced target of 11,000 homes for homeless people or households, exceeding our target in each year and **over 9,600** so far;
  - Reducing our gross rent arrears across our RSLs to less than 5.1%;
  - Tenancy sustainment maintained at over 90%;
  - [REDACTED]
  - Provided over 20,000 instances of direct support to help alleviate financial pressures, benefiting more than 11,000 individuals. Over the first four years of the strategy, the cumulative number of people who have received support **exceeds 48,000**.
- 4.41 The list of proposed measures and targets to be reported to the Board quarterly or bi-annually for Year 5 of the strategy, 2025/26, is set out at **Appendix 2**.
- 4.42 It should be noted that this appendix does not include the annual measures e.g. customer satisfaction measures as our ongoing quarterly reports focus on measures which are measured on an ongoing basis. Our annual measures are drawn directly from our strategy.
- 4.43 All other proposed changes are captured in **Appendix 2**, with the key updates summarised below:
- **CFC abandonment:** Following the introduction of geographical teams, it is proposed that targets are changed to 5% for RSLs and 6.5% for Lowther Homes to reflect the longer time this takes to answer calls (which has had no adverse impact on customer satisfaction with the CFC);
  - **New build:** updated to reflect the rolling five-year development programme target of 621 agreed by the Board in February;
  - **Gross rent arrears (RSLs):** The strategy renewal approved a change to the RSL strategic target of <5%, it is proposed as 4.95%;
  - **Annual tenant visits:** To reflect the importance of our contact with customers in their home, the target will be increased to 100% ; and
  - **Care break even:** To reflect the importance of financial viability the target for break even after management fees will increase to 100%.

## **5. Customer Engagement**

- 5.1 Our Delivery Plan reflects our strong focus on our customers influencing and co-creating with us. Customer engagement is embedded as specific milestones of strategic projects which will directly impact the way we deliver services or the way they can be drawn down by customers.
- 5.2 Newly established real-time customer satisfaction-based measures, and independent customer satisfaction surveys, also reflect the importance of customer feedback in driving how we measure the quality of a service and inform future service improvement.

## **6. Environmental and sustainability implications**

- 6.1 The Group Delivery Plan contains sustainability-related measures previously agreed by the Board.

## **7. Digital transformation alignment**

- 7.1 Our strategy is underpinned by digital transformation. The strategic projects for 2025/26 have been fully reviewed to ensure we have the appropriate technical and resource capacity alongside our Digital Programme.

## **8. Financial and value for money implications**

- 8.1 There are no direct financial implications associated with this report, which are covered via the approved 2025/26 business plan.

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

- 9.1 There are no specific legal or regulatory implications however we continue to collect all measures required for the Annual Return on the Charter, including the newly established damp and mould measures reportable from 2025/26 (supplementary to our existing strategic measures).

## **10. Risk Appetite and assessment**

- 10.1 We do not have a single risk appetite in respect of strategy. Our risk appetite seeks to take into account a range of factors which may impact the delivery of our strategy.
- 10.2 In considering our Group Delivery Plan and KPIs for 2025/26 we have considered the continued level of uncertainty associated with the current operating context of the Group.
- 10.3 Our strategy is highly ambitious and contains a high degree of interdependencies. The proposed approach seeks to mitigate the risk that the complexity associated with the level of interdependencies is not managed through a structured approach.

## **11. Equalities implications**

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

## **12. Key issues and conclusions**

- 12.1 We have made significant progress over the first four years of our strategy and are well placed to deliver all key elements by 2026. In 2024/25 we further progressed areas such as customer insight shaping how we deliver services and driving improved customer satisfaction, while retaining a strong focus on key performance measures such as our upgraded target for lets to homeless households, arrears, tenancy sustainment, damp and mould, repairs timescales and building compliance and tenant safety.

- 12.2 We also started to lay the foundations in strategic areas that would span into our 2026-2031 Group strategy such as our long-term approach to asset strategy and investment in homes and environments, regeneration and the role of data, Artificial Intelligence and automation in our future ways of working.
- 12.3 The proposed strategic projects focus on fulfilling a few remaining areas where we can further enhance the impact we have on our during this strategy term, ending 2025/26 strong, while working to also shape our next 5-year strategy, 2026-31.
- 12.4 Our measures and targets for 2025/26 have been informed by our performance in 2024/25 and where appropriate wider sector analysis.

### **13. Recommendations**

- 13.1 The Board is asked to:
- 1) Approve the 2025/26 strategic projects; and
  - 2) Approve the proposed measures and corresponding targets for 2025/26.

#### **LIST OF APPENDICES:**

Appendix 1: Strategic Projects 2025/26

Appendix 2: Strategic Results and KPIs with associated targets

Project	Milestones	Milestone dates	Strategy deliverable (s) supported
Theme – High quality, safe and secure homes			
Asset Compliance and Data Strategy Programme (Group)	PIMSS Platform - Architecture and SAAS review	31/05/25	<ul style="list-style-type: none"><li>- Optimise automation, standardise core processing and drive efficiency in key areas</li><li>- Experts in managing and exploiting our data and information</li><li>- Dynamic and real-time reporting environments</li></ul>
	2 (Fire Risk Assessment + Lifts) - process map and to-be design	30/06/25	
	PIMMS/Group 3 year roadmap - review and define with vendor input	30/08/25	
	Group business and Assurance approach review	30/10/25	
	Executive Team end of Quarter 2 Programme Update	30/11/25	
MSF strategic asset investment plans (Group)	External consultants appointed to carry out building pathology pathway project	30/04/25	<ul style="list-style-type: none"><li>- Enable a sustained future for many of these (MSF) homes</li><li>- Improve efficiency and raise the bar in asset management</li><li>- Data and information will play an increasingly important role in enabling the delivery of all aspects of our services</li></ul>
	Building pathology pathway project concludes and in-house team in place	31/05/25	
	Desktop analysis and surveys undertaken of MSFs by in-house building pathology team	30/09/25	
	MSF Strategic Investment and Management plan developed from analysing the findings from asset data, building surveys and qualitative feedback	31/12/25	
	Group Board approval of MSF Strategic Investment and Management Plan and Five-year capital investment plan	28/02/26	
Providing safe, secure tenancies to support independent living (External interdependency) (Group)	Complete the build and allocation of the 19 West Craigs properties	31/07/25	<ul style="list-style-type: none"><li>- We will support our tenants and Care customers to be as active and independent as possible</li><li>- <b>Supporting people in getting access to the care and support services they need</b></li><li>- supporting people in getting access to the care and support services they need</li></ul>
	Engage with Glasgow and Dumfries and Galloway Health and Social Care Partnerships to showcase the potential for new build supporting hospital discharges into independent living	31/10/25	
	Engage with Glasgow and Dumfries and Galloway Health and Social Care Partnerships and Councils to explore the potential for a similar approach	31/01/26	
	Update to the Group Board on the engagement and any associated implications for our future development programme	28/02/26	
CBG Delivery plan projects to be agreed (Group)			<ul style="list-style-type: none"><li>- Deliver repairs efficiently and effectively, achieving a high level of customer satisfaction</li><li>- Achieve 90% satisfaction with repairs</li></ul>
Theme - Transformation through regeneration			
Wyndford regeneration (External interdependency) (Group)	Identify preferred contractor of 380 new homes	30/06/25	<ul style="list-style-type: none"><li>- Increasing the supply of new homes</li><li>- Invest £740m of new public and private finance in new build housing</li><li>- Replacement of unpopular poorer quality homes with new, high quality, energy efficient homes</li></ul>
	Complete demolition contract	30/03/26	
	PAN Community Engagement Event	30/05/25	
	Submission of detailed planning application	31/01/26	
Lochside regeneration (External interdependency) (Group)	Community Engagement Event	31/05/25	<ul style="list-style-type: none"><li>- Improve housing choice and creating new mixed tenure, sustainable neighbourhoods where people want to live</li></ul>
	Submission of Masterplan	30/06/25	
	PAN Community Engagement Event (Development Site)	30/09/25	
	Submission of detailed planning application (Development Site)	30/12/25	
Glasgow Regeneration incl. TC:G and TRAs (External interdependency) (Group)	Govan/Ibrox TRA activated and Brighton Street site to market (as agreed by TC:G Board)	30/09/25	<ul style="list-style-type: none"><li>- Attract house building partners into some areas to provide more housing choice and help retain local people, who want to own their own home within the area</li><li>- £50m additional investment in regeneration and development</li></ul>
	Review empty or underused assets within our communities (Milton, Cranhill, Drumchapel) and agree a strategy to deliver new homes working with Glasgow City Council	30/06/25	
	Red Road Site Investigation findings & Land Use Proposals to TC:G Board	30/12/25	
	Red Road remediation and regeneration strategy to TC:G Board	30/11/25	
	Sighthill (affordable homes) on site	30/09/25	

Project	Milestones	Milestone dates	Strategy deliverable (s) supported
Theme - Next Step Engagement			
Engagement 2.0: Maturing customer engagement and performance measures as part of our customer insight approach (Group)	Trial a new method of managing engagement - MS Dynamics in WHG South area - and evaluate its impact	30/06/25	<ul style="list-style-type: none"><li>- Engagement increasingly be digital and online</li><li>- Customers have more control over their service journey and the organisational policies and priorities</li><li>- Engagement increasingly community and service specific</li><li>- Staff confident deploying digital customer engagement and feedback approaches</li><li>- Digital engagement methods that are efficient and convenient for customers to use</li></ul>
	Undertake a review of the existing Stronger Voices framework and operation of the existing structures	30/07/25	
	Gather customer perspective and ideas on how our approach to engagement could evolve through the 2026-31 strategy development phase 2	30/09/25	
	Review the existing framework based on the review of its effectiveness to date and feedback from customers	31/10/25	
	Recommendations for Stronger Voices Framework 2.0 in support of our emerging Strategy 2026-31 agreed by RSL and Group Boards	31/12/25	
Tenant Web Self-Service (WSS) (Subsidiary Boards)	Business Case development and approved by the Executive Team	31/05/25	<ul style="list-style-type: none"><li>- Make digital self-service quick, easy and intuitive for key services</li><li>- Increased levels of customers actively using their online accounts to transact with us and the use of new, enhanced digital forms of engagement.</li></ul>
	Preferred vendor engagement pre contract	31/08/26	
	Contract Approval - Executive Team	30/09/25	
	Project Plan developed	30/11/25	
	Development and implementation update to Executive Team	31/03/26	
Other			
Lowther Homes			

## Group Board Strategic Results and KPIs 2025 to 2026

Proposed Changes from 2024/25 detailed under 'Update' and relevant change shown in **red text**



### 1. Delivering Exceptional Customer Experience

Indicators	Year 4 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
"Rate it" score from the book it, track it, rate it repairs approach	WEST 4.5/5 EAST 4.4/5 SOUTH 4.7/5	No change from Year 4	4.5/5	4.5/5
Percentage of tenants who sustain their tenancies for more than 12 months (ARC)	LHA – 96.70% WHE – 94.64% WHG – 93.28% WHS – 90.74%	No change	90%	90%
New - Percentage of tenants who sustain their tenancies for more than 12 months - revised	LHA – 96.69% WHE – 96.19% WHG – 94.86% WHS – 93.01%	No change	91%	91%
New - Percentage of tenants who sustain their tenancies for more than 12 months (ARC) - homeless	LHA – 96.81% WHG – 94.54% WHE – 93.24% WHS – 88.83%	No change	Contextual	Contextual
Customer satisfaction with the CFC is 90% - CFC CSAT	4.5	No change	4.5/5 (90%)	4.5/5 (90%)
% of contacts to CFC resolved within CFC	89.81%	No change	93%	95%
Revised call abandonment rate - those waited over 30secs and abandoned	5.20%	Change to Year 5 targets	4%	<del>3%</del> 5% RSLs 6.5% Lowther
Average number of working days to respond to stage 1 complaints (ARC)	Q3: WHG – 3.94 WHS – 3.45 WHE – 3.92 Loretto – 3.59 Lowther – 4.12	No change	5	5
Average number of working days to respond to stage 2 complaints (ARC)	Q3: WHG – 14.69 WHS - 12.80 WHE – 15.50 Loretto – 15.71 Lowther – 13.70	No change	20	20

Indicators	Year 4 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
Average number of working days to respond to all complaints – Stage 1 and 2 (ARC)	Q3: WHG – 5.31 WHS – 4.61 WHE – 5.53 Loretto – 4.93 Lowther – 5.53	No change	Contextual	Contextual
Percentage of stage 1 complaints responded to within 5 working days (SPSO)	Q3: WHG – 96.85% WHS – 97.47% WHE – 96.90% Loretto – 98.15% Lowther Non RSL and Tenants – 94.94%	No change	95%	95%
Percentage of stage 2 complaints (direct to stage 2) responded to within 20 working days (SPSO)	Q3: WHG – 94.14% WHS – 93.75% WHE – 99.20% Loretto – 100% Lowther Non RSL and Tenants – 100%	No change	100%	100%
Percentage of escalated complaints (from stage 1 to stage 2) responded to within 20 working days (SPSO)	Q3: WHG – 96.52% WHS – 96.99% WHE – 97.22% Loretto – 98.68% Lowther Non RSL and Tenants – 98.68%	No change	100%	100%
Stage 2 repair complaints as a percentage of Stage 1 repair complaints	WHG – 10.86% WHS – 14.42% WHE – 14.50% Loretto – 11.92% Lowther Tenants – 17.77% Lowther Owners – 23.08%	No change	Contextual	Contextual
Satisfaction with the process of getting my new home is improved to 90% - Allocations CSAT	4.4/5 YTD	No change	4.5 (90%)	4.5 (90%)

## 2. Making the Most of Our Homes and Assets

Existing Indicators	Year 3 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
Achieve 95% customer satisfaction with their new build home	Not applicable	No change, although noted that baseline will be in arrears i.e. 9 months post-handover	Baseline established	95%
Develop <del>3,200</del> <b>2,895</b> new homes across all tenures	2024/25: 844	<p>Targets updated to reflect delivery in Years 1-3 and the revised 5 year development programme agreed by the Board in February 2025.</p> <p>Based on the business plan, the anticipated total is 2,895 during the 5 year strategy period.</p>	<p>772</p> <p>(Includes 65 market acquisitions)</p>	<b>621</b>
% of our stock meeting the lower limit targets in the SG consultation for Fabric efficiency, measured in kWh/m2/year	Based on the proposed criteria our initial assessment indicated we would currently be at 77%	This is a new measure based on SHNZS consultation and as such will be subject to review. It is however included to provide the Board with visibility on our current position.	77%	80%
% of our stock meeting the 'clean' low-carbon heating target in the SG consultation	Based on the proposed criteria our initial assessment indicated we would currently be at 20%	This is a new measure based on SHNZS consultation and as such will be subject to review. It is however included to provide the Board with visibility on our current position.	20%	20%
Reduce the volume of emergency repairs by 10%	9.70%	No change	3.5% (cumulative 6.5%)	3.5% (cumulative 10%)
Percentage of reactive repairs carried out in last year completed right first time (ARC)	89.31%	No change	90%	90%
<b>Average length of time taken to complete emergency repairs (ARC)</b>	2.88 hours (2.93 hours including Lowther)	No change	3	3



Existing Indicators	Year 3 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
<b>Average length of time taken to complete non-emergency repairs (ARC)</b>	8.19 working days (8.87 including Lowther)	Target to remain at 7.5 days for 25/26	7.5	7.5
<b>% of damp, mould cases attended within 2 working days</b>	80.86%	This has changed to a contextual measure and will be supported with additional information on the reasons why any are out with 2 working days e.g. customer choice, a no access or no available appointment	Contextual	Contextual
<b>% of damp, mould cases resolved within 15 days</b>	75.94%	This has changed to a contextual measure and will be supported with additional information on the reasons why any are out with 15 working days e.g. customer choice, a no access, no available appointment, major repair required or investment required e.g. a roof repair/renewal	Contextual	Contextual
<b>NEW - Volume of cases of damp and/or mould by causation</b>	NA	Volume of resolved damp and/or mould cases, overall and by causation (condensation, structural or other).	NA	Contextual
<b>NEW - Average timescale for the completion of cases of damp and/or mould</b>	NA	The average timescale of when the case of damp and/or mould is reported to us to the completion of the work to resolve the cause of the damp and/or mould, will be reported by causation (condensation, structural or other)	NA	Contextual
<b>NEW - Volume of re-opened cases of damp and/or mould by causation</b>	NA	Volume of re-opened damp and/or mould cases, overall and by causation (condensation, structural or other).	NA	Contextual

Existing Indicators	Year 3 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
<b>NEW - The percentage of cases of damp and/or mould that have been re-opened</b>	NA	Cases of damp and/or mould within the reporting year where work had previously been concluded and have been re-opened, will be reported by causation (condensation, structural or other)	NA	Contextual
<b>Number of times during the reporting year we did not meet our statutory obligations to complete a gas safety check within 12 months of a gas appliance being fitted or its last check (ARC)</b>	0	No change	0	0
<b>The average time to complete medical adaptations (ARC)</b>	23.44	To note this is contingent on the availability of funding to undertake the work	25	25
<b>No of households waiting for adaptations to their home (ARC)</b>	85	No change	Contextual	Contextual
<b>Number of RIDDOR reported</b>	9 YTD:  Wheatley 360 - 4 Wheatley Solutions - 0 WHS - 2 WH Glasgow – 0 Loretto - 0 WHE - 1 Lowther - 0 Wheatley Foundation - 0 Wheatley Care - 2	No change	Contextual	Contextual
<b>Number of days lost due to work related accidents</b>	423	No change	Contextual	Contextual
<b>Number of accidental fires in workplace.</b>	0	No change	0	0

Existing Indicators	Year 3 results at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
Legionella - percentage of applicable properties with a valid risk assessment in place	Q3 2024/25: WHG 100% Loretto 100% WHE 100% WHS 100%	No change	100%	100%
% of electrical installation inspections completed and number due to be completed	Q4 2024/25 (interim): WHG 90.57% Loretto 97% WHE 98.70% WHS 88.19%	No change	100%	100%
% of properties with an EICR certificate up to 5 years old	Q4 2024/25 (interim): WHG 99.91% Loretto 99.93% WHE 99.70% WHS 99.43%	No change	100%	100%
% of applicable fire safety systems with a valid annual servicing in place (Fire Safety - Sprinkler Systems, Emergency Lighting and Fire Suppression Systems)	Q4 2024/25 (interim): WHG 100% Loretto 100% WHE 100% WHS 100%	No change	100%	100%

### 3. Changing Lives and Communities

Indicators	Year 3 as at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
<b>Percentage of lets to homeless applicants (ARC)</b>	March 25 (Interim) Group RSLs – 59.52% WHG – 63.29% LHA – 59.51% WHE – 57.38% WHS – 44.95%	No change	Contextual	Contextual
<b>Percentage of relevant lets to homeless applicants</b>	Group RSLs – 59.52% WHG – 63.76% LHA – 62.04% WHE – 62.91% WHS – 46.13%	No change	Contextual	Contextual
<b>House an estimated 10,000 homeless people or households over 5 years</b>	Group RSLs – 2,364 LHA - 88 WHE - 348 WHG – 1,523 WHS - 405	No change	2,000	2,000 (total >10,000)
<b>Over 70% of our customers live in neighbourhoods categorised as peaceful</b>	76.23%	No change	75%	80%
<b>Reduce the number of accidental dwelling fires by 10%</b>	RSLs only - 89	No change	8% reduction from baseline figure (Upper limit: 195)	10% reduction from baseline figure (Upper limit: 193)
<b>100% of applicable properties have a fire risk assessment (HMOs)</b>	100%	No change	100%	100%
<b>&gt;10,000 vulnerable children benefitting from targeted Foundation programmes</b>	3,023 Over 13,000 benefited since the beginning of the strategy	No change	1,000	1,000
<b>&gt;20,000 Wheatley customers accessing services which help alleviate poverty</b>	11,895 Over 20,000 instances of direct support	No change	9,000	9,000
<b>4,000 jobs and training and apprenticeship opportunities delivered</b>	899 Over 3,600 since the beginning of the strategy	No change	800	800

Indicators	Year 3 as at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
<b>75% of jobs, training places or apprenticeships created which are secured by our customers</b>	67.82% (Jan 25)	No change	75%	75%
<b>90% of Care services are graded 5 or above</b>	83.33%	No change	80%	90%
<b>Achieve 85% satisfaction with Wheatley Environmental Services</b>	3.9/5	MyVoice CSAT for ad-hoc services was launched during 2023/24. In April 2025, MyVoice will also be launched for Planned maintenance. Target proposed as a MyVoice CSAT score of 4.3 / 5	4.3 /5	4.3 / 5 (85%)
<b>% ASB cases resolved (ARC)</b>	Loretto 97.17% WHS 97.12% WHG 90.10% WHE 92.09%	No change	100%	100%
<b>Reduce the number of repeat complaints of ASB by 20%</b>	12.50% reduction (861)	Formalising as part of the Group PMF this existing commitment in the ASB Framework.  Baseline year is 2022/23, when there were 985 repeat addresses.	15% cumulative reduction (Upper limit 766)	20% cumulative reduction (Upper limit 721)
<b>% households with annual tenant visits within a 12-month rolling period</b>	Group – 68.66% WHG – 65.30% WHS – 82.10% WHE – 63.52% Loretto – 82.21% Lowther – 57.23%	To increase in 25/26 to 100% for each RSL and Lowther	70% for each RSL	<del>WHG – 99%</del> <del>All other RSLs – 75%</del> <del>Lowther – 75%</del> All RSLs and Lowther – 100%

4. Developing Our Shared Capacity

Indicators	Year 3 at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
Staff absence for all parts of the business, excluding Care, NETs and trade staff, is maintained at 3%	3.27%	No change	3.0%	3.0%
Staff absence within Care is maintained at 5%	6.40%	No change	5.0%	5.0%
Staff absence within NETs is maintained at 5%	5.80%	No change	5.0%	5.0%
Staff absence within trade staff is maintained at 5%	4.20%	No change	5.0%	5.0%

## 5. Enabling Our Ambitions

Existing Indicators	Year 3 at Feb '25 (unless stated)	Update	Year 4 (2024/25)	Year 5 (2025/26)
<b>Reduce gross rent arrears to 5% (ARC)</b>	Group RSLs – 5.36% WHG – 5.72% LH – 3.76% WHE – 5.22% WHS – 4.35%	The strategy renewal agreed a target of <5%. This has been set at 4.95%.	5.2%	<5% maintained, set at 4.95%
<b>Maintain gross rent arrears below 4% - Lowther Letting</b>	3.21%	No change	3.2%	3%
<b>Average days to let a home maintained at 16 days (ARC)</b>	WHG – 19.45 LH – 10.09 WHE – 15.14 WHS – 9.61 Lowther FMR – 8.13 Lowther MMR – 7.63	No change	RSLs - 16 Lowther - 10	RSLs - 16 Lowther - 10
<b>96% of Care services at financial break even after management fees</b>	93.00%	2025/26 target to increase to 100%	92%	100%
Lowther - Over 50% of customers actively using their online account to make transactions with us	33.31%	To change to contextual	40%	>50% Contextual

## **Report**

**To:** Wheatley Housing Group Board

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

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

**Subject:** Fire Prevention and Mitigation Update

**Date of Meeting:** 30 April 2025

---

### **1. Purpose**

- 1.1 The purpose of this report is to provide the Board with an update on:
- The number of Person-Centred Fire Risk Assessments carried out across the Group;
  - The number of Accidental Dwelling Fires across the Group;
  - Progress with our Fire Risk Assessment programme;
  - Routine Fire Safety Monitoring in our Multi-Story Flats by the Scottish Fire and Rescue Service;
  - the Scottish Government response to the Grenfell Phase 2 report ; and
  - our ongoing safety arrangement for MSF cladding and fire doors.

### **2. Authorising and strategic context**

- 2.1 The Group Standing Orders set out what matters are reserved to Boards/Committees and what is delegated to the Group Chief Executive. This report relates to strategy implementation, as such the proposals within the report fall within the powers that are delegated to the Group Chief Executive which are exercised via the Group Executive Team.
- 2.2 Making the most of our homes and assets goes beyond building new homes and investing in existing ones. Our renewed vision for neighbourhoods is one where our customers feel safe and secure and live in peaceful communities.

### **3. Background**

- 3.1 Further to the Group update on the Fire Prevention and Mitigation Framework at the Group Audit Committee in November 2023, it was agreed there would be a twice-yearly update on Accidental Dwelling Fires, Fire Safety and our Fire Risk Assessment programme across the Group.
- 3.2 Fire safety and keeping our customers and communities as safe as they possibly can be, will always be of paramount importance and this is recognised within our Group Strategy 2021-2026: Your Home, Your Community, Your Future, in which we clearly state that fire safety will remain a top priority.



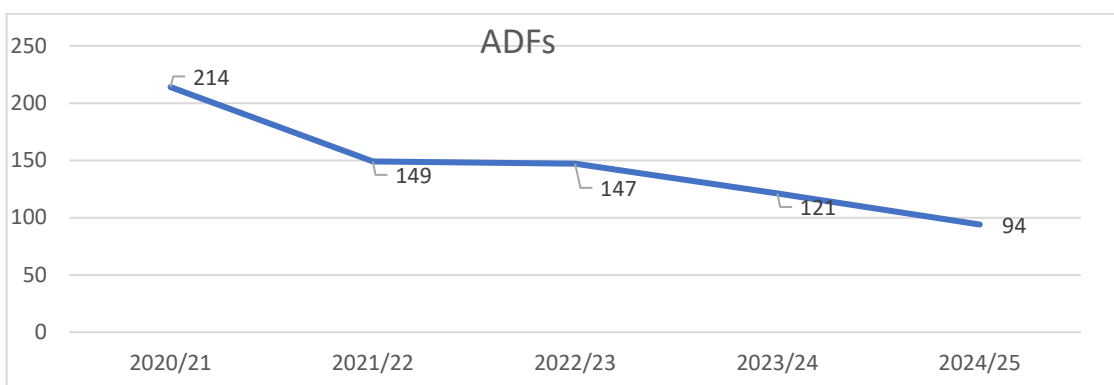
## 4. Discussion

### Person Centred Fire Risk Assessment (“PCFRA”)

- 4.1 PCFRAs are carried out when the Fire Safety Team receive a referral about a vulnerable person. This is usually the result of tenant behaviour, living conditions and other risk factors such as age/health. Referrals can be made by Housing Officers or external parties such as Police Officers or Social Work.
- 4.2 In the last 12 months, we completed **537** PCFRAs across the Group, the third consecutive year we have delivered over 500. As a result of the 537 PCFRAs carried out this year we took the following steps to protect our tenants:
- installed 94 LD1 (the highest level of protection) fire alarm systems ;
  - installed 169 stove guards;
  - provided specialised detection for 25 customers;
  - provided 309 customers with fire safety products;
  - raised 620 mandatory fire safety actions; and
  - raised 1927 advisory actions were raised
- 4.3 In addition to PCFRAs, during this period, a further 946 Home Fire Safety Visits were undertaken in our customers’ homes by Scottish Fire and Rescue Service (“SFRS”). These visits are arranged by the SFRS and are based on incoming requests rather than a risk-based assessment, although risk is a factor in a request being made.

### Accidental Dwelling Fires (“ADFs”)

- 4.4 In the last 12 months, there were 94 ADFs in customers’ homes, a reduction of 27 from the previous year and a considerable improvement since the start of the strategy.
- 4.5 In 2020/21, we set a target of a 10% reduction of ADFs within five years. However, as can be seen below, actual reductions have exceeded this considerably, with a reduction of 345 ADFs over the last 5 years, a 56% annual reduction from 2020/21.



- 4.6 The Fire Safety Team also undertakes post-fire investigation visits (“FINs”) in respect of the most serious fires where it is considered that lessons can be learned to reduce the risk of ADFs re-occurring. In the last 12 months, **8** post FINs were undertaken. There were no specific areas of concern identified in the FINs that were undertaken.

## Fire Risk Assessment (“FRA”) - Relevant Premises

- 4.7 Currently, all relevant premises have a valid FRA to satisfy the requirements and legal obligations set out in the Fire Safety Scotland Act 2005 and Fire Safety Scotland Regulations 2006.
- 4.8 Within our corporate estate ‘relevant premises’ to which this legislation applies include Houses in Multiple Occupation, care premises, offices, workshops and depots. In the last 12 months 66 FRAs were completed at these locations.

## FRA - Non-Relevant Premises

- 4.9 FRAs are also completed in non-relevant premises i.e. those not subject to the full fire safety duties imposed by the Fire Safety Scotland Act 2005, mainly comprising Multi Storey Flats (“**MSFs**”) and Livingwell premises. Although not a legal requirement it is considered best practice in guidance issued by the Scottish Government. In the last 12 months, 52 FRAs were completed at these locations.
- 4.10 A previously agreed a three-yearly visit programme was carried out during this period for these locations; for the forthcoming year this programme will be increased to a two-yearly frequency. This change aligns with best practice enhancing the effectiveness of visit scheduling.

## FRA/PCFRA Action Completion and Monitoring

- 4.11 As part of the 118 relevant and non-relevant premises FRAs, and 537 PCFRA reports completed during 2024/25 we raise two types of actions:

*Mandatory actions* - those which relate to a legal duty, are classed as the highest priority and must be completed as quickly as possible for example a damaged fire door

*Non-Mandatory action*- those which do not relate to a legal duty and do not in themselves compromise fire safety. Advice and guidance are provided by these actions to enhance fire safety, for example enhanced signage

- 4.12 As part of the reports completed in 2024/25 we raised the following:
- 1,454 FRA and 620 PCFRA **mandatory** actions
  - 921 FRA and 1927 PCFRA **non-mandatory** actions
- 4.13 The Group Executive team monitor the implementation of mandatory fire safety actions weekly and non-mandatory actions monthly. Where a mandatory action becomes overdue due to access issues it will move to our forced access procedure. As at the last weekly update reviewed by the Group Executive team six actions were overdue, all by less than one month, and are being actively managed.

## SFRS Operational Assurance Visits (“OAVs”)

- 4.14 SFRS continue to undertake their quarterly Operational Assurance Visits in all of our **MSFs** in line with their High Rise Building Standard Operating Procedure.

- 4.15 Between April 2024 and March 2025, a total of **308** OAVs were carried out in our MSFs by SFRS operational crews. These inspections resulted in 41 mandatory actions, down from 78 last year.

#### Grenfell Phase 2 Report

- 4.16 A separate report detailing the Group position in relation to the recommendations contained in the Phase 2 report of the Grenfell Inquiry was provided to the Board in September 2024. As was noted in the report, our position with respect to fire safety compliance is robust.
- 4.17 A response to these recommendations has now been published by the Scottish Government, within which they have indicated that they will consider these recommendations and that this will be included in an existing review by the Scottish Law Commission, to be finalised during 2026.
- 4.18 The main unresolved recommendation within the Phase 2 report, related to a call legal obligations to plan for the evacuation of high rise buildings and disabled residents in the event of a serious fire known as Personal Emergency Evacuation Plans ("**PEEPS**") in multi-storey properties.
- 4.19 The UK Government rejected this recommendation on the basis that it was not proportionate or practical. The Board reached the same conclusion when considering this in September 2024. The UK Government has consulted on and will implement '*residential PEEPs*' which will be mandatory in all 18m+ residential buildings and 11-18m residential buildings which have a simultaneous evacuation strategy in place.

#### MSF Cladding

- 4.20 We continue to liaise with the Scottish Government's cladding team regarding the guidance for existing high-rise domestic buildings. This is currently centred around the ongoing pilot programme being undertaken by the Scottish Government for Single Building Assessments and the guidance for flat entrance door inspections, currently recommended every 6 months. We currently comply with this guidance and have undertaken 11,271 visits and 8,216 successful inspections in the last six months.
- 4.21 This programme has a high level of non-access and the legality of forcing access for these checks is subject to challenge, particularly where there is no visible evidence of damage.
- 4.22 It is therefore proposed that we amend our forced access approach to proceed to forced access only where there is "clear evidence that the flat entrance door has no qualities of fire resistance, or there is clear evidence that the fire resistance of the door has been compromised due to a repair".
- 4.23 We advised the Board previously that we intended to undertake a desktop review of our buildings between 11 and 18 m including as part of preparing for the implementation of The Housing (Cladding Remediation) (Scotland) Act 2024, which will require all owners of residential buildings with the following characteristics to carry out a Single Building Assessment ("**SBA**"):

- is a flatted building as defined in section 16(4) of the Land Registration etc. (Scotland) Act 2012
- Contains at least one flat that is used, or intended to be used, as a dwelling;
- Stands 11 metres or more above the ground;
- Has an External Wall Cladding System;
- Has been constructed, or otherwise undergone development (e.g. major external refurbishment) at any time within the period beginning with 1 June 1992 and ending 1 June 2022.

- 4.24 The SBA process is still under development and there is limited guidance or experience in practice of their completion. Timescales for when assessments need to be undertaken are not defined, and there is, as yet, no system for registering their competition. As now, we will continue working with Scottish Government as this area develops and update the Board once details are available.
- 4.25 SBA's bring together an assessment or survey of the external wall system on a building and a fire risk assessment of the rest of the building. The desktop review, which has now been completed, was aimed at identifying blocks for further investigation and providing a basis for prioritising future SBAs.
- 4.26 The desktop review identified 98 buildings between 11 and 18 m mainly in Glasgow and Edinburgh. These are split almost equally between Glasgow and Edinburgh and many are of traditional brick or sandstone construction type with no external wall system. The desktop review also identified 15 blocks including one discussed below that we are examining further because they have features such as partial cladding, infill panels or balconies. It should be noted that none of these features necessarily present a fire-risk and all are consistent with the building regulations at the time construction.
- 4.27 Initially these further investigations, other than for the block discussed below, involve our in-house surveying expertise carrying on site inspections to build on the desktop exercise. Depending on findings from this, we will then engage external specialist to undertake an SBA on a prioritised basis. It should be noted that the approach above is driven by our commitment to assessing and addressing fire risk and our proactive approach to being ahead of legislation, rather than any particular fire-safety concerns with these buildings.
- 4.28 As part of our proactive approach, a potential issue was identified with an elevation of one of our buildings at Marine Drive in Edinburgh, where infill panelling was used, primarily for aesthetic purposes. As a result, a SBA was carried out on this block by Astute Fire Engineers. This identified a moderate risk relating to the external wall system due to insufficient fire-stopping behind certain in-fill panels on the block. Given this risk rating, we are informing tenants and enhancing fire-prevention measures including informing SFRS of the findings, increasing frequency of fire alarm checks and introducing periodic inspections to ensure flammable materials are not left in common areas. We are also developing plans to mitigate the issues identified with the external wall system.

## **5. Customer Engagement**

- 5.1 The PCFRA programme outlined within this report supports customers who are particularly vulnerable to fire, due to physical, cognitive, mental impairments, substance misuse issues or the condition in which they are maintaining their home. Where identified as necessary, assistance is provided to these individuals to reduce risk of fire in their home.

- 5.2 In addition, in the last 12 months, we have carried out seven fire safety engagement events in our communities.

## **6. Environmental and sustainability implications**

- 6.1 The environmental impact of a house fire and building fires presents a negative outcome to the environmental commitment of the group in our efforts to reduce our carbon footprint and promote sustainability.
- 6.2 The immediate short-term effects of house fires and building fires are the obvious risk and displacement to customers, release of toxic gas, smoke and other by products that contaminate the local environment, that can also impact air quality because of the release greenhouse gases like carbon monoxide and carbon dioxide.
- 6.3 Negative consequences of a building fire on the environment can also endanger the health and well-being of our customers, their neighbours and our communities.
- 6.4 Targeting PCFRAs for vulnerable customers and ensuring our fire safety arrangements remain effective in the implementation and review of a robust fire risk assessment programme, contributes to the overall commitment of the group to positively impact our environmental and sustainability responsibilities.

## **7. Digital transformation alignment**

- 7.1 In support of our Digital Transformation, we have developed a Fire Risk Assessment Dashboard. The Power BI Dashboard interfaces with our PIMSS Asset Management System to provide real time data on the current progress and status of our Fire Risk Assessment Programme, Accidental Dwelling Fires, Person-Centred Risk Assessments and Fire Investigation Notes.
- 7.2 Access to Power BI Dashboard and PIMSS is shared with Duty Holders and Relevant Persons for access, visibility and updating progress.

## **8. Financial and value for money implications**

- 8.1 The implementation and completion of PCFRA and FRA programmes have significantly increased the number of fire safety actions required to be implemented since their commencement.
- 8.2 Whilst costs are incurred as part of these improvements, it should be noted that since these programmes commenced, accidental dwelling fires in tenant homes have been reduced by more than half. Significant reductions in harm to tenants and associated cost savings have clearly been achieved by these actions.

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

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

- 9.2 The Fire Safety Scotland Act 2005 and Fire Safety Scotland Regulations 2006 place legal obligations on duty holders to conduct Fire Risk Assessments in Relevant Premises (Non-Domestic Premises).
- 9.3 Relevant Premises are those premises that are covered by fire safety legislation and enforced under current legislation by SFRS. Premises such as HMOs, Care Premises, Offices, Workshops and Depots are legally required to have a current fire risk assessment in place.
- 9.4 Multi Storey Flats (Practical Fire Safety Guide for Existing High Rise Domestic Premises) and Livingwell Premises (Practical Fire Safety Guide for Specialised Housing) are recognised as domestic premises and the recommendation to conduct fire risk assessments is one of best practice and not a legal requirement.

## **10. Risk Appetite and assessment**

- 10.1 The Group risk appetite relating to issues of technical compliance is averse, defined as avoidance of risk and uncertainty is a key organisational objective.
- 10.2 The Group Board approved “Your Home, Your Community, Your Future”: Our five-year-strategy covering 2021-2026. This report provides the Board with assurance in relation to the on-going implementation of the strategy and our ability to respond to new guidance and legislation.

## **11. Equalities implications**

- 11.1 There are no equalities issues arising from the content of this report.

## **12. Key issues and conclusions**

- 12.1 Accidental dwelling fires are lower than that of the same period last year and have reduced by more than half since the FRA/ PCFRA programmes commenced.
- 12.2 FRAs carried out in our relevant and non-relevant premises in accordance with Scottish Government guidelines and best practice maintain our position of strong legal compliance for fire safety.
- 12.3 Strong Executive-level oversight and robust evidence review by our fire safety specialists for ensuring completion of mandatory actions arising from FRA and PCFRA reports reinforces our culture of treating fire and resident safety with the upmost seriousness.

## **13. Recommendations**

- 13.1 The Board is asked to note the update and progress of our FPMF for April 2024 – March 2025.

### **LIST OF APPENDICES:**

None.

## **Report**

**To:** Wheatley Housing Group Board

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

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

**Subject:** Health and Safety policy update and annual report

**Date of Meeting:** 30 April 2025

---

### **1. Purpose**

- 1.1 The purpose of this report is to update the Board, seeking approval as appropriate, on:
- Health and Safety performance in 2024/25; and
  - the Group Health and Safety Policy.

### **2. Authorising and strategic context**

- 2.1 Under the Group Standing Orders the Group Board is responsible for approving Group Policies and their designation as applicable to all Group partners. The Group Health and Safety Policy was approved by the Board and designated as a Group Policy.
- 2.2 This report provides an update on the arrangements currently in place to ensure that Group Health and Safety performance meets best practice and legal compliance standards.
- 2.3 Group Health and Safety Management Arrangements contribute to enhancing safety culture and are clearly aligned to our Group strategy of developing and delivering excellent customer service.

### **3. Background**

- 3.1 Whilst required by law, the current Group Health and Safety Policy also provides the foundations for our Health and Safety Management System and a positive Health and Safety culture. Our policy is reviewed at least every three years.
- 3.2 Our Group H&S Policy is part of our overall Health and Safety architecture as shown below, along with our Group Health and Safety Management System, Group Health and Safety Management Arrangements and Operational Safety Manuals. This model is based on the Health and Safety Executive's recommended approach to safety management, HS(G)65.



- 3.3 Monitoring arrangements are in place to maintain the validity and accuracy of the documents described, based on feedback from operational activities, changes to the legislative environment and advances in best practice.

#### 4. Discussion

##### Group Health and Safety Policy

- 4.1 In line with planned review schedules, the Group H&S Policy has been reviewed and updated with a number of changes reflecting issues such as:
- New Health and Safety Management Arrangements (**HSMA**s”) where we have sought to set out our obligations in more detail and with increasing specificity;
  - Expanded duties of the Health and Safety Team relating to a new Health and Safety audit programme which ensures compliance with the Health and Safety Work Act and associated regulations; and
  - Revised reporting and monitoring arrangements to maintain a high visibility of Health and Safety issues.

- 4.2 The tracked change version of the revised Policy is attached Appendix 1.

##### Group Health and Safety Management Arrangements

- 4.3 We have updated or created new HSMA in 46 areas relating to the management of Health and Safety to ensure a consistent approach is achieved for legal compliance across all business areas. Group HSMA are further supported with a legal register listing Health and Safety legislation that is applicable to the related activities.

##### Reporting and monitoring arrangements

- 4.4 We refreshed the reporting and monitoring arrangements across the Group over the year. We moved to more theme-based groups, each meeting quarterly, to enable dedicated monitoring and improvement of Health and Safety outcomes in each area. We currently have groups in the following areas:
- Housing
  - Care
  - NETS
  - Trades
  - Violence
  - Drivers Safety
  - H&S Strategy Group



## Operational Safety Manuals (“OSMs”)

- 4.5 Operational Safety Manuals are in place for five key business areas:
- Care
  - Housing
  - Neighborhood and Environmental Teams (NETs)
  - In House Trades
  - Corporate Services
- 4.6 Each OSM contains risk assessments, safe systems of work, local procedures and guidance, and is kept under review on a 2-year rolling cycle. Within the current review cycle updated/ improved templates are being created for risk assessment and a safe system of work documents, in order to ensure the highest standards of communication and compliance.
- 4.7 All staff members are required to confirm they are familiar with the OSM in their business area. We are currently at a 78% completion rate for the year and expect to have this, save for staff who are long-term absent, at 100% in the month ahead.

## Health and Safety Training

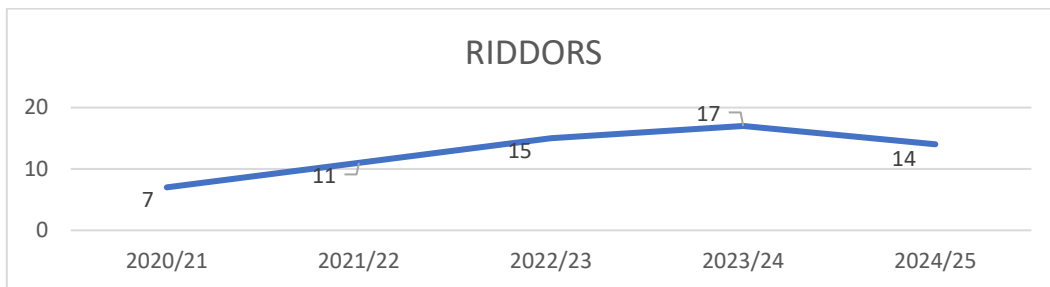
- 4.8 In addition to the OSM all staff must also undertake mandatory Health and Safety training. We are currently at a 92% completion rate for the year and expect to have this, save for staff who are long-term absent, at 100% in the month ahead. In addition, the following in- person H&S training was also delivered:
- H&S For Managers – 9 sessions, 38 attendees
  - Fire Marshalls - 16 sessions, 66 attendees
- 4.9 This year we will conduct a review of health and safety training across all organisational areas, with a view to developing training matrices for all job roles. Additional training identified by this exercise will thereafter be developed and delivered.

## Homeworking

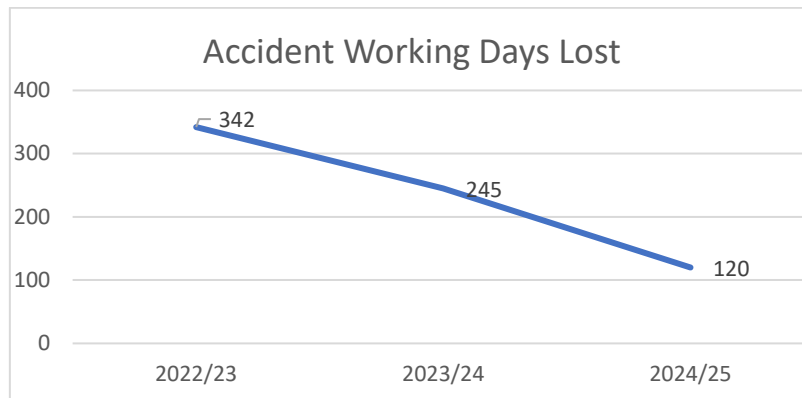
- 4.10 Homeworking arrangements are well established across the Group. All staff who work from home are required to complete an annual update to confirm their home working arrangements remain safe. We are currently at 82% completion rate for the year and expect to have this, save for staff who are long-term absent, at 100% in the month ahead.

## Accident and Incident Reporting

- 4.11 We have a legal requirement to investigate and report accidents involving staff, contractors, and customers in accordance with the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (“RIDDOR”).
- 4.12 In 2024/25 we reported 14 RIDDOR ‘Over 7 Day’ incidents to the Health and Safety Executive (“HSE”), none of which resulted in further investigation. This a slight decline on the previous 2 years, with historic RIDDOR numbers for the last 5 years.



- 4.13 In the last year, **120** working days were lost across the Group due to absences resulting from all work-related accidents. Comparisons of the last 3 years are shown below, where it can be seen that absence levels from this cause have reduced substantially.



#### Digital Incident Reporting System

- 4.14 During April 2024 the new digital incident reporting system was implemented across all Group functions. This system enables employees to self-report incidents and has been strongly supported by our Trade Union partners. The system is now functioning well and has substantially improved the speed of provision of data versus the previous manual methodology used.

#### Employers Liability (“EL”) Claims Experience

- 4.15 There are currently 10 open EL claims being investigated and considered by our insurer arising from accidents and incidents at work. The financial reserve on each claim varies between £5k and £86k for incidents such as slips, trips and falls and manual handling.

### **5. Customer Engagement**

- 5.1 There is no direct customer engagement related to this report, however where a Health and Safety matter could impact customers, we will engage with them on any work we are undertaking.

### **6. Environmental and sustainability implications**

- 6.1 Our Health and Safety approach is a key part of ensuring the success of our operating model. This operating model, which includes agile home working as highlighted above, has positive environmental and sustainability implications through:

- Reducing unnecessary travel to an office location;
- Encouraging staff to meet, when necessary, in our new hub locations that include measures to reduce our carbon footprint such as solar PV; and
- Increasingly looking to encourage the use of electric vehicles and power tools, and active travel, where appropriate, to the work being carried out

## **7. Digital transformation alignment**

- 7.1 Technology is used where appropriate to support safe working arrangements, for example the introduction of the lone working app.
- 7.2 Further E-Learning training is also being developed beyond our existing Health and Safety Awareness and Fire Awareness courses.

## **8. Financial and value for money implications**

- 8.1 There are no further financial and value for money implications associated with this report.

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

- 9.1 The Group's risk appetite relating to laws and regulations is "Averse" i.e., avoidance of risk and uncertainty is a key organisational objective. The risk tolerance of all subsidiaries relating to technical compliance (e.g., Health and Safety, gas) is also "Averse".
- 9.2 Health and Safety compliance risks and associated mitigations are included in the group strategic risk register and in the subsidiary risk registers.
- 9.3 Failing to comply with the statutory Health and Safety legislation and employers' general duties under the Health and Safety at Work Act and associated Regulations could lead to regulatory intervention, enforcement action, prosecution and adverse reputational risk.
- 9.4 Our reporting and monitoring arrangements support our compliance with the requirements for consultation and more specifically our legal obligation under the Safety Representatives and Safety Committee Regulations and the Health and Safety (Consultation with Employees) Regulations.

## **10. Risk Appetite and assessment**

- 10.1 The Group risk appetite relating to issues of technical compliance is averse, defined as avoidance of risk and uncertainty is a key organisational objective.

## **11. Equalities implications**

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

## **12. Key issues and conclusions**

- 12.1 The Health and Safety Management System currently in place is recognised as a best practice approach by the HSE for continuous improvement according to their HS(G)65 model.

- 12.2 Over the last year we have further strengthened each element of our Health and Safety Management System, with the proposed policy changes further enhancing this. Engagement with our staff and Trade Union partners remains a key element of ensuring we have a strong Health and Safety culture within the organisation.

### **13. Recommendations**

- 13.1 The Board is asked to:
- 1) Approve the amended Group Health and Safety Policy; and
  - 2) Otherwise, note the update on Health and Safety management and performance across the Group.

#### **LIST OF APPENDICES:**

Appendix 1 – Track changed Group Health and Safety Policy

# Group Health and Safety Policy

April 2025

Version 2.0 January 2023

## Wheatley Group's Health and Safety Statement

It is the policy of all Wheatley Group subsidiaries to safeguard, as far as reasonably practicable, the health, safety and welfare of its staff and all persons likely to be directly affected by the activities of the Group.

The Wheatley Group subsidiaries acknowledge that successful health and safety management contributes to overall performance, and they are therefore committed to the following:

- All Group subsidiaries achieving compliance with legal and other relevant requirements through good health, safety and welfare management practices.
- Providing adequate staff and funding resources to implement this Group Health and Safety Policy
- Establishing and maintaining a safe and healthy working environment
- Striving to prevent avoidable injury or ill-health.
- Striving for continual improvement in relation to Health & Safety performance
- Ensuring that significant risks arising from work activities under our control are eliminated or adequately controlled;
- Developing and implementing appropriate occupational health and safety management system procedures, and safe working practices;
- Incorporating the management of health and safety as a specific management responsibility;
- Ensuring this policy is understood and implemented across the group;
- Engaging employees, employer and trade unions in health and safety decisions through consultation and co-operation;
- Maintaining workplaces under our control and in conjunction with other landlords where there is shared occupancy, in a safe condition without risk to health or physical and mental wellbeing;
- Reviewing on a regular basis compliance with the Group Health and Safety Policy and the management systems that underpin this policy;
- Providing sufficient information, instruction, and assistance in implementation of control measures and supervision; to enable all staff to recognise hazards, use control measures and safe working practices to avoid incident, injury and ill health.
- Ensuring that staff receive appropriate training, supervision (where task deems necessary) and personal protective equipment (PPE) and are competent to carry out their designated responsibilities;
- Ensuring that there is oversight of and involvement where appropriate with designers and contractors appointed to undertake construction work on behalf of Group subsidiaries

The Group Health and Safety Team will develop supporting Health and Safety Management Arrangements and Operational Safety Manuals which form the basis for the on-going development of the Health and Safety Management System. The details within the management arrangements and the Operational Safety Manuals, detail the processes and procedures to achieve legislative compliance. These responsibilities are shared and delegated amongst Directors and Managers across the Group.

The Operational Safety Manuals will be made available to all subsidiaries.

The Director of Group Health and ~~Fire Safety and Compliance~~ will have responsibility for administering and positively maintaining, the implementation of The Wheatley Group Health and Safety Policy supported by The Wheatley Group Health and Safety Team

Signed:

Date:

Steven Henderson:  
Group CEO

## Contents

### 1.0 Introduction

#### ~~1.1 The Wheatley Group~~

### 2.0 Principles, Aims and Objectives

### 3.0 Legal and Regulatory Requirements

### 4.0 Roles and Responsibilities

#### 4.1 Roles and Responsibilities

#### 4.2 Wheatley Group Board

#### 4.3 Wheatley Group Chief Executive Officer

#### 4.4 Managing Directors & Directors

#### 4.5 Director of Group Health and ~~Fire Safety~~ ~~Safety and Compliance~~

#### 4.6 Group Health and Safety Managers

#### 4.7 Managers

#### ~~4.8 Construction, Design and Management~~

#### ~~4.9~~ ~~4.8~~ Group Health and Safety Team

#### ~~4.10~~ ~~4.9~~ Powers of the Group Health and Safety Team

#### ~~4.11~~ ~~4.10~~ Group Employee Relations Team

#### ~~4.12 Care Management Team~~

#### ~~4.13~~ ~~4.11~~ Staff

#### ~~4.14~~ ~~4.12~~ Trade Union Representative

### 5.0 Health and Safety Management Arrangements

#### ~~5.1 Accident, Incident and Near Miss reporting and Investigation~~

#### ~~5.2 Alcohol, Drugs and Gambling addictions~~

#### ~~5.3 Asbestos~~

#### ~~5.4 Construction, design and management~~

#### ~~5.5 Control of Contractors~~

#### ~~5.6 Control of Substances Hazardous to Health (COSHH)~~

#### ~~5.7 Display Screen Equipment (DSE)~~

#### ~~5.8 Electricity at Work~~

#### ~~5.9 Fire Safety~~

#### ~~5.10 First aid at work~~

#### ~~5.11 Gas Safety~~

#### ~~5.12 Health and Safety Induction, Instruction and Training~~

#### ~~5.13 Homeworking~~

#### ~~5.14 Infection Control~~

#### ~~5.15 Legionella~~

#### ~~5.16 Lifting Operations and Lifting Equipment~~

#### ~~5.17 Lone Working~~

#### ~~5.18 Manual Handling~~

#### ~~5.19 Medication (Management and Administration)~~

#### ~~5.20 New and Expectant Mothers~~

#### ~~5.21 Noise~~

5.22 Occupational Health and Wellbeing

**5.0 ~~Health and Safety Management Arrangements Cont.~~**

5.23 Personal Protective Equipment (PPE) and Respiratory Protective Equipment (RPE)

5.24 Risk Assessment

5.25 Safety Signs and Signals

5.26 Security Threats

5.27 Smoke Free Workplace

5.28 Stress

5.29 Transport Safety

5.30 Vibration

5.31 Violence at Work (Challenging behaviour and Aggression)

5.32 Working at Height

5.33 Work Equipment

5.34 Workplace Welfare

5.35 Operational Safety Manual (OSM)

**6.0 Health and Safety Monitoring**

6.1 Health and Safety Operations Meeting

6.2 Health and Safety Strategy Meeting

6.3 Assurance

**7.0 Policy Review**

**8.0 Relationship to other Policies**

**9.0 Document Control**



## Section 1

### Introduction

1.1 The Wheatley Group ('The Group') is Scotland's leading housing, care and property- management group. It comprises six Registered Social Landlords, a care organisation and a commercial subsidiary. The Group provides homes and services to over 210,000 people in 19 local authority areas across Scotland

1.1 .1 Our Group subsidiaries/[Functions](#) are:

- Loretto Housing Association
- [Lowther Homes](#)
- [NETs](#)
- Wheatley Care
- Wheatley Foundation
- Wheatley Homes East
- Wheatley Homes Glasgow
- Wheatley Homes South
- Wheatley Solutions

1.1.2 City Building Glasgow is a shared 50/50 split Joint Venture with Glasgow City Council and Wheatley Group. City Building Glasgow have their own [gGovernance](#) arrangements in place and manage their own health and safety processes required to ensure their statutory obligations are being met.

[1.1.3](#)• This Group Health and Safety Policy applies to and binds all staff of the Group and its subsidiaries in meeting the requirements of the Health and Safety at Work Act and supporting legislation. Adherence to The Wheatley Group Health and Safety Policy is both an individual and a corporate responsibility; disciplinary action may be initiated against staff that knowingly fail to adhere to safety procedures or standards or fail to use PPE as identified in risk assessment.

[1.1.4](#)• The purpose of The Wheatley Group Health and Safety Policy is to set out the general operating principles covering all the activities undertaken within the Group. It sets out the Group's responsibilities to comply with health and safety legislation and the general arrangements to support compliance.

[1.1.5](#) Should you require any assistance or guidance with any health and safety matter please contact [#WheatleyhealthandSafety@wheatley-group.com](mailto:#WheatleyhealthandSafety@wheatley-group.com).

## Section 2

### Principles, Aims and Objectives

- 2.1 It is the duty of all Group subsidiaries to safeguard, as far as reasonably practicable, the health, safety and welfare of its staff and all persons likely to be directly affected by the activities of the organisation.
- 2.1.1 All Group subsidiaries acknowledge that successful health and safety management contributes to overall performance, and are committed to the following:
- Achievement and maintenance of compliance with legal and other relevant requirements through good occupational health and safety performance
  - Provision of adequate staff and funding resources to implement this policy.
  - Establishment and maintenance of a safe and healthy working environment
  - Striving to prevent avoidable injury or ill-health and continual improvement in relation to Health and Safety performance by investigating accidents to identify the root causes and trends and to ensure lessons learned are shared to avoid reoccurrence
  - Ensuring that significant risks arising from work activities under our control are eliminated or adequately controlled
  - Developing and implementing appropriate occupational health and safety procedures and safe working practices
  - Incorporating the management of health and safety as a specific management responsibility
  - Ensuring this policy is understood and implemented across the Group
  - Engaging staff, employer and trade unions in health and safety decisions through consultation and cooperation
  - Maintaining workplaces under our control in a safe condition without risk to health or physical and mental wellbeing
  - Reviewing compliance with The Wheatley Group Health and Safety Policy and the management systems that underpin this policy on a regular basis
  - Providing sufficient information, instruction, training, assisting in implementation of control measures, personal protective equipment (PPE) and supervision to ensure staff are appropriately equipped and competent to carry out their designated duties, avoid hazards and to engage with their health and safety at work
  - Having oversight of the Contractors and Safety Consultants (e.g. Principal Designers) we appoint to our construction, investment and repairs projects.

## Section 3

### Legal and Regulatory Requirements

- .1 The Health and Safety at Work Act 1974 requires the Group subsidiaries to ensure, so far as is reasonably practicable, the health, safety and welfare of all staff while at work. Group subsidiaries also have a responsibility to ensure that others not employed but who may be affected by the subsidiaries' work-related activities are not exposed to risks to their health and safety.
- .1.1 Under the Management of Health and Safety at Work Regulations, there is a responsibility to manage health and safety effectively.
- .1.2 As a minimum, the following processes and procedures will be put in place to meet the required legal requirements: The Group will adopt the intentions of HS(G)65 and arrangements will be developed and reviewed in line with 'Plan, Do, Check, Act' ethos, which will apply to all preventative and protective measures, including:
- A written Health and Safety policy (this document);
  - Arrangements for the effective planning, organisation, control, monitoring and review of the preventive and protective measures that come from risk assessments;
  - Assessments of the risks to staff, contractors, customers, partners, and any other people who could be affected by our activities taking account of the general principles of prevention i.e., avoidance, prevention, reducing, protection against risks occurring.;
  - Records of all significant findings in writing
  - Arrangements for appointing one or more competent persons to ensure compliance with the relevant statutory provisions, and ensuring access to competent health and safety advice;
  - Provision of information to staff about the risks in their workplace and the preventive and protective measures;
  - Instruction and training for staff in how to deal with the risks;
  - Ensuring there is adequate and appropriate supervision in place;
  - Consulting with staff, representatives and Trade Union representatives about their risks at work and current preventive and protective measures;
  - Carrying out due diligence and ongoing oversight of the contractors and Principal Designers we appoint to ensure they have the skills, knowledge, experience and organisational capability to comply with health and safety legislation and provide the expected outcomes of the project;

- Documenting risk assessments, health and safety incidents, F10 forms and construct health and safety files at a central location for each Group subsidiary;
  - Ensuring that the Health and Safety Executive are provided with the notifications in accordance with current legislation.
- .1.3 Group subsidiaries are committed to managing any risks as far as reasonably practicable posed to our staff, customers, contractors, partners and the general public in relation to the work that we undertake.
- .1.4 Group subsidiaries will meet their duty to manage Health and Safety in line with relevant legislation and established best practice set out in Approved Code of Practices and relevant Guidance Documents.
- .1.5 The Social Care and Social Work Improvement Scotland (Requirements for Care Services) Regulations require Group's Care Subsidiaries to ensure the following as a Provider:
- Make proper provision for the health, welfare and safety of service users;
  - Provide services in a manner which respects the privacy and dignity of service users;
  - Ensure that no service user is subject to restraint, unless it is the only practicable means of securing the welfare and safety of that or any other service user and there are exceptional circumstances. Any use of restraint or physical intervention must be recorded within a service users care plan and be of an accredited recognized technique and intervention protocol;
  - Staff should be trained appropriately in an accredited physical intervention risk assessment system which underpins the use of physical intervention;
  - ~~Where necessary, have appropriate procedures for the prevention and control of infection with all appropriate information shared with staff. Staff should receive appropriate information/instruction and training for effective infection control;~~
  - Have appropriate procedures for the prevention and control of infection with all appropriate information shared with staff. Staff should receive appropriate information/instruction and training for effective infection control.
  - As a provider of a care home, make necessary arrangements for the provision of adequate services from a health care professional to service users;

## Section 4

### Roles and Responsibilities

4.1 The following health and safety accountabilities have been assigned to competent positions across the Group, to enable us to meet the objectives set out in our Group Health and Safety policy and written Management Arrangements.

4.1.1 The following table shows the duty holders for managing health and safety across the Group.

Subsidiary/Business area	Duty Holder
Loretto Housing Association	Managing Director
Lowther Homes	Managing Director
<a href="#">NETS</a>	<a href="#">Director of Environmental Services</a>
Repairs, Investment and Compliance	Director of Group Repairs, Investment & Compliance
Wheatley Care	Managing Director
Wheatley Foundation	Managing Director
Wheatley Homes East	Managing Director
Wheatley Homes Glasgow	Managing Director
Wheatley Homes South	Managing Director
Wheatley Solutions	Directors of Wheatley Solutions

## 4.2 Wheatley Group Board

4.2.1 The Board is responsible for providing leadership, to ensure that Board decisions reflect its Health and Safety intentions as laid out in The Wheatley Group Health and Safety Policy and have arrangements in place to ensure all significant issues and failings are reported to the board, to ensure full cognisance is reflected in Board decisions and priorities of Wheatley Group.

## 4.3 Wheatley Group Chief Executive

4.3.1 The Chief Executive has overarching accountability for the formulation and implementation of The Wheatley Group Health and Safety Policy. However, it is important to recognize that this duty is shared with Group Directors, Managing Directors, Directors, Managers and staff with specific responsibilities inherent within their role and function:

- Ensuring that the necessary arrangements are in place for managing health and safety effectively, and that senior managers are accountable for health, welfare and safety;
- Providing Health and Safety Leadership within the Wheatley Group;
- Considering health safety and welfare during the planning and implementation of the Group's business strategy;

- Ensuring the responsibility for the implementation of compliance of this policy is assigned by Directors to managers and staff within their control;
- Ensuring there are sufficient resources for meeting the objectives of The Wheatley Group Health and Safety Policy.
- Ensuring arrangements are in place for consultation with staff and trade unions, and that they are involved in decisions relating to health and safety, and that progress in relation to health and safety is communicated to them;
- Including health and safety on the agenda of Board meetings and executive team meetings, providing leadership to all staff to promote and support a positive health and safety culture;
- Ensuring the provision and maintenance of a working environment for staff and other persons on our sites that is safe, without risks to health and adequate as regards facilities and arrangements for their welfare, so far as is reasonably practicable;
- Ensuring our 'New Operating Model' for Homeworking is safely implemented and suitable measures and resources are available to ensure the continued health, safety and wellbeing of staff.
- Ensuring arrangements are in place to monitor and review health and safety performance across each of the Group subsidiaries, including accidents and incidents; and ensuring that the necessary amendments are made to relevant policies, procedures and processes where necessary;
- Oversight of our contractors and Principal Designers' health and safety procedures as part of procurement and vetting procedures.

#### 4.4 Managing Directors & Directors

- 4.4.1 Managing Directors and Directors of Group subsidiaries will be responsible for the application of this policy through the nomination of staff with delegated duties and responsibilities, and allocation of financial resources to ensure that they meet their Health and Safety management responsibilities.
- 4.4.2 Managing Directors and Directors are responsible for the implementation of the Group's Health and Safety policy, and in particular for:
- Ensuring that health, welfare and safety concerns are part of the planning and implementation of business strategy;
  - Ensuring that the necessary arrangements are in place for managing health and safety effectively, and that senior managers are informed of their responsibilities as part of their role and functions for health, welfare and safety;
  - Ensuring that managers within their area of responsibility are suitably trained, competent and fully understand their health and safety obligations;

- Ensuring there are sufficient resources for meeting the objectives of The Wheatley Group Health and Safety Policy;
- Ensuring arrangements are in place for consultation with staff and trade unions and that they are involved in decisions relating to health and safety, and that progress in relation to health and safety is communicated to them;
- Ensuring the provision and maintenance of a working environment for staff and other persons on site that is safe, without risks to health and adequate as regards facilities and arrangements for their welfare at work; so far as is reasonably practicable;
- Including health and safety on the agenda of ~~senior~~ Executive ~~T~~eam meetings;
- Ensuring arrangements are in place to monitor and review health and safety performance for each Group subsidiary, including accidents and incidents; and ensuring that the necessary amendments are made to relevant policies, procedures and processes.

#### 4.5 Director of Group Health and ~~Fire Safety and Compliance~~

4.5.1 The Director of Group Health and Safety and Compliance will be responsible for the Group Health and Safety Team and Fire Safety Team to include the following duties:

- Providing leadership to promote a positive health and safety culture across the Group.
- Overseeing the activities of the Group Health and Safety Lead, Group Health and Safety Managers and Fire Safety Manager and their respective team of advisors and Officers.
- Chairing the Health and Safety Strategy Meeting to drive a positive health and safety culture and meet our obligations under the Safety Reps and Safety Committee Regulations.
- Engage and persuade stakeholders on the importance of promoting a positive health and safety culture;
- Report to the Group board regularly on the Group's health and safety and fire safety performance.

#### 4.6 Group Health and Safety Managers

4.6.1 The Group Health and Safety Managers are responsible for developing and communicating a Health and Safety management framework and providing the competent and comprehensive assistance to the Wheatley Group and its subsidiaries including the following:

- Setting the strategic direction for health and safety practice across the Group
- Establishing and maintaining The Wheatley Group Health and Safety Policy, management arrangements and Operational Safety Manual.

- Supporting Directors and managers with responsibilities for Health and Safety to meet, deliver and maintain statutory obligations for health and safety.
- Providing advice and guidance to all staff and especially those staff with specific health and safety responsibilities.

~~Providing a programme for staff Health and Safety training and ensure records are kept up to date;~~

- Providing a programme for staff health and safety training and ensure that training records are held and reviewed.
- Provision of liaison and support on all matters relating to health and safety across the Group;
- Chairing the Health and Safety Operations Meeting to drive a positive health and safety culture and meet our obligations under the Safety Reps and Safety Committee Regulations.
- Provision of liaison and support on all matter relating to health and safety across the group with HR and Occupational Health as required.
- Liaising with Health and Safety Executive and other enforcement bodies on all statutory health and safety matters.
- Monitoring the implementation of The Wheatley Group Health and Safety Policy and management arrangements, by audits, fire risk assessments, site visits and liaison with managers.
- Periodically reporting on health and safety and fire safety performance to Boards and relevant stakeholders.
- Ensuring arrangements are in place to provide assistance, in the case of investigation of Accidents, Incidents and Near misses where necessary.

## 4.7 Managers

Managers (e.g. Locality Housing Directors, Care Managers, Facility Managers, Environmental Managers etc.) will be responsible for ensuring that The Wheatley Group Health and Safety Policy is implemented within their structure. Managers must ensure risks are assessed and all required and appropriate controls implemented within the workplace and on our sites to ensure that safe conditions and systems of work are maintained. Where hazards are identified the manager must ensure that suitable and sufficient controls are in place, so far as is reasonably practicable. Where any concern exists advice should be sought from the Group Health and Safety team.

~~1.1~~

~~1.2 The arrangements will meet the expectations of HS(G)65 Health and Safety management where Plan, Do, Check and Act will underpin the Wheatley Group Health and Safety management system. The intention of this will be to ensure the preventive and protective measures identified are in place, working effectively and regularly monitored.~~

~~1.3.1.1~~ Management duties include the following:



- ~~• Ensuring that staff, contractors and visitors are aware of safety procedures and make arrangements to ensure that all staff, including temporary workers, are familiar with The Wheatley Group Health and Safety Policy and that they are provided with relevant information, instruction, training and supervision to ensure their competence on the use of equipment, plant, machinery and substances;~~
- ~~• Establishing that all equipment, plant, machinery and substances used are suitable for the task and that their use is reviewed if staff role/function changes, or if there is a new system of work introduced, new work equipment, or new technology, through detailed risk assessments~~
- ~~• Establishing that all equipment, plant, machinery and substances used are kept in good working condition; this includes the regular maintenance and servicing of equipment and machinery and retaining inspection and maintenance records;~~
- ~~• Liaise with the Group Health and Safety Team to participate in the process of risk assessments of workplaces, activities/equipment and sites' This will ensure the provision and maintenance of a working environment and work activities for staff and other persons on our sites that is safe, without risks to health and adequate as regards facilities and arrangements for their welfare, so far as is reasonably practicable. All risk assessments will be carried out in accordance with legislative requirements with regards to review timescales;~~
- Completion of risk assessments as required for staff activities under their control and liaison with the Group Health and Safety Team to participate in this process for workplaces, activities/equipment and sites. This will ensure the provision and maintenance of a working environment and work activities for staff and other persons on our sites that is safe, without risks to health and adequate as regards facilities and arrangements for their welfare, so far as is reasonably practicable. All risk assessments will be carried out in accordance with legislative requirements with regards to review timescales.
- Provision, circulation and monitoring of use of Operational Safety Manuals by all employees under their direction.
- Ensuring that staff, contractors and visitors are aware of safety procedures and make arrangements to ensure that all staff, including temporary workers, are familiar with The Wheatley Group Health and Safety Policy and that they are provided with relevant information, instruction, training and supervision to ensure their competence on the use of equipment, plant, machinery and substances.
- Establishing that all equipment, plant, machinery and substances used are suitable for the task and that their use is reviewed if staff role/function changes, or if there is a new system of work introduced, new work equipment, or new technology.
- Establishing that all equipment, plant, machinery and substances used are kept in good working condition; this includes the regular maintenance and servicing of equipment and machinery and retaining inspection and maintenance records.
- Providing suitable and sufficient training, information, instruction and supervision to ensure work is conducted safely and that records of training are up-to-date;
- Have knowledge and understanding of how to access or request training records from The Groups Learning Management System, managed by the Wheatley Academy, to demonstrate compliance with health and safety requirements;
- Ensuring contractor management processes are in place and are followed in the areas of their control;

- Taking immediate and appropriate steps, to investigate and rectify any foreseeable risks to health and safety arising from the work activity or environment;
- Ensuring that all relevant personnel have the required Personal Protective Equipment (PPE) and that it is maintained/replaced as required;
- Bringing to the attention of local senior management any health and safety issue that requires their attention;
- Ensuring that all accidents, incidents and “near misses” are properly recorded, reported and investigated to determine causal factors;
- Maintaining safe access to and egress from the workplace at all times;
- Ensuring that relevant advice is sought from the Group Health and Safety team when required.

#### ~~4.8 Construction, Design and Management~~

~~4.8.1 Managers who are responsible for initiating construction, repairs and investment work will be subject to the Construction (Design and Management) Regulations. They must take appropriate steps to ensure work is planned in accordance with relevant standards and statutory provisions. They must fulfil the role of “Client” as follows:~~

- ~~• Ensuring that appropriate due diligence of all main contractors and Group Health and Safety Consultants we appoint is carried out prior to their appointment;~~
- ~~• Ensuring that the principal contractor and principal designer have the skills, knowledge, experience and organisational capability to comply with health and safety legislation and carry out their duties;~~
- ~~• Ensuring monitoring of the principal contractor and principal designer is undertaken until the completion of the project and document the information;~~
- ~~• Collating F10 forms and health and safety files at a central location for the relevant Group subsidiary;~~
- ~~• Ensuring that the Health and Safety Executive is provided with the notifications in accordance with current legislation;~~
- ~~• Reporting any concerns over health and safety to the Group Health and Safety Team as soon as reasonably practicable.~~
- ~~• CDM Regulations places duties on clients, principal designers, principal contractors, contractors and self-employed persons. All are required to work together ensuring Health and Safety is incorporated into projects as early as possible.~~

- ~~• Managers of construction teams/projects must ensure safety management systems are in place to control project arrangements.~~
- ~~• Ensuring that appropriate arrangements are in place for the management of Temporary Works for their duration in any construction or associated projects.~~
- ~~• The Group will put systems in place to ensure all contractors working for Wheatley Group in Wheatley Group properties are vetted from a Health and Safety perspective.~~

~~Additional guidance with regards to construction is available from the HSE  
<http://www.hse.gov.uk/index.htm>~~

#### **4.89 Group Health and Safety Team**

- 4.9.1 The role and function of the Group Health and Safety Team is to maintain and promote an effective Health and Safety ethos and Health and Safety management system throughout the Group. The team will support all staff and management to implement the Health and Safety management system and comply with regards to all legislation and the principles of this Group Health and Safety policy.
- 4.9.2 Responsibilities of the Group Health and Safety Team include:
- Developing, review and updating of the Group Health and Safety arrangement documents and management system (OSM) for all parts of the business;
  - Advising the Group on new legislative updates, Regulations, Codes of Practice and guidance notes relevant to its operations;
  - Providing management with advice and support to meet their Health and Safety responsibilities;
  - ~~• Assisting management in the on-going development, implementation and review of risk assessments;~~
  - ~~• [Health and Safety vetting of appointees as required](#)~~
  - Inspecting/auditing/carrying out due diligence of operational functions of contractors and Principal Designers and providing written reports to operational management on findings and necessary action;
  - Providing written reports to senior management on Health and Safety matters and the implications of statutory and common-law Health and Safety requirements;
  - Promoting Health and Safety training and educational programs to develop Health and Safety awareness at all levels within the organisation;
  - ~~• Training will be at a level to develop competence for staff with specific roles and responsibilities.~~ ~~[Training will be at a level to develop competence for staff with specific roles and responsibilities.](#)~~
  - Arranging and providing of Health and Safety training for all relevant personnel as necessary ensuring attendee details are updated on the Learning Management System;

- Ensuring that all reportable accidents/incidents within the Group are reported to the relevant enforcing authority and our insurers as required under the applicable regulations;
- Reviewing and investigating where necessary all accidents and incidents (including near misses) arising from operational functions and subsequent provision of advice to management in remedial or preventative measures.
- Carrying out a programme of health and safety audits and inspections, and fire risk assessments in all Group workplaces, according to risk- based frequencies.
- Conducting a programme of unannounced site visits for peripatetic work activities across the Group.
- Liaising with external organisations and agencies as required.
- Providing statistical analysis on reportable accidents/incidents, and near misses.

#### **4.10 Powers of the Group Health and Safety Team**

4.10.1 To effectively implement the principles of The Wheatley Group Health and Safety Policy, the Group Health and Safety team will have the following authority control:

- The right to enter any Wheatley Group or Subsidiaries premises/ construction sites at any time for the purposes of inspection, audit and investigation;
- Where it is the belief of a Group Health and Safety Team member that there is an immediate risk of serious personal injury, the Group Health and Safety Team, in consultation with management, will take appropriate action that may include the immediate cessation of activity;
- In the event of major incident/accident to: (a) ensure that plant and equipment is not disturbed, and (b) to impound any equipment machine, substance or product which is required as part of an investigation, whilst liaising with relevant management in the area affected;
- Where a Group Health and Safety Advisor or Fire Safety Officer is of the opinion that a building or structure is a serious danger to staff or others, then the officer in consultation with management will take action which may include the temporary closure of a premise in extreme situations;
- To interview those with knowledge or information relevant to the investigation, and to obtain that knowledge/information either verbally or in a written statement. The Group Health and Safety Advisor or Fire Safety Officer has discretion on who can be present during questioning and the taking of a written statement notwithstanding Union representative if appropriate;
- To inspect and take copies of books, photographs, measurements or documents required by them as part of an investigation.

#### **4.11 Group Employee Relations Team**

4.11.1 The Group Employee Relations Team support the welfare and health of staff throughout the

organisation and have responsibility for policy relating to these areas, including administration of the Occupational Health contract. -

- 4.11.2 The team will work closely with the Group Health & Safety Team to ensure that the health and safety and welfare of staff isare supported.

#### ~~4.12~~ Care Management Team

~~4.12.1~~ In addition to the general obligations for health and safety of Directors and Managers, the Group's Care Management Team have the following additional responsibilities which will be undertaken by relevant Care Manager(s):

- ~~• Making proper provision for the health safety and welfare of service users and staff;~~
- ~~• Providing services in a manner which respects the privacy and dignity of service users;~~
- ~~• Ensuring that no service user is subject to restraint, unless it is the only practicable means of securing the welfare and safety of that or any other service user/member of staff and there are exceptional circumstances which necessitate the intervention. Any physical interventions must be of a recognised and accredited scheme and staff should be appropriately trained and understand the ethos of the training system, interventions and the application of it;~~
- ~~• Where necessary, having appropriate procedures for the prevention and control of infection;~~
- ~~• As a provider of a care home, making necessary arrangements for the provision of adequate services from a health care professional to service users.~~

#### 4.13 Staff

~~4.13.1~~ It is the duty of all staff to take all reasonable care for the health and safety of themselves, and any other persons who may be affected by their acts or omissions at work. They must also co-operate with managers, trade unions, staff representatives and other staff to fulfil Group

and subsidiary health and safety objectives and statutory duties. In particular, their duties include:

- Complying with the information, instruction, supervision and training they are given in a timely manner and keep training records up to date;
- Attend and complete all necessary Health and Safety training as required;
- Not undertaking hazardous work unless they are appropriately trained and have the appropriate authority to carry out the work;
- Using machinery, equipment or substances provided by the Group or its subsidiaries in accordance with any training and instructions provided in the use of that equipment, and in compliance with relevant statutory requirements and prohibitions;

- Ensuring that they have undertaken appropriate training and it is valid and current to allow authorised use of machinery and conduct specialised tasks. (work pressures and timescales must not impact on this. Staff should discuss with managers/Group Health and Safety Team and or Union representatives if this is perceived to be an issue or concern);
- Carrying out their work safely and without undue risk to themselves, colleagues or others who may be affected by their actions;
- Not intentionally interfering, misusing or ignoring arrangements and controls including procedures and items provided for health and safety purposes;
- Check tools and equipment before using them, and must not use equipment which they know to be damaged or faulty;
- Ensuring that any damage to equipment is reported immediately to their manager/supervisor and removed from service until it is repaired or replaced. Pressures and timescales should not impact on this;
- Not bringing any equipment, tools, or PPE etc. onto company premises without first obtaining permission from their supervisor/manager, electrical equipment must be PAT tested prior to use, unless newly purchased;
- Complying with the arrangements for emergencies as they have been instructed;
- Co-operating with management, colleagues, safety representatives and advisors promoting safe working practices;
- Keeping their work areas tidy and clear of hazards;
- Reporting accidents, incidents, near misses and any other hazards that they observe to their manager/supervisor;
- Drive safely at all times whilst undertaking company business;
- Reporting any concerns, they have relating to health and safety or welfare to their supervisor/line manager or the Group Health and Safety Team;
- Report any health condition that may or does affect their ability to work safely to their line manager or HR as soon as possible;
- Cease any work activity and leave any work area where a staff member/representative believes there is or senses immediate danger to themselves or others, this includes any doubt about the processes / procedures. Staff should stop activities and seeking clarification from the Group Health and Safety Team or review the risk assessment. Disciplinary action should not be taken against a member of staff who reasonably stops a work activity for Health and Safety concerns;
- Ensure the use of appropriate personal protective equipment, clothing or safeguards provided and as identified at risk assessment. Ensure that personal protective equipment is stored correctly and kept in good condition, reporting losses or defects to line management.
- Where an employee has been identified home-based agile worker, they shall ensure they maintain a safe working environment within their home, in accordance with the

Information, Instruction and Training provided to them.

4.13.2 Staff should not feel pressurised into carrying out work activities or tasks where they have not received the relevant training, or do not have the correct equipment to use or are not in possession of the required safety equipment.

4.13.3 Any health and safety concerns will be addressed ~~through the management structure~~, initially to the employees line managers or the Group Health and Safety Team. Thereafter union representation should these not be initially resolved appropriate investigation shall be undertaken in a timeous manner with appropriate action being taken.

~~4.13.4 All unresolved concerns/defects must be highlighted as soon as practicable to the Group Health and Safety Team. This can be done via line managers or directly via phone/email/in writing. (#WheatleyHealthandSafety@wheatley-group.com/)~~

~~4.13.5~~ Disciplinary procedures may be considered against staff that knowingly violate or fail to implement health and safety procedures or standards, or fail to use PPE or equipment provided for safety controls.

#### **4.124 Trade Union Safety Representatives**

4.12.1 The Safety Representatives and Safety Committees Regulations 1977 and The Health and Safety (Consultation with Employees) Regulations 1996 are key regulations that require employers to consult with their workforce about health and safety matters. These regulations ensure that safety representatives are involved in health and safety discussions and decision-making processes.

4.12.2 Trade Unions are responsible for the following:

- Appointing competent Safety Representatives and informing management
- Advising Managers, in writing, of their nominated Safety Representatives
- Complying with this Health and Safety Policy
- Ensuring Safety Representatives keep themselves informed of:
  - Legislation
  - Hazards in the workplace
  - Group and workplace Health and Safety Management Arrangements
- Attending relevant health and safety forums as required
- Raising any concerns regarding health and safety matters and following the procedures contained within the Management Arrangement: Safety Representatives Communication and consultation

~~4.14.1 The Group recognises the importance of staff involvement in Health and Safety matters and welcomes the positive role played by Trade Union safety representatives appointed under The Health and Safety at Work, etc. Act 1974, the Safety Representatives and Safety Committee Regulations,~~

~~4.14.2 Facilities and assistance will be provided to enable safety representatives to carry out their duties.~~

~~4.14.3 Arrangements for consultation and co-operation for Health and Safety of staff.~~

~~4.14.4 Management will consult with Trade Union Safety Representatives over issues related to health, safety and welfare and provide the information they require in order to carry out their functions.~~

~~4.14.4 Trade Union Safety Representatives are required to give management reasonable notice of~~

~~their intention to carry out inspections, to provide written reports following such inspections and to adhere to agreed procedures when disputes over Health and Safety issues arise.~~

~~4.14.4 Management should consult with Trade Union Safety Representatives prior to staff moving into a new office/premise/location to ensure that they are satisfied with the standard of the new premises with particular reference to the welfare facilities and Health and Safety measures.~~

~~4.14.4 Management must co-operate with Trade Union Safety Representatives in the completion of Safety Representative Inspection Reports. It is most important that managers take a pro-active role in dealing with the matters brought to their attention and that they conform to the necessary time scales.~~

~~4.14.4 Management must make arrangements to establish and actively encourage a Health and Safety structure to facilitate consultation and co-operation on Health and Safety in all areas of the organization.~~

~~4.14.4 The functions of the Safety Representatives under the terms of legislation and as applied by this policy are:~~

- ~~• To carry out inspections following reasonable notice, of the workplace every three months or immediately following notifiable accidents or dangerous occurrences;~~
- ~~• To investigate potential hazards and dangerous occurrences in the workplace and to examine the cause of accidents at the workplace;~~
- ~~• To investigate complaints by a staff they represent, relating to that staff health, safety and welfare at work;~~
- ~~• To bring to the employer's notice, in writing, any unsafe or unhealthy conditions or working practices or unsatisfactory arrangements for welfare at work and;~~
- ~~• To encourage safe practices among the staff they represent and promote the Health and Safety management system.~~





## Section 5

### General Health and Safety Arrangements

5.1 Health and Safety Management Arrangements (HSMAs) are documents that outline the specific measures and procedures to manage and mitigate various hazards in the workplace. They provide guidance on compliance with legislative requirements, ensure that staff receive appropriate training and supervision, and detail the responsibilities of different roles within the organisation.

5.2 Group Health and Safety Management Arrangements have been developed and published on the W.E.Connect H&S Page for the following workplace hazards:

- Accident, Incident and Near Miss reporting and Investigation
- Alcohol, Drugs and Gambling Addiction (HR)
- Asbestos
- Audit and Inspection
- Confined Spaces
- Construction, Design and Management
- Contractor Vetting
- Control of Contractors
- Control of Substances Hazardous to Health (COSHH)
- Display Screen Equipment (DSE)
- DSEAR
- Electricity at Work
- Event Management
- Fire Safety
- First Aid at Work
- Gas Safety
- Health and Safety Induction, Instruction and Training
- Homeworking
- Hot Works
- Infection Control
- Legionella
- Lifting Operations and Lifting Equipment
- Lone Working
- Manual Handling
- Medication (Management and Administration)
- Moving and Assisting
- New and Expectant Mothers
- Noise
- Occupational Health and Wellbeing
- Operational Safety Manual (OSM)
- Personal Protective Equipment (PPE) and Respiratory Protective Equipment (RPE)
- Risk Assessment
- Safe Driving
- Safety Representatives Communication and Consultation
- Safety Signs and Signals
- Security Threats
- Smoke Free Workplace
- Stress (HR)
- Underground Services

- [Vibration](#)
- [Violence at Work](#)
- [Work Equipment](#)
- [Work Experience and Volunteers](#)
- [Working at Height](#)
- [Workplace Welfare](#)
- [Young People](#)

## 5.1 Accident, Incident, Near Miss Reporting and Investigation

5.1.1—The Group's Accident, Incident and Near Miss Reporting procedures must be followed and recorded by the relevant manager and a copy provided to the Group Health and Safety Team.

5.1.2—The Operational Safety Manual (Section D) contains the Accident, Incident and Near Miss Reporting procedures and forms. These are available in hard copy and electronically via the Health and Safety page of WE Connect.

5.1.3—All serious accidents, incidents and dangerous occurrences will be further investigated as necessary, to identify the cause and to prevent a recurrence. This will be by line managers and the Group Health and Safety team when determined as required/necessary.

5.1.4—The Group has a duty to ensure that when an accident, incident or near miss falls within the RIDDOR criteria (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) this is reported in accordance with the regulations guidelines. A report should be submitted within 15 days' maximum for an over 7 day absence category and without delay for a specified incident or fatality, not exceeding 10 days.

5.1.5—There will be occasions when the HSE determine they wish to carry out an investigation and notification of this will be via the Group Health and Safety Team or by their arrival on-site if in response to a fatality or immediate dangerous concern.

5.1.6—Individuals who wish their trade union or employee representative informed specifically or to have them investigate an incident must sign a mandate or permission confirmation prior to full information being provided. Suitable arrangements will be put in place to inform the appropriate trade union or employee representative of reported incidents and this will take account of GDPR.

## 5.2 Alcohol, Drugs and Gambling Addiction

5.2.1—The Group recognises that those staff who misuse alcohol, drugs and gambling where it impairs their work performance, conduct or relationships at work, may also impact on a safe and healthy working environment.

5.2.2—The Group will continue to promote and support the health and wellbeing of staff to minimise problems at work arising from the effect of alcohol, drugs or gambling addictions.

Please refer to the relevant HR policies for further information.

## 5.3 Asbestos

5.3.1—The Group acknowledges the health hazards associated with asbestos arising from exposure to asbestos and will take the appropriate measures to reduce exposure so far as reasonably practicable through the use of control measures and specialist contractors. Management procedures will include the following:

- ~~Managing or removing asbestos in premises under the control of the Group;~~

- ~~Assessing/ inspecting all reasonably accessible areas in properties under the control of a Group subsidiary when acquired and/or where there has been a significant change since a previous assessment;~~
- ~~Reviewing plans for control of asbestos at regular intervals;~~
- ~~Maintaining a written record of inspections, assessments, location/ condition of asbestos found and plans for on-going control (asbestos register).~~

~~5.3.2—Managing Directors, Directors and Managers including Supervisors and Team Leaders are required to read and familiarize themselves with the Group Health and Safety Management Arrangement: and complete the Group Health and Safety Awareness and Asbestos Awareness course which includes guidance and information on managing and preventing possible exposure of asbestos.~~

~~Please refer to the Group Health and Safety Management Arrangement: Asbestos, which can be found on W.E. Connect, for further information.~~

## 5.4 Construction, Design and Management

~~5.4.1—All building and construction work (including new build, demolition, investment refurbishment, extensions, conversions, repair and maintenance work) undertaken by or on behalf of the Group must comply with The Construction (Design and Management) Regulations (CDM Regulations). The relevant Group subsidiary is responsible for compliance with the CDM Regulations, including oversight of the Principal Designer and Principal Contractor roles (carried out by third parties). Note that where no third party is appointed to carry out these roles, the responsibility for the fulfillment of these roles lies with the Group subsidiary instructing the works.~~

~~5.4.2—The CDM Regulation requirements include the following:~~

- ~~Managing construction projects throughout the lifespan of the project, as reasonably practicable, without risk to health or safety of any person affected by our construction projects;~~
- ~~Providing pre-construction information to contractors and designers (including asbestos);~~
- ~~Carrying out initial due diligence prior to appointment and ongoing oversight of Principal Designers and Principal Contractors until project completion to ensure they have the skills, knowledge, experience and organisational capability to fulfill their role under the CDM Regulations in a manner that secures health and safety of any person affected by the relevant project;~~
- ~~Ensuring that a health and safety file for each project is established and retained by/ on behalf of the relevant Group subsidiary as necessary;~~
- ~~Ensuring the Principal Contractor produces a construction phase plan for each project prior to commencement of construction;~~

- ~~For projects consisting of 30+ days' construction and 20+ workers on site / construction to exceed 500 person days, notifying HSE prior to commencement of the construction phase;~~
- ~~Ensuring safe access to and egress from construction sites; the site is made safe for workers (taking account of traffic routes, operation of equipment, fresh air, adequate lighting, welfare provisions and appropriate weather conditions) and is kept secure and in good order; and sufficient working space is made available to workers to enable them to carry out their work;~~
- ~~Taking all practical steps to ensure stability of new or existing structures to prevent danger to any person;~~
- ~~Ensuring that any demolition or dismantling works are planned and carried out in such a manner to prevent or minimise danger and documenting such arrangements;~~
- ~~Ensuring that explosives are stored, transported and used safely and securely;~~
- ~~Ensuring that all practical steps are taken to prevent danger to any person during excavations or in an area which has been excavated;~~
- ~~Ensuring that sites are inspected and concerns are reported to the appropriate person;~~
- ~~Ensuring that energy distribution installations are suitably located periodically checked and clearly signed in order to prevent unauthorised access giving rise to danger;~~
- ~~Taking steps to prevent harm by drowning, fire or asphyxiation;~~
- ~~Ensuring suitable and appropriate fire safety procedures and emergency procedures are in place.~~

~~Additional guidance on The Construction (Design and Management) Regulations can be found at the HSE website. <http://www.hse.gov.uk/index.htm>~~

## 5.5 Control of Contractors

~~5.5.1 Where contracts are to be awarded to third parties the Group Health and Safety Team in conjunction with procurement, responsible manager and technical specialist will be part of the process for reviewing whether contractors are competent to carry out the tasks required and can demonstrate safe systems of work.~~

~~5.5.2 For tendered contracts the contractors will be evaluated at prequalification or tender stage to ensure that the contractors are competent to carry out the task(s) required, and can demonstrate safe systems of work.~~

~~5.5.3 Where contracts are awarded under framework agreements the contractor's competence of the contractor(s) will be periodically reviewed based on risk assessment and review of their key performance indicators. Contractors who fail to meet the relevant health and safety performance requirements may be removed from frameworks.~~

5.5.4—Where contractors are directly awarded contracts their competence will be evaluated prior to contract award.

5.5.5—Contractors who fail to meet the relevant health and safety performance criteria will not be considered for future tenders and their contracts can be terminated. This will be a procurement process with the involvement of the Group Health and Safety team where appropriate.

## 5.6 Control of Substances Hazardous to Health (COSHH)

5.6.1—To fulfill duties imposed by the Control of Substances Hazardous to Health Regulations, the Group will ensure that as far as is reasonably practicable no work is carried out which is liable to expose any staff or others to a product, chemical or substance hazardous to health unless a suitable and sufficient risk assessment has been carried out.

5.6.2—Exposure to hazardous substances will either be eliminated, avoided or, where this is not reasonably practicable, adequately controlled. Measures introduced to control exposure will be maintained and tested to ensure their continued effectiveness. In the hierarchy of control measures, personal protective equipment will only be provided as a last resort in controlling exposure to substances. Information, instruction and training will be given to staff likely to be exposed to substances hazardous to health.

5.6.3—Any proposed purchase of a hazardous chemical or substance (that does not appear on the approved list of hazardous substances/chemicals) must be referred to the Group Health and Safety Team for assessment.

5.6.4—Information, instruction and training will be given to staff that may potentially be exposed to substances hazardous to health. Relevant procedures are contained in the Operational Safety Manual.

5.6.5—Staff who routinely work with hazardous substances may be required to undertake routine health surveillance to ensure their health is not being adversely affected.

## 5.7 Display Screen Equipment (DSE)

5.7.1—The Group will take all reasonable steps for the Health and Safety and welfare of staff designated as "users" i.e. those who work with display screen equipment, (DSE) for prolonged periods of time.

5.7.2—Initial assessments should be made at the commencement of employment and thereafter, will be reviewed if there is significant change to the individual user, the tasks they perform or the workstation.

5.7.3—Annual review of users will take place via self-assessment documentation or e-learning to identify potential issues and assistance will be provided by the Group Health and Safety team upon request by managers of member of staff.

5.7.4—The work routine of staff falling within the definition of "user" will be planned to ensure that there are no continuous periods of display screen work. Staff will be entitled to corrective glasses where these are identified via eye and eyesight test as required for DSE work.

5.7.5—Staff will be given appropriate training and information about Health and Safety at the workstation, to enable the safe use of DSE.

5.7.6—Home based Agile Workers shall require to implement the Group Homeworking Arrangements and ensure a Homeworking Assessment is completed that addresses the needs of working with DSE at home. Further information on arrangements to be completed for all Home Based Agile Workers can be found in the health and safety pages of WE Connect.

Relevant procedures are contained in the Operational Safety Manual.

## 5.8 Electricity at Work

5.8.1—Work on electrical equipment and systems can be hazardous and the Group will control any risks so far as is reasonably practicable.

5.8.2—Under The Electricity at Work Regulations, the employer must assess the work activities which utilise electricity, or which may be affected by it, and to define all foreseeable associated risks. The Group will ensure that electrical equipment and systems are properly constructed, installed and maintained and that installations are suitable for the environment in which they are used.

5.8.3—All persons carrying out electrical work will be competent for the tasks assigned to them.

5.8.4—Suitable protective equipment will be provided where necessary and maintained in good condition.

5.8.5—All staff have a responsibility to report obvious electrical hazards immediately to line management. This equipment must be withdrawn from service until repaired or replaced.

5.8.6—Portable Appliance Testing (PAT), Fixed Installation Testing (FIT) and Emergency Lighting testing will be undertaken by competent persons. Only a contractor appointed by the Group will carry out maintenance and testing work involving electrical equipment.

- PAT (Portable Appliance Testing) will be undertaken on a three (3) year rolling cycle or risk based frequency;
- FIT (Fixed Installation Testing) will be undertaken every five (5) years for all relevant premises; and
- Emergency lighting shall be tested annually;
- Maintained in appropriate log books on site and where relevant on the Asset Management system.

5.8.7—Records will be available on request.

Relevant procedures are contained in the Operational Safety Manual.



## 5.9 Fire Safety

5.9.1—The safety of life must supersede all other considerations.

5.9.2—The Group approach to fire safety is primarily one of fire prevention and life preservation. The Wheatley Group Fire Safety Management Policy arrangement will provide detailed systematic measures for fire safety management.

- Fire risk assessments will be carried out for all relevant premises and some domestic premises by the Group Health and Safety Team and Fire Safety Team.
- Fire risk assessments shall be reviewed regularly, or when there is a significant change to the building or its use, in order that risks are controlled and fire safety arrangements are implemented;
- Measures will be put in place in order that fire can be detected within a reasonable timeframe and occupants alerted;
- People who may be in the building can get out quickly and safely;
- Staff in the building know what to do if there is a fire and have suitable and sufficient emergency procedures;
- Staff and visitors with special needs will be offered a personal emergency evacuation plan (PEEP) which will be developed in consultation with the individual and team members;
- There is adequate provision of maintained firefighting equipment;
- It is a legal requirement that all staff receive suitable fire safety awareness training, they shall receive this upon commencement of employment and then three (3) yearly;
- Staff have a duty to report any concerns in relation to fire safety to their line Manager or the Group or subsidiary Health and Safety Team;

5.9.3—The Group's responsibilities to meet the provisions of the Fire (Scotland) Act 2005 and the Fire Safety (Scotland) Regulations are set out in The Wheatley Group Fire Safety Management Arrangement.

Relevant procedures are contained in the Operational Safety Manual and the Fire Safety Management Arrangement.

#### ~~5.10 First Aid at Work~~

~~5.10.1 The Group will provide information and training on first aid to staff, based on risk assessment, to ensure that statutory requirements and the needs of the Group are met.~~

~~5.10.2 Via a process of risk assessment, the Group will have sufficient provision of trained first aid persons and equipment where necessary.~~

~~5.10.3 All first aid treatment delivered will be recorded using the appropriate documentation contained within the Operational Safety Manual and on the Wheatley Group LMS (Learning management system).~~

~~5.10.4 Homeworkers shall ensure that they complete Introduction to First Aid Training on a regular basis as part of the Group Homeworking arrangements~~

~~Relevant procedures are contained in the Operational Safety Manual.~~

#### ~~5.11 Gas Safety~~

~~5.11.1 There is a responsibility to ensure effective gas management is in place which ensures legal compliance. This system will include procurement, safe installation, inspection, maintenance and monitoring regimes with regards to gas systems within premises owned and managed by The Group.~~

~~Please refer to the Wheatley Group Health and Safety Management Arrangement: Gas Safety and procedural documentation for specific requirements and further information.~~

#### ~~5.12 Health and Safety Induction, Instruction and Training~~

~~5.12.1 All staff will receive a formal induction to the Group as part of the commitment to the health and safety of staff. This induction covers Health and Safety information as undernoted:~~

- ~~• There is a Group Health and Safety Team for support, guidance and advice;~~
- ~~• The Health and Safety management system in place comprises The Wheatley Group management arrangements and the specific procedures within the Operational Safety Manual. This is available in hard copy on each site and electronically on the Health and Safety page on WE Connect;~~
- ~~• All staff must complete a site/task specific Health and Safety Induction document on starting work in a new location delivered by their manager;~~
- ~~• Legally all accidents, incidents and near misses must be reported by staff; and~~
- ~~• Staff must report any serious risk to Health and Safety to a manager as soon as possible.~~

~~5.12.2 Health and Safety, Fire Safety and subject specific training along with tool box talks will be provided by the Wheatley Group Health and Safety Team. Where necessary specialist subject training will be provided by external, competent contractors. Training records will be retained within the Learning Management System which is managed by the Wheatley My Academy~~

staff. Wheatley My Academy staff will also support any e-learning developments in conjunction with the Wheatley Group Health and Safety team.

5.12.3 Training helps to ensure the competency of management and key personnel. Where specialist training is required competent, accredited external providers will be appointed.

#### **5.13 Homeworking**

5.13.1 The Group recognise that most of the work that staff would undertake at home is based around work on a computer, tablet and telephone/mobile phone, and as such not considered high risk.

5.13.2 However, the Health and Safety at Work Act 1974 places a duty on employers, self-employed people and employees when acting in the course of their employment whether at home, in the office or in our communities.

5.13.3 The Group recognise that there is a duty to protect the health, safety and welfare of our employees, including Home Based Agile Workers.

5.13.4 In order to ensure this duty is fully met, all employees who are deemed Home Based Agile Workers must complete a home worker self-assessment and all associated mandatory training modules, as identified by the Group.

5.13.5 Line Managers shall therefore ensure that aforementioned Homeworking arrangements to include the provision of Occupational Health and Wellbeing support is maintained for all Home Based Agile Workers.

#### **5.14 Infection Prevention & Control**

5.14.1 The Group recognises the benefits of controlling possible rates of transmission of infections in the workplace to staff, customers and service users. This will be addressed through all staff adopting appropriate precautions, consistently and responsibly in their day-to-day practices and in line with current NHS and Public Health Scotland Guidelines.

5.14.2 The precautions should help reduce or prevent the spread of the majority of infections, particularly blood borne pathogens and viruses, such as Hepatitis B, Hepatitis C, Coronavirus and Human Immunodeficiency Virus (HIV) as well as bacterial infections such as MRSA.

5.14.3 The Group recognises that some staff will encounter sharps (needles) in the course of their normal work activities.

5.14.4 To minimise the risk of a sharps injury staff will be provided, based on job their role, with:

- Training on the avoidance of sharps, and;
- Training on the safe collection and disposal of used sharps;
- Relevant procedures are contained in the OSM;

#### **5.15 Legionella**

5.15.1 The Group recognises the risk of infection from Legionella bacteria and will take all reasonable steps to implement an appropriate health and safety management system for water systems within premises to ensure that the necessary measures to prevent, or adequately control, the risk from exposure to Legionella bacteria.

5.15.2 The management system for Legionella will:

- Identify hazards and assess sources of risk – this includes checking whether conditions are present which will encourage bacteria to multiply, if there is a means of creating and disseminating breathable droplets, and if there are susceptible people who may be exposed to the contaminated aerosols;
- Prepare a scheme for preventing or controlling the risk;
- Implement, manage and monitor precautions; and
- Keep records of the precautions on appropriate asset management register;

#### 5.16 Lifting Operations and Lifting Equipment

5.16.1 The Group recognises that it has a duty to reduce the risks to staff and others from lifting operations. In order to assist Wheatley Group in discharging this duty, all managers must make sure that all lifting equipment provided for work use is appropriate:

- Suitable and sufficient for the tasks/operations
- Strong and stable enough for the particular use and marked to indicate safe working loads:
- Positioned and installed to minimise any risks;
- Used safely, i.e., the work is planned, organised and performed by competent people; and
- Subject to on-going thorough examination, and where appropriate, inspection by competent people;
- Staff receive all appropriate training required.

#### 5.17 Lone Working

5.17.1 The Group recognises that lone workers can at times face particular difficulties and will as such not require staff to work alone where a risk assessment considers there is an unacceptable risk, and will make arrangements to ensure that all lone workers are appropriately trained:

5.17.2 In addition lone working procedures will be developed in accordance with risk assessments and managers must implement and monitor these procedures with their staff group as meets the needs of their activities.

5.17.3 All staff will be provided with information and instruction with regards to lone working procedures during induction and through Health and Safety Awareness Training.

Relevant procedures are contained in the Operational Safety Manual

#### ~~5.18 Manual Handling~~

~~5.18.1 It is recognized that Manual Handling is one of the most common cause of injury and multiple absences and where possible must be avoided so far as reasonably practicable.~~

- ~~• Where it is not possible to eliminate hazardous manual handling, risk assessments will be undertaken to determine the level of risk;~~
- ~~• Suitable controls will be introduced to reduce the risk of injury, including training, mechanical aids, automation, redesigning the system of work or even the workplace itself;~~
- ~~• In some cases, Manual Handling assessments will be included into other task/activities/job profile risk assessments;~~
- ~~• Where required specific manual handling assessments will be undertaken if not included as part of other risk assessments. These will be recorded and shared with appropriate managers and staff.~~

~~Relevant procedures are contained in the Operational Safety Manual.~~

#### ~~5.19 Medication (Management and Administration)~~

~~5.19.1 The Group recognises that today's medicines are powerful compounds that control disease, ease discomfort and prolong life for millions of people and are generally beneficial.~~

~~5.19.2 Group subsidiaries that are responsible for management and administration of medicines to people, be they young or old, healthy or sick, will follow a set of general principles to make sure that this is done safely and will make a structured approach in order that Management and Staff can apply consistent and effective practices in respect of the management of medication.~~

~~5.19.3 Relevant Group subsidiaries shall have their own specific procedures relating to this matter that will ensure that the procedures are relevant to that particular Group subsidiary and meet regulatory standards and practices. These will be included in the OSM.~~

#### ~~5.20 New and Expectant Mothers~~

~~5.20.1 The Group recognises risks associated with working operations that may pose risk to a new or expectant mother or to that of her baby, and will ensure that decisions on how to manage those risks are made in an informed, rational and structured manner as determined by a specific Risk Assessment. This will ensure the workplace / activities are:~~

- ~~• Safe, i.e. the work is planned, organised and reviewed as a matter of course as pregnancy develops or new mother returns to work.~~

~~Relevant procedures are contained in the Operational Safety Manual.~~

#### ~~5.21— Noise—~~

~~5.21.1— The Group will take all reasonable steps to ensure that the risk of damage to hearing for staff who work with noisy equipment or in a noisy environment is reduced to a minimum.~~

~~5.21.2— Noise assessments will be carried out to determine the level of the problem and appropriate controls implemented.~~

~~5.21.3— Methods of reducing noise levels and/or exposure times will be implemented as alternatives to personal protective equipment. Ear defenders will be provided only as a last resort as means of controlling exposure to noise. Testing for Noise Induced Hearing Loss will be conducted for “at risk” groups by the Occupational Health Provider and be included in a health surveillance programme.~~

#### ~~5.22— Occupational Health and Wellbeing—~~

~~5.22.1— The Group recognises the importance of good staff health in relation to both work performance and a fulfilling active life outside of work.~~

~~5.22.2— Preventing or reducing work related ill health and stress ensures staff do not experience physical or mental injury or harm as a direct result of work activities and the Group will comply with legal requirements.~~

~~5.22.3— It is recognised that shift or irregular working patterns may have an impact on health. To mitigate this, industry good practice processes have been established. This is reflected in the safety management system and provided through occupational health surveillance.~~

~~5.22.4— The Group enhanced health benefits which are offered to staff includes a suite of health services and a generous cash-back scheme to help with the costs associated with treatments.~~

~~5.22.5— The Health and Wellbeing Plan contains information on eligibility criteria for The Group and its subsidiaries.~~

~~5.22.6— A comprehensive occupational health service and employee assistance programme is available to all Group staff, and includes:~~

- ~~• A 24 hour telephone advisory service, face-to-face counselling sessions and post incident debriefing. This also includes support telephone services for staff, covering such areas as; Anxiety, Stress, Harassment, Work Related Issues/Stress, Bereavement, Debt Counselling / Management, Family Problems, Personal Problems, Marital Problems, Anger Issues, Violence, Illness, Personal Self Esteem/Confidence, Alcohol/Drug Misuse, Health, Depression and Mental Health.~~
- ~~• Pre-employment, night worker and driver questionnaires;~~
- ~~• Medical screening for staff exposed to specific occupational hazards such as noise or hand arm vibration;~~
- ~~• Relevant health surveillance for work activities including provisions under Employment Law;~~

- Provision of advice and counselling on problems of a medical nature;
- Occupational health service appointments on request for staff where appropriate;
- Advice on medical aspects of activities undertaken by the Wheatley Group and its subsidiaries;
- Physiotherapy service.

## 5.23 Personal Protective Equipment (PPE) and Respiratory Protective Equipment (RPE)

5.23.1 The Group will provide suitable and sufficient PPE where risks cannot be removed or adequately controlled by other means. It is introduced as a last resort; The Group is committed to reducing risk by alternative means so far as is reasonably practicable.

5.23.2 PPE/RPE purchased by The Group will comply with the appropriate British/European standards.

5.23.3 When PPE/RPE is to be provided as a control measure, The Group will, in consultation with staff and their representatives:

- Carry out an assessment to determine what risks exist and therefore what PPE & RPE is required;
- The Group will provide storage/training and maintenance of PPE & RPE; it will also replace PPE/RPE, which has been provided as a control measure, as necessary;
- PPE/RPE will be suitable for the activities and environments and will be compatible with other items of PPE or RPE not impairing the intended/inherent effectiveness of all PPE/RPE items;

5.23.4 Requirements for PPE/RPE are based on an evaluation of risk and on job role and in case of RPE the person, and these are contained within the Operational Safety Manual.

## 5.24 Risk Assessment

5.24.1 The Group has identified Health and Safety hazards relevant to the business, assessed the risk and recognise the importance and requirement for control measures to eliminate or reduce the risk of incident, injury or ill health occurring.

5.24.2 The information with regards to appropriate procedures and control measures are contained in relevant guidance documents and risk assessments

5.24.3 Risk assessments will be conducted for activities, for all job profiles and these will be reviewed on an ongoing process.

5.24.4 The Group risk assessments process will involve management, staff and health and safety representatives and is aimed at providing effective control measures for significant hazards.

#### ~~5.25— Safety Signs and Signals~~

~~5.25.1— All safety signs and safety signals used within the Group will comply with The Health and Safety (Signs and Signals) Regulations.~~

~~5.25.2— Appropriate safety and/or warning signs must be provided and maintained especially where risks identified by risk assessment cannot be controlled by other means. Comprehensive and relevant information, together with instruction and training relating to safety signs will be provided to staff.~~

#### ~~5.26— Security Threats~~

~~5.26.1— All Managers who are responsible for a premise will organise security and emergency evacuation strategies, taking security threats into account. Information and guidance on specific plans and arrangements can be found in the business continuity, emergency and contingency plans. These are tested and maintained on an annual basis.~~

~~5.26.2— All managers are responsible for the security of their building which should include arrangements for bomb threats, fires, intruders and other potential security issues.~~

#### ~~5.27— Smoke Free Workplace~~

~~5.27.1— The Smoke Free Workplace seeks to guarantee staff the right to work in air free of tobacco smoke. The requirements of the Management of Health and Safety at Work Regulations and the Workplace (Health, Safety and Welfare) Regulation's also place stringent requirements on employers to assess risks and make sure that non-smokers are protected from the dangers of tobacco smoke whilst at work,~~

~~5.27.2— The Smoking, Health and Social Care (Scotland) Act and the Prohibition of Smoking in Certain Premises (Scotland) Regulation's prevent staff, customers and visitors from smoking in wholly or substantially enclosed premises.~~

~~5.27.3— Group Directors, Managing Directors, Directors, Senior Management, Managers and Team leaders will be responsible for enforcing the Smoke Free Workplace Policy within their respective areas. It is the responsibility of all staff to comply with the terms and conditions of this policy.~~

#### ~~5.28— Stress~~

~~5.28.1— The Group recognises that, whilst a degree of pressure can be a positive and driving force at work, excessive and continuous pressure can have a negative effect on health and performance at work.~~

~~5.28.2— The Group is committed to promoting good health at work and to provide suitable support mechanisms for staff who may be suffering from the effects of stress.~~

~~5.28.3— Stress risk assessments can be arranged via Employee Relations with the objective of reducing harm from stress so far as is reasonably practicable.~~



~~5.28.4 The Group will so far as is reasonably practicable ensure that excessive pressures are identified and eliminated or controlled in the work environment and that the necessary risk assessments are completed and control measures progressed reducing workplace stressors.~~

~~5.28.5 To assist in this process The Group will:~~

- ~~• Provide suitable support mechanisms for staff suffering from the effects of stress;~~
- ~~• Encourage a working environment where staff who feel they are suffering from the effects of stress can approach their managers in confidence, in order that necessary support mechanisms can be put in place;~~
- ~~• Encourage a culture where stress is not seen as a sign of weakness or incompetence;~~
- ~~• Ensure adequate rehabilitation and support for staff returning to work after a period of absence due to stress;~~
- ~~• Offer suitable training to enable staff and managers to recognize symptoms of stress, the effects of stress at work, effective communication, handling difficult situations, time management and employee relations;~~
- ~~• Undertake general health promotion activities within the workplace; and~~
- ~~• Where staff are suffering from stress, the Group will provide the necessary mechanisms to promote a return to full health as quickly as possible. Staff are encouraged to seek assistance from their line manager, senior management and/or our Employee Assistance Programme (EAP).~~
- ~~• Any contact will be dealt with in complete confidence. Staff will be offered any relevant counselling, help with stress reduction techniques and a full appraisal of their work situation.~~

## ~~5.29 Transport Safety~~

~~5.29.1 The Group has a responsibility to manage the risks encountered by staff while driving as part of their duties. This applies to anyone who drives on behalf of The Group, whether they are employed directly or indirectly, including staff using their own private vehicle for business (grey fleet) to staff operating dedicated works vehicles.~~

~~5.29.2 Managing workplace transport safety usually involves controlling a wide range of linked areas including vehicle safety, driving, loading/unloading, a person's competence, towing, reversing, etc. The Group will provide and maintain information/insurance/instruction and training as required.~~

~~Refer to The Wheatley Group Safe Driving Policy for further information.~~

## ~~5.30 Vibration~~

~~5.30.1 The Group recognises that occupational exposure to vibration can cause discomfort and adverse health effects.~~

5.30.2—Hand-arm vibration syndrome (HAVS) is the term used to describe the injuries caused by the prolonged use of hand-held power tools and is recognised as a reportable disease within the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).

5.30.3—The Group recognizes the requirements of the control of Vibration at Work regulations and will take all reasonable steps to ensure that the risk of injury to staff who work with vibrating machinery is appropriately controlled by elimination or risk reduction measures.

5.30.4—The Group has developed appropriate procedures and risk assessments in respect of tools and equipment used by staff in order to minimise the potential for any exposure to hand/arm vibration.

5.30.5—The Group will have a strict purchasing strategy in relation to tools and equipment which may expose staff to vibration. There will be competent persons designated to assess vibration levels of equipment (current and/or sample) to ensure levels are within safe limits.

5.30.6—All staff who are exposed to risk from vibrating equipment will undergo routine health surveillance. Testing for Vibration Induced Disorders will be conducted for “at risk” groups by the Occupational Health Provider. All data relating to Health Surveillance will be held by the Occupational Health Provider and Employee Relations.

Relevant procedures are contained in the Operational Safety Manual.

#### 5.31—Violence at Work (Challenging behaviour and Aggression)

5.31.1—The Group does not accept that it is part of any member of staffs’ duty to be subjected to verbal abuse, threats, harassment on social media or physical assault.

5.31.2—When and if such abuse is experienced by staff, the relevant Subsidiary will provide personal support and guidance as is necessary to the staff to ensure that the effect of such abuse is minimised.

5.31.3—The Group provides a range of services to the community with the expectation that our staff will be treated with courtesy and respect.

5.31.4—Where a staff member is the victim of verbal abuse, harassment, threats or physical assault delivered by a member of the public or a fellow member of staff, appropriate action will be implemented against the offender(s) as outlined within the relevant Unacceptable Actions Policy. It should be made clear to all customers, service users and clients that violence and aggressive behaviour is unacceptable and will not be tolerated.

5.31.5—Staff are required to report to their manager/supervisor incidents of violent, threatening or abusive behaviour to which they have been subjected. All incidents should be reported using the procedure highlighted in OSM section (A) Accident, Incident, Near Miss Reporting and Investigation.

5.31.6—It is recognized that within the care sector environment that challenging behaviours and violence exists. Appropriate training will be identified and provided to staff to allow them to develop confidence and competence to manage situations and circumstances where challenging behaviour and violence may occur.

5.31.7—The Group has a duty to ensure that when an accident or incident falls within the RIDDOR criteria (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) this is reported in accordance with the regulation’s guidelines.

Relevant procedures are contained in the Operational Safety Manual.

#### 5.32—Working at Height

5.32.1—The Group recognises the significant risks to Health and Safety presented by all work at height.

5.32.2—In line with the hierarchy of controls any working at height will be avoided where possible work equipment or other measures to prevent falls designed to minimize assistance and consequences will be in place following risk assessment.

5.32.3—Group managers must ensure a risk assessment for working at height is carried out, that any work at height is properly planned, appropriately supervised and carried out in as safe a way as is reasonably practicable. Advice is available from the Group Health and Safety Team. All parts of the risk assessment/control measures must be communicated to staff with all appropriate training and instruction provided.

5.32.4—All equipment/machinery and PPE provided for working at height purposes / activities will be subject to relevant maintenance and servicing in accordance with regulatory guidance.

### 5.33—Work Equipment

5.33.1—The purchase, use and maintenance of work equipment by the Group and its subsidiaries shall at all times be in line with the requirements of The Provision and Use of Work Equipment Regulations (PUWER).

5.33.2—As directed, managers/supervisors will be required to provide the necessary information, instruction and training to staff under their supervision, in order that work equipment is suitable for the purpose of use and information on how it should be safely used provided.

5.33.3—Examinations, regular maintenance, inspections and tests should be carried out by competent, accredited maintenance contractors to ensure work equipment is maintained in an efficient state, in efficient working order, and in good repair, with records maintained and monitored to ensure compliance.

5.33.4—If necessary, managers must seek advice from the Group Health and Safety team to ensure their responsibilities are met.

### 5.34—Workplace Welfare

5.34.1—The Group recognises that a safe working environment is a requirement and will ensure:

- A safe working environment is maintained in all areas/subsidiary through effective monitoring, which will include Health and Safety inspections and audits;
- It will ensure maintenance of workplace, work environment such as heating, lighting and ventilation; devices and systems, floor conditions, traffic management and noise by providing information, instruction and monitoring.

### ~~5.35 — Operational Safety Manual~~

~~5.35.1 — The Group Operational Safety Manual forms the basis for the ongoing management and control of health and safety. The details within the Operational Safety Manual describe the requirements under law to which the Group will comply. These responsibilities are shared amongst Directors and Managers across the Group.~~

~~5.35.2 — The OSM will be made available to all Group subsidiaries and is tailored to the risks and activities undertaken by each subsidiary within the specific workplaces they occupy.~~

~~5.35.3 — The OSM comprises the following sections, tailored to the subsidiary and function within each workplace, for example:~~

- ~~• — Accidents, Incidents and First Aid~~
- ~~• — Fire and Emergency Procedures~~
- ~~• — Procedures and Risk Assessments~~

~~5.35.4 — The Group and its subsidiaries have developed a number of safe working procedures/guidance documents and associated risk assessments covering specific work activities.~~

~~5.35.4 Group Operational Safety Manuals (OSM's) will be updated as required and at periods of not more than 3 years to ensure legal compliance and changes in work practices. These documents shall be made available in the Operational Safety Manuals and electronically to all persons employed by Group subsidiaries~~

## Section 6 Health and Safety Monitoring

### 6.1 Health and Safety Operations Meeting

6.1.1 The Group's Health and Safety Operations Meeting relating to key functions (e.g. Housing, Care, NETS, Wheatley Solutions and in-house trades teams) will meet on a quarterly basis to monitor health and safety.

6.1.2 The meetings will consist of a cross section of staff from across the organisation including union representatives and will be chaired by the Group Health and Safety Managers Lead. The purpose of these Groups is to facilitate joint participation in Health and Safety matters to enable management and staff to exchange views and to reach a better understanding on all matters and procedures related to Health and Safety Management System.

6.1.3 The remit of the Group is:

- To consider all Health and Safety matters on an operational, day-to-day basis;
- To review progress with the relevant annual Health and Safety Action Plan
- 
- To study statistics and trends of incidents so that reports can be made to management on unsafe and unhealthy conditions and practices, together with recommendations for corrective action;
- To consider reports which management representatives or safety representatives may wish to submit; and
- To recommend visits/inspections of Group premises.

## 6.2 Health and Safety Strategy Meeting

~~6.2.1 The Group Health and Safety Strategy Meeting will meet on a quarterly basis following the Group Health and Safety Operations Meeting.~~

~~6.2.1~~

6.2.2 The Group's Health and Safety Strategy Meeting will consist of Directors / senior managers supported by technical personnel and will be chaired by the Director of Health and Fire Safety Assets and Sustainability with the following remit:

- ~~• To consider the Wheatley Group Health and Safety Policy and associated management arrangements and procedures;~~
- ~~• To monitor the implementation of The Wheatley Group Health and Safety Policy and associated management arrangements and procedures;~~
- ~~• To review The Wheatley Group Health and Safety Policy to comply with new legislation and changes to the Group, and otherwise annually;~~
- ~~• To develop, manage and review the strategic health and safety risks experienced by the Group;~~
- ~~• To develop and implement the Group's Health and Safety Strategy;~~
- ~~• To review the management information in relation to accident and incident statistics including near misses to identify trends and establish action plans to address them;~~
- ~~• To review the outcomes of Health & Safety audit reports and monitor completion of audit actions. This will be on a quarterly basis and as and when required; and~~

~~To review Health and Safety performance across the Group and report performance to Executive Team, Group and subsidiary boards. This will be on an annual basis or as and when required.~~

- To consult and consider the Group Health and Safety Policy
- To consult and consider the development and implementation of Group Health and Safety Management Arrangements
- To consult and consider the development and implementation of Group Operational Safety Manuals and other safe systems of work
- To consult and consider any changes to current best practice, guidance or legislative requirements concerning health and safety
- To receive and discuss reports of incident, accident, and Ill health data
- To receive and discuss reports of vehicle incidents and occupational road risk
- To receive and discuss reports on the status of health and safety training
- To receive and discuss reports on the progress of Trade Union Safety Inspection Reports and work-related matters of health and safety
- To consider the introduction and benefits of new and emerging technology that promotes the health, safety and welfare of staff and customers
- To consider and discuss matters of engagement by regulators and enforcing bodies

## 6.3 Assurance

6.3.1 A continuing process in the effective monitoring of the Group's Health and Safety management system ethos is the requirement that the performance of the Health and Safety Management System operated by the Group confirms effective statutory compliance and the

continuing Health, Safety and Wellbeing of our staff.

6.3.2 Health and Safety Audits will be conducted by the Assurance Team and supplemented by external competent personnel as required. Outcomes of audits will be sent to the Chief Executive and detailed recommendations made. Once senior management has accepted the audit recommendations, an action plan with realistic targets will be developed in line with the Delivery Plan. The Group Health and Safety Strategy Group will monitor completion of audit actions. These actions will be followed up by the Group Assurance Team in conjunction with the Director of Group Health and Fire Safety and Group Health and Safety Managers.

~~6.3.2 — Director of Group Assets and Sustainability and the Group Health and Safety Lead where required.~~

~~6.3.3~~6.3.2 Trade Union safety management will be consulted as part of the audit. On completion of the action plan a copy of the Health and Safety Audit will be made available to the appropriate Trade Union safety representatives.

## Section 7

### Policy Review

- 7.1.1 This policy shall be reviewed every 2 years however regular reviews will be considered where, for example, there is a need to respond to new legislation/policy guidance. Reviews will consider legislative, performance standard, good practice and organisational changes.
- 7.1.2 The Group will publish this policy on our staff ~~intranet~~ [intranet](#) site W.E. Connect and on our website. A hard copy is also available on request. Customers may also request a copy of the policy in other formats and community languages

## Section 8

### Relationship to other policies

- 8.1 This policy should be read in conjunction with the following documents which can be found on the staff intranet W.E. Connect:

- HR: Code of Conduct  
Social Media Policy  
Alcohol, Drugs and Gambling Addiction Policy  
Unacceptable Actions Policy  
Dignity at Work Policy  
Harassment and Bullying at Work Policy
- HS: ~~All Group Health and Safety Policies~~  
All Group Health and Safety Management Arrangements

## Section 9

### Document Control policies

<b>Document Title:</b>	<a href="#">Wheatley Group, Health, and Safety Policy</a>
<b>Document Owner:</b>	<a href="#">Wheatley Group, Health, and Safety Team.</a>
<b>Contact Details:</b>	<a href="mailto:#wheatleyhealthandsafety@wheatley-group.com">#wheatleyhealthandsafety@wheatley-group.com</a>
<b>Reference:</b>	<a href="#">H&amp;S Policy</a>

### Version History

Version	Date of Issue	Issued By	Authoriser	Comments
1.0	30 <sup>th</sup> September 2018	Group Health and Safety Manager	Director of Group Assets	1 <sup>st</sup> issue revised structure
1.1	01 <sup>st</sup> December 2021	Group Health and Safety Lead	Director of Assets and Sustainability	Review Consideration of Group Restructure, operating model and update regarding Homeworking and Lone Working

1.2	January 2023	Director of Group Health and Safety and Compliance	Group Director of Repairs and Assets	Review Consideration of Group Restructure CEO Signature
<u>2.0</u>	<u>30<sup>th</sup> April 2025</u>	<u>Director of Health and Fire Safety</u>	<u>Group Director of Repairs and Assets</u>	<u>Review and new version number</u>



## Report

**To:** Wheatley Housing Group Board

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

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

**Subject:** Home Safety Building Compliance

**Date of Meeting:** 30 April 2025

---

### 1. Purpose

- 1.1 This report provides an update on our Home Safety Building Compliance work programmes across all subsidiaries during 2024/25.

### 2. Authorising and strategic context

- 2.1 Under the Group Standing Orders, the Board has a role in the overall monitoring and scrutiny of our compliance with relevant legislation and regulation across our Group partners. This report provides the Board with an update and details of our Home Safety Building Compliance works. Our Group partner Boards received updates on Home Safety Building Compliance in their areas at their most recent Board meetings.
- 2.2 Our Group Strategy includes as one of its themes our commitment to “make the most of our homes and assets”, Our building compliance programmes contribute to this through helping to protect and maintain our assets and keep our customers safe in their home.
- 2.3 Compliance is also one of the five drivers, and our priority for investment within our strategic asset investment and management plan, which the Board approved in June 2024.

### 3. Background

- 3.1 Our Group compliance work programmes include gas servicing, lift servicing, thermostatic mixing valves (“**TMVs**”), asbestos surveying, water management including legionella prevention and electrical works such as electrical inspections and smoke and heat detector renewals/replacements.
- 3.2 Landlords have a legal duty to repair and maintain gas pipework, flues and appliances in a safe condition, to ensure an annual gas safety check on each appliance and flue, and to keep a record of each safety check.
- 3.3 Landlords also have other obligations under legislation or approved codes of practice (“**ACOPs**”) for a variety of building maintenance and inspection activities. For example, firefighting equipment (dry risers/sprinklers), lifting equipment, and alarm systems, as well as a mandatory responsibility for electrical safety including carrying out electrical inspections, commonly referred to as Electrical Installation Condition Reports (“**EICR**”) or Fixed Installation Testing (“**FIT**”).

- 3.4 The arrangements for how we meet our obligations through our Group compliance work programmes are illustrated in the table below.

Work Stream	Cycle	Status
<b>Gas Servicing</b>	Annual (10-month cycle)	Rolling programme ongoing
<b>Electrical (EICR)</b>	Maximum every five years	Rolling annual programme ongoing
<b>TMV maintenance and Installation</b>	Annual	Rolling programme ongoing
<b>Smoke and Heat Detector re-life programme</b>	Every 10 years but is dictated <i>annually</i> by build date / LD2 install date	Rolling annual programme ongoing
<b>Lift Insurance Inspections</b>	Six-monthly	Rolling programme ongoing
<b>Proactive Lift Maintenance</b>	Monthly Checks	Ongoing programme
<b>Mechanical and Electrical Works</b>	Subject to asset requirements: examples include CCTV, pumps, aerials, and alarms	Ongoing programme
<b>Water Management</b>	Site-by-site basis requirement, works include tank inspections, bacterial testing, legionella testing	Ongoing Programme
<b>Common window inspections MSFs</b>	Annual	Ongoing
<b>Dwelling windows and doors MSFs</b>	Five-yearly 20% per year	Rolling programme ongoing
<b>Emergency Lighting Maintenance (MSFs)</b>	Annual	Rolling programme
<b>Asbestos surveying</b>	Annual	Ongoing programme
<b>Fire Door Servicing Dwellings</b>	Six-Monthly	Ongoing Programme

#### One and done approach

- 3.5 Where practical, we take a “one-and-done” approach, tailored to the compliance activities within our tenanted properties. This means that, for related compliance activities within our stock, we try to package works together taking account of asset compliance cycles, property attributes and individual customer requirements.

3.6 The table below shows the three “one-and-done bundles” we apply.

Type of Package	Stock Targeted	Type of works
<b>Home Safety Bundle 1</b>  <b>Gas and Water Management works</b>	Gas properties	<ul style="list-style-type: none"> <li>▪ Annual gas servicing</li> <li>▪ Temperature checks at water outlets</li> <li>▪ TMV works</li> <li>▪ Test/servicing of smoke/heat/carbon monoxide detectors</li> <li>▪ Complete all certification</li> </ul>
<b>Home Safety Bundle 2</b>  <b>Electrical installs and servicing</b>	All properties	<ul style="list-style-type: none"> <li>▪ Installation of S + H detectors (re-life programme)</li> <li>▪ Carry out EICR inspections</li> </ul>
<b>Home Safety Bundle 3</b>  <b>Joinery and electrical</b>	MSF & electric properties	<ul style="list-style-type: none"> <li>▪ Test/servicing of smoke and heat detectors</li> <li>▪ Service MSF dwelling windows and doors</li> </ul>

3.7 Across our Group, we have dedicated Home Safety delivery teams within City Building Glasgow LLP (“**CBG**”) and our internal maintenance delivery teams. These teams work collaboratively with our Asset Landlord Repairs Investment and Compliance team in the West and our asset teams in the East and South. Our mechanical and electrical contractor Equans also mirrors this approach.

3.8 We also use the opportunity, when one of our properties is void, to carry out any required compliance activities. This provides additional assurance that every new customer is moving into one of our homes that is safe and secure, while also maximising the access we need to undertake cyclical or capital compliance works.

## 4. Discussion

4.1 We continually monitor and report progress across our Group against our various compliance workstreams to ensure our obligations are met and to provide an early indication if progress is not as planned. This section of the report provides Board with details on progress against core compliance programmes during 2024/25.

### Gas Safety

4.2 All our gas safety inspection records (“**CP12s**”) are up to date and fully compliant. Achieving this requires an annual inspection of every property with gas. We have **46,282** homes that require a gas service.

4.3 To support **100%** compliance, we send appointment letters to all customers and carry out proactive outbound calling to maximise access to our tenant’s homes. Tenants can change appointments to suit their needs by contacting our 24-hour Customer First Centre. We also manage individual cases where there are complex issues or housing management challenges that impact access.

4.4 As a last resort, after we have exhausted all reasonable efforts to obtain access through communication and liaison, we move to a “forced appointment”. Our forced appointment process involves:

- Delivery of a forced access appointment letter one week before the appointment;
- Doorstep discussion if tenant is present at delivery of letter to negotiate access;
- Completion of officer pre-appointment checklist & Health & Safety checklist;
- Liaison with Housing Officer for any additional knowledge of tenant;
- joint attendance with CBG or Internal Delivery Teams Gas Engineer and Joiner; and a Housing Officer
- Liaison at forced access appointment as required to reach successful completion of gas service and achieve compliance.

Total Gas Services required	Total Complete	Percentage complete to date
46,282	46,282	100%

#### Periodic Electrical Testing (“EICR”)

4.5 Periodic electrical inspections are required in all properties on a cycle of no more than five years, and we manage a rolling annual programme. Landlords must make “reasonable efforts” to ensure that homes are accessed to carry out the inspection.

4.6 The table below provides the current position with our rolling annual programmes across our Group. The outstanding 113 addresses are currently being managed across the subsidiaries to find solutions up to and including legal action if required to resolve the current housing management issues preventing the EICR from being carried out. Once resolved these addresses can be quickly programmed for completion.

Qualifying Addresses*	EICRs: current number that is within 5 years	Percentage complete to date
65,011	64,876	99.79%

\*excludes any long term voids

#### Water Management

4.7 Our water management regime across our Group varies on a site-by-site basis, taking into consideration the water system installed, the type of property and the customer demographic.

4.8 Not all works can be carried out simultaneously at a property in a single access visit and can include visual inspections of the communal tanks, risk assessments, temperature checks of both the water inlet and of resting water within the tank, bacterial testing which checks the water supply for various bacteria including e-coli and legionella contents to ensure that water meets the relevant water quality standards as set by the Water Supply (Water Quality) (Scotland) Regulations 2001.

- 4.9 We have **100%** completions for our mandatory programme within all specialised housing such as Livingwell blocks and all Relevant Premises, which include non-domestic property, such as offices and homes of multiple occupancy.
- 4.10 In our general needs stock some blocks, mainly across WHG and WHS, do not have a common loft hatch and therefore require access into individual tenant's homes to access the common loft and the tank for inspection. Numerous attempts have been made at these properties throughout the year including appointment letters and outbound calling. We continue to liaise with individual customers about allowing us access into their home to enable us to carry out the inspection tasks in the common loft area.
- 4.11 The no access properties from 24/25 will be prioritised for further access attempts during Quarter 1 of the 2025/26 rolling programme.
- 4.12 The table below provides details of progress with the overall rolling annual programme.

Inspections/tasks completed	Total Inspections/tasks Required	Percentage completion
<b>4,962</b>	<b>5,440</b>	<b>89%</b>

#### TMV Servicing

- 4.13 Our TMV programme is a best practice approach that involves a rolling annual programme focused on homes containing under 5s or over 75s, within the household and also in our care sites / specialist housing locations.
- 4.14 Of the 7,061 properties in the programme we have visited 100% of properties with two appointments and accessed and completed 5,882 inspections so far. This is a completion rate of **83%**.
- 4.15 The programme is reliant on customers permitting access. To encourage this, we piloted including TMV servicing alongside gas servicing appointments, where possible in the West. This approach will be rolled out to all subsidiaries during the 25/26 programme. We also offer flexibility to amend appointments, proactively contact customers and make a minimum of two access attempts.
- 4.16 Where access is not achieved, we send letters to customers informing them of our attempts and inviting them to contact us to make a follow up appointment. Forced appointments are not undertaken in keeping with the non-mandatory nature of the programme.

Inspections/tasks completed	Total Inspections/tasks Required	Percentage completion
<b>5,882</b>	<b>7,061</b>	<b>83%</b>

#### Smoke and Heat Detectors

- 4.17 All of our **65,044** properties have compliant LD2 smoke and heat detectors. These were installed at the time the home was constructed (for newly built homes) or as an upgrade as part of our rolling programme of re-life works (10-year cycle). All customers are offered a minimum of two appointments to enable the work to be completed at a convenient time for them. As a last resort, we move to a forced appointment, to ensure we maintain 100% compliance in this area.

### Lift Inspections and Maintenance

- 4.18 Proactive servicing of our lifts are carried out monthly via our approved maintenance contractor with supplementary six-monthly inspections by our insurance company.
- 4.19 Lift performance, such as time to complete any minor defects or major repairs, is routinely monitored and managed within set Service Level Agreement (“SLA”) timescales. Examples of these SLAs include one-hour for trapped passengers and all other emergencies within four hours.

No. of Passenger & Stair lifts	Total Inspections complete	Percentage complete to date
615	615	100%

- 4.20 Our lifts across the Group are part of our wider digital switchover project, preparing for the Public Switched Telephone Network (PSTN) switch-off. Transitioning to digital provides several benefits, beyond ensuring continued operation after switch-off, including cost savings, increased management information, better reliability, and the ability to integrate with other digital services. We have migrated 112 of our 367 lifts, which require the PSTN lines to be upgraded to digital, with the remainder expected to be completed by July 2025, well in advance of the PSTN switch-off, which is currently planned for December 2025.
- 4.21 Alongside digitising our lift alarms, we have also transitioned fire and intruder alarms from the PSTN. Doing this means that our alarm systems are *future-proof*, more resilient, and that we are better able to meet the needs of vulnerable customers and protect our assets.

### Mechanical and Electrical (“M&E”) Works

- 4.22 Equans is our M&E framework contractor. They carry out preventative maintenance activities across 1,496 blocks, ensuring building compliance safety for 18,876 individual homes. This extensive maintenance program covers a range of critical services, including water management, dry risers, sprinkler systems, fire alarm systems, automatic vent opening services, and ventilation services.
- 4.23 The programme ensures M&E compliance across our specialised housing and new build stock where these services are increasingly prevalent through Building Regulations. The table below provides some examples of the scale involved across our Group M&E asset programme.

Example Tasks	Example Numbers
CWS Tanks/Water systems	1,226
Dry risers	307
Sprinklers	246
Fire alarm systems	170
Automatic Opening Vent (AOVs)	206
Ventilation systems	691

### Asbestos Surveying

- 4.24 Asbestos management survey inspections of communal areas are undertaken through annual rolling programmes across qualifying stock. Following inspections, the report for each block is uploaded to our asset management system PIMSS. We take an archetype-based approach with cloning, where applicable, reflecting the number of properties we have, their broadly similar nature and the Health and Safety Executive's view that a sample of housing archetypes and cloned surveys can be applied for the purpose of identifying and managing asbestos in common areas.
- 4.25 All relevant staff have access to asbestos information relating to our properties through our Group Asset System (PIMSS). Staff provide asbestos information to contractors when they are required to work in our properties and this work is monitored by our Compliance Teams.
- 4.26 Where asbestos is identified that requires removal, a process is followed that ensures this is managed and correct safe working procedures are followed. If there is ever uncertainty on the presence of asbestos, sampling is undertaken before work begins using a licenced asbestos contractor, with remedial works carried out as necessary. These measures ensure that our obligations relating to asbestos are met.

### Fire Door Servicing

- 4.27 The current Scottish Government Guidance on Fire Safety in High Rise buildings recommends a six-monthly inspection of dwelling fire doors in any building over 18m in height ("**MSFs**").
- 4.28 During 2024/25, we commenced a programme of dwelling Fire Door Servicing for all our MSFs in Glasgow over 18m and any buildings that are 6 Storey or above across our Group. Tenants are offered two appointments with the opportunity to rearrange if they are not suitable.
- 4.29 We have visited **100%** of our 11,271 doors that required inspections, with a total of 8,216 doors accessed (73%) after two attempts. These doors that are remaining will form part of our next 6 months programme which will also include moving to forced appointments. Of the doors, inspected, c30% have required a minor repair. These repairs were mostly carried out where possible at the inspection with repairs to letterboxes being the most common work.

### Radon Gas Monitoring

- 4.30 We continually review of compliance programme to ensure all required areas are covered and this year we plan to pilot a testing programme for radon gas. Our approach to Radon Gas Monitoring for existing stock during 2025/26 will be focused on properties with the potentially highest concentration of radon gas (above 10%) across our Group this will be 948 properties.
- 4.31 Radon is a naturally occurring radioactive gas that can be found in high concentrations in indoor environments, such as homes and workplaces. It is created when uranium decays in the ground and seeps to the surface and can get indoors through floors.

- 4.32 Radon levels in the ground are usually low, but some parts of Scotland may have higher levels depending on the ground type/conditions
- 4.33 As there are no warning signs for the presence of radon, testing for radon is the only way to get evidence of levels and ensure there is no danger from exposure to residents.

## **5. Customer Engagement**

- 5.1 Engaging with our customers and ensuring they understand the importance and benefits of compliance works to keep them safe in their homes is crucial in successfully delivering our home safety compliance programmes.
- 5.2 We emphasise the importance of allowing access for compliance activities during routine interactions with our customers including through our Customer First Centre, at the annual tenant visit and in programme specific letters, texts, calls and visits.
- 5.3 Achieving compliance across our wide range of home safety programmes involves significant planning and liaison between customers, and our teams, particularly if we are required to escalate to a forced access appointment.
- 5.4 We also advocate for our customers with other third party's such as utility companies and external support providers to resolve issues so that we can complete our compliance obligations in our homes and keep our customers and properties safe.

## **6. Environmental and sustainability implications**

- 6.1 There are no direct environmental and sustainability implications associated with this report.
- 6.2 Our approach to carrying out associated compliance works in one visit wherever practical will as a result lead to fewer travel visits by engineers and trade staff across our assets.

## **7. Digital transformation alignment**

- 7.1 We are developing a multi-year programme to enhance our compliance system, management, monitoring and reporting that will see data from multiple sources brought together and closer integration with our various suppliers. This will ensure we continue to develop our existing systems and approaches, as we have been doing, to ensure consistency of management and reporting.

## **8. Financial and value for money implications**

- 8.1 Funding for our compliance workstreams is included as part of our agreed 5-year Revenue and Capital Investment business plans approved by the various subsidiary Boards at their most recent board meetings and is sufficient to meet our compliance obligations.

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

- 9.1 Our compliance activities support us to meet our legal obligations as a landlord. At this time, we do not expect any additional compliance requirements to be introduced, although we will maintain a forward look including through our relationships with the Scottish Government and the SHR.



## **10. Risk Appetite and assessment**

- 10.1 Our risk appetite relating to building compliance work streams is minimal, i.e. preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.
- 10.2 The compliance activities and the progress against them discussed in this report ensure that the risk is managed in line with our agreed risk appetite.
- 10.3 Some compliance activities, for example, gas servicing and electrical safety, are embedded in the Scottish Housing Regulator's reporting return requirements.

## **11. Equalities implications**

- 11.1 Specific work programmes have been developed and put in place to address potential vulnerabilities due to age i.e. the TMV Servicing programme. When undertaking works, we will carry these out in ways that minimise inconvenience to all of our customers, such as by offering a range of appointments that suit their needs and offering a one-stop shop service through compliance trades teams for compliance events required within a customer's home.

## **12. Key issues and conclusions**

- 12.1 We are continuing to deliver our agreed compliance programmes. These programmes ensure we meet our statutory and regulatory obligations as a landlord relating to gas, electricity, water management, lifts, asbestos, and fire. We also undertake other programmes as part of our compliance activities that, while not legally required, are necessary to ensure we help to keep our customers safe. These programmes include TMV servicing, common and dwelling window inspections and servicing in our MSF properties and annual smoke alarm servicing outwith our mandatory five-yearly EICR and 10-year LD2 rolling programmes.
- 12.2 Across our Group, we also continue to robustly monitor and manage the performance of our internal delivery teams and our delivery partners CBG and Equans to ensure tasks are delivered on time and to the required standards.
- 12.3 As in previous years, the delivery of our compliance programmes ensures that we meet our obligations and responsibilities as a landlord.

## **13. Recommendations**

- 13.1 The Board is asked to note the content of this report and the ongoing approach to managing and delivering our Group compliance-related works.

LIST OF APPENDICES:

None

## Report

**To:** Wheatley Housing Group Board

**By:** Pauline Turnock, Group Director of Finance

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

**Subject:** Finance report to 31 March 2025 and 2025/26 Group Budget

**Date of Meeting:** 30 April 2025

---

### 1. Purpose

1.1 The purpose of this paper is to:

- provide the Board with the financial results for the year to 31 March 2025;
- seek approval for submission of the RSL Borrower Group's management accounts to 31 March 2025 to our bank lenders as part of our usual quarterly covenant returns;
- seek approval of the 2025/26 Group Budget;
- seek approval for the submission of five-year Financial Projections to the Scottish Housing Regulator.

### 2. Authorising and strategic context

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

### 3. Background - Financial performance to 31 March 2025

3.1 The results for the year to 31 March 2025 as presented in Appendix 1 are:

£m	Actual	Budget	Variance
Turnover	505.5	487.4	18.1
Operating expenditure	(359.7)	(360.2)	0.5
<b>Operating surplus</b>	<b>145.8</b>	<b>127.2</b>	<b>18.6</b>
<i>Operating margin</i>	<i>28.8%</i>	<i>26.1%</i>	
Net interest payable	(76.2)	(78.1)	1.9
<b>Statutory surplus</b>	<b>69.6</b>	<b>49.1</b>	<b>20.5</b>
<b>Net Capital Expenditure</b>	<b>188.6</b>	<b>195.8</b>	<b>7.2</b>

## 4. Discussion

- 4.1 The Group reports a full year statutory surplus of £69.6m which is £20.5m favourable compared to budget. Operating performance for the year remained strong throughout the year and was favourable to budget with higher levels of net rental income from improved void rates. The overall expenditure position also remained favourable compared to budget, including underlying reactive repairs and maintenance spend which has been favourable to budget throughout the year. Within the reported expenditure position, we utilised our budget capacity to accommodate unbudgeted costs for additional investment in the creation of a new environmental improvement team, additional staffing resources in the east repairs team and a programme of fire door inspections within our multi-storey flats.
- 4.2 The operating surplus reported includes £17.5m of new build grant which is incremental to the grant budgeted and relates to the number of earlier than budgeted new build completions and additional grant awarded following tenure flips from Mid-Market Rent (“**MMR**”) to social rent properties.
- 4.3 Key variances against budget include:
- Net rental income is £1.3m favourable to budget with additional rental income from earlier than budgeted new build handovers in all RSLs and a continuation of the strong letting performance previously reported, which is contributing to lower void levels which are running at a rate of 1.12% compared to the budget of 1.32%.
  - New build grant income of £97.0m relates to 836 new build properties completed (555SR and 281MMR) compared to the budgeted 707 units. Grant income reported includes £2.9m of additional funding linked to the tenure flip of MMR properties to social rent at Calton as part of our joint working with Glasgow City Council and at West Craigs Ph1 & 2 and Ph3 to provide more homes for families experiencing homelessness taking them out of temporary accommodation.
  - Within other grant income higher than budgeted renewable heat incentive grants and Supporting People grants from DGC in WH South and unbudgeted SHNZ income (with matched additional investment spend) has been offset by reduced acquisition grant funding of £3.6m in WH Glasgow. Also included here is £1.7m of unbudgeted funding received from Glasgow City Council to bring empty properties back into a habitable condition as part of increasing the provision of homes in response to the housing emergency.

Within operating expenditure, total costs are £0.5m favourable to budget:

- Running costs (direct and group services) are £0.8m unfavourable. Value for money and cost efficiencies resulting in lower than budgeted group recharges from Wheatley Solutions of £0.6m have been offset by additional external project costs (with matched third party income) in the Wheatley Foundation and higher regulated insurance costs (recharged to property owners).
- Total repairs and maintenance expenditure is unfavourable to budget by £0.6m. Within this, reactive repairs spend is £0.2m favourable to budget. This is offset by the additional work undertaken on a programme in our multi-storey flats on external fabric inspections (£0.6m) and fire door inspections (£1.0m) in line with Scottish Government guidance and in keeping with our commitment to effective fire prevention and mitigation.

- Net interest payable is £1.9m favourable to budget with unbudgeted interest received of £0.3m. Interest payable is £1.6m favourable to budget due to the timing of drawn balances, a lower base rate on the variable loans and the completion of the new loan with Pricoa at a lower rate than assumed in the financial projections.

- 4.4 Within capital expenditure, net new build spend is £10.9m lower than budget with new build investment spend £58.7m lower than budget and grant income £47.8m lower than budget. Securing approvals for new projects has been challenging following the reduction in the 2024/25 housing capital budget by Scottish Government and the amount of grant available to support housing development; this has been a key driver for the reduction in our overall grant income and associated new build development spend. We did however receive £10.8m in grant receipts in March 2025 for projects where we had previously agreed to defer the grant claim into 2025/26 or 2026/27.
- 4.5 The net core investment spend of £78.5m is £3.7m higher than budget due to the forecast additional core programme spend across the RSLs, linked to the additional capacity from the covenant change.

#### Group Budget 2025/26

- 4.6 At our February 2025 meeting, the Board were presented with the detailed five-year financial projections and agreed that the 2025/26 figures would form the basis of the 2025/26 annual budget, which is presented in Appendix 1.
- 4.7 The budget is summarised in the table below:

Group - £m	Actual 2024/25	Budget 2025/26	Projections 2025/26	Variance Bud v Proj
Turnover	505.5	512.2	511.0	1.2
Operating expenditure	(359.7)	(383.2)	(382.6)	(0.6)
<b>Operating surplus</b>	<b>145.8</b>	<b>129.0</b>	<b>128.4</b>	<b>0.6</b>
<i>Operating margin</i>	28.8%	25.2%	25.1%	
Net interest payable	(76.2)	(80.3)	(80.3)	-
<b>Operating Surplus</b>	<b>69.6</b>	<b>48.7</b>	<b>48.1</b>	<b>0.6</b>
<b>Net Capital Expenditure</b>	<b>188.6</b>	<b>154.7</b>	<b>154.7</b>	<b>-</b>

- 4.8 The 2025/26 budget shows a net operating surplus of £129.0m, and a statutory surplus after interest costs of £48.7m, both £0.6m favourable to the financial projections approved in February 2025. The variances between the budget and financial projections for 2025/26 relate to:

▪	
▪	

- The 3% increase was assumed in the financial projections while the progress of the Housing (Scotland) Bill and any impact on our proposed 2025/26 rent increase was monitored. The Scottish Government have since confirmed that no restrictions will be in place for 2025/26.



- 4.9 Keeping rents affordable remains a key strategic aim but it is important that we strike an appropriate balance between affordability for our tenants whilst ensuring the ongoing financial viability of our operations and the appropriate levels of investment in our homes and services to customers. The 2025/26 budget reflects the annual rent and service charge consultation that concluded with the Board approving a 6.9% increase in rent for social and mid-market rent properties and a 9% increase for full market rent.
- 4.10 Allocations for repairs and investment continue to be at the core of our budget. During the year, as part of our asset strategy discussions, we agreed the investment priorities set out in our neighbourhood plans be reflected in our rent setting proposals together with the creation of a provision to fund energy efficiency improvements in our homes which will be required to meet the new Scottish Housing Net Zero Standard (SHNZS). In the 2025/26 budget, our investment programme spend of £92.3m on existing homes includes £10.4m of neighbourhood investment works.
- 4.11 The budget also recognises the sustained demand and cost pressures on repairs with £98.8m provision for revenue repairs and maintenance included in the 2025/26 budget. Through our collaboration with City Building Glasgow, we remain focussed on improvements to the customer journey in the West, utilising technology to align our services and implementing closer partnership working arrangements to improve monitoring of service levels and modernise the delivery of the repairs service.
- 4.12 Our frontline housing, customer first centre and neighbourhood environmental teams and the Wheatley 360 wraparound service remain key elements of our service provision. Support for vulnerable customers is prioritised through our Wheatley Foundation, and our Livingwell offer for older customers. Our “Here For You” fund will continue to offer support to customers with this particularly focused on help with keeping rent accounts up to date.
- 4.13 The Group 2025/26 operating surplus budgeted of £129.0m compares to actual net operating surplus of £145.8m for 2024/25. This £16.8m variation is caused by movements which are principally non-cash in nature and includes:
- The amount of grant income recognised which relates to the profile of new build completions, £97.0m in 2024/25 compared to £80.8m budgeted for 2025/26; and
  - The increase in the depreciation adjustment, £122.1m in 2024/25 compared to £124.7m budgeted for 2025/26.

## 2024/25 Key financial metrics – interest cover and debt per unit

4.14 Loan covenants are monitored monthly out-with the required quarterly submission of calculations and Board-approved management accounts of the RSL Borrower Group to funders. All loan covenants with respect to the RSL Borrower Group and WFL2 were met as at 31 March 2025. Covenant measures are draft and are subject to final audit.

4.15 All our financial Golden Rules were met.

[REDACTED]

[REDACTED]

[REDACTED]

## Five-year Financial Projections

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

4.18 The return for Wheatley Housing Group Limited contains only direct income and costs of the parent company itself, such as Board member payments and audit fees. The financial projections of our RSL operating subsidiaries will be approved by each RSL board and will be submitted separately.

4.19 The SHR require covenant information to be included in the return and for the Wheatley Group has asked that this information is provided for the RSL Borrower Group in the Wheatley Group return, an approach that is similar to the Loan Portfolio Submission and in line with last year's submission. At other points in the year we submit our whole Group long-term financial projections i.e. our 30 year business plan, which was presented to the February Board and the annual accounts, which will be presented to the August Board meeting.

4.20 The summary sheet and accompanying financial data and five-year projections to be submitted to the regulator are attached at Appendix 4. The Board is requested to consider and approve these financial projections. Once approved, these will be submitted to the Scottish Housing Regulator. The deadline for the submission of the five-year Financial Projections is 31 May 2025.

## **5. Customer Engagement**

5.1 This report relates to our financial reporting and therefore 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 presents the financial performance position for the year to 31 March 2025 and the budget for 2025/26.

## **13. Recommendations**

- 13.1 The Board is requested to:
- 1) note the financial performance for the Group to 31 March 2025
  - 2) approve the RSL Borrower Group accounts at Appendix 2 for submission to the Group's lenders;
  - 3) approve the Group budget for 2025/26;
  - 4) [REDACTED]
  - 5) approve the summary sheet and accompanying financial data and projections at Appendix 4; authorise these to be submitted to the Scottish Housing Regulator; and delegate authority to the Group Director of Finance to approve any factual data updates that are required in advance of the submission.

### **LIST OF APPENDICES:**

- Appendix 1: Wheatley Group Finance Report to 31 March 2025  
Appendix 2: RSL Borrower Group Finance Report to 31 March 2025  
Appendix 3: CBG 2025/26 financial projections  
Appendix 4: SHR five-year Financial Projections Return

# Appendix 1: Wheatley Group Financial Report To March 2025 (Period 12)

1. Income & Expenditure	
a) Year-to-Date Executive Summary	2
2. RSL Borrower Group	
a-g) Year-to-Date results	4-11
3. Summary of RSL operating costs and margin v budget	12
4. Commercial Entities	13
a-b) Year-to-Date results	14-15
5. Wheatley Solutions	16
6. Wheatley Foundation	17
7. City Building Joint Venture	18
8. Wheatley Group consolidated Balance Sheet	19
9. Wheatley Group Budget 2024/25	20



# 1a) Wheatley Group – Year to 31 March 2025

	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>INCOME</b>			
Net Rental Income	354,058	352,784	1,274
Grant income New Build	97,025	79,557	17,468
Grant income Other	11,825	14,018	(2,193)
Other Income	42,580	41,008	1,572
<b>Total Income</b>	<b>505,488</b>	<b>487,367</b>	<b>18,121</b>
<b>EXPENDITURE</b>			
Employee Costs	91,155	91,019	(137)
ER/VR	1,094	1,050	(44)
Running Costs	52,877	52,050	(827)
Repairs & Maintenance	89,469	88,886	(583)
Bad debts	2,468	4,542	2,074
Depreciation	122,109	122,109	-
Demolition Programme	494	523	29
<b>Total Expenditure</b>	<b>359,665</b>	<b>360,179</b>	<b>514</b>
<b>NET OPERATING SURPLUS</b>	<b>145,823</b>	<b>127,188</b>	<b>18,635</b>
	28.8%	26.1%	
Net interest payable	(76,177)	(78,116)	1,939
<b>STATUTORY SURPLUS</b>	<b>69,646</b>	<b>49,072</b>	<b>20,574</b>

## Key highlights:

Net operating surplus is £145,823k, £18,635k favourable to budget. A statutory surplus of £69,646k is reported, £20,574k favourable compared to budget. Operating performance for the year was strong and favourable to budget with higher levels of net rental income from improved void rates and earlier new build completions and an overall favourable expenditure position. The financial performance reported includes additional new build grant in line with the earlier than budgeted new build completions and additional grant following tenure flips from MMR to social rent properties.

- Net rental income is £1,274k favourable to budget. Gross rental income is favourable due to the “cease to let” at Livingwell properties in Glasgow being slower than anticipated and earlier than budgeted new build handovers. In addition, rent loss on voids is £734k favourable with voids at 1.12% compared to the budgeted 1.32%.
- New build grant income is £17,468k favourable and relates to 836 units completed (555SR and 281MMR) compared to the budgeted 707 units. Grant income reported includes the approved additional grant income of £2.9m linked to the tenure flip of 65MMR to SR at Calton and West Craigs Ph1 & 2 and Ph3.
- Other grant income is £2,193k unfavourable to budget, with higher than budgeted renewable heat incentive grant income and Supporting People grant income from DGC in WH South, £1,708k of unbudgeted empty homes grants (with matched additional investment spend) and £432k of unbudgeted SHNZ income (with matched additional investment spend) offset by reduced acquisition grant funding from budget of £3,584k in WHGlasgow.
- Other income has benefited from additional external funding of £671k received (with matched spend) in Foundation, additional factoring resale fees and unbudgeted L&A damages in Lowther and regulated insurance premiums £427k higher than budgeted (recharged to property owners) with higher costs in running costs.
- Employee costs (direct and group services) reflect the favourable spend in direct staff costs in Wheatley Care linked to a reduction in service delivery hours and in WHSouth due to the timing of changes to the budgeted structure offset by additional one-off payments made to staff in March 2025 paid as part of the cost-of-living settlement and the additional forecast costs in WHGlasgow for the introduction of the Neighbourhood Improvement Team
- Running costs (direct and group services) are £827k unfavourable. Value for money and cost efficiencies resulting in lower than budgeted group recharges from Wheatley Solutions of £617k have been offset by £671k additional external project costs (with matched income) in Foundation and higher regulated insurance costs of £427k (recharged to property owners).
- Revenue repairs and maintenance spend is £583k unfavourable to budget. The favourable position in responsive repairs of £152k is offset by the additional forecast compliance spend for MSF Rope inspections and MSF fire door inspection programme in line with Scottish Government guidance and in keeping with our commitment to effective fire prevention and mitigation.
- Bad debts are £2,074k favourable to budget with a prudent provision set aside for increases in arrears.

Net Interest payable is £1,939k favourable to budget. Net interest payable includes unbudgeted interest received of £333k, mainly relating to interest received in Wheatley Foundation. Interest payable is £1,606k favourable to budget due to timing of drawn balances compared to budget and a lower interest rate on the variable loans compared to budget.

# 1a) Wheatley Group – Year to 31 March 2025

Capital Investment	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>CORE PROGRAMME</b>			
SHNZ	3,406	3,404	2
Empty Homes	1,708	0	1,708
Adaptations	2,395	2,902	(507)
Other Capital grants	55	0	55
<b>Grant Income</b>	<b>7,564</b>	<b>6,306</b>	<b>1,258</b>
Core Investment Programme	51,286	47,699	(3,546)
SHNZ	3,406	3,404	(42)
Empty Homes	1,762	0	(1,762)
Adaptations	3,503	4,184	681
Voids	14,950	15,087	137
Capitalised Repairs	11,163	10,697	(466)
<b>Total Core Investment</b>	<b>86,070</b>	<b>81,071</b>	<b>(4,998)</b>
<b>NET CORE INVESTMENT SPEND</b>	<b>78,506</b>	<b>74,765</b>	<b>(3,740)</b>
<b>NEW BUILD</b>			
New Build Grant Income Received	68,939	116,755	(47,816)
New Build investment	166,267	224,975	58,708
<b>NET NEW BUILD INVESTMENT SPEND</b>	<b>97,328</b>	<b>108,220</b>	<b>10,892</b>
<b>OTHER FIXED ASSET INVESTMENT SPEND</b>	<b>12,816</b>	<b>12,857</b>	<b>41</b>
<b>TOTAL NET CAPITAL INVESTMENT SPEND</b>	<b>188,650</b>	<b>195,842</b>	<b>7,193</b>

## Key highlights:

- The net core investment spend was £3,740k higher than budget due to the agreed additional core programme spend across the RSLs, linked to the additional capacity from the covenant change.
- Net new build spend is £10,892k lower than budget. Shawbridge Arcade, North Toryglen and Deans South Ph2 are all on site with spend of £17,480k in the year to date. £10,795k of grant was awarded in March 2025 with the grant for the remaining front funded spend to be claimed in 2025/26.
- New build grant income of £68,939k is £47,816k less than budget due to reduced claims across a number of development projects including in Loretto for Forfar and South Crosshill which was Allia funded in 2023/24; at Corsbie Road, Ashwood Drive and College Mains in WH South, and at Sighthill Phase 2, North Toryglen, Abbotshall Avenue, Caledonia Road, Lochend Road Ph2 and Calton Village Ph2 in WH Glasgow. There have also been reduced claims in WH East for Deans South Ph 2 and for grants received in 2023/24 budgeted to be received in 2024/25 for Wallyford 5 A/B, West Craigs Ph3 and Winchburgh BB partially offset by accelerated claims in WH East for Blindwells and Dalhousie South Phase 1. Reduced claims were also noted in Lowther for Ashgill Road for grant which was received in 2023/24, budgeted to be received in 2024/25.
- Reduced new build spend reflects the delay in the works at Forfar and Duke Street in Loretto, Sighthill Phase 2, North Toryglen, Abbotshall Avenue Calton Phase 2, Kelvin Wynd in WH Glasgow, a delay in the spend at Corsbie Road and College Mains at WH South and delayed works at Deans South Ph2, West Craigs Ph1 & 2, Winchburgh BB and Wallyford 5 A/B in WH East. This underspend was offset by accelerated spend at sites in WH Glasgow at Shawbridge Arcade, in WHEast including Blindwells, Sibbalds Brae, Dalhousie South Ph1, additional spend at Johnstonebridge in WH South and additional spend at Ashgill Road in Lowther.
- Other fixed assets investment includes spend on corporate estate and IT capital projects. The spend is in line with budget with additional spend on the concierge refurbishment and Nets depots being offset by reduced spend on IT projects due to timing.

# **Wheatley Group Financial Report To March 2025 (Period 12)**

## **RSL Borrower Group**

## 2a) RSL Borrower Group – Year to 31 March 2025

	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>INCOME</b>			
Net Rental Income	332,542	331,406	1,136
Grant income New Build	90,698	77,456	13,242
Grant income Other	11,825	14,018	(2,193)
Other Income	15,016	14,792	223
<b>Total Income</b>	<b>450,081</b>	<b>437,672</b>	<b>12,408</b>
<b>EXPENDITURE</b>			
Employee Costs	65,829	65,458	(371)
ER/VR	1,094	1,050	(44)
Running Costs	36,728	36,926	198
Repairs & Maintenance	83,215	82,736	(479)
Bad debts	1,891	4,225	2,334
Depreciation	122,109	122,109	-
Demolition Programme	494	523	29
<b>Total Expenditure</b>	<b>311,360</b>	<b>313,027</b>	<b>1,668</b>
<b>NET OPERATING SURPLUS</b>	<b>138,721</b>	<b>124,645</b>	<b>14,076</b>
	30.8%	28.5%	
Donation to Wheatley Foundation	(3,020)	-	(3,020)
Net interest payable	(73,555)	(75,211)	1,656
<b>STATUTORY SURPLUS/(DEFICIT)</b>	<b>62,146</b>	<b>49,434</b>	<b>12,712</b>
	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>INVESTMENT</b>			
Total Capital Investment Income	69,589	114,959	(45,370)
Core Investment Programme	84,772	79,724	(5,048)
New Build Programme	153,725	213,200	59,475
Other fixed assets	12,601	12,681	80
<b>Total Capital Investment Expenditure</b>	<b>251,098</b>	<b>305,605</b>	<b>54,507</b>
<b>NET CAPITAL INVESTMENT SPEND</b>	<b>(181,509)</b>	<b>(190,646)</b>	<b>9,137</b>

### Key highlights:

Statutory surplus of £62,146k is reported, £12,712k favourable compared to budget. Operating performance in the year has been strong and favourable to budget with higher levels of net rental income from improved void rates and a favourable overall expenditure position compared to budget. The financial performance reported includes additional new build grant in line with the earlier than budgeted new build completions and additional grant following tenure flips from MMR to social rent properties.

- Net rental income is £1,136k favourable to budget. Gross rental income is favourable due to the "cease to let" at Livingwell properties in Glasgow being slower than anticipated and earlier than budgeted handovers in the East and South. Rent loss on voids is £402k favourable with voids at 1.13% compared to the budgeted 1.25%.
- New build grant income is £13,242k favourable with earlier completions: Across the RSLs 784 units (555 SR and 229 MMR) have completed compared to the budgeted 679 units. Grant income includes the additional grant income of £2.9m linked to the tenure flip of 65MMR to SR at Calton and West Craigs Ph1 & 2 and Ph3.
- Other grant income is £2,193k unfavourable to budget, with higher than budgeted renewable heat incentive grant income and Supporting People grant income from DGC in WH South, £1,708k of unbudgeted empty homes grants and £432k of unbudgeted SHNZ income (both with matched additional investment spend) offset by reduced acquisition grant funding to budget of £3,584k in WH Glasgow.
- Other income is £223k favourable to budget due to lower commercial voids in WH Glasgow and additional MMR lease income in WH East from earlier than budgeted MMR property completions.
- Employee costs (direct and group services) are £371k unfavourable to budget with additional costs from Wheatley Solutions due to changes in the budgeted structure, additional one-off £150 payment made to all staff in March 2025 paid as part of the cost-of-living settlement and the additional costs in WH Glasgow for the introduction of the Neighbourhood Improvement Team.
- Running costs (direct and group services) are £198k favourable to budget with lower than budgeted group recharges of £583k due to a number of departments reporting lower costs across Wheatley Solutions offset by additional fleet costs and property costs for corporate estate.
- Revenue repairs and maintenance spend is £479k unfavourable to budget. The favourable position in responsive repairs of £256k is offset by the additional forecast compliance spend for MSF Rope inspections and MSF fire door inspection programme in line with Scottish Government guidance and in keeping with our commitment to effective fire prevention and mitigation.

Additional donations were made to Wheatley Foundation of £3,020k were made to provide support for our customers.

Interest payable is £1,656k favourable to budget due to timing of drawn balances compared to budget and a lower base rate on the variable loans compared to budget.

Net capital expenditure of £181,509k is £9,137k lower than budget.

- Capital investment income is £45,370k lower than budget. The timing of spend and the agreed grant profile for a number of projects has resulted in £46,628k less new build grant than budgeted. £3,406k for SHNZ projects has also been received in line with budget, together additional grant income of £1,708k for unbudgeted spend on Empty Homes.
- Investment programme spend is £5,048k higher than budget, due to the forecast additional core programme spend, linked to the additional capacity from the covenant change and the forecast unbudgeted spend on Empty Homes and SHNZ projects (both offset by additional related grant income).
- In line with grant income new build spend is £59,475k lower than budget, due to the timing of works at a number of sites in addition to a number of developments where a revised spend profile has been agreed. This is offset in part by accelerated spend at Shawbridge Arcade due to an earlier than budgeted site start.
- Other capital expenditure of £12,601k is £80k lower than budget with higher spend on the concierge office refurbishment programme and Nets depots partly offset by the timing of IT project spend.

# 2b) RSL Borrower Group underlying surplus – Year to 31 March 2025

The Wheatley Group and RSL Borrower Group operating Statement (Income and Expenditure Account) on pages 2 and 5 are prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2014).

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

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

An underlying surplus of £11,465k has been reported for the year to 31 March 2025. The unfavourable variance of £467k to budget is primarily driven by the additional spend on investment in existing homes following the release of additional financial capacity within the loan covenants, partly offset by an improved net operating surplus position due to higher net rental income and other income benefitting from earlier than budgeted completions and lower operating expenditure.

Borrower Group Underlying Surplus - March 2025			
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks
Net Operating Surplus	138,721	124,645	14,076
add back:			
Depreciation	122,109	122,109	0
less:			
Grant Income	(93,288)	(83,630)	(9,658)
Net interest payable	(73,555)	(75,211)	1,656
Total Core investment	(79,502)	(75,981)	(3,521)
Donation to Wheatley Foundation	(3,020)	0	(3,020)
Underlying surplus	11,465	11,932	(467)

## 2c) Wheatley Homes Glasgow – Year to 31 March 2025

	Year To March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	225,706	225,333	373
Void Losses	(2,627)	(2,693)	66
Net Rental Income	223,079	222,640	439
Grant Income New Build	21,977	20,527	1,450
Grant Income Other	6,016	8,000	(1,984)
Other Income	13,338	14,823	(1,485)
<b>Total Income</b>	<b>264,410</b>	<b>265,990</b>	<b>(1,580)</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	32,795	32,504	(291)
Employee Costs - Group Services	16,025	15,922	(103)
ER / VR	1,036	840	(196)
Direct Running Costs	14,559	14,292	(267)
Running Costs - Group Services	9,145	9,564	419
Revenue Repairs and Maintenance	58,428	58,089	(339)
Bad debts	1,165	2,622	1,457
Depreciation	84,281	84,281	0
Demolition	7	0	(7)
<b>TOTAL EXPENDITURE</b>	<b>217,441</b>	<b>218,114</b>	<b>673</b>
<b>NET OPERATING SURPLUS / (DEFICIT)</b>	<b>46,969</b>	<b>47,876</b>	<b>(907)</b>
Net operating margin	17.8%	18.0%	-0.2%
Donation to Wheatley Foundation	(2,387)	0	(2,387)
Interest payable & similar charges	(53,701)	(54,332)	631
<b>STATUTORY SURPLUS / (DEFICIT)</b>	<b>(9,119)</b>	<b>(6,456)</b>	<b>(2,663)</b>
<b>INVESTMENT</b>			
	Year To March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>Total Capital Investment Income</b>	<b>30,210</b>	<b>50,977</b>	<b>(20,767)</b>
Investment Programme Expenditure	57,133	53,829	(3,304)
New Build Programme	52,715	85,317	32,602
Other Capital Expenditure	9,470	8,946	(524)
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>119,318</b>	<b>148,092</b>	<b>28,774</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>89,108</b>	<b>97,115</b>	<b>8,007</b>

### Key highlights:

A statutory deficit of £9,119k, £2,663k unfavourable to budget is reported. The financial performance reflects higher than budgeted net rental income, favourable overall expenditure position and new build grant income, due to additional funds for Calton development, offset by unfavourable other grant income related to acquisition funding and lower WDS intra group gift aid income.

- Net Rental income is £439k favourable to budget with the variance relating to Livingwell properties where a "cease to let" was approved by the Board in September 2022, however the properties have cleared slower than anticipated, and additional rental income from 32 Calton social rent units.
- New build grant income reports a favourable variance of £1,450k, due to additional grant received for Calton development. At the end of March 123 units (32 SR and 91 MMR) at Calton Phase 1 had completed in addition to 47 units at Shandwick Street.
- Other grant income includes £2,590k acquisition grant for 24 properties and unbudgeted grants for empty homes (£1,513k) and SHNZ works (£139k) with corresponding costs in Investment programme expenditure.
- Other income reflects the reduction in WDS gift aid income of £1,265k, linked to lower new build spend, in addition to reduce MMR income following the delay in completions at Calton and flip of 32 units to social rent.
- Total employee costs (direct and group services) are £394k unfavourable to budget. Direct employee costs are £291k unfavourable due to the introduction of the Neighbourhood Improvement Team, the one-off payment made to staff in March 2025 and additional posts in Wheatley Solutions for group employee costs including the MyRepairs team.
- Total running costs (direct and group services) are £152k favourable to budget. Direct running costs are unfavourable to budget with higher fleet costs, rates and repairs charges for corporate offices. Group recharges are £419k favourable to budget due to savings in IT running costs and several other departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance spend is £339k overall unfavourable to budget. Responsive repairs are £1,014k favourable with compliance spend being £1,351k unfavourable. Compliance spend includes £1,017k of forecast unbudgeted spend for the acceleration of our MSF fire door inspection programme, and £561k for MSF Rope inspections.
- Bad debts are £1,457k favourable to budget. A prudent approach was taken when setting the budget.
- Additional donations were made to the Wheatley Foundation of £2,387k to provide support for our customers.
- Net Interest payable is £631k favourable to budget linked to the timing of loan drawdowns compared to budget and a favourable interest rate compared to budget.

Net capital expenditure of £89,108k is £8,007k lower than budget.

- Capital investment income (grants) is £20,767k lower than budget due to the timing of spend at Calton Phase 2 and Sighthill Phase 2, and a number of developments (North Torglen, Abbotshtshall, Caledonia Road, Spoutmouth) where revised grant drawdown profiles for 2025/26 have been agreed.
- Investment programme spend is £3,304k higher than budget, due to the forecast unbudgeted spend on empty homes and SHNZ projects (both offset by additional related grant income) and the forecast additional core programme spend, linked to the additional capacity from the covenant change.
- New build spend is £32,602k lower than budget, following a delay in the works at Calton Phase 2, Sighthill Phase 2, Kelvin Wynd and North Torglen, in addition to a number of development where a revised spend profile has been agreed. This is offset in part by accelerated spend at Shawbridge Arcade due to an earlier than budgeted site start.
- Other capital expenditure of £9,470k is £524k higher than budget with higher spend on the concierge office refurbishment programme and Nets depots partly offset by the timing of IT project spend.



## 2d) Loretto Housing – Year to 31 March 2025

### Key highlights

A net operating surplus of £8,753k, £1,710k favourable to budget and a statutory surplus of £4,836k, £1,712k favourable to budget is reported. Grant income from earlier than budgeted new build completions is contributing to the favourable performance, in conjunction with lower operating expenditure.

- Net rental income is £121k favourable to budget largely due to void losses of 1.81% in the year to date compared to the budgeted 2.47%.
- Grant income is £1,354k favourable to budget with Constarry Road, Croy (15 SR units) completing ahead of schedule. The development was budgeted to complete in 2025/26.
- Other income is £63k lower than budget to a reduction in the intra group gift aid income from Wheatley Developments Scotland Ltd, linked to the lower new build spend.
- Total employee costs (direct and group services) are £16k favourable to budget linked to savings from a vacancy in the team earlier in the year, partly offset with additional spend from Wheatley Solutions for group employee costs.
- Total running costs are £87k favourable to budget, linked to a saving in cleaning costs. Group recharges are favourable to budget due to savings in IT running costs and several other departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance is £241k favourable to budget. Responsive repairs are £287k favourable to budget, offset by compliance spend being £46k higher than budget due to additional M&E costs.
- Bad debts are £56k favourable to budget. A prudent approach was taken when setting the budget.
- Additional donations to Wheatley Foundation of £87k were made to provide support for our customers.
- Net Interest payable is £327k favourable due to the timing of loan drawdowns and lower base rate on the variable loans compared to budget.

Net capital expenditure of £14,795k is £886k higher than budget.

- Capital investment income (grant) is £8,110k lower than budget due to the timing of new build grant claims at Forfar, which is not yet on site, and South Crosshill, which was received in full in the prior year. These delays are partly offset with £1.3m of grant in advance for Dargavel Phase 3.
- Investment programme expenditure of £3,541k relates to core programme works, capitalised repairs and voids. A small unfavourable variance is reported due to higher spend on capitalised repairs and void repairs during the year.
- New build spend is £7,351k lower than budget due to the timing of spend for Dargavel North, Duke Street and Forfar Avenue, which is partially offset with spend at Constarry Road, Dargavel Phase 3 and East Lane, being ahead of budget.
- Other capital expenditure of £469k relates to Loretto's contribution to Wheatley Group IT costs. The unfavourable variance is linked to refurbishment of offices owned by Loretto and used by Wheatley Care.

	Year To 31 March 2025		
	Actual £k	Budget £k	Variance £k
<b>INCOME</b>			
Rental Income	17,111	17,103	8
Void Losses	(310)	(423)	113
<b>Net Rental Income</b>	<b>16,801</b>	<b>16,680</b>	<b>121</b>
<b>Grant Income</b>	<b>7,120</b>	<b>5,766</b>	<b>1,354</b>
<b>Other Grant Income</b>	<b>38</b>	<b>117</b>	<b>(79)</b>
<b>Other Income</b>	<b>752</b>	<b>815</b>	<b>(63)</b>
<b>Total Income</b>	<b>24,711</b>	<b>23,378</b>	<b>1,333</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	1,226	1,246	20
Employee Costs - Group Services	889	885	(4)
ER / VR	23	0	(23)
Direct Running Costs	1,840	1,905	65
Running Costs - Group Services	485	507	22
Revenue Repairs and Maintenance	4,223	4,464	241
Bad debts	116	172	56
Depreciation	7,156	7,156	0
<b>TOTAL EXPENDITURE</b>	<b>15,958</b>	<b>16,335</b>	<b>377</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>8,753</b>	<b>7,043</b>	<b>1,710</b>
<i>Net operating margin</i>	<i>35.4%</i>	<i>30.1%</i>	<i>5.3%</i>
Gain/(Loss) on Property Sales	0	238	(238)
Donation to Wheatley Foundation	(87)	0	(87)
Interest Payable	(3,830)	(4,157)	327
<b>STATUTORY SURPLUS / (DEFICIT)</b>	<b>4,836</b>	<b>3,124</b>	<b>1,712</b>
	Year To 31 March 2025		
	Actual £k	Budget £k	Variance £k
<b>INVESTMENT</b>			
<b>Total Capital Investment Income</b>	<b>6,823</b>	<b>14,933</b>	<b>(8,110)</b>
<b>Investment Programme</b>	<b>3,541</b>	<b>3,496</b>	<b>(45)</b>
<b>New Build Programme</b>	<b>17,608</b>	<b>24,959</b>	<b>7,351</b>
<b>Other Capital Expenditure</b>	<b>469</b>	<b>387</b>	<b>(82)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>21,618</b>	<b>28,842</b>	<b>7,224</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>14,795</b>	<b>13,909</b>	<b>(886)</b>

## 2e) Wheatley Homes East – Year to 31 March 2025

	Year to 31 March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	£42,164	£42,007	£157
Void Losses	(£546)	(£563)	£17
<b>Net Rental Income</b>	<b>£41,618</b>	<b>£41,444</b>	<b>£174</b>
Grant Income New Build	£45,183	£34,745	£10,438
Grant Income Other	£1,066	£604	£462
Other Income	£6,936	£7,247	(£311)
<b>TOTAL INCOME</b>	<b>£94,803</b>	<b>£84,040</b>	<b>£10,763</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	£4,788	£4,621	(£167)
Employee Costs - Group Services	£2,598	£2,586	(£12)
ER / VR	£35	£0	(£35)
Direct Running Costs	£4,939	£4,910	(£29)
Running Costs - Group Services	£1,626	£1,700	£74
Revenue Repairs and Maintenance	£7,761	£7,061	(£700)
Bad debts	£369	£375	£6
Depreciation	£15,231	£15,231	£0
<b>TOTAL EXPENDITURE</b>	<b>£37,347</b>	<b>£36,484</b>	<b>(£863)</b>
<b>NET OPERATING SURPLUS</b>	<b>£57,456</b>	<b>£47,556</b>	<b>£9,900</b>
<i>Net operating margin</i>	60.6%	56.6%	4.0%
Donation to Foundation	(£213)	£0	(£213)
Net Interest payable & similar charges	(£8,977)	(£9,335)	£358
<b>STATUTORY (DEFICIT)/SURPLUS</b>	<b>£48,266</b>	<b>£38,221</b>	<b>£10,045</b>
<b>INVESTMENT</b>			
	Year to 31 March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>TOTAL CAPITAL INVESTMENT INCOME</b>	<b>£22,890</b>	<b>£32,745</b>	<b>(£9,855)</b>
Total Expenditure on Core Programme	£7,939	£6,966	(£973)
New Build & other investment expenditure	£74,643	£87,201	£12,558
Other Capital Expenditure	£1,197	£1,211	£14
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>£83,779</b>	<b>£95,378</b>	<b>£11,599</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>£60,889</b>	<b>£62,633</b>	<b>£1,744</b>

### Key highlights:

Net operating surplus of £57,456k is £9,900k favourable to budget. Statutory surplus for the period is £48,266k, £10,045k favourable to budget. Earlier than budgeted release of grant income on new build completions, additional rental and lease income from the earlier handovers and unbudgeted SHNZ and empty homes grant funding are all contributing to the variance and supporting the forecast additional revenue repairs and maintenance costs.

- Gross rental income is £174k favourable to budget due to additional rental income from earlier than budgeted new build completions. Void losses of £546k are £17k favourable to budget.
- Grant income recognised of £45,183k is favourable to budget due to the earlier than budgeted completions. Units with completions ahead of budget include West Craigs Ph1 & 2 (20 SR), West Craigs Ph3 (1SR & 4MMR), Deans South 1A (6SR), Blindwells (23SR), Sibbalds Brae (25SR) and Winchburgh BB (6SR & 5MMR).
- Other grant income of £1,066k includes £293k of unbudgeted SHNZ and £195k empty homes grant income (with corresponding additional costs in Investment) offset by a reduction of £22k adaptation grant income with reduced adaptation spend.
- Other income of £6,936k is £311k unfavourable to budget driven by a reduced gift aid payment from WDS of £724k due to reduced development activity in the financial year. This was partly offset by additional lease income from Lowther for the earlier than forecast completions of MMR properties.
- Total employee costs are £179k unfavourable to budget. Direct employee costs are £167k unfavourable to budget due to an additional project worker post and agency costs at the Harbour, additional agency and overtime for absence cover at the retirement complexes and within the housing team, and includes the one-off payment made in March 2025 to staff. Group employee costs are unfavourable to budget due to the timing of changes within budgeted structures in Wheatley Solutions.
- Total running costs are £45k favourable to budget and includes group running costs £74k favourable to budget due to several departments reporting lower costs across Wheatley Solutions. Direct running costs is £29k unfavourable to budget mainly driven by an increase in service charge costs compared to budget.
- Revenue repairs and maintenance spend is £700k unfavourable to budget. Responsive repairs are £676k unfavourable to budget mainly attributable to the planned increase in the in-house maintenance team staffing costs and increased demand on responsive repairs at the financial year end. Cyclical maintenance is marginally ahead of budget with a £24K unfavourable variance.
- Bad debt provision is £6k favourable to budget reflecting debt written off in advance of the year end over and above the amounts provided for.
- Donations to Wheatley Foundation of £213k were made to provide additional support for our customers.

Net interest payable of £8,977k includes interest due on the loans due to Wheatley Funding No.1 Ltd and external funders and is favourable to budget due to the timings of drawdowns and a lower base rate on the variables loans.

Net capital expenditure of £60,888k is £1,745k lower than budget.

- Capital investment income is £9,855k lower than budget due to lower grant claims at sites including Deans South Ph2 following a revised grant drawdown profile for 2025/26 and 2026/27, reduced claims at Charlesfield, Winchburgh 3 and Kirkliston due to a delay in the development start date, reduced claims at Halmyre Street as the development is no longer progressing and earlier claims made in 2023/24 for Wallyford 5 A/B. This unfavourable position was partly offset by additional claims for Blindwells and Deans South Ph1. Capital investment income also includes the additional unbudgeted grant income for SHNZ and Empty Homes funding.
- Investment programme spend is £973k higher than budget, due to the unbudgeted spend on empty homes and SHNZ projects (both offset by additional related grant income) and the forecast additional core programme spend, linked to the additional capacity from the covenant change.
- New build spend of £74,643k is £12,558k lower than budget due to later than budgeted start dates at Deans South Ph2 and reduced in year spend at West Craigs Ph1 & 2 and Wallyford 5 A/B. The reduced spend was partly offset by accelerated spend at a number of sites including Blindwells, Sibbalds Brae, Deans South Ph1 and Dalhousie South.



## 2f) Wheatley Homes South – Year to 31 March 2025



OPERATING STATEMENT	Year to March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	51,359	51,163	196
Void Losses	(315)	(521)	206
<b>Net Rental Income</b>	<b>51,044</b>	<b>50,642</b>	<b>402</b>
Grant Income	16,418	16,418	0
Other Grant Income	4,705	5,297	(592)
Other Income	1,665	2,152	(487)
<b>TOTAL INCOME</b>	<b>73,832</b>	<b>74,508</b>	<b>(677)</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	5,084	5,277	193
Employee Costs - Group Services	3,523	3,508	(15)
ER/VR	0	210	210
Direct Running Costs	2,567	2,651	84
Running Costs - Group Services	2,206	2,305	99
Revenue Repairs and Maintenance	12,803	13,122	319
Bad debts	241	1,056	815
Depreciation	15,441	15,441	0
Demolition and compensation	487	523	36
<b>TOTAL EXPENDITURE</b>	<b>42,352</b>	<b>44,093</b>	<b>1,741</b>
<b>NET OPERATING SURPLUS</b>	<b>31,480</b>	<b>30,415</b>	<b>1,065</b>
<i>Net operating margin</i>	43%	41%	2%
Donation to Wheatley Foundation	(333)	-	(333)
Interest receivable	128	30	98
Interest payable & similar charges	(7,183)	(7,417)	234
<b>STATUTORY SURPLUS</b>	<b>24,092</b>	<b>23,028</b>	<b>1,064</b>
INVESTMENT	Actual £ks	Budget £ks	Variance £ks
<b>TOTAL CAPITAL INVESTMENT INCOME</b>	<b>9,666</b>	<b>16,304</b>	<b>(6,638)</b>
Capital Investment spend	16,159	15,432	(727)
New Build Programme	14,688	24,207	9,519
Other Fixed Assets	1,465	2,137	672
<b>TOTAL INVESTMENT EXPENDITURE</b>	<b>32,312</b>	<b>41,776</b>	<b>9,464</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>22,646</b>	<b>25,472</b>	<b>2,826</b>

### Key highlights :

Net operating surplus of £31,480k, £1,065k favourable to budget and a statutory surplus of £24,092k, £1,064k favourable is reported. Lower spend across expenditure and favourable net income position are contributing to the better than budgeted performance.

- Net rental income is £402k higher than budget. Void losses are £206k favourable to budget, with a void loss rate of 0.6% vs 1.0% in budget. Rental income is £196k higher due to unbudgeted rental income from earlier handover of Curries Yard and the Lochside clearance no longer taking place.
- Grant income is in line with budget following the completion of 54 units at Curries Yard and 47 units at Springholm, all for social rent.
- Other grant income is £592k adverse to budget due to lower than budgeted aids & adaptations and net zero grant funding (with lower corresponding costs in investment spend), partly offset by higher renewable heat incentive (RHI) grant income and higher Supporting People grant income from DGC.
- Other income is £487k adverse to budget due to lower than budgeted intra group gift aid from WDS of £541k.
- Total employee costs (direct and group services) are £178k favourable to budget due to the timing of changes to the budgeted structure partly offset by additional costs from Wheatley Solutions.
- Total running costs (direct & group services) are £180k favourable to budget with savings in both direct costs and across several departments within Wheatley Solutions.
- Repairs costs are £319k favourable to budget. Responsive repairs are £369k adverse to budget driven by higher cost per job and seeing the impact of Storm Eowyn in February & March. Cyclical & gas maintenance and compliance are favourable due reprofiling of the programmes.
- Bad debts are £815k favourable to budget. A prudent approach was taken when setting the budget.
- Demolition costs includes three buy backs at Summerhill, the final one at Newington and the demolition costs at Ecclefechan with all 13 units at Ecclefechan now demolished.
- Donations to Wheatley Foundation of £333k were made to provide additional support for our customers.
- Interest payable represents interest due on the loans due to Wheatley Funding No.1 Ltd and external funders. The £234k favourable variance is due to lower drawdowns and a lower base rate charged on the variable loans.

Net capital expenditure of £22,646k is £2,826k lower than budget.

- Capital investment income is £6,638k lower than budget with new build grant income reflecting the delayed start at Corsbie Road, Ashwood Drive and College Mains. New build grant received relates to Johnstonebridge, Leswalt and College Mains. Aids & adaption funding of £669k and SHNZ grant funding of £2,974k has been received.
- Capital investment spend of £16,159k is £727k higher than budget with additional capacity created from the covenant change of £1,300k partly offset by lower SHNZ and adaptation spend (corresponding grant income).
- New Build expenditure is £9,519k lower due to later than budgeted start dates at Corsbie Road, Ashwood Drive, College Mains and High Street. Curries Yard has less than budgeted spend in 2024/25 due to accelerated costs in 2023/24. This is partially offset by additional spend in Springholm and Johnstonebridge.
- Other capital expenditure of £1,465k is £672k lower than budget due to timing of IT spend and deferral of the new Stranraer office to 2025/26.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

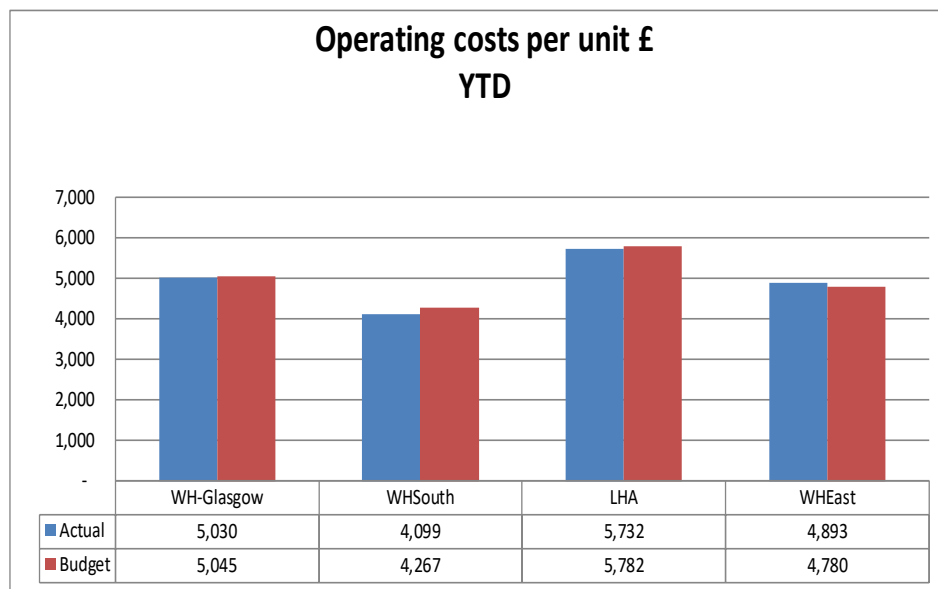
[REDACTED]

[REDACTED]

[REDACTED]

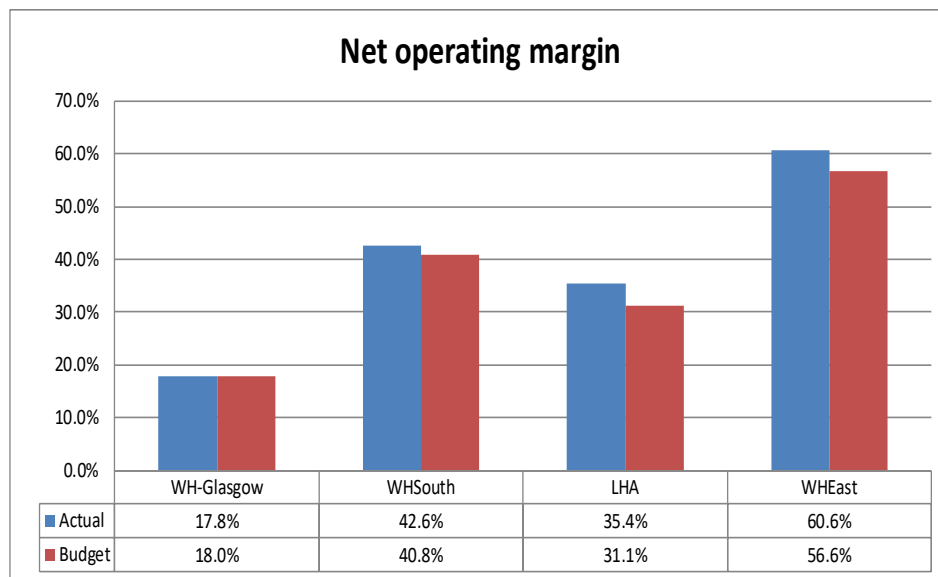
[REDACTED]

### 3) Summary of RSL operating costs and margin v budget



#### Operating costs per unit:

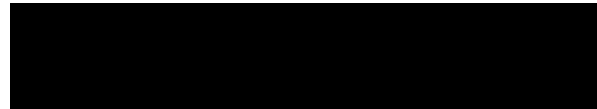
- At March 2025 operating costs per unit are lower than budget for all RSL's with the exception of WH East mainly due to the additional costs in relation to additional staff recruited for the in-house repairs and maintenance team. This lower unit cost variance for all other RSL's is attributable to the lower expenses and bad debts.
- 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 with the exception of WH Glasgow due to the early recognition of the new build grants. The marginal decrease in WH Glasgow's operating margin is due to lower property acquisition grants received, compared to budget.
- Similar to operating costs, the variances across expenditure lines is impacting margins in the RSLs.

# Wheatley Group Financial Report To March 2025 (Period 12)



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] £2,613k are £72k favourable to budget. A number of services have made savings in the year to date.

[REDACTED]

[REDACTED]

\_\_\_\_\_

15 JULY 2004

T I

10000000

1

1001

1  
2  
3



[REDACTED]

[REDACTED]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

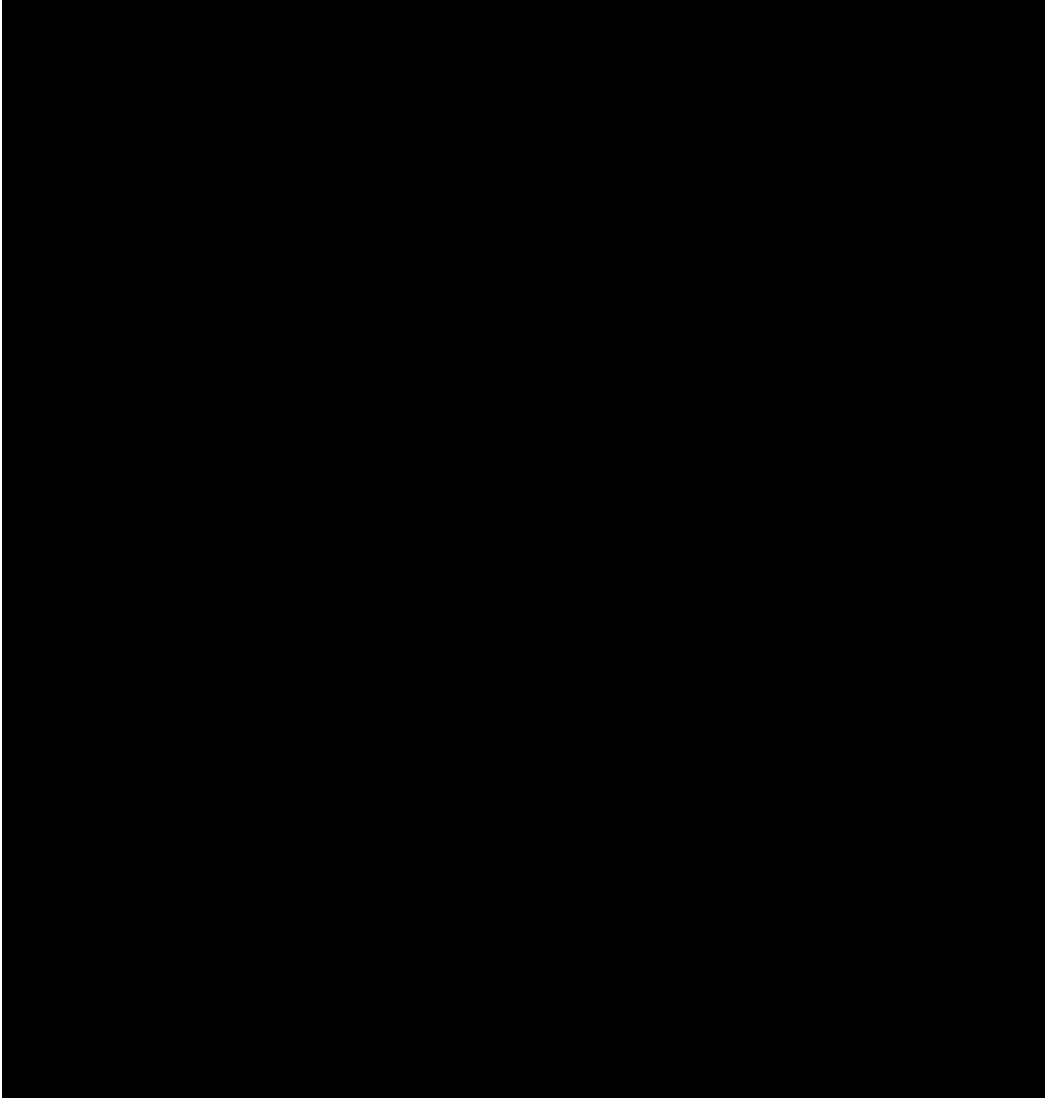
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

# 8) Wheatley Group – Consolidated Balance Sheet

	As at 31 March 2025 £ks	As at 31 March 2024 £ks
<b>Fixed Assets</b>		
Social Housing Properties	3,062,941	2,935,892
Investment properties	322,798	309,971
Other tangible fixed assets	81,003	78,829
Investments -other	116	116
<b>Fixed Assets</b>	<b>3,466,858</b>	<b>3,324,808</b>
<b>Debtors Due More Than One Year</b>		
<b>Current Assets</b>		
Stock	2,293	1,926
Trade debtors	3,386	4,170
Rent & Service charge arrears	14,376	20,935
less: Provision for rent arrears	(10,329)	(10,654)
Prepayments and accrued income	16,399	10,073
Other debtors	31,044	25,019
	<b>57,169</b>	<b>51,469</b>
Bank & Cash	36,986	36,305
<b>Current Assets</b>	<b>94,155</b>	<b>87,774</b>
<b>Current Liabilities</b>		
Trade Liabilities	(16,271)	(20,265)
Accruals	(48,702)	(52,937)
Deferred income	(35,175)	(57,553)
Rents & service charges in advance	(17,858)	(23,974)
Bank Loans	(28,906)	(33,503)
Other creditors	(30,793)	(24,175)
	<b>(177,705)</b>	<b>(212,407)</b>
<b>Net Current Assets</b>	<b>(83,550)</b>	<b>(124,633)</b>
<b>Long Term Liabilities</b>		
Contingent efficiencies grant	(46,280)	(46,280)
Bank finance	(1,400,038)	(1,280,555)
Bond finance	(300,000)	(300,000)
Provisions	(11,636)	(11,679)
Deferred income	(73,638)	(79,591)
Pension liability	(8,405)	(8,405)
<b>Long Term Liabilities</b>	<b>(1,839,997)</b>	<b>(1,726,510)</b>
<b>Net Assets</b>	<b>1,543,311</b>	<b>1,473,665</b>
<b>Funding Employed Capital &amp; Reserves</b>		
Share Capital	0	0
Retained Income b/fwd	720,296	723,098
Income & Expenditure	69,646	(2,802)
Revaluation Reserves	753,369	753,369
<b>Funding Employed</b>	<b>1,543,311</b>	<b>1,473,665</b>

## Key highlights:

- The Balance Sheet as at 31 March 2024 reflects the audited position.

At 31 March 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) have increased by £5.7m since March 2024. An increase of £6m for other debtors and £6.3m in prepayments and accrued income is due to timing. This was partly offset by a decrease in rent arrears of £6.2m due to timing of receipt of Housing Benefit.
- Bank and Cash of £37m includes deposits in transit and outstanding payments showing in the bank after the month end.
- Current liabilities are £34.7m lower than at March 2024. Decreases were noted of £1.6m for trade creditors, accruals and other creditors due to timing, in deferred income of £22.4m due to the release of grants on handover of developments and a decrease of £6.1m in prepaid rents and service charges due to the timing of the receipt of housing benefit. The decrease in loans due within 1 year of £4.6m is due to the timing of the repayment of the loans.
- Long term liabilities at 31 March 2025 are £113.5m higher than the year end position due to £119.5m additional loans received to finance the developments across the RSL's and a decrease of £6m in deferred income as grant received for new build projects becomes due for release within 12 months and transferred to current liabilities.
- Income and expenditure of £69,646k relates to the group surplus for the year.

# 10) Wheatley Group – Budget 2025/26

	2024/25	2025/26		
	Actuals £k	Budget £k	Projections £k	Variance £k
<b>INCOME</b>				
Net Rental Income	354,058	382,279	381,688	591
Grant Income New Build	97,025	80,845	80,845	-
Grant Income Other	11,825	5,114	5,114	-
Other Income	42,580	43,964	43,371	593
<b>Total Group Income</b>	<b>505,488</b>	<b>512,202</b>	<b>511,018</b>	<b>1,184</b>
<b>EXPENDITURE</b>				
Employee Costs	91,155	99,863	99,863	-
ER/VR	1,094	1,025	1,025	-
Running Costs	52,877	53,448	52,855	(593)
Repairs & Maintenance	89,469	98,779	98,779	-
Bad debts	2,468	5,336	5,336	-
Depreciation	122,109	124,714	124,714	-
Demolition	494	-	-	-
<b>Total Group Expenditure</b>	<b>359,665</b>	<b>383,165</b>	<b>382,572</b>	<b>(593)</b>
<b>NET OPERATING SURPLUS</b>	<b>145,823</b>	<b>129,037</b>	<b>128,446</b>	<b>591</b>
Net operating margin	28.8%	25.2%	25.1%	
Net Interest Payable	(76,177)	(80,301)	(80,301)	-
<b>STATUTORY SURPLUS</b>	<b>69,646</b>	<b>48,736</b>	<b>48,145</b>	<b>591</b>
<b>INVESTMENT</b>				
Total Capital Investment Income	76,503	86,421	86,421	-
Core Investment Programme	86,070	92,273	92,273	-
New Build Programme	166,267	136,829	136,829	-
Other fixed assets	12,816	12,033	12,033	-
<b>NET CAPITAL EXPENDITURE</b>	<b>(188,650)</b>	<b>(154,714)</b>	<b>(154,714)</b>	<b>-</b>

## Key highlights:

- The table compares the 2025/26 Group budget to the financial projections approved at the Group board in February 2025. The 2025/26 full year actual results are also presented for comparative purposes.
- The 2025/26 budget shows a net operating surplus of £129.0m, and a statutory surplus after interest costs of £48.7m, both £0.6m favourable to the financial projections approved in February 2025.
- Variance against the 2025/26 financial projections is attributable to:
  - The business plan presented to the Lowther Board in February 2025 assumed a rent increase of 3% for planning purposes while the progress of the Housing (Scotland) Bill and any impact this may have on our proposed 2025/26 rent increase was monitored. The Rent Adjudication (Temporary Modifications) (Scotland) Regulations 2024 expired on 31 March 2025, allowing private landlords to raise rents in 2025/26 with no restriction or cap. The Lowther Board in March approved a rent increase of 6.9% to be applied from 1 August 2025 for MMR properties and 9.0% for FMR properties with an additional £591k of rental income for 2025/26 recognised in the 2025/26 budget.
  - Within other income the budget includes £0.6m additional income following the successful awards to the Foundation in relation to Way Ahead and No One Left Behind Edinburgh projects which were awaiting confirmation when the financial projections were prepared. The additional costs in relation to the awards are reported within running costs.
- Notable variances against 2024/25 actuals include:
  - Grant Income New Build recognised is directly linked to the number of properties completed in the year. A total of 621 units are included in the 2025/26 financial projections and are budgeted to complete with grant recognised of £80.8m. In 2024/25 the £97.0m of grant income reported related to the completion of 836 units.
  - Other Grant Income in 2024/25 included £3.4m of SNHZ grants and £1.7m of empty homes investment works. Funding for similar works in 2025/26 is not expected.
  - Staff costs in 2025/26 reflects the cost-of-living uplift for both direct and group services employee costs and the increase in employer national insurance contributions announced in the UK Government Autumn 2024 budget. Additional provision has also been included in 2025/26 for the Neighbourhood Improvement Team and for NETS trade apprenticeships with CBG.
  - Running costs reflect the targeted savings from the rationalisation of our operating model are offset by the provision for inflation on our operating costs.
  - Repairs and maintenance includes provision for inflationary pressures, reflect the continued demand for repairs experienced in 2024/25 and growth from additional stock. Additional provision has been included in 2025/26 for cyclical compliance works including fire door safety (c£1m), asbestos (c£0.1m), legionella works (c£0.4m) and rope safety (£0.2m).
  - The core investment programme reflects the investment in our existing homes outlines in our strategic asset investment plan and 2025/26 includes spend on neighbourhood priorities of £10.4m and £0.4m on SHNZS.

# **Appendix 2: Wheatley Group Financial Report RSL Borrower Group & Quarterly Covenants To March 2025(Period 12)**

1.	a) RSL Borrower Group	2-4
	b-g) Year to date results	5-10
2.	RSL Borrower Group – balance sheet & cashflow	11-12

# 1a) RSL Borrower Group – Year to 31 March 2025

	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>INCOME</b>			
Net Rental Income	332,542	331,406	1,136
Grant income New Build	90,698	77,456	13,242
Grant income Other	11,825	14,018	(2,193)
Other Income	15,016	14,792	223
<b>Total Income</b>	<b>450,081</b>	<b>437,672</b>	<b>12,408</b>
<b>EXPENDITURE</b>			
Employee Costs	65,829	65,458	(371)
ER/VR	1,094	1,050	(44)
Running Costs	36,728	36,926	198
Repairs & Maintenance	83,215	82,736	(479)
Bad debts	1,891	4,225	2,334
Depreciation	122,109	122,109	-
Demolition Programme	494	523	29
<b>Total Expenditure</b>	<b>311,360</b>	<b>313,027</b>	<b>1,668</b>
<b>NET OPERATING SURPLUS</b>	<b>138,721</b>	<b>124,645</b>	<b>14,076</b>
Donation to Wheatley Foundation	30.8%	28.5%	
Net interest payable	(3,020)	-	(3,020)
	(73,555)	(75,211)	1,656
<b>STATUTORY SURPLUS/(DEFICIT)</b>	<b>62,146</b>	<b>49,434</b>	<b>12,712</b>

## Key highlights:

Statutory surplus of £62,146k is reported, £12,712k favourable compared to budget. Operating performance in the year has been strong and favourable to budget with higher levels of net rental income from improved void rates and a favourable overall expenditure position compared to budget. The financial performance reported includes additional new build grant in line with the earlier than budgeted new build completions and additional grant following tenure flips from MMR to social rent properties.

- Net rental income is £1,136k favourable to budget. Gross rental income is favourable due to the “cease to let” at Livingwell properties in Glasgow being slower than anticipated and earlier than budgeted handovers in the East and South. In addition, rent loss on voids is £402k favourable with voids at 1.13% compared to the budgeted 1.25%.
- New build grant income is £13,242k favourable with earlier completions: Across the RSLs 784 units (555 SR and 229 MMR) have completed compared to the budgeted 679 units. Grant income reported includes the approved additional grant income of £2.9m linked to the tenure flip of 65MMR to SR at Calton and West Craigs Ph1 & 2 and Ph3.
- Other grant income is £2,193k unfavourable to budget, with higher than budgeted renewable heat incentive grant income and Supporting People grant income from DGC in WH South, £1,708k of unbudgeted empty homes grants (with matched additional investment spend) and £432k of unbudgeted SHNZ income (with matched additional investment spend) offset by reduced acquisition grant funding of £3,584k in WHGlasgow.
- Other income is £223k favourable to budget due to lower commercial voids in WH Glasgow and additional MMR lease income in WH East from earlier than budgeted MMR property completions.
- Employee costs (direct and group services) are £371k unfavourable to budget with additional costs from Wheatley Solutions due to changes in the budgeted structure, additional one-off £150 payment made to all staff in March 2025 paid as part of the cost-of-living settlement and the additional costs in WHGlasgow for the introduction of the Neighbourhood Improvement Team.
- Running costs (direct and group services) are £198k favourable to budget with lower than budgeted group recharges of £583k due to a number of departments reporting lower costs across Wheatley Solutions offset by additional fleet costs and property costs for corporate estate.
- Revenue repairs and maintenance spend is £479k unfavourable to budget. The favourable position in responsive repairs of £256k is offset by the additional forecast compliance spend for MSF Rope inspections and MSF fire door inspection programme in line with Scottish Government guidance and in keeping with our commitment to effective fire prevention and mitigation.
- Bad debts are £2,334k favourable to budget with a prudent provision set aside for increases in arrears.

Additional donations were made to Wheatley Foundation of £3,020k were made to provide support for our customers.

Interest payable is £1,656k favourable to budget due to timing of drawn balances compared to budget and a lower base rate on the variable loans compared to budget.

# 1a) RSL Borrower Group – Year to 31 March 2025

Capital Investment	Year to 31 March 2025		
	Actual £'000	Budget £'000	Variance £'000
<b>CORE PROGRAMME</b>			
SHNZ	3,406	3,404	2
Empty Homes	1,708	0	1,708
Adaptations	2,395	2,902	(507)
Other Capital grants	55	0	55
<b>Grant Income</b>	<b>7,564</b>	<b>6,306</b>	<b>1,258</b>
Core Investment Programme	49,988	46,352	(3,596)
SHNZ	3,406	3,404	(42)
Empty Homes	1,762	0	(1,762)
Adaptations	3,503	4,184	681
Voids	14,950	14,087	137
Capitalised Repairs	11,163	11,697	(466)
<b>Total Core Investment</b>	<b>84,772</b>	<b>79,724</b>	<b>(5,048)</b>
<b>NET CORE INVESTMENT SPEND</b>	<b>77,208</b>	<b>73,418</b>	<b>(3,790)</b>
<b>NEW BUILD</b>			
New Build Grant Income Received	62,025	108,653	(46,628)
New Build investment	153,725	213,200	59,475
<b>NET NEW BUILD INVESTMENT SPEND</b>	<b>91,700</b>	<b>104,547</b>	<b>12,847</b>
<b>OTHER FIXED ASSET INVESTMENT SPEND</b>	<b>12,601</b>	<b>12,681</b>	<b>80</b>
<b>TOTAL NET CAPITAL INVESTMENT SPEND</b>	<b>181,509</b>	<b>190,646</b>	<b>9,137</b>

## Key highlights:

- The net core investment spend was £3,790k higher than budget due to the agreed additional core programme spend across the RSLs, linked to the additional capacity from the covenant change.
- Net new build spend is £12,847k lower than budget. Shawbridge Arcade, North Toryglen and Deans South Ph2 are all on site with spend of £17,480k in the year to date. £10,795k of grant was awarded in March 2025 with the grant for the remaining front funded spend to be claimed in 2025/26.
- New build grant income of £62,025k is £46,628k less than budget due to reduced claims across a number of development projects including in Loretto for Forfar and South Crosshill which was Allia funded in 2023/24; at Corsbie Road, Ashwood Drive and College Mains in WH South, and at Sighthill Phase 2, North Toryglen, Abbotshall Avenue, Caledonia Road, Lochend Road Ph2 and Calton Village Ph2 in WH Glasgow. There have also been reduced claims in WH East for Deans South Ph 2 and for grants received in 2023/24 budgeted to be received in 2024/25 for Wallyford 5 A/B, West Craigs Ph3 and Winchburgh BB partially offset by accelerated claims in WH East for Blindwells and Dalhousie South Phase 1.
- Reduced new build spend reflects the delay in the works at Forfar and Duke Street in Loretto, Sighthill Phase 2, North Toryglen, Abbotshall Avenue Calton Phase 2, Kelvin Wynd in WH Glasgow, a delay in the spend at Corsbie Road and College Mains at WH South and delayed works at Deans South Ph2, West Craigs Ph1 & 2, Winchburgh BB and Wallyford 5 A/B in WH East. This underspend was offset by accelerated spend at sites in WH Glasgow at Shawbridge Arcade, in WHEast including Blindwells, Sibbalds Brae, Dalhousie South Ph1, additional spend at Johnstonebridge in WH South.
- Other fixed assets investment includes spend on corporate estate and IT capital projects. The spend is in line with budget with additional spend on the concierge refurbishment and Nets depots being offset by reduced spend on IT projects due to timing.

# 1a) RSL Borrower Group underlying surplus – Year to 31 March 2025

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

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

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

An underlying surplus of £11,465k has been reported for the year to 31 March 2025. The unfavourable variance of £467k to budget is primarily driven by the additional spend on investment in existing homes following the release of additional financial capacity within the loan covenants, partly offset by an improved net operating surplus position due to higher net rental income and other income benefitting from earlier than budgeted completions and lower operating expenditure.

Borrower Group Underlying Surplus - March 2025			
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks
Net Operating Surplus	138,721	124,645	14,076
add back:			
Depreciation	122,109	122,109	0
less:			
Grant Income	(93,288)	(83,630)	(9,658)
Net interest payable	(73,555)	(75,211)	1,656
Total Core investment	(79,502)	(75,981)	(3,521)
Donation to Wheatley Foundation	(3,020)	0	(3,020)
Underlying surplus	11,465	11,932	(467)



# 1b) Wheatley Homes Glasgow – Year to 31 March 2025

	Year To March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	225,706	225,333	373
Void Losses	(2,627)	(2,693)	66
Net Rental Income	223,079	222,640	439
Grant Income New Build	21,977	20,527	1,450
Grant Income Other	6,016	8,000	(1,984)
Other Income	13,338	14,823	(1,485)
<b>Total Income</b>	<b>264,410</b>	<b>265,990</b>	<b>(1,580)</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	32,795	32,504	(291)
Employee Costs - Group Services	16,025	15,922	(103)
ER / VR	1,036	840	(196)
Direct Running Costs	14,559	14,292	(267)
Running Costs - Group Services	9,145	9,564	419
Revenue Repairs and Maintenance	58,428	58,089	(339)
Bad debts	1,165	2,622	1,457
Depreciation	84,281	84,281	0
Demolition	7	0	(7)
<b>TOTAL EXPENDITURE</b>	<b>217,441</b>	<b>218,114</b>	<b>673</b>
<b>NET OPERATING SURPLUS / (DEFICIT)</b>	<b>46,969</b>	<b>47,876</b>	<b>(907)</b>
Net operating margin	17.8%	18.0%	-0.2%
Donation to Wheatley Foundation	(2,387)	0	(2,387)
Interest payable & similar charges	(53,701)	(54,332)	631
<b>STATUTORY SURPLUS / (DEFICIT)</b>	<b>(9,119)</b>	<b>(6,456)</b>	<b>(2,663)</b>
<b>INVESTMENT</b>			
	Year To March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>Total Capital Investment Income</b>	<b>30,210</b>	<b>50,977</b>	<b>(20,767)</b>
Investment Programme Expenditure	57,133	53,829	(3,304)
New Build Programme	52,715	85,317	32,602
Other Capital Expenditure	9,470	8,946	(524)
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>119,318</b>	<b>148,092</b>	<b>28,774</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>89,108</b>	<b>97,115</b>	<b>8,007</b>

## Key highlights:

A statutory deficit of £9,119k, £2,663k unfavourable to budget is reported. The financial performance reflects higher than budgeted net rental income, favourable overall expenditure position and new build grant income, due to additional funds for Calton development, offset by unfavourable other grant income related to acquisition funding and lower WDS intra group gift aid income.

- Net Rental income is £439k favourable to budget with the variance relating to Livingwell properties where a "cease to let" was approved by the Board in September 2022, however the properties have cleared slower than anticipated, and additional rental income from 32 Calton social rent units.
- New build grant income reports a favourable variance of £1,450k, due to additional grant received for Calton development. At the end of March 123 units (32 SR and 91 MMR) at Calton Phase 1 had completed in addition to 47 units at Shandwick Street.
- Other grant income includes £2,590k acquisition grant for 24 properties and unbudgeted grants for empty homes (£1,513k) and SHNZ works (£139k) with corresponding costs in Investment programme expenditure.
- Other income reflects the reduction in WDS gift aid income of £1,265k, linked to lower new build spend, in addition to reduce MMR income following the delay in completions at Calton and flip of 32 units to social rent.
- Total employee costs (direct and group services) are £394k unfavourable to budget. Direct employee costs are £291k unfavourable due to the introduction of the Neighbourhood Improvement Team, the one-off payment made to staff in March 2025 and additional posts in Wheatley Solutions for group employee costs including the MyRepairs team.
- Total running costs (direct and group services) are £152k favourable to budget. Direct running costs are unfavourable to budget with additional fleet costs and property costs for corporate estate. Group recharges are £419k favourable to budget due to savings in IT running costs and several other departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance spend is £339k overall unfavourable to budget. Responsive repairs and cyclical spend are £1,012k favourable with compliance spend being £1,351k unfavourable. Compliance spend includes £1,017k of forecast unbudgeted spend for the acceleration of our MSF fire door inspection programme, and £561k for MSF Rope inspections.
- Bad debts are £1,457k favourable to budget. A prudent approach was taken when setting the budget.
- Additional donations were made to the Wheatley Foundation of £2,387k to provide support for our customers.
- Net Interest payable is £631k favourable to budget linked to the timing of loan drawdowns compared to budget and a favourable interest rate compared to budget.

Net capital expenditure of £89,108k is £8,007k lower than budget.

- Capital investment income (grants) is £20,767k lower than budget due to the timing of spend at Calton Phase 2 and Sighthill Phase 2, and a number of developments (North Toryglen, Abbotsfhill, Caledonia Road, Spoutmouth) where revised grant drawdown profiles for 2025/26 have been agreed.
- Investment programme spend is £3,304k higher than budget, due to the forecast unbudgeted spend on empty homes and SHNZ projects (both offset by additional related grant income) and the forecast additional core programme spend, linked to the additional capacity from the covenant change.
- New build spend is £32,602k lower than budget, following a delay in the works at Calton Phase 2, Sighthill Phase 2, Kelvin Wynd and North Toryglen, in addition to a number of development where a revised spend profile has been agreed. This is offset in part by accelerated spend at Shawbridge Arcade due to an earlier than budgeted site start.
- Other capital expenditure of £9,470k is £524k higher than budget with higher spend on the concierge office refurbishment programme and Nets depots partly offset by the timing of IT project spend.



# 1c) Loretto Housing – Year to 31 March 2025

	Year To 31 March 2025		
	Actual £k	Budget £k	Variance £k
<b>INCOME</b>			
Rental Income	17,111	17,103	8
Void Losses	(310)	(423)	113
<b>Net Rental Income</b>	<b>16,801</b>	<b>16,680</b>	<b>121</b>
Grant Income	7,120	5,766	1,354
Other Grant Income	38	117	(79)
Other Income	752	815	(63)
<b>Total Income</b>	<b>24,711</b>	<b>23,378</b>	<b>1,333</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	1,226	1,246	20
Employee Costs - Group Services	889	885	(4)
ER / VR	23	0	(23)
Direct Running Costs	1,840	1,905	65
Running Costs - Group Services	485	507	22
Revenue Repairs and Maintenance	4,223	4,464	241
Bad debts	116	172	56
Depreciation	7,156	7,156	0
<b>TOTAL EXPENDITURE</b>	<b>15,958</b>	<b>16,335</b>	<b>377</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>8,753</b>	<b>7,043</b>	<b>1,710</b>
<i>Net operating margin</i>	<i>35.4%</i>	<i>30.1%</i>	<i>5.3%</i>
Gain/(Loss) on Property Sales	0	238	(238)
Donation to Wheatley Foundation	(87)	0	(87)
Interest Payable	(3,830)	(4,157)	327
<b>STATUTORY SURPLUS / (DEFICIT)</b>	<b>4,836</b>	<b>3,124</b>	<b>1,712</b>
	Year To 31 March 2025		
	Actual £k	Budget £k	Variance £k
<b>INVESTMENT</b>			
<b>Total Capital Investment Income</b>	<b>6,823</b>	<b>14,933</b>	<b>(8,110)</b>
<b>Investment Programme</b>	<b>3,541</b>	<b>3,496</b>	<b>(45)</b>
<b>New Build Programme</b>	<b>17,608</b>	<b>24,959</b>	<b>7,351</b>
<b>Other Capital Expenditure</b>	<b>469</b>	<b>387</b>	<b>(82)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>21,618</b>	<b>28,842</b>	<b>7,224</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>14,795</b>	<b>13,909</b>	<b>(886)</b>

## Key highlights:

A net operating surplus of £8,753k, £1,710k favourable to budget and a statutory surplus of £4,836k, £1,712k favourable to budget is reported. Grant income from earlier than budgeted new build completions is contributing to the favourable performance, in conjunction with lower operating expenditure.

- Net rental income is £121k favourable to budget largely due to void losses of 1.81% in the year to date compared to the budgeted 2.47%.
- Grant income is £1,354k favourable to budget with Constarry Road, Croy (15 SR units) completing ahead of schedule. The development was budgeted to complete in 2025/26.
- Other income is £63k lower than budget to a reduction in the intra group gift aid income from Wheatley Developments Scotland Ltd, linked to the lower new build spend.
- Total employee costs (direct and group services) are £16k favourable to budget linked to savings from a vacancy in the team earlier in the year, partly offset with additional spend from Wheatley Solutions for group employee costs.
- Total running costs are £87k favourable to budget, linked to a saving in cleaning costs. Group recharges are favourable to budget due to savings in IT running costs and several other departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance is £241k favourable to budget. Responsive repairs are £287k favourable to budget, offset by compliance spend being £46k higher than budget due to additional M&E costs.
- Bad debts are £56k favourable to budget. A prudent approach was taken when setting the budget.
- Additional donations to Wheatley Foundation of £87k were made to provide support for our customers.
- Net Interest payable is £327k favourable due to the timing of loan drawdowns and lower base rate on the variable loans compared to budget.

Net capital expenditure of £14,795k is £886k higher than budget.

- Capital investment income (grant) is £8,110k lower than budget due to the timing of new build grant claims at Forfar, which is not yet on site, and South Crosshill, which was received in full in the prior year. These delays are partly offset with £1.3m of grant in advance for Dargavel Phase 3.
- Investment programme expenditure of £3,541k relates to core programme works, capitalised repairs and voids. A small unfavourable variance is reported due to higher spend on capitalised repairs and void repairs during the year.
- New build spend is £7,351k lower than budget due to the timing of spend for Dargavel North, Duke Street and Forfar Avenue, which is partially offset with spend at Constarry Road, Dargavel Phase 3 and East Lane, being ahead of budget.
- Other capital expenditure of £469k relates to Loretto's contribution to Wheatley Group IT costs. The unfavourable variance is linked to refurbishment of offices owned by Loretto and used by Wheatley Care.

# 1d) Wheatley Homes East – Year to 31 March 2025

	Year to 31 March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	£42,164	£42,007	£157
Void Losses	(£546)	(£563)	£17
<b>Net Rental Income</b>	<b>£41,618</b>	<b>£41,444</b>	<b>£174</b>
Grant Income New Build	£45,183	£34,745	£10,438
Grant Income Other	£1,066	£604	£462
Other Income	£6,936	£7,247	(£311)
<b>TOTAL INCOME</b>	<b>£94,803</b>	<b>£84,040</b>	<b>£10,763</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	£4,788	£4,621	(£167)
Employee Costs - Group Services	£2,598	£2,586	(£12)
ER / VR	£35	£0	(£35)
Direct Running Costs	£4,939	£4,910	(£29)
Running Costs - Group Services	£1,626	£1,700	£74
Revenue Repairs and Maintenance	£7,761	£7,061	(£700)
Bad debts	£369	£375	£6
Depreciation	£15,231	£15,231	£0
<b>TOTAL EXPENDITURE</b>	<b>£37,347</b>	<b>£36,484</b>	<b>(£863)</b>
<b>NET OPERATING SURPLUS</b>	<b>£57,456</b>	<b>£47,556</b>	<b>£9,900</b>
<i>Net operating margin</i>	60.6%	56.6%	4.0%
Donation to Foundation	(£213)	£0	(£213)
Net Interest payable & similar charges	(£8,977)	(£9,335)	£358
<b>STATUTORY (DEFICIT)/SURPLUS</b>	<b>£48,266</b>	<b>£38,221</b>	<b>£10,045</b>
<b>INVESTMENT</b>			
	Year to 31 March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>TOTAL CAPITAL INVESTMENT INCOME</b>	<b>£22,890</b>	<b>£32,745</b>	<b>(£9,855)</b>
Total Expenditure on Core Programme	£7,939	£6,966	(£973)
New Build & other investment expenditure	£74,643	£87,201	£12,558
Other Capital Expenditure	£1,197	£1,211	£14
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>£83,779</b>	<b>£95,378</b>	<b>£11,599</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>£60,889</b>	<b>£62,633</b>	<b>£1,744</b>

## Key highlights:

Net operating surplus of £57,456k is £9,900k favourable to budget. Statutory surplus for the period is £48,266k, £10,045k favourable to budget. Earlier than budgeted release of grant income on new build completions, additional rental and lease income from the earlier handovers and unbudgeted SHNZ and empty homes grant funding are all contributing to the variance and supporting the forecast additional revenue repairs and maintenance costs.

- Gross rental income is £174k favourable to budget due to additional rental income from earlier than budgeted new build completions. Void losses of £546k are £17k favourable to budget.
- Grant income recognised of £45,183k is favourable to budget due to the earlier than budgeted completions. Units with completions ahead of budget include West Craigs Ph1 & 2 (20 SR), West Craigs Ph3 (1SR & 4MMR), Deans South 1A (6SR), Blindwells (23SR), Sibbalds Brae (25SR) and Winchburgh BB (6SR & 5MMR).
- Other grant income of £1,066k includes £293k of unbudgeted SHNZ and £195k empty homes grant income (with corresponding additional costs in Investment) offset by a reduction of £22k adaptation grant income with reduced adaptation spend.
- Other income of £6,936k is £311k unfavourable to budget driven by a reduced gift aid payment from WDS of £724k due to reduced development activity in the financial year. This was partly offset by additional lease income from Lowther for the earlier than forecast completions of MMR properties.
- Total employee costs are £178k unfavourable to budget. Direct employee costs are £167k unfavourable to budget due to an additional project worker post and agency costs at the Harbour, additional agency and overtime for absence cover at the retirement complexes and within the housing team, and includes the one-off payment made in March 2025 to staff. Group employee costs are £11k unfavourable to budget due to the timing of changes within budgeted structures in Wheatley Solutions.
- Total running costs are £44k favourable to budget and includes group running costs £73k favourable to budget due to several departments reporting lower costs across Wheatley Solutions. Direct running costs is £29k unfavourable to budget mainly driven by an increase in service charge costs compared to budget.
- Revenue repairs and maintenance spend is £700k unfavourable to budget. Responsive repairs are £676k unfavourable to budget mainly attributable to the planned increase in the in-house maintenance team staffing costs and increased demand on responsive repairs at the financial year end. Cyclical maintenance is marginally ahead of budget with a £24K unfavourable variance.
- Bad debt provision is £6k favourable to budget reflecting debt written off in advance of the year end over and above the amounts provided for.
- Donations to Wheatley Foundation of £213k were made to provide additional support for our customers.

Net interest payable of £8,977k includes interest due on the loans due to Wheatley Funding No.1 Ltd and external funders and is favourable to budget due to the timings of drawdowns and a lower base rate on the variables loans.

Net capital expenditure of £60,889k is £1,744k lower than budget.

- Capital investment income is £9,855k lower than budget due to lower grant claims at sites including Deans South Ph2 following a revised grant drawdown profile for 2025/26 and 2026/27, reduced claims at Charlesfield, Winchburgh 3 and Kirkliston due to a delay in the development start date, reduced claims at Halmyre Street as the development is no longer progressing and earlier claims made in 2023/24 for Wallyford 5 A/B. This unfavourable position was partly offset by additional claims for Blindwells and Deans South Ph1. Capital investment income also includes the additional unbudgeted grant income for SHNZ and Empty Homes funding.
- Investment programme spend is £973k higher than budget, due to the unbudgeted spend on empty homes and SHNZ projects (both offset by additional related grant income) and the forecast additional core programme spend, linked to the additional capacity from the covenant change.
- New build spend of £74,643k is £12,559k lower than budget due to later than budgeted start dates at Deans South Ph2 and reduced in year spend at West Craigs Ph1 & 2 and Wallyford 5 A/B. The reduced spend was partly offset by accelerated spend at a number of sites including Blindwells, Sibbalds Brae, Deans South Ph1 and Dalhousie South.

# 1e) Wheatley Homes South – Year to 31 March 2025

OPERATING STATEMENT	Year to March 2025		
	Actual £ks	Budget £ks	Variance £ks
<b>INCOME</b>			
Rental Income	51,359	51,163	196
Void Losses	(315)	(521)	206
<b>Net Rental Income</b>	<b>51,044</b>	<b>50,642</b>	<b>402</b>
Grant Income	16,418	16,418	0
Other Grant Income	4,705	5,297	(592)
Other Income	1,665	2,152	(487)
<b>TOTAL INCOME</b>	<b>73,832</b>	<b>74,508</b>	<b>(677)</b>
<b>EXPENDITURE</b>			
Employee Costs - Direct	5,084	5,277	193
Employee Costs - Group Services	3,523	3,508	(15)
ER/VR	0	210	210
Direct Running Costs	2,567	2,651	84
Running Costs - Group Services	2,206	2,305	99
Revenue Repairs and Maintenance	12,803	13,122	319
Bad debts	241	1,056	815
Depreciation	15,441	15,441	0
Demolition and compensation	487	523	36
<b>TOTAL EXPENDITURE</b>	<b>42,352</b>	<b>44,093</b>	<b>1,741</b>
<b>NET OPERATING SURPLUS</b>	<b>31,480</b>	<b>30,415</b>	<b>1,065</b>
<i>Net operating margin</i>	43%	41%	2%
Donation to Wheatley Foundation	(333)	-	(333)
Interest receivable	128	30	98
Interest payable & similar charges	(7,183)	(7,417)	234
<b>STATUTORY SURPLUS</b>	<b>24,092</b>	<b>23,028</b>	<b>1,064</b>
<b>INVESTMENT</b>	<b>Actual £ks</b>	<b>Budget £ks</b>	<b>Variance £ks</b>
<b>TOTAL CAPITAL INVESTMENT INCOME</b>	<b>9,666</b>	<b>16,304</b>	<b>(6,638)</b>
Capital Investment spend	16,159	15,432	(727)
New Build Programme	14,688	24,207	9,519
Other Fixed Assets	1,465	2,137	672
<b>TOTAL INVESTMENT EXPENDITURE</b>	<b>32,312</b>	<b>41,776</b>	<b>9,464</b>
<b>NET CAPITAL EXPENDITURE</b>	<b>22,646</b>	<b>25,472</b>	<b>2,826</b>

## Key highlights :

Net operating surplus of £31,480k, £1,065k favourable to budget and a statutory surplus of £24,092k, £1,064k favourable is reported. Lower spend across expenditure and favourable net income position are contributing to the better than budgeted performance.

- Net rental income is £402k higher than budget. Void losses are £206k favourable to budget, with a void loss rate of 0.6% vs 1.0% in budget. Rental income is £196k higher due to unbudgeted rental income from earlier handover of Curries Yard and the Lochside clearance no longer taking place.
- Grant income is in line with budget following the completion of 54 units at Curries Yard and 47 units at Springholm, all for social rent.
- Other grant income is £592k adverse to budget due to lower than budgeted aids & adaptations and net zero grant funding (with lower corresponding costs in investment spend), partly offset by higher renewable heat incentive (RHI) grant income and higher Supporting People grant income from DGC.
- Other income is £487k adverse to budget due to lower than budgeted intra group gift aid from WDS of £541k.
- Total employee costs (direct and group services) are £178k favourable to budget due to the timing of changes to the budgeted structure partly offset by additional costs from Wheatley Solutions.
- Total running costs (direct & group services) are £180k favourable to budget with savings in both direct costs and across several departments within Wheatley Solutions.
- Repairs costs are £319k favourable to budget. Responsive repairs are £369k adverse to budget driven by higher cost per job and seeing the impact of Storm Eowyn in February & March. Cyclical & gas maintenance and compliance are favourable due to repainting of the programmes.
- Bad debts are £815k favourable to budget. A prudent approach was taken when setting the budget.
- Demolition costs includes three buy backs at Summerhill, the final one at Newington and the demolition costs at Ecclefechan with all 13 units at Ecclefechan now demolished.
- Donations to Wheatley Foundation of £333k were made to provide additional support for our customers.
- Interest payable represents interest due on the loans due to Wheatley Funding No.1 Ltd and external funders. The £234k favourable variance is due to lower drawdowns and a lower base rate charged on the variable loans.

Net capital expenditure of £22,646k is £2,826k lower than budget.

- Capital investment income is £6,638k lower than budget with new build grant income reflecting the delayed start at Corsbie Road, Ashwood Drive and College Mains. New build grant received relates to Johnstonebridge, Leswalt and College Mains. Aids & adaption funding of £669k and SHNZ grant funding of £2,974k has been received.
- Capital investment spend of £16,159k is £727k higher than budget with additional capacity created from the covenant change of £1,300k partly offset by lower SHNZ and adaptation spend (corresponding grant income).
- New Build expenditure is £9,519k lower due to later than budgeted start dates at Corsbie Road, Ashwood Drive, College Mains and High Street. Curries Yard has less than budgeted spend in 2024/25 due to accelerated costs in 2023/24. This is partially offset by additional spend in Springholm and Johnstonebridge.
- Other capital expenditure of £1,465k is £672k lower than budget due to timing of IT spend and deferral of the new Stranraer office to 2025/26.



[Redacted content]

[Redacted content]

[Redacted content]

[Redacted content]

## 2a) RSL Borrower Group – Consolidated Balance Sheet

	As at 31 March 2025 £ks	As at 31 March 2024 £ks
<b>Fixed Assets</b>		
Social Housing Properties	3,053,216	2,927,353
Investment properties	144,594	144,420
Other tangible fixed assets	80,596	78,485
Investments -other	11,940	11,940
<b>Fixed Assets</b>	<b>3,290,346</b>	<b>3,162,198</b>
<b>Debtors Due More Than One Year</b>		
Inter Company Loan	24,504	18,504
<b>Current Assets</b>		
Stock	2,293	1,926
Trade debtors	1,038	1,600
Rent & Service charge arrears	13,752	20,370
less: Provision for rent arrears	(9,817)	(10,200)
Prepayments and accrued income	13,751	7,786
Intercompany debtors	2,865	5,707
Other debtors	21,564	19,092
	<b>45,446</b>	<b>46,281</b>
Bank & Cash	25,346	24,303
<b>Current Assets</b>	<b>70,792</b>	<b>70,584</b>
<b>Current Liabilities</b>		
Trade Liabilities	(14,415)	(16,752)
Accruals	(37,708)	(46,486)
Deferred income	(33,279)	(55,450)
Rents & service charges in advance	(17,858)	(23,974)
Bank Loans	(28,906)	(33,503)
Intercompany creditors	(1,389)	(5,522)
Other creditors	(25,574)	(17,826)
	<b>(159,129)</b>	<b>(199,513)</b>
<b>Net Current Liabilities</b>	<b>(88,337)</b>	<b>(128,929)</b>
<b>Long Term Liabilities</b>		
Contingent efficiencies grant	(46,280)	(46,280)
Loan - private finance	(1,324,191)	(1,204,708)
Bond finance	(300,000)	(300,000)
Provisions	(2,261)	(2,304)
Deferred income	(68,196)	(75,042)
Pension liability	(7,949)	(7,949)
<b>Long Term Liabilities</b>	<b>(1,748,877)</b>	<b>(1,636,283)</b>
<b>Net Assets</b>	<b>1,477,636</b>	<b>1,415,490</b>
<b>Funding Employed</b>		
<b>Capital &amp; Reserves</b>		
Share Capital	0	0
Retained Income b/fwd	671,906	681,612
Income & Expenditure	62,146	(9,706)
Revaluation Reserves	743,584	743,584
<b>Funding Employed</b>	<b>1,477,636</b>	<b>1,415,490</b>

### Key highlights:

- The Balance Sheet at 31 March 2024 reflects the audited position.

### At 31 March 2025:

- Current assets (excluding cash) are £0.8m lower than the year end position. The decrease in rent arrears of £6.2m due to the timing of receipt of housing benefit and the decrease in intercompany balances of £2.8m due to the timing of settlements have been partly offset by an increase in prepayments, trade and other debtors of £7.9m due to timing.
- Bank and Cash of £25.3m includes deposits in transit and outstanding payments showing in the bank after the month end.
- Overall current liabilities are £40.4m lower than the year end position. Decreases were noted in deferred income by £22.2m due to the release of income from completed developments and prepaid rent by £6.1m due to timing of receipt of housing benefit. Bank loans reduced by £4.6m following the repayment of bank loans and a decrease in intercompany balances of £4.1m due to timing of settlements.
- Long term liabilities at 31 March 2025 are £112.6m higher than the year end position mainly due to £119.5m additional loans (net of loan payments) received to finance the developments across the RSL's and £6.8m decrease in deferred income in line with the profile of new build completions.
- Income and expenditure relates to the RSL Borrower Group surplus for the year to 31 March 2025.



## 2b) RSL Borrower Group – Cash Flow Statement

For the year ended 31 March 2025	2024/25 £'000
Net cash generated from operating activities (see Note1)	156,286
<u>Cashflow from investing activities</u>	
Purchase of tangible fixed assets	(247,550)
Grants received	61,939
	(185,611)
<u>Cashflow from financing activities</u>	
Interest paid	(72,638)
Interest received	175
Taxation paid	(5)
Drawdown of intercompany lending	(6,000)
Additional funding received in year to date	248,839
Loan repayment	(140,003)
	30,368
<b>Net change in cash and cash equivalents</b>	<b>1,043</b>
Cash and cash equivalents at the beginning of the year	24,303
Cash and cash equivalents at the end of the period	25,346

Note 1	2024/25 £'000
<u>Cashflow from operating activities</u>	
Statutory surplus for the period	62,146
<u>Adjustments for non cash items:</u>	
Depreciation of tangible fixed assets	122,109
Movements in working capital	(10,783)
Movements in provisions	(43)
<u>Adjustments for investing or financing activities:</u>	
Government grants utilised in the year	(90,698)
Interest paid	73,730
Interest received	(175)
<b>Cashflow from operating activities</b>	<b>156,286</b>

Landlord Name:	Wheatley Housing Group Ltd
RSL Reg No.:	363
Report generated date:	16/04/2025 09:11:13

Approval

A1.1	Date approved	
A1.2	Approver	
A1.3	Approver job title	
A1.9	General Comment	



STATEMENT OF COMPREHENSIVE INCOME						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Gross rents	0.0	0.0	0.0	0.0	0.0	0.0
Service charges	0.0	0.0	0.0	0.0	0.0	0.0
<b>Gross rents &amp; service charges</b>	0.0	0.0	0.0	0.0	0.0	0.0
Rent loss from voids	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net rent &amp; service charges</b>	0.0	0.0	0.0	0.0	0.0	0.0
Developments for sale income	0.0	0.0	0.0	0.0	0.0	0.0
Grants released from deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other grants	0.0	0.0	0.0	0.0	0.0	0.0
Other income	276.7	284.7	290.6	296.5	301.4	306.4
<b>TURNOVER</b>	276.7	284.7	290.6	296.5	301.4	306.4
Less:						
Housing depreciation	0.0	0.0	0.0	0.0	0.0	0.0
Impairment written off / (back)	0.0	0.0	0.0	0.0	0.0	0.0
Management costs	0.0	0.0	0.0	0.0	0.0	0.0
Service costs	0.0	0.0	0.0	0.0	0.0	0.0
Planned maintenance - direct costs	0.0	0.0	0.0	0.0	0.0	0.0
Re-active & voids maintenance - direct costs	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance overhead costs	0.0	0.0	0.0	0.0	0.0	0.0
Bad debts written off / (back)	0.0	0.0	0.0	0.0	0.0	0.0
Developments for sale costs	0.0	0.0	0.0	0.0	0.0	0.0
Other activity costs	0.0	0.0	0.0	0.0	0.0	0.0
Other costs	276.7	284.7	290.6	296.5	301.4	306.4
	276.7	284.7	290.6	296.5	301.4	306.4
<b>Operating Costs</b>	276.7	284.7	290.6	296.5	301.4	306.4
Gain/(Loss) on disposal of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional Items - (Income) / Expense	0.0	0.0	0.0	0.0	0.0	0.0
<b>OPERATING SURPLUS/(DEFICIT)</b>	0.0	0.0	0.0	0.0	0.0	0.0
Interest receivable and other income	0.0	0.0	0.0	0.0	0.0	0.0
Interest payable and similar charges	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Other Gains / (Losses)	0.0	0.0	0.0	0.0	0.0	0.0
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX</b>	0.0	0.0	0.0	0.0	0.0	0.0
Tax on surplus on ordinary activities	0.0	0.0	0.0	0.0	0.0	0.0
<b>SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX</b>	0.0	0.0	0.0	0.0	0.0	0.0
Actuarial (loss) / gain in respect of pension schemes	0.0	0.0	0.0	0.0	0.0	0.0
Change in Fair Value of hedged financial instruments.	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	0.0	0.0	0.0	0.0	0.0	0.0



STATEMENT OF FINANCIAL POSITION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Current Assets	£'000	£'000	£'000	£'000	£'000	£'000
Intangible Assets & Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Housing properties - Gross cost or valuation	0.0	0.0	0.0	0.0	0.0	0.0
Less:						
Housing Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET HOUSING ASSETS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Non-Current Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL NON-CURRENT ASSETS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Current Assets</b>						
Net rental receivables	0.0	0.0	0.0	0.0	0.0	0.0
Other receivables, stock & WIP	0.0	0.0	0.0	0.0	0.0	0.0
Investments (non-cash)	0.0	0.0	0.0	0.0	0.0	0.0
Cash at bank and in hand	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL CURRENT ASSETS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Payables : Amounts falling due within One Year</b>						
Loans due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term payables	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL CURRENT LIABILITIES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Payables : Amounts falling due After One Year</b>						
Loans due after one year	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term payables	0.0	0.0	0.0	0.0	0.0	0.0
Grants to be released	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL LONG TERM LIABILITIES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Provisions for liabilities & charges	0.0	0.0	0.0	0.0	0.0	0.0
Pension asset / (liability)	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET ASSETS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Capital &amp; Reserves</b>						
Share capital	0.0	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Restricted reserves	0.0	0.0	0.0	0.0	0.0	0.0
Revenue reserves	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL CAPITAL &amp; RESERVES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Intra Group Receivables - as included above	0.0	0.0	0.0	0.0	0.0	0.0
Intra Group Payables - as included above	0.0	0.0	0.0	0.0	0.0	0.0

STATEMENT OF CASHFLOWS						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net Cash from Operating Activities</b>						
Operating Surplus/(Deficit)	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation & Amortisation	0.0	0.0	0.0	0.0	0.0	0.0
Impairments / (Revaluation Enhancements)	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Payables	0.0	0.0	0.0	0.0	0.0	0.0
(Increase) / Decrease in Receivables	0.0	0.0	0.0	0.0	0.0	0.0
(Increase) / Decrease in Stock & WIP	0.0	0.0	0.0	0.0	0.0	0.0
Gain / (Loss) on sale of non-current assets	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash adjustments	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET CASH FROM OPERATING ACTIVITIES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Tax (Paid) / Refunded</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Return on Investment and Servicing of Finance</b>						
Interest Received	0.0	0.0	0.0	0.0	0.0	0.0
Interest (Paid)	0.0	0.0	0.0	0.0	0.0	0.0
<b>RETURNS ON INVESTMENT AND SERVICING OF FINANCE</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Capital Expenditure &amp; Financial Investment</b>						
Construction or acquisition of Housing properties	0.0	0.0	0.0	0.0	0.0	0.0
Improvement of Housing	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Social Housing Properties	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Grants (Repaid) / Received	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET CASH BEFORE FINANCING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Financing</b>						
Equity drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt repayment	0.0	0.0	0.0	0.0	0.0	0.0
Working Capital (Cash) - Drawn / (Repaid)	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET CASH FROM FINANCING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>INCREASE / (DECREASE) IN NET CASH</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash Balance</b>						
Balance Brought Forward	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Net Cash	0.0	0.0	0.0	0.0	0.0	0.0
<b>CLOSING BALANCE</b>	0.0	0.0	0.0	0.0	0.0	0.0

ADDITIONAL INFORMATION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Number of units added during year to:</b>						
New Social Rent Properties added	0	0	0	0	0	0
New MMR Properties added	0	0	0	0	0	0
New Low Costs Home Ownership Properties added	0	0	0	0	0	0
New Properties - Other Tenures added	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
<b>Total number of new affordable housing units added during year</b>	0	0	0	0	0	0
<b>Units developed for sale:</b>						
Number of units developed for sale to RSLs	0	0	0	0	0	0
Number of units developed for sale to non-RSLs	0	0	0	0	0	0
Development Assumption Indicator	Yes					
<b>Number of units lost during year from:</b>						
Sales including right to buy	0	0	0	0	0	0
Demolition	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Other	0	0	0	0	0	0
Number of units managed at end of period (exclude factored units)	0	0	0	0	0	0
<b>Units owned:</b>						
Social Rent Properties	0	0	0	0	0	0
MMR Properties	0	0	0	0	0	0
Low Costs Home Ownership Properties	0	0	0	0	0	0
Properties - Other Tenures	0	0	0	0	0	0
<b>Number of units owned at end of period</b>	0	0	0	0	0	0
<b>Financed by:</b>						
Scottish Housing Grants	0.0	0.0	0.0	0.0	0.0	0.0
Other public subsidy	0.0	0.0	0.0	0.0	0.0	0.0
Private finance	0.0	0.0	0.0	0.0	0.0	0.0
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Cash reserves	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total cost of new units</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Development cost per unit</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Assumptions:</b>						
General Inflation (%)	4.0	2.5	2.5	2.5	2.5	2.5
Rent increase - Margin above/below General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Operating cost increase - Margin above/below General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Direct maint cost increase-Margin above/below General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Actual / Assumed average salary increase (%)	4.5	3.5	2.5	2.0	2.0	2.0
Average cost of borrowing (%)	0.0	0.0	0.0	0.0	0.0	0.0
Employers Contributions for pensions (%)	0.0	0.0	0.0	0.0	0.0	0.0
Employers Contributions for pensions (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
SHAPS Pensions deficit contributions (£'000)	0.0	0.0	0.0	0.0	0.0	0.0

Min. headroom cover on tightest interest cover covenant (£'000)	-	59,458.9	62,335.7	74,193.2	81,716.4	91,336.8
Minimum headroom cover on tightest gearing covenant (£'000)	-	211,719.1	263,012.1	191,064.3	347,697.8	269,078.9
Minimum headroom cover on tightest asset cover covenant (£'000)	3,756.1	3,831.2	3,907.8	3,986.0	4,065.7	4,147.0
Total staff costs (including NI & pension costs) (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Full time equivalent staff	0.0	0.0	0.0	0.0	0.0	0.0
EESHS Revenue Expenditure included above (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
EESHS Capital Expenditure included above (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Total capital & revenue expend on maint pre-1919 properties	0.0	0.0	0.0	0.0	0.0	0.0
Total capital & revenue expend on maint all other properties (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Estimated decarbonisation cost indicator	No					
Estimated decarbonisation cost (£'000)	-					

**TRENDS & COMPARATORS**

<b>RATIOS</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>National Median</b>
<b>Financial capacity</b>	<b>Actual</b>	<b>Actual</b>	<b>Outturn</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	
Interest cover	-	-	-	-	-	-	-	-	307.9%
Gearing	-	-	-	-	-	-	-	-	43.1%
<b>Efficiency</b>									
Voids	-	-	-	-	-	-	-	-	0.7%
Arrears	-	-	-	-	-	-	-	-	1.9%
Bad debts	-	-	-	-	-	-	-	-	0.5%
Staff costs / turnover	0.0%	0.0%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	20.4%
Turnover per unit	-	-	-	-	-	-	-	-	£5,846
Responsive repairs to planned maintenance	-	-	-	-	-	-	-	-	1.6
<b>Liquidity</b>									
Current ratio	-	-	-	-	-	-	-	-	1.7
<b>Profitability</b>									
Gross surplus / (deficit)	0.0%	0.0%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	15.6%
Net surplus / (deficit)	0.0%	0.0%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.0%
EBITDA / revenue	0.0%	0.0%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	24.9%
<b>Financing</b>									
Debt Burden	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6
Net debt per unit	-	-	-	-	-	-	-	-	£6,680
Debt per unit	-	-	-	-	-	-	-	-	£9,524
<b>Diversification</b>									
Income from non-rental activities	100.0%	100.0%	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%	17.6%
<b>INDICATORS</b>									
Turnover	254.0	245.0	276.7	284.7	290.6	296.5	301.4	306.4	
Operating costs	254.0	245.0	276.7	284.7	290.6	296.5	301.4	306.4	
Net housing assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Cash & current investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net assets / capital & reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

## **Report**

**To:** Wheatley Housing Group Board

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

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

**Subject:** Repair materials partnership

**Date of Meeting:** 30 April 2025

---

### **1. Purpose**

- 1.1 The purpose of this report is to seek approval to award a group-wide contract to Stark Building Material (UK) Limited trading as Jewson Partnership Solutions (“JPS”) for the supply of trade materials.

### **2. Authorising and strategic context**

- 2.1 Under the Scheme of Financial Delegation, within the Group Standing Orders, approval of revenue contracts over £1 million is reserved to the Group Board. The estimated contract value over the maximum five-year term is £33 million (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.
- 2.2 The total contract value makes provision for an annual price increase of 3% to account for new build homes, which increase our repairs materials supply needs, and inflation.
- 2.3 The provision of a high-quality, efficient and timely repairs service is a key driver of overall customer satisfaction. The proposed contract award supports our ability to deliver such a service. In particular, our ability to collaborate with a single supplier allows us to be more agile in how we deliver our repairs service and have a continued focus on achieving value for money.

### **3. Background**

- 3.1 We currently have a single trade material supplier for Wheatley Homes South and Wheatley Homes East, which operates on a managed service contract and partnership approach. It has provided a wide range of benefits, including:
- Economies of scale in terms of the costs of materials;
  - The ability to integrate trade material supplies with our repairs management system, Servitor;
  - Integration with Servitor allowing for automated e-procurement (standard stock materials), which is efficient in maintaining appropriate stock levels;
  - Ability to source via Servitor m-procurement items (special order items);
  - Virtually no need for time-consuming local ad hoc material collections;
  - Volume and certainty enabling investment in more efficient material hubs;
  - Single supplier account providing consolidated invoicing; and
  - Innovation, such as the installation of ‘Smart Lockers’ installed in our New Mart Road office to facilitate 24/7 access to special order items.

- 3.2 Our local repairs team actively manage the partnership, overseeing materials and planning needs. Weekly operational meetings, monthly financial controls, and quarterly open-book accounting approvals are conducted. Service level agreements and key performance indicators are in place and actively monitored.

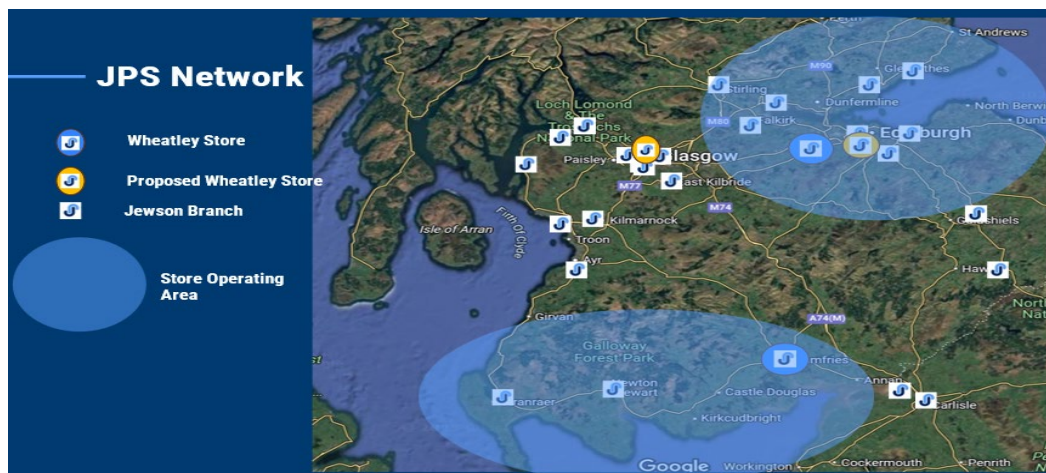
#### **4. Discussion**

- 4.1 The current contract is due to end on 31 July 2025. We identified a number of quality requirements that any contractor would require to meet, including:
- The ability to have a system interface with our repairs management system, Servitor;
  - The delivery of e-procurement through system integration, automating stock ordering and management;
  - The necessary infrastructure and national geographic coverage of branches that cover all our areas of operation in the East and South to deliver stock to our local repairs hubs in a regular and timely fashion; and
  - The ability to provide consolidated invoicing.
- 4.2 These requirements were based on what we consider to be necessary elements to delivering a high-quality, operationally efficient repairs service for our customers. Value for money was also a consideration in terms of pricing, however our procurement priorities were weighted towards quality.
- 4.3 In considering value for money we were also mindful that the switching costs that may be associated with a contractor meeting our quality requirements should be a consideration in this and our overall assessment.
- 4.4 We reviewed the potential routes to procurement, including an open market tender and the associated implications such as the applicability of Transfer of Undertakings (Protection of Employment) ("TUPE") stock migration and system reintegration, also considered was a direct award to a new or the existing supplier through an existing framework or reappointment of the existing supplier through a direct award.
- 4.5 We reviewed established procurement frameworks upon which we could contract in a compliant manner. We identified the Cirrus Consortium Framework as the most appropriate Framework, as its evaluation criteria for quality was consistent with those which we identified as our key priorities.
- 4.6 Under the Framework only one contractor meets our minimum quality threshold, JPS. This was reinforced by JPS being the highest-ranked supplier on the framework in terms of quality.
- 4.7 To assure ourselves that the pricing element was value for money we have benchmarked our core material range against the rates offered by the alternative framework provider, Scotland Excel. These rates are based on a straightforward supply model, however the Framework would still allow us to achieve better pricing on our purchased items.
- 4.8 On this basis it is proposed that we undertake a direct award to JPS. This will also provide the ancillary benefit of no additional switching costs or operational impact associated with a mobilisation period.



- 4.9 The contract is for an initial three-year term and will be subject to ongoing, rigorous performance review, an annual value for money review and a comprehensive review in year three. As part of this review in year three we will consider whether any other contractor meets our minimum quality threshold and if we should consider a new competitive process.
- 4.10 JPS has a well-established network and plans to expand this through two new stock stores, one in Edinburgh and one in Glasgow (at their own financial risk) which can also be made available to City Building (Glasgow) LLP (“**CBG**”). The network is set out below:

JPS Branches



- 4.11 JPS provides a comprehensive supply and delivery service for a pre-approved range of products, including items for routine repairs via our agreed stock items and specialised items, which are integrated into operative handheld devices. Each hub has individual catalogues for materials, ensuring that we are set up exclusively for our regional needs.
- 4.12 The hubs provide a full delivery solution to our operatives in our communities but also facilitate easy collection points, including a remotely accessible 24-hour collection facility within the Dumfries hub and smart lockers in New Mart Road.
- 4.13 JPS has controlled access to our Dynamic Resource Scheduler (“**DRS**”), where our in-house repair operatives request and track materials required for repairs. Depending on the most suitable option, these can be either delivered to the site, to the operative or picked up from the local hubs. This supports follow-up repair visits being coordinated and completed promptly.
- 4.14 The recently engaged repairs subcontractors are encouraged to source materials through JPS material hubs. Whilst not mandatory and does not entitle them to our pricing structure, they benefit from extended payment terms, high-quality products, and priority delivery services. JPS has pledged to return 1% of all subcontractor expenditure to our Foundation to support community initiatives.
- 4.15 The contract will be structured in such a way that should CBG in future wish to access the contract or adopt a similar model it would be able to do so.

## 5. Customer Engagement

- 5.1 Direct customer engagement is not applicable. However, customer feedback on the delivery of our repairs service will, if applicable to the operation of this contract, would inform ongoing contract performance management or any collaborative improvements to the delivery model.

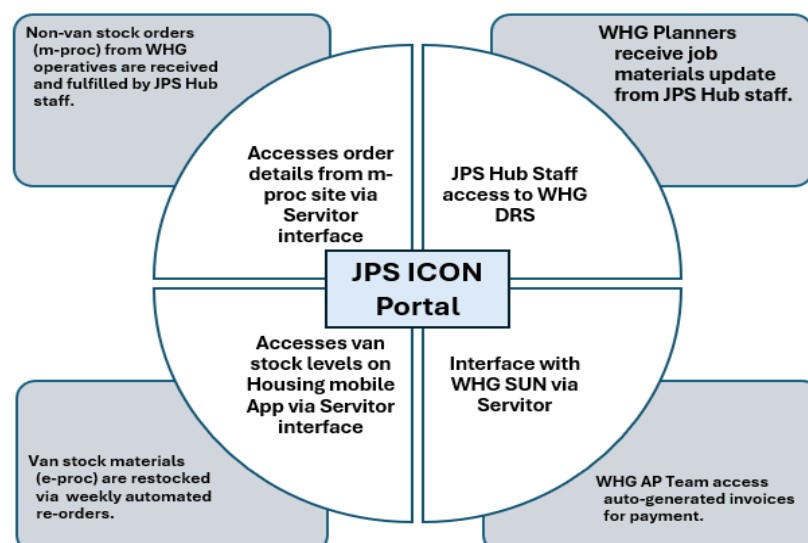
## 6. Environmental and sustainability implications

- 6.1 JPS collaborates with suppliers who prioritise eco-friendly practices, ensuring that our products have a reduced environmental footprint. This encompasses the utilisation of recycled materials, minimising packaging waste, and reducing carbon emissions throughout production and transportation processes.
- 6.2 Dedicated local supply hubs facilitate optimised delivery routes, which reduces the need for long-distance transportation, reducing our carbon footprint.
- 6.3 The durability and quality of the trade materials provided by JPS mean that they need to be replaced less frequently. This longevity leads to less waste being generated from discarded materials and components, contributing to a reduced landfill burden.

## 7. Digital transformation alignment

- 7.1 Our investment in Servitor has delivered greater insight into our services and allowed for improved efficiency and customer service. JPS system integration with our DRS and Civica enables real-time tracking of inventory and deliveries, ensuring materials are available for jobs and reducing downtime.
- 7.2 Our repair materials are managed via electronic catalogues with 95% of items ordered via the e-proc system, which provides automated replenishment, as an item is booked out to a repair, another is ordered automatically for delivery to the trade van. The remaining 5% of non-catalogue special items are ordered via the m-proc system where the delivery is managed via our DRS system.
- 7.3 The invoicing process for all materials ordered is fully digitalised with interface invoice files transferred from the JPS portal to our finance system via Servitor for processing. The integrated approach is set out on the next page.

### WHG – JPS Digital System Integration



## **8. Financial and value for money implications**

- 8.1 The open book accounting method of the partnership model allows us to benefit more from the economies of scale. Products are charged at the manufacturer's cost with markup to cover declared operational costs and a 6% return on sales profit for JPS. We monitor the financial position of the model via quarterly finance review meetings and any surplus profit is returned by cheque at the end of each financial year.
- 8.2 The partnership with JPS provides one-stop access to trade materials, eliminating the need for multiple accounts with different merchants and subsequently reducing our overhead, transactional, and invoicing costs. JPS currently holds over £1 million in stock for distribution to our repair teams. This allows us to avoid the cost of operating multiple materials yards and also benefits from paying for all materials 30 days in arrears.
- 8.3 The total contract value of £33m (including VAT) is in line with our revenue and capital budget plans for material requirements, as noted within the current approved Business Plans for the 5 years ending 2029/30 for both WHE and WHS.

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

- 9.1 The direct award to JPS via the Cirrus Consortium Materials framework is fully compliant and has been subject to a full evaluation. The risk of a procurement challenge is considered low; the contract award includes our Terms and Conditions and will commence pending approval to enter this contract.
- 9.2 Over and above the subcontractor initiative, JPS has committed to an additional 0.5% (estimated £25k per year) for the delivery of community benefits within our communities. They also engage in other non-financial community benefit initiatives, including the ongoing volunteer days.
- 9.3 Work is underway to ensure that all jobs created within the new material hubs located in Edinburgh and Glasgow will be advertised within our communities first. These hubs will also provide the opportunity to deliver training placements and work experience.
- 9.4 JPS pays at least the national living wage across its business operations in the UK. Whilst they are not an accredited Real Living Wage employer, they are committed to paying the real living wage for all their employees who work directly on our contract.

## **10. Risk Appetite and Assessment**

- 10.1 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. The award of this contract is fully compliant with all relevant procurement legislation and presents no increased risk to the Group.
- 10.2 The credit rating review confirmed it is within our agreed range and all invoices are paid 30 days in arrears on satisfactory delivery, limiting risk. Breakpoints within the contract for a further financial review and suitable wording included in our terms and conditions mandates JPS to promptly notify us of any changes to their financial stability.

## **11. Equalities implications**

- 11.1 There are no equalities implications for this report.

## **12. Key issues and conclusions**

- 12.1 The current contract is set to expire on 31 July 2025. An evaluation of requirements has concluded that the partnership model remains the best approach to enabling the delivery of an efficient, high-quality repairs service to our customers.
- 12.2 We have invested in this model and it has to date delivered a wide range of benefits in terms of financial efficiency, operational efficiency, supporting repairs being delivered right first time and to a high standard. This is reflected in repairs satisfaction in the East and South being the highest in the Group.

## **13. Recommendations**

- 13.1 The Board is requested to approve the award of the group-wide contract up to the value of £33m to Stark Building Material (UK) Limited for the supply of trade materials during the maximum five-year contract period.

### **LIST OF APPENDICES:**

None

## Report

**To:** Wheatley Housing Group Board

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

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

**Subject:** Governance update

**Date of Meeting:** 30 April 2025

---

### 1. Purpose

- 1.1 This report provides an update to the Board, and where appropriate, approval on the following governance-related matters:
- Corporate structure;
  - Impact of the Economic Crime and Corporate Transparency Act; and
  - Board and Group Chair appraisal process

### 2. Authorising and strategic context

- 2.1 Under our Group Standing Orders, the Group Board is responsible for our corporate structure. The establishment, disposal or dissolution of subsidiaries is reserved to this Board for approval.
- 2.2 The Board has overarching responsibility for ensuring that we are compliant with relevant legislation and regulations and managing any associated risk. This responsibility is discharged through a combination of Group Committees, individual Boards and direct updates to this Board.
- 2.3 Under its Terms of Reference, the Group Remuneration, Appointments, Appraisal and Governance (“**RAAG**”) Committee is responsible for agreeing the approach to Board effectiveness review and individual appraisal. The Senior Independent Director (“**SID**”) is responsible for the process to appraise the Group Chair which also requires to be agreed by the Board.
- 2.4 The Board were updated on the agreed approach to Board effectiveness review and individual appraisal at its August 2024 meeting and also agreed the approach to the Group Chair appraisal at this meeting.

### 3. Background

- 3.1 As part of our last strategic governance review, in October 2021, the Board agreed that we should take a number of steps to reduce the complexity of our corporate structure.

- 3.2 As we have implemented these changes, we have then progressed the process of formally dissolving any legal entities within the Group that subsequently no longer undertake any business activity. This involves a range of prescribed legal and regulatory steps which must be, and are being, followed.
- 3.3 We have a strong commitment to ensuring effective governance. It is recognised that good governance provides a solid foundation for us to achieve our strategic ambitions. We have an established Board and Committee effectiveness review and governing body member individual appraisal policy which we follow across the Group.

#### 4. Discussion

##### Corporate structure

- 4.1 We have been progressing with the consolidation of our corporate structure in line with what has previously been agreed by the Board.

##### *West Lothian Housing Partnership (“WLHP”)*

- 4.2 We continue to progress the dissolution of WLHP, as previously agreed by the Board, following the transfer of its business and assets to Wheatley Homes East. The first phase, WLHP’s deregistration as a Registered Social Landlord was confirmed by the Scottish Housing Regulator and removed WLHP from the Register of Social Landlords. We also sought and obtained the necessary consent from the Office of the Scottish Charity Regulator (“OSCR”) to wind up WLHP as a charity.
- 4.3 The process encountered a significant delay with the Registers of Scotland during the land title transfer procedures. The formal land transfer title was a necessary precursor to winding up WLHP and its deregistration as a Scottish Charity. We were unable to progress any further until this was concluded.
- 4.4 We have now received confirmation from the Registers of Scotland that updated Land Certificates have been issued for all of the properties that transferred to Wheatley Homes East. This now allows us to progress with the dissolution.
- 4.5 In order to conclude the dissolution we need to undertake the following steps:
- WLHP passes a written resolution to strike off the company;
  - WLHP files a DS01 (striking off application by a company) at Companies House. Companies House will make the necessary publication in the Gazette to inform the public of the strike off;
  - wait two months after the first notice is published for any objections to be raised;
  - if no objections are raised Companies House will usually strike off in a few weeks; and
  - within 3 months of the wind up notify OSCR and provide evidence of the wind-up. OSCR will then remove WLHP from its Register.

We expect to conclude these steps by the end of August.

- 4.6 In order to undertake this, it is proposed that we first enact the following practical steps which help us to accelerate this process:
- update the WLHP Articles to reduce the minimum number of directors and quorum to one director (Alastair Murray as Chair of Wheatley Homes East and an existing WLHP director). The current Articles require there to be 7 directors, which was a legacy Scottish Housing Regulator requirement. As WLHP is no longer a RSL this is no longer a requirement;
  - pass a Special Resolution by Wheatley Housing Group (as majority member) approving the revised Articles;
  - lodge updated Articles at Companies House and notify OSCR of the change to the Articles.
- 4.7 The proposed revised Articles are attached at Appendix 1 and the Board is asked to approve the Special Resolution at Appendix 2 to adopt the Articles.

*GBG Enterprises Limited (“GBG”)*

- 4.8 GBG and its directors have received legal advice regarding the necessary corporate approvals and legal approach to effecting the dissolution of GBG. A key consideration in the advice to undertake a Members Voluntary Liquidation was to mitigate any risk to individual directors or the Group of an issue arising from GBG’s pre-Wheatley trading history.
- 4.9 Based on this advice and the recommended approach the next steps are:
- *reduction of share capital*: reduce the share capital from £10,000 to £1.00 by May 25;
  - *asset distribution*: distribute the remaining assets to Lowther by May 25; and
  - *appointment of a liquidator*: appoint a liquidator in May/June 25. The liquidator will then prepare a final report, hold a final meeting with any creditors and shareholders before applying to Companies House for the company to be formally liquidated.

We are aiming to conclude the liquidation by no later than the end of the calendar year.

Economic Crime and Corporate Transparency Act (“**ECCTA**”) 2023

- 4.10 The EECTA is a new legislative measure aimed at enhancing the UK’s ability to combat economic crime and improve corporate transparency. It primarily targets UK organisations constituted as companies, Companies House and those who submit forms to Companies House. This means that all our entities that are listed on Companies House and constituted as companies will be affected.
- 4.11 It also strengthens anti-money laundering powers with UK law enforcement agencies. It builds on previous legislation and introduces several new provisions to strengthen the UK’s response to economic crime. Our initial assessment indicates that the impact should be minimal.

- 4.12 ECCTA is introducing a number of changes including:
- ID verification of directors, Persons of Significant Control and those filing documents at Companies House;
  - increased ability by Companies House to investigate and enforce compliance with the Companies Act 2006 and EECTA;
  - improved data sharing capabilities with other Government and external agencies; and
  - a new corporate offence of failing to prevent fraud.
- 4.13 Most of the key provisions are expected to be fully operational by mid-2025. We have initiated a review of the provisions of the ECCTA and will update procedures and risks, where necessary, and obtain further information to allow us to achieve compliance.
- 4.14 This is in part due to our already robust policies including Group Anti-Money Laundering and Counter-Terrorism Financing Policy; Group Fraud, Corruption and Bribery Policy and Group Whistleblowing Policy. Policies are reviewed and presented to the Group Audit Committee ("**GAC**") every three years to ensure they remain effective and up to date. The last update to the GAC was August 2024, which confirmed our policy was updated to reflect the ECCTA.
- 4.15 We have already taken further steps to comply including:
- Ensuring our Registered Office is appropriate and complies with the ECCTA requirements;
  - Provided and registered an appropriate email address; and
  - Confirming with each annual confirmation statement the company's activities and future activities are for a lawful purpose

#### Board effectiveness review and individual appraisal

- 4.16 The Group Chair met with all Board members to discuss both the overall Board effectiveness and each individual's personal effectiveness. As agreed by the Board, the approach was focused on these qualitative discussions rather than completing scoring.
- 4.17 The Group Chair has confirmed that the consistent themes from the discussions with Board members were as follows:
- The Board is effective in discharging its responsibilities and has a good balance between strategic issues and an understanding of services;
  - The Board receives good quality information and advice from staff and, where necessary, expert independent advisers, in making its decisions;
  - There are no areas where immediate improvement actions are necessary, tho recognition of a need for continued refinement eg learning from external reviews in other sectors which relate to governance;
  - The Board has no gaps in terms of skills, knowledge and experience; and
  - The working relationship with the Group Executive team and senior staff is open, transparent and working effectively.



- 4.18 In terms of Continuous Professional Development requirements, the feedback focused on ensuring the Board, including through relevant Committees and subsidiary Boards, remains up to date in areas such as cyber security, the regulatory and policy landscape and funding markets. It was noted that our approach of dedicated CPD sessions, such as the Group Audit Committee session on cyber security and the Group Strategic Development Committee on funding and guest speakers at the Board and Group events such as Professor Sean Smith and Professor Graeme Roy was the best way to achieve this.
- 4.19 The Group Chair confirmed that there were no issues with the performance of any Board members.
- 4.20 In line with the approach agreed by the Board, the SID undertook the appraisal of the Group Chair. Feedback on this will be provided directly to the Board by the SID at an In Camera session, without the Group Chair, at the meeting.

## **5. Customer engagement**

- 5.1 There are no customer engagement matters in relation to 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 implications associated with this report.

## **8. Financial and value for money implications**

- 8.1 There are no financial implications for us arising from the recommendations contained within this report.

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

- 9.1 With any wind-up of a legal entity within the Group we engage our external legal advisors to ensure that our process is the most appropriate and follows all necessary legal requirements.
- 9.2 Standard 7 of the SHR's Standards of Governance and Financial Management requires that:
- 'The governing body ensures that disposals, acquisitions and investments fit with the RSL's objectives and business plan, and that its strategy is sustainable. It considers these taking account of appropriate professional advice and a consideration of value for money - whether as part of a broader strategy or on a case-by-case basis.'*
- 9.3 Our approach to disposals and acquisitions helps us to comply with this requirement and, where relevant for our charitable RSLs, with the requirement of the Charities and Trustees Investment (Scotland) Act 2005.

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

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

- 9.5 Our approach supports us in our compliance with this regulatory standard.

## **10. Risk appetite and assessment**

- 10.1 The matters in this report cover a number of our strategic outcomes. Across each of these we have an open or hungry appetite for operational delivery and a minimal approach to legal and regulatory compliance.
- 10.2 Our policy for acquisitions and disposals, including the requirement to report annually to the Board, ensures that we have a process in place for monitoring the significant property transactions that our subsidiaries enter into.

## **11. Equalities implications**

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

## **12. Key issues and conclusions**

- 12.1 We have continued to progress with the consolidation of our corporate structure to support it being more streamlined and less complex. The dissolution of WLHP and GBG will further reduce the number of entities within our Group.
- 12.2 We have undertaken a review of our Group-wide frameworks and policies. Through this process, we have identified that there are arrangements in place that help us to meet the commitments made under those frameworks and policies. This supports our wider self-assessment and evidence-gathering for the Scottish Housing Regulator Annual Assurance Statement.

## **13. Recommendations**

- 13.1 The Board is asked to:
- 1) Approve the Special Resolution to adopt the changes to the Articles of Association of West Lothian Housing Partnership;
  - 2) Note the update on the next steps to effect the liquidation of GBG Enterprises Limited;
  - 3) Note the update on and our preparations for the introduction of the Economic Crime and Corporate Transparency Act;
  - 4) Note the outcome of the annual Board effectiveness review and individual Board member appraisal.

### **LIST OF APPENDICES:**

Appendix 1 – Revised WLHP Articles of Association  
Appendix 2 – Special Resolution

Company Number: SC188968

## **The Companies Act 2006**

---

## **Company Limited by Guarantee and not having a Share Capital**

---

## **Articles of Association**

**of**

## **West Lothian Housing Partnership Limited (the "Company")**

## **INTRODUCTION**

### **Constitution of the Company**

- 1 The model Articles as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of the Company.

### **Objects**

- 2 The objects of the Company are:
  - 2.1 to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care; and
  - 2.2 any other purpose or object permitted under Section 24 of the Housing (Scotland) Act 2010 which is charitable both for the purposes of Section 7 of the Charities and

Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts.

- 3 The Company's permitted activities and powers will include anything which is necessary or expedient to help the Company achieve the objects set out in article 2.
- 4.1 The income and property of the Company shall be applied solely towards the promotion of its objects as set out in article 2 and except as further provided for in this article 4, no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to Members.
- 4.2 Nothing in this article 4 shall prevent the Company from managing a property in accordance with its objects, notwithstanding the fact that the tenant, lessee, owner occupier or licensee of such property may be a Member or Board Member, subject to the proviso that any Board Member who is a tenant, lessee, owner occupier or licensee of any such property shall not be entitled to speak in any debate or cast his/her vote in respect of any matter relating solely to the property of which he/she is lessee, owner occupier, tenant or licensee and shall absent himself/herself from such proceedings, but such Board Member shall be entitled to speak and vote in respect of matters which relate not only to such property but also to other properties owned or managed by the Company.

## **Powers**

- 5.1 Without prejudice to the generality of the provisions of article 2, and without restricting any powers the Company has, the Company shall have power to provide land, amenities and services, or provide, construct, repair or improve buildings, for the benefit of the Company's residents and others, with the purpose of promoting economic, social and environmental regeneration in the areas of deprivation in which the Company operates.
- 5.2 Subject to any statutory requirements applicable to the Company and without limiting its general powers, the Company shall have power to:
  - 5.2.1 dispose, in such manner as the Board sees fit, of land and of other assets or interests of the Company, present or future, including by way of heritable security, floating charge, security assignment, mortgage or charge;
  - 5.2.2 subject to article 6.1, borrow money or issue loan stock for the purposes of the Company on such terms as the Company thinks fit;

- 5.2.3 insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company as the Board considers prudent;
- 5.2.4 insure the Board Members against the costs of a successful defence to a criminal prosecution brought against them as Board Members or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty;
- 5.2.5 form or participate in forming, purchase or otherwise acquire, or to encourage or promote in any way, support or aid the establishment and development of any Subsidiary or any joint venture established by the Company, or by a Subsidiary, with another entity or entities;
- 5.2.6 subscribe to, purchase, or acquire in any other way, any incorporeal property (including but without prejudice to the generality of the foregoing any stock, share, security, debenture or debenture stock in each case whether preferred, deferred or secured or unsecured) of any Subsidiary; and
- 5.2.7 acquire land or any interest in land.

## **Borrowing powers**

- 6.1 The Company can borrow money for as long as the Company's total borrowing at any time is not more than £100,000,000 or such larger sum as the Company, with the prior written consent of The Scottish Housing Regulator and the Parent, determines from time to time in general meeting. The Company can enter into any Guarantee in respect of or to secure by heritable security, mortgage, charge, floating charge, lien or other security which the Company is permitted by law to grant, upon the whole or any part of the Company's property or assets, the obligations and liabilities of any Subsidiary; or of any joint venture established by the Company (or by a Subsidiary) with any entity or entities. The foregoing power is valid notwithstanding, and is in no way limited by, any limits on the borrowing or lending powers of the Company (including the foregoing limits) contained in these Articles or otherwise.
- 6.2 In respect of any proposed borrowing for the purposes of article 6.1, the amount remaining undischarged of any index-linked loan previously borrowed by the Company or any deep discounted security shall be deemed to be the amount needed to repay such borrowing in full if the pre-existing borrowing became repayable in full at the time of the proposed borrowing.
- 6.3 For the purposes of article 6.1 in respect of any proposed borrowing intended to be index-linked or on any deep discounted security the amount of borrowings shall be

deemed to be the proceeds of such proposed borrowings that would be receivable by the Company at the time of the proposed borrowing.

- 6.4 The Company will not pay more than the rate of interest which the Board considers to be the then market rate of interest on any money borrowed, having regard to the terms of the loan on any money borrowed.
- 6.5 The Company will not accept money on deposit from any party.
- 6.6 Subject to the provisions of article 6.9, the Company can, with the prior written approval of the Parent, lend money to any person or organisation including, without limitation, the Parent; any Subsidiary; any joint venture established by the Company or by the Parent or by any Subsidiary, with another entity or entities, on terms which the Board deems appropriate at the time of entering into the transaction. Where the Company is using a loan facility to on lend it must comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.
- 6.7 The Company may borrow money from such lawful sources as is permitted by its treasury management policy subject always to the requirement that the Company will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.
- 6.8 Subject to the foregoing provisions, the Board can, with the prior written approval of the Parent, determine and change conditions under which the Company can borrow or lend money.
- 6.9 With the exception of the Parent, the Company shall not lend money to Members.

## **MEMBERSHIP**

- 7 The Members of the Company shall be: (a) those persons or organisations whose names are entered in the Register of Members; and (b) the Parent.

### **Applying for membership**

- 8.1 The Board shall set, review and publish its membership policy for admitting new Members. Other than the Parent and subject to the provisions of article 7.2, the following shall be eligible to become Members:
  - 8.1.1 tenants of the Company;
  - 8.1.2 service users of the Company;

- 8.1.3 other persons who support the objects of the Company; and
  - 8.1.4 organisations sympathetic to the objects of the Company.
- 8.2 A person applying for membership must send a completed and signed application form and the sum of one pound (which will be returned if the application is not approved) to the Company's registered office. Whilst it is the Company's intention to encourage membership, the Board has absolute discretion in deciding on applications for membership and the following shall constitute grounds for refusal of an application for membership:
  - 8.2.1 where membership would be contrary to the Company's Articles or policies;
  - 8.2.2 where a conflict of interest may exist which, even allowing for the disclosure of such an interest, may adversely affect the work of the Company; and/or
  - 8.2.3 where the Board considers that accepting the application would not be in the best interests of the Company.
- 8.3 An application for membership shall be considered by the Board as soon as reasonably practicable after its receipt by the Company. An application for membership will not be considered by the Board within the period of 14 days before the date of a general meeting. The Board has the power in its absolute discretion to accept or reject the application.
- 8.4 If the Board approves an application for membership, that person will immediately become a Member and his/her name and other necessary particulars will be included in the Register of Members within seven working days.
- 8.5 The Parent shall apply for membership in terms of these Articles and shall make payment of the sum of one pound to the Company's registered office. The Parent shall then become a Member of the Company and its name and other necessary particulars will be included in the Register of Members within seven working days.
- 8.6 The Parent and the Company, together with all other organisations in the Group will document, formally and in terms that are transparent and understandable, their constitutional and financial relationships through the Group Agreement or similar document. The role of the Company and its relationship with other organisations in the Group must be undertaken in a manner consistent with the Charities and Trustee Investment (Scotland) Act 2005.
- 8.7 Notwithstanding the other provisions of this article 8, the Parent may in its absolute discretion admit or remove any person as a Member.

- 8.8 A person can apply for membership of the Company from the age of 16.
- 9 A member representing an unincorporated body shall for all purposes be treated as an individual member but shall have entered against his/her name in the Register of Members the name of the unincorporated body which he/she represents.
- 10 If a Member changes his/her address, he/she must let the Company know by writing to the Secretary at the Company's registered office within three months. This requirement does not apply to (a) the Parent; or (b) if you are a tenant of the Company and have moved home by transferring your tenancy to another property owned and managed by the Company.

## **ENDING MEMBERSHIP**

- 11.1 Membership of the Company will end and the Board will record the ending of a person's membership in the Register of Members if:
- 11.1.1 that person resigns his/her membership giving seven days' notice in writing to the Secretary at the Company's registered office;
  - 11.1.2 except in the case of the Parent, the Board reasonably believes that a Member has failed to tell the Company of a change of address as required by article 10;
  - 11.1.3 for five annual general meetings in a row that person has not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on his/her behalf by proxy;
  - 11.1.4 except in the case of the Parent, the Company receives a complaint about a Member's behaviour and two-thirds of the Members voting at a special general meeting agree to end that person's membership. The following conditions apply to this procedure:
    - 11.4.1.1 the complaint must be in writing and must relate to behaviour which could harm the interests of the Company;
    - 11.4.1.2 the Secretary must notify the Member of the complaint in writing not less than one calendar month before the meeting takes place;
    - 11.4.1.3 the notice for the special general meeting will give details of the business for which the meeting is being called;
    - 11.4.1.4 the Member complained of will be called to answer the complaint at the meeting. The Members present will consider the evidence



supporting the complaint and any evidence the Member complained of decides to introduce;

11.4.1.5 the Members can vote in person or through a representative by proxy; and

11.4.1.6 if the Member complained of receives proper notice but does not go to the meeting without providing a good reason, the meeting will go ahead without that Member and the Members will be entitled to vote to end the membership of the Member complained of.

11.2 If a person's membership is ended in accordance with article 11.1.4, that person will immediately cease to be a Member from the date that the resolution to end that person's membership was passed and any further application for membership by that person will need to be approved by two-thirds of the Members voting at a general meeting.

## **REPRESENTING AN ORGANISATION**

12.1 An organisation which is a Member is free to nominate any person it considers suitable as its representative to the Company. That person will represent all of the organisation's rights and powers at general meetings.

12.2 To confirm the identity of a representative, the organisation must send the Company a copy of the authorisation or appointment of an individual as a representative. This should be signed by a Director, Secretary or Authorised Signatory of the organisation which signature must be witnessed, or in the case of a local authority, by the Chief Executive, or properly authorised officer of the local authority.

12.3 An organisation can change the identity of the person entitled to represent that organisation at any time by confirming the identity of the new representative in terms of article 12.2 and withdrawing the authority of the original representative.

12.4 If a person is a representative in terms of article 12.2, of an organisation which is a Member, that person cannot be a Member as an individual. If that person is already a Member as an individual when he/she starts to represent an organisation which is a Member, the Company will suspend his/her membership as an individual, until such time as he/she is no longer a representative of an organisation which is a Member.

## **LIABILITY OF MEMBERS**

13 The liability of the Members is limited.

- 14.1 The liability of each Member is limited to one pound, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he/she is a Member or within one year after he/she ceases to be a Member, for:
- 14.1 payment of the Company's debts and liabilities contracted before he/she ceases to be a Member;
  - 14.2 payment of the costs, charges and expenses of winding up; and
  - 14.3 adjustment of the rights of the contributories among themselves.

## **Transferring membership**

- 15 A Member shall not be entitled to any property of the Company in their capacity as Member and their membership is not transferable save in the circumstances set out in articles 16 to 19 (inclusive).
- 16 A Member can transfer their membership if the Board agrees, other than in respect of the Parent's membership which may not be transferred but may be cancelled on the written request of the Parent.
- 17 If a Member dies or ends their membership or has their membership ended, or a person is a representative of an organisation which no longer exists, the Board will cancel their membership (except in those circumstances outlined in articles 18 and 19).
- 18 A Member can nominate the person to whom the Company must transfer their membership in the Company when they die, as long as the person that is nominated is eligible for membership under these Articles and in terms of the Company's membership policies. On being notified of a Member's death, the Board shall transfer that Member's membership to the person they have identified.
- 19 If a Member dies or becomes bankrupt and their personal representative or trustee in bankruptcy seeks to claim their membership, the Board (to the extent that the Members' personal representative or trustee in bankruptcy has right) will transfer the membership in terms of the Member's representative's or trustee's instructions.

## **GENERAL MEETINGS**

### **Annual General Meeting**

- 20 The Company will hold a general meeting known as the annual general meeting within six months of the end of each financial year of the Company. The functions of the annual general meeting are to:
- 20.1 present the Chairperson's report on the Company's activities for the previous year;
  - 20.2 present the accounts, balance sheet and auditor's report;
  - 20.3 elect Board Members; and
  - 20.4 consider any other general business included in the notice calling the meeting.

### **Special General Meeting**

- 21.1 All general meetings other than annual general meetings shall be called special general meetings.
- 21.2 The Board may call special general meetings and, on the requisition of the Parent or Members pursuant to section 303 of the Act, the Secretary shall, within 10 days of having received the requisition, give all Members notice calling the meeting. The meeting must take place within 28 days after receipt by the Secretary of the requisition. The Secretary should decide on a time, date and place for the meeting in consultation with the Board or the Chairperson but if such consultation is not practicable, the Secretary can at his/her own discretion decide the time, date and place for the meeting.
- 21.3 Whoever asks for the meeting must give the Secretary details of the business to be discussed at the meeting.
- 21.4 If the Secretary fails to call the meeting within 10 days of having received the requisition, the Board or the Members who have signed the requisition may themselves give notice and convene the meeting pursuant to the terms of section 304 of the Act.
- 21.5 A special general meeting must not discuss any business other than the business mentioned in the notice calling the meeting.

### **Notice for meetings**

- 22.1 The Secretary will call all general meetings by written notice posted or sent by fax or email to every Member (which must include the Parent) at the address, fax number or email address given in the Register of Members at least 14 clear days' before the date of the meeting but a general meeting may be called by shorter notice if it is so agreed:

- 22.1.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - 22.1.2 in the case of any other general meeting, by a majority in number of the Members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights at the general meeting of all Members.
- 22.2 The notice shall specify:
  - 22.2.1 the time, date and place of the meeting;
  - 22.2.2 whether the meeting is an annual or special general meeting;
  - 22.2.2 the business for which the meeting is being called; and
  - 22.2.3 if a special resolution, or a resolution requiring special notice under the Act, is to be proposed, the notice shall also specify the intention to propose such a resolution and include the exact text of the resolution.
- 22.3 The Board may ask the Secretary to include with the letter or send separately to Members any relevant papers or accounts. If a Member, other than the Parent, does not receive notice of a meeting or papers relating to the meeting, this will not stop the meeting going ahead as planned. If the Parent does not receive notice of a meeting or papers relating to the meeting, the meeting cannot go ahead as planned.
- 23 The proceedings of a meeting shall not be invalidated by the accidental failure of the Company to send a notice calling the meeting to any Member, other than the Parent. Subject to the provisions of the Act, failure of the Company to send a notice calling the meeting to the Parent will invalidate the proceedings of that meeting.

## PROCEDURE AT GENERAL MEETINGS

- 24.1 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the Parent and at least ~~one seven~~ Members. If there are more than 70 Members, the quorum for a general meeting shall be at least one-tenth of the Members, including the Parent.
- 24.2 If the Parent is not present in person or by representative and/or a quorum is not present within half an hour of the time to meeting was scheduled to start, the meeting shall stand adjourned to the same day the following week at the same time and at such place as may be fixed by the chairperson of the meeting and announced at the meeting. There is no need to give notice to Members of the adjourned

meeting, with the exception of the Parent, who must receive such notice if it was not present in person or represented at the meeting to be rescheduled. If at the adjourned meeting a quorum is not present at the scheduled starting time then notwithstanding article 24.1, the Members present shall constitute a quorum.

- 24.3 The Parent shall be deemed to be present in person at any general meeting if it is represented in person by an individual (who need not be a Member) who is appointed to act as such in writing signed by or on behalf of the Parent.
- 25 If a majority of Members present agree, the chairperson of a meeting can adjourn the meeting. No business can be discussed at the adjourned meeting other than the business not reached or left unfinished at the original meeting. There is no need to give notice to Members of the adjourned meeting.
- 26.1 The Chairperson of the Board will be the chairperson at all meetings of the Company. If there is no Chairperson or he/she is not present or willing to act, the Members present must elect a Board Member to be chairperson of the meeting. If no Board Members are present, the Members present must elect a Member to be chairperson of the meeting.
- 26.2 If the Chairperson arrives later, after the meeting has commenced, he/she will take over as chairperson of the meeting as soon as the current agenda item is concluded.

### **Proxies/Representatives/Postal votes**

- 27.1 To appoint a representative to vote on a Member's behalf by proxy, the Member must let the Company have a properly completed document in the form shown in Appendix 1. The Member's proxy does not need to be a Member.
- 27.2 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board Members may:
  - 27.2.1 be deposited at the Company's registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the document proposes to vote;
  - 27.2.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll;

- 27.2.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairperson or to the Secretary or to any Board Member; and
- 27.2.4 an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
- 27.3 If there is any doubt about whether a Member's proxy has authority to vote, the Chairperson will decide and his/her decision will be final.
- 27.4 The maximum number of proxy votes that may be cast by any one person is 10.
- 27.5 To reverse a Member's appointment of a proxy, the Member must let the Company have a properly completed document in the form shown in Appendix 2. The document must be presented to the Company before the meeting, at which the Member who no longer wants to be represented by proxy, convenes.
- 27.6 A vote given or poll demanded by proxy shall be valid, notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination was received by the Company at the Company's registered office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 27.7 The Chairperson will report to the meeting the details of any documents seeking to appoint a proxy received but which are not valid. If a person represents an organisation, their authorisation or appointment as a representative requires to be in accordance with the terms of article 12.2.
- 27.8 If there is to be an election of Board Members at an annual general meeting, Members can vote by post. Not less than 14 days before a meeting is held at which one or more Board Members will be elected, Members will receive a ballot paper for the election. Members can vote in the election by returning the ballot paper to the Secretary at least five days before the day of the meeting, or by bringing a ballot paper along to the meeting.

## **Voting**

- 28 If a decision of a meeting is put to the vote, the outcome will be determined by the majority of those Members voting. Voting will be by a show of hands except where

a poll is requested or required. Votes cannot be taken on resolutions which conflict with any provisions of these Articles or the law.

29.1 Where a vote is by a show of hands every Member, including the Parent, present in person has one vote (subject in the case of the Parent to the provisions of article 29.3). Where a vote is by a poll, every Member, including the Parent, present in person or who has appointed a proxy representative has one vote. Where an appointed proxy is present and he/she advises the Chairperson, the Chairperson shall direct that the vote is by a poll.

29.2 In relation to the election of Board Members, the vote is by a poll using the ballot paper issued to the Members prior to the meeting; votes received by post in advance of the meeting will be counted in the total number of votes at the meeting.

29.3 At any meeting called for the passing of a special resolution by the Secretary in accordance with these Articles for the purpose of considering and, if appropriate, approving:

29.3.1 any amendments, additions or deletions to any of these Articles;

29.3.2 the winding up or dissolution of the Company; and/or

29.3.3 any change of name of the Company,

the Parent shall be allocated and shall be entitled to cast three quarters of the votes available to be cast on relevant special resolution at the meeting and the other Members of the Company (collectively the "Other Members") shall among them be entitled to cast one quarter of the votes available to be cast on the relevant special resolution at the meeting. Votes exercisable by the Other Members in terms of this article 29.3 shall be counted for and against the relevant resolution(s) in the proportions for and against actually cast by each of the Other Members who are present and voting at the meeting in person or by proxy respectively. The Secretary shall make arrangements for such Other Members to vote on the special resolution(s) separately and shall count the number of votes in favour and against the special resolution(s) and shall notify the meeting of the totals and accordingly the manner in which the one quarter of votes available to be cast on the relevant special resolution at the meeting and exercisable by the Other Members have been cast. The Secretary shall notify the meeting of the decision of the vote having regard to the votes cast by the Parent.

30 Except where a resolution is passed in accordance with the provisions of article 29.3, if there is an equal number of votes for and against a resolution, or in relation to the election of Board Members, the Chairperson will have a second and deciding vote.

Unless a poll is duly demanded, a declaration by the Chairperson that a resolution: has been carried; or carried unanimously or by a particular majority; or lost; or not carried by a particular majority, together with an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 31.1 A poll can be required before or immediately after a vote by a show of hands, if at least one-tenth of the Members present at the meeting (in person or by proxy through a representative in accordance with articles 27.1 and 27.2) request this.
- 31.2 A poll must take place as soon as the Chairperson has agreed to it, in line with the Chairperson's instructions. The result of the poll will stand as the decision of the meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 32 All speakers must direct their words to the Chairperson. All Members must remain quiet and orderly while this is happening.
- 33 A Member will not be allowed to speak more than once on any individual matter unless it is to explain something or ask for an explanation until every other Member has had the chance to speak. That Member will then have the opportunity to speak a second time on a matter but only if the Chairperson agrees. Where the Chairperson raised the matter for discussion initially, he/she shall be permitted to make a final reply on the matter.
- 34 The Chairperson will decide how long each speaker is allowed to speak, allowing equal time to each speaker.
- 35 If any point arises which is not covered in these Articles, the Chairperson will give his/her ruling. If the Chairperson's ruling is challenged by more than one Member, the Chairperson will step down and those Members present will decide the point raised on a majority vote. If the vote is tied, the Chairperson's original ruling is carried.
- 36 Meetings must not last longer than two hours unless at least two-thirds of the Members present agree after the end of that time to continue the meeting.

## **THE BOARD OF MANAGEMENT**

### **Composition of the Board**



37.1 The Company shall have a Board of which shall have a minimum of one ~~seven~~ and no ~~maximum~~ a-maximum (including co-optees) ~~of 11 persons~~ of whom:

~~37.1.1 up to six Board Members shall be Independent Board Members;~~

~~37.1.2 up to four Board Members shall be Tenant Board Members; and~~

~~37.1.11.3~~ 37.1.11.3 if appointed, one Board Member shall be the Parent Appointee (as defined in article 37.6).

The Company shall keep up to date a register of the names of the Board Members which shall be made available to any person at no cost. The names of the Board Members will also be published by the Company on its website, and in its annual reports and other similar documentation.

37.2 A person must be aged 18 or over and a Member to become a Board Member (including any person appointed to fill a casual vacancy) other than a person appointed as a co-optee, a person appointed by The Scottish Housing Regulator or the Parent Appointee (as defined in article 37.6), each and any of whom must be aged 18 or over but need not be a Member.

37.3 With the exception of the Parent Appointee (as defined in article 37.6), an employee of the Company, or a Close Relative of an employee, may not be a Board Member.

37.4 No Board Member may act as such until they have signed and delivered to the Board a statement, confirming that they will meet their obligations to the Board and the Company as set out in the Company's code of conduct for Board Members and their appointment has been ratified by the Parent. Any Board Member who has, without good cause, failed to sign such a statement within four weeks of appointment / election to the Board shall immediately cease to be a Board Member.

37.5 Notwithstanding article 37.1, if at any time there are fewer candidates standing for election pursuant to article 39 to become Tenant Board Members than the number of available vacancies, then it shall become competent for a candidate who satisfies the criteria for election as an Independent Board Member to be eligible for election to fill the relevant place or places.

37.6 The Parent may from time to time and at any time by written notice to the registered office of the Company appoint up to one person as a Board Member (the "Parent Appointee") and by like notice remove or replace the Parent Appointee and in each case, such appointment or removal shall take effect upon the date of lodgement of such written notice at the Company's registered office or such later date as may be specified in the notice.

37.7 Notwithstanding any other provision of these Articles:

- 37.7.1 the Parent is the parent body of the Company and shall be entitled to appoint any number of Board Members and remove from office any and all Board Members as it may in its sole discretion determine;
- 37.7.2 any appointments and removals from office in terms of article 37.7.1 may be made from time to time and at any time in writing signed on behalf of the Parent and served on the Company and, in each case, shall take effect upon the date of lodgement of written notice at the Company's registered office or such later date as may be specified in the notice; and
- 37.7.3 all candidates for election, re-election, appointment, or re-appointment as Board Members in terms of these Articles shall first be approved in writing by the Parent and any such elections, re-election, appointment or re-appointment of a Board Member shall not take effect unless and until such approval has been given.

37.8 Each of the Board Members shall, in exercising his/her role as a Board Member, act in the best interests of the Company, its tenants and service users and will not place any personal or other interests ahead of his/her primary duty to the Company; and, in particular, must:

- 37.8.1 seek, in good faith, to ensure that the Company acts in a manner which is in accordance with its objects;
- 37.8.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- 37.8.3 in circumstances giving rise to the possibility of a conflict of interest between the Company and any other party:
  - 37.8.3.1 put the interests of the Company before that of the other party, in taking decisions as a Board Member; and
  - 37.8.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the Company and refrain from participating in any discussions or decisions involving the other Board Members with regard to the matter in question; and
- 37.8.4 ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

## Interests

- 38.1 The Board shall set and periodically review its policy on payments and benefits. If a person is a Member, employee of the Company or serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the policy. In making any payment or conferring any benefit the Company shall act at all times with transparency, honesty and propriety.
- 38.2 If a person serves on the Board or any sub-committee he/she must declare any personal or other external interests on an annual basis in accordance with the Company's code of conduct for Board Members. If while serving on the Board that person has any conflict of interest in any contract or other matter about to be discussed at a meeting, he/she must tell the Board. He/she will be required to leave the meeting while the matter is discussed and will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If that person is inadvertently allowed to stay in the meeting and vote on the matter, his/her vote will not be counted. If no quorum exists for the purpose of voting on a matter only because of the operation of this article 38.2, provided that there are at least three remaining Board Members who are entitled to remain in terms of this article 38.2, such remaining Board Members are deemed to constitute a quorate Board for the purposes of voting and may proceed to make a decision as a quorate Board.
- 38.3 If a person serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Company's policy referred to in article 38.1. He/she shall also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 in respect of any conflict of interest that might arise.

## ELECTING BOARD MEMBERS

- 39.1 ~~A~~Each Board Member elected under these Articles shall be elected for a fixed term of office expiring at the conclusion of an annual general meeting (a "fixed term"). The fixed term shall be for a term of three annual general meetings, unless the Board has set a lower number of annual general meetings for the relevant Board Member on their election or nomination. No fixed term shall be set which would cause the relevant Board Member to serve beyond their ninth consecutive annual general meeting.
- 39.2 At every annual general meeting ~~a~~ each Board Member who has served their fixed term shall retire from office. ~~A~~Any Board Member who retires from office at an annual general meeting under this article 39.2 shall be eligible for re-election subject to the following:

- 39.2.1 where any Board Member retiring under this article 39.2 has only served one fixed term, that Board Member can stand for re-election without being nominated;
- 39.2.2 where any Board Member retiring under this article 39.2 has served two fixed terms, that Board Member shall be eligible for re-election for one further fixed term, but only with the prior approval of the Parent; and
- 39.2.3 where any Board Member has nine years' service on the Board, that Board Member shall automatically retire at the end of their ninth year, regardless of whether this date is the date of an annual general meeting, and shall not be eligible for re-election.
- 39.3 Board Members must also retire if they have been co-opted onto the Board under article 42.1 or have filled casual vacancies under article 41.
- 39.4 If a Board Member leaves the Board for any reason other than by virtue of article 39.2, that Board Member will not be eligible to stand for re-election or to be co-opted onto the Board until the expiry of five years following the date on which they left the Board.
- 39.5 Other than the Parent Appointee (if appointed) no Board Member shall serve more than nine years' service in total on the Board, whether continuously or in aggregate.
- 39.6 If a Board Member retires from the Board in terms of these Articles and stands for re-election, subject to article 39.4, any time previously served on the Board shall count towards their period of service for the purposes of article 39.5.
- 39.7 The other terms of this article 39 shall not apply to the Parent Appointee (if appointed) who shall not be required to retire at any annual general meeting.
- 40.1 If, at the annual general meeting the number of Members standing for election is less than or equal to the number of vacant places, the Chairperson will declare them elected without a vote. If there are more Members standing for election than there are vacant places, those present at the general meeting or those exercising a postal vote in accordance with article 27.8 will elect Members onto the Board, in accordance with article 29.2. Each Member present or who has appointed a proxy representative will have one vote for each place to be filled on the Board. A Member must not give more than one vote to any one candidate.
- 40.2 The Company will post or send by fax or email intimation of the intended date of the annual general meeting and information on the nomination procedure to each Member at the address, fax number or email address given in the Register of

Members of the Company not less than 28 days before the date of the meeting. Nominations for election to the Board must be in writing and in the form specified by the Company and must give the full name, address and occupation of the Member being nominated. A Member cannot nominate himself/herself for election to the Board. Nominations must be signed by and include a signed statement from the Member being nominated to show that they are eligible to join the Board in accordance with article 37.3 and 43, and that they are willing to be elected. Nomination forms can be obtained from the Company and must be completed fully and returned by hand or by post to the Company's registered office at least 21 days before the general meeting.

- 41 If an elected Board Member leaves the Board between the annual general meetings, this creates a casual vacancy and the Board can appoint a Member to take their place on the Board until the next annual general meeting.

### **Co-optees**

- 42.1 Subject to approval by the Parent, the Board can co-opt to the Board or to a sub-committee anyone it considers is suitable to become a Board Member or member of a sub-committee. Co-optees do not need to be Members, but they can only serve as co-optees on the Board or sub-committee until the next annual general meeting or until removed by the Board. A person co-opted to the Board can also serve on any sub-committees.
- 42.2 A person appointed as a co-optee shall undertake the role of Board Member or member of a sub-committee and accordingly will be subject to the duties and responsibilities of a Board Member. Co-optees can take part in discussions at the Board or any sub-committees and vote at Board and sub-committee meetings on all matters except those which directly affect the Articles, the membership of the Company or the election of the Company's Office Bearers. Co-optees may not stand for election, nor be elected as one of the Office Bearers of the Board.
- 42.3 Board Members co-opted in this way must not make up more than one-third of the total number of the Board or sub-committee members at any one time. The presence of co-optees at Board Meetings will not be counted when establishing whether a quorum is present to allow the meeting to take place as required by article 48 and the presence of co-optees will not count towards the quorum for sub-committee meetings.

### **Eligibility for the Board**

- 43.1 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:
- 43.1.1 he/she has been adjudged bankrupt, has granted a trust deed for or entered into an arrangement with creditors or his/her estate has been sequestrated and has not been discharged;
  - 43.1.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005;
  - 43.1.3 he/she is a party to any legal proceedings in any Court of Law by or against the Company;
  - 43.1.4 he/she is or will be unable to attend Board Meetings for a period of 12 months;
  - 43.1.5 he/she has been removed from the board of another registered social landlord within the previous five years;
  - 43.1.6 he/she resigned from the Board in the previous five years in circumstances where his/her resignation was submitted after the date of his/her receipt of notice of a special Board Meeting convened to consider a resolution for his/her removal from the Board in terms of article 44.5;
  - 43.1.7 he/she has been removed from the Board in terms of articles 44.4 or 44.5 within the previous five years;
  - 43.1.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005;
  - 43.1.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated;
  - 43.1.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a

director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company);

43.1.11 he/she has been removed from the governing body of any other member of the Group; or

43.1.12 he/she has left the Board and a period of five years has not expired since his/her departure for the purposes of article 39.4.

43.2 A person cannot be re-elected as a Board Member if the Board is not satisfied of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election.

44 A Board Member shall cease to be a Board Member if:

44.1 he/she resigns his/her position as a Board Member in writing;

44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of article 42.1 or an appointee of The Scottish Housing Regulator;

44.3 he/she missed four Board Meetings in a row without special leave of absence previously granted by the Board either at his/her request or by exercise of the Board's discretion;

44.4 except in the case of the Parent Appointee, the majority of the Members voting at a general meeting decide this. The Members will then appoint another to take his/her place. If a replacement is not appointed at the general meeting, the Board may appoint a Board Member in terms of article 41;

44.5 except in the case of the Parent Appointee, the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:

44.5.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Company;

44.5.2 failure to sign or failure to comply with the Company's code of conduct for Board Members; or

44.5.3 a breach of the Company's Articles, standing orders or other policy requirements;

- 44.6 he/she becomes ineligible as a Board Member in terms of article 43;
- 44.7 he/she is a co-optee whose period of office is ended in accordance with articles 39.3 or 42.1;
- 44.8 he/she is a Board Member retiring in accordance with article 39.2;
- 44.9 he/she is the Parent Appointee and the Parent subsequently removes him/her from the Board; or
- 44.10 he/she has failed to sign and deliver to the Board a statement confirming that the Board Member will meet his/her obligations to the Board and to the Company as set out in the Company's code of conduct for Board Members.



## POWERS OF THE BOARD

- 45 Subject to the provisions of the Act and these Articles, the Board is responsible for directing the affairs of the Company and its business and may do anything lawful which is necessary or expedient to achieve the objects of the Company. The Board is not permitted to exercise any powers which are reserved to the Company in general meetings either by these Articles or by statute. The Board is responsible for the leadership, strategic direction and control of the Company with the aim of achieving good outcomes for its tenants and other service users in accordance with the Regulatory Standards and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.
- 46 Subject to the provisions of the Act, the Board acts in the name of the Company in everything it does. A third party acting in good faith and without prior notice does not need to check if the powers of the Board have been restricted, unless they are already aware that such a restriction may exist.
- 47.1 Without prejudice to its general powers conferred by these Articles, the Board may exercise the following powers:
- 47.1.1 buy, sell, build upon, lease or exchange any land and accept responsibility for any related contracts and expenses;
  - 47.1.2 agree the terms of engagement and remuneration of anyone employed in connection with the business of the Company and act as employer for anyone employed by the Company;
  - 47.1.3 grant heritable securities over land owned by the Company and floating charges over all or any part of property and assets both present and in future owned by the Company. This includes accepting responsibility for any related expenses;
  - 47.1.4 decide, monitor and vary the terms and conditions under which property owned by the Company is to be let, managed, used or disposed of;
  - 47.1.5 appoint and remove solicitors, surveyors, consultants, managing agents and employees, as required by the Company's business;
  - 47.1.6 refund any necessary expenses as are wholly necessary incurred by Board Members and sub-committee members in connection with their duties;
  - 47.1.7 compromise, settle, conduct, enforce or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the Company; and

47.1.8 accept donations in support of the activities of the Company.

- 47.2 No alteration of these Articles shall invalidate any prior act of the Board which would have been valid if that alteration had not been made. The powers given by this article 47 shall not be limited by any special power given to the Board by these Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

## BOARD PROCEDURE

- 48 It is up to the Board to decide when and where to hold its ordinary meetings, but it must meet at least six times a year. The quorum for the transaction of the business of the Board at the time when the meeting proceeds to business shall be onefour, including (if appointed) the Parent Appointee (unless the Parent Appointee has presented their apologies in advance of the meeting).
- 49 The Board will continue to act while it has vacancies for Board Members. ~~However, if at any time the number of Board Members falls below seven, the Board can continue to act only for another two months. If at the end of that period the Board has not found new Board Members to bring the number of Board Members up to seven, the only power it will have is to act to bring the number of Board Members up to seven.~~
- 50 Board Members must be sent written notice of Board Meetings posted, or delivered, by hand or sent by fax or email to the last such address for such communications given to the Secretary at least seven days before the date of the meeting. The accidental failure to give notice to a Board Member (other than the Parent Appointee) or the failure of the Board Member to receive such notice shall not invalidate the proceedings of the relevant meeting.
- 51 Board Meetings can take place in any manner which permits those attending to hear and comment on the proceedings. A Board Member may participate in a Board Meeting by means of conference telephone, video conferencing facility or similar communications equipment whereby all the Board Members participating in the Board Meeting can communicate with each other. A Board Member participating in a Board Meeting in this manner shall be deemed to be present in person at the Board Meeting.
- 52 All speakers must direct their words to the Chairperson. All Board Members must remain quiet and maintain order while this is happening. The Chairperson will decide who can speak and for how long.
- 53 If any point arises which is not covered in these Articles, the Chairperson will give his/her ruling which will be final.

- 54 All acts done in good faith as a result of a Board Meeting or sub-committee meeting will be valid even if it is discovered afterwards that a Board Member was not entitled to be on the Board.
- 55 A written resolution signed by not fewer than three quarters of the Board Members or three quarters of the members of a sub-committee will be as valid as if it had been passed at a Board Meeting or sub-committee meeting duly called and constituted.

### **Special Board Meetings**

- 56.1 The Chairperson, the Parent or two Board Members can request a special meeting of the Board by writing to the Secretary with details of the business to be discussed. The Secretary will send a copy of the request to all Board Members and to the Parent within three working days of receiving it. The meeting will take place at a place mutually convenient for the majority of Board Members, normally the usual place where Board Meetings are held, between 10 and 14 days after the Secretary receives the request.
- 56.2 No other business may be discussed at the meeting other than the business for which the meeting has been called.
- 56.3 If the Secretary does not call the special meeting as set out above, the Chairperson or the Board Members who request the meeting can call the meeting. In this case, they must write to all Board Members at least seven days before the date of the meeting.
- 57 If a Board Member (other than the Parent Appointee) does not receive notice of the special meeting, this will not prevent the meeting going ahead.

### **Sub-committees**

- 58.1 The Board may delegate its powers to sub-committees or to staff or to Office Bearers. The Board will establish the terms of reference for such delegation, which will be set down in writing and communicated to the recipient of the delegated powers. Such delegation will be set out down in writing in standing orders, schemes of delegated authority or other appropriate documentation. In the case of a sub-committee such delegation shall include the purposes of the sub-committee, its composition and quorum for meetings. A minimum number of members for a sub-committee shall be three. There must be at least three of the members of a sub-committee present for the meeting to take place. The Board shall be responsible for the on-going monitoring and evaluation of the use of delegated powers.

- 58.2 The meetings and procedures of sub-committees or otherwise must comply with the relevant terms of reference.
- 58.3 Any decision made by a sub-committee must be reported to the next Board Meeting.
- 58.4 The Board can establish and delegate powers to sub-committees, designated as Area Committees, to take decisions relating to the management and maintenance of properties within a particular geographical area. The Board will determine the membership and delegated responsibility of an area committee in its terms of reference. An Area Committee shall exercise such delegated powers, notwithstanding the provisions of articles 42.1 and 42.3 which provisions do not apply to Area Committees.

## **THE SECRETARY AND OFFICE BEARERS**

- 59.1 Subject to the provisions of the Act, the Secretary and any deputy or alternate Secretary and any other Office Bearers shall be appointed by the Board for such term and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board. The Office Bearers, except for the Secretary, must be elected Board Members and cannot be co-optees. An employee of the Company, the Parent or any other member of the Group may hold the office of Secretary although shall not be a Board Member. If the Secretary cannot carry out his/her duties, the Board, or in any emergency the Chairperson, can ask another Office Bearer or employee to carry out the Secretary's duties until the Secretary returns. The appointment of an Office Bearer in terms of these Articles is subject to the prior written approval of the Parent.
- 59.2 The Secretary and the Office Bearers will be controlled, supervised and instructed by the Board in respect of performance of their respective duties (which duties, in the case of the Secretary, are those set out in article 59.3).
- 59.3 The Secretary's duties include the following (these duties can be delegated to an appropriate employee with the Secretary assuming responsibility for ensuring that they are carried out in an effective manner):
- 59.3.1 calling and going to all meetings of the Company and all the Board Meetings;
  - 59.3.2 keeping the minutes for all meetings of the Company and Board;

- 59.3.3 sending out letters, notices calling meetings and relevant documents to Members before a meeting;
  - 59.3.4 preparing and sending all the necessary reports to the Registrar of Companies and The Scottish Housing Regulator;
  - 59.3.5 ensuring compliance with these Articles;
  - 59.3.6 keeping the Register of Members and other registers required under these Articles and the Act; and
  - 59.3.7 supervision of the Company's seal.
- 59.4 The Secretary must produce or give up all the Company's books, registers, documents and property whenever requested by a resolution of the Board, or of a general meeting.
- 59.5 The Chairperson will be appointed in accordance with article 59.6 for a period which shall commence on the date of the Chairperson's appointment and shall expire immediately prior to the next scheduled Board Meeting held after the expiry of three years from the date of the appointment (the "office term"), subject always to the provisions of article 39.

### **Role of the Chair**

The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board's role and to ensure that the Board properly discharges its responsibilities as required by law, these Articles and the standing orders of the Company. The Chairperson will be delegated such powers as is required to allow the Chairperson to properly discharge the responsibilities of the office. Among the responsibilities of the Chairperson are that:

- 59.5.1 the Board works effectively with the senior staff;
- 59.5.2 an overview of business of the Company is maintained;
- 59.5.3 the Agenda for each meeting is set;
- 59.5.4 meetings are conducted effectively;
- 59.5.5 minutes are approved and decisions and actions arising from meetings are implemented;

- 59.5.6 the standing orders, code of conduct for Board Members and other relevant policies and procedures affecting the governance of the Company are complied with;
  - 59.5.7 where necessary, decisions are made under delegated authority for the effective operation of the Company between meetings;
  - 59.5.8 the Board monitors the use of delegated powers;
  - 59.5.9 the Board receives professional advice when it is needed;
  - 59.5.10 the Company is represented at external events appropriately;
  - 59.5.11 appraisal of the performance of Board Members is undertaken, and that the senior staff officer's appraisal is carried out in accordance with the agreed policies and procedures of the Company; and
  - 59.5.12 the training requirements of Board Members, and the recruitment and induction of new Board Members is undertaken.
- 59.6 The Chairperson must be elected from the Board Members (excluding co-optees) which election must then be approved in writing by the Parent. The Chairperson must be prepared to act as Chairperson until the end of their office term (unless he/she resigns the post). The Chairperson can only be required to resign if a majority of the remaining Board Members present at a Board Meeting agree to this.
- 59.7 If the Chairperson is not present at a Board Meeting or is not willing to act, the Board Members present will elect another Board Member to be chairperson for the Board Meeting. If the Chairperson arrives at the meeting late, he/she will take over as chairperson of the Board Meeting as soon as the current agenda item is concluded.
- 59.8 If the votes of the Board Members are divided equally for and against an issue, the Chairperson will have a second and deciding vote.
- 59.9 The Chairperson can resign his/her office in writing to the Secretary and must resign if he/she leaves the Board or is prevented from standing for or being elected to the Board under article 43. The Board will then elect another Board Member as Chairperson.
- 59.10 The Chairperson can be re-elected upon expiry of their office term for a further maximum of two years and must not hold office continuously for more than five years, subject always to the provisions of article 39.

- 59.11 Upon expiry of their period of service as Chairperson, the Chairperson must resign as a Board Member and leave the Board. If the Chairperson resigns under article 59.6 or 59.9 then they shall also be deemed to have resigned as a Board Member, regardless of the length of their period of service as Chairperson.

## **NOTICES**

- 60.1 Any notice which requires to be given to a Member under these Articles shall be given either in writing or by way of an Electronic Communication. Such a notice may be given personally to the Member or be sent by post in a pre-paid envelope addressed to the Member at the address last intimated by him/her to the Company or (in the case of a Member who has notified the Company of an address to be used for the purpose of Electronic Communications) may be given to the Member by way of an Electronic Communication.
- 60.2 Any notice, if sent by post, shall be deemed to have been given at the expiry of 48 hours after posting. For the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
- 60.3 Any notice contained in an Electronic Communication shall be deemed to have been given on the day it is sent. For the purpose of proving that any Electronic Communication was sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.
- 60.4 A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

## **INDEMNITY**

- 61.1 Every Board Member or other Office Bearer or auditor of the Company shall be indemnified (to the extent permitted by section 232, 234, 235, 532 and 533 of the Act) out of the assets of the Company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office. That may include, without prejudice to that generality (but only to the extent permitted by those sections of the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the Company.

- 61.2 The Company shall be entitled to purchase and maintain for any Board Member insurance against any loss or liability which any Board Member or other Office Bearer of the Company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232 (2) of the Act.

## **THE BOARD'S MINUTES, SEAL, REGISTERS AND BOOKS**

### **Minutes**

- 62 Subject to the provisions of the Act, minutes of every general meeting, Board Meeting and sub-committee meeting must be kept. Those minutes must be presented at the next appropriate meeting and if accepted as a true record, signed by the chairperson of the meeting at which they are presented. All minutes signed by the chairperson of the meeting shall be conclusive evidence that the minutes are a true record of the proceedings at the relevant meeting.

### **Execution of Documents and Seal**

- 63 The Company shall execute deeds and documents in accordance with the provisions of the Act and the Requirements of Writing (Scotland) Act 1995 and record the execution in the register. The use of a common seal is not required. The Company may have a seal which the Secretary must keep in a secure place unless the Board decides that someone else should look after it. The seal must only be used if the Board decides this. When the seal is used, the deed or document must be signed by a Board Member and the Secretary or a second Board Member and recorded in the register.

### **Registers**

- 64 The Company must keep at its registered office a Register containing:
- 64.1 the names and addresses of the Members and where provided for the purposes of Electronic Communication, fax numbers and email addresses;
  - 64.2 the date each person was entered in the Register as a Member and the date at which any person ceased to be a Member of the Company;
  - 64.3 a statement of other property in the Company whether in loans or loan stock held by each Member; and
  - 64.4 the names and addresses of the Office Bearers of the Company, their positions and the dates they took and left office.



- 65.1 The Company must also keep at its registered office:
- 65.1.1 a second copy of the Register showing the same details as above but not the statements of property. This second register must be used to confirm the information recorded in the original Register;
  - 65.1.2 a register of loans and to whom they are made;
  - 65.1.3 a register showing details of all loans and charges on the Company's land; and
  - 65.1.4 all other registers as may be required under the Act.
- 65.2 The inclusion or omission of the name of any person from the original Register of Members shall, in the absence of evidence to the contrary, be conclusive that the person is or is not a Member of the Company.

### **Registered name**

- 66 The registered name of the Company must be clearly shown on the outside of every office or place where the Company's business is carried out. The name must also be engraved clearly on the Company's seal and printed on all its business letters, notices, adverts, official publications, website and legal and financial documents.

### **Documentation**

- 67 The Company's books of account, registers, securities and other documents must be kept at the Company's registered office or any other place the Board decides is secure.
- 68 At the last Board Meeting before the annual general meeting, the Secretary must confirm in writing to the Board that articles 62 to 67 have been followed or, if they have not been followed, the reasons for this. The Secretary's confirmation or report must be recorded in the minutes of the Board Meeting.

## **ACCOUNTS**

- 69 Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain day to day entries of all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the Company.
- 70 The Board must send the Company's accounts and balance sheet to the Company's auditor. The auditor must then report to the Company on the accounts it has examined. In doing this, the auditor must follow the conditions set out in the Act and Part 6 of the Housing (Scotland) Act 2010.
- 71 The Company must provide The Scottish Housing Regulator and such other organisations as the Board determines appropriate with a copy of its accounts and the auditor's report within six months of the end of the period to which they relate.

## **THE AUDITOR**

- 72 Auditors of the Company shall be appointed and their duties regulated in accordance with the Act.

## **ANNUAL RETURNS AND BALANCE SHEET**

- 73 Every year, within the time allowed by law, the Secretary shall send to the Registrar of Companies the confirmation statement in the prescribed form and to the Office of the Scottish Charity Regulator the annual return in the prescribed form, together with all such documentation required by the Act and the Charities and Trustee Investment (Scotland) Act 2005.
- 74 If requested, the Company must provide a free copy of the latest confirmation statement, annual return and auditor's reports to Members or people with a financial interest in the Company.
- 75 The Company must always keep a copy of the latest balance sheet and auditor's report publicly displayed at its registered office.
- 76 The Company must comply with the requests of The Scottish Housing Regulator for annual returns.

## **DONATIONS**

- 77 The Board shall set and review periodically its policy for the donation of funds to charities. Such donations must further the objects of the Company and the Board shall report to the Members on such donations.

## **INVESTMENTS**

- 78 The Company's funds may be invested by the Board in such manner as is permitted by its investment policy subject always to the requirement that the Company will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

## **INSPECTING THE REGISTER**

- 79 Any Member or person having a financial interest in the Company can inspect their own account. They may also inspect the second copy of the Register of Members which shall be made available to them for inspection within seven days of the request of a Member or eligible person. The books must be available for inspection at the place they are kept at all reasonable hours. The Board may set conditions for inspecting the books. The Company will also maintain a register of the names of those Members who have given consent for this purpose which shall be made available for inspection within seven days of the request of any person.

## **DISPUTES**

- 80 Every dispute between the Company or the Board and:
- 80.1 a Member;
- 80.2 a person aggrieved who has ceased to be a Member within the previous six months;  
or
- 80.3 a person claiming under these Articles,
- shall be dealt with in accordance with any procedures determined by the Board from time to time but without prejudice to all rights which any person may have to raise an action on the matter in any court with competent jurisdiction including without prejudice the Sheriff Court in the Sherriffdom in which the Company's registered office is located.

## **COPIES OF ARTICLES**

- 81 The Secretary shall, on demand, provide a copy of these Articles free of charge to any Member who has not previously been given a copy and, upon payment of such fee

as the Company may require, not exceeding the amount specified by law, to any other person.

## **CLOSING DOWN THE COMPANY**

- 82.1 The prior written consent of the Parent is required before the Company can be wound up or dissolved.
- 82.2 If any property remains after the Company has paid its debts, this property will be transferred to such other charitable registered social landlord as determined by The Scottish Housing Regulator.

## **AMENDING THESE ARTICLES**

- 83.1 Any changes to these Articles shall require the prior written approval of the Parent and, subject to such approval, these Articles can be changed or deleted and new Articles can be introduced ~~if:~~

~~83.1.1 — three quarters of the votes at a special general meeting are in favour of the amendment(s); and~~

~~83.1.2 — The Scottish Housing Regulator has approved the amendment(s).~~

- 83.2 Where an amendment of these Articles affects the objects of the Company the prior approval of the Office of the Scottish Charity Regulator is required. The Company must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Company intends to amend its objects. Any other amendment of these Articles requires to be notified to them within three months of the change having been made.

- 83.3 The Company can change its name if:

83.3.1 three quarters of the votes at a special general meeting are in favour of the change;

83.3.2 the Office of the Scottish Charity Regulator has given its prior approval. The Company must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Company intends to change its name; and

83.3.3 the Parent approves the change in writing.

- 83.4 If the Company changes its name in terms of article 83.3 it must inform The Scottish Housing Regulator in writing within 14 days.

- 83.5 The Company can change its registered office but must:
- 83.5.1 notify The Scottish Housing Regulator of the change in registered office within seven working days of the decision having been made;
  - 83.5.2 notify the Registrar of Companies of the change within 14 days of the change having been made;
  - 83.5.3 notify the Office of the Scottish Charity Regulator within three months of the change having been made; and
  - 83.5.4 obtain the prior written approval from the Parent.

## INTERPRETING THESE ARTICLES

- 84.1 In these Articles, the following definitions and rules of interpretation shall apply:
- 84.1.1 "**Act**" means the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force;
  - 84.1.2 "**Articles**" means these articles of association as originally adopted or as altered from time to time;
  - 84.1.3 "**Board**" means the board of management of the Company from time to time referred to in article 37.1;
  - 84.1.4 "**Board Meeting**" means a meeting of the Board;
  - 84.1.5 "**Board Member**" means any director for the time being of the Company and shall (save where expressly excluded) include co-optees to the Board pursuant to article 42;
  - 84.1.6 "**Chairperson**" means the chairperson of the Company referred to in article 59.1;
  - 84.1.7 "**charitable**" means both charitable under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts;
  - 84.1.8 "**clear days**" excludes, in relation to the period of a notice, the day after the notice is posted (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting;
  - 84.1.9 "**Close Relative**" means any person who is the spouse, cohabitee, civil partner, parent, grandparent, child, stepchild, grandchild, brother, sister,

aunt, uncle, nephew or niece of any Board Member or employee of the Company from time to time;

84.1.10 "**Electronic Communication**" has the same meaning as is assigned to that expression in the Electronic Communications Act 2000;

84.1.11 "**Group**" means the Parent, the Company, and any Subsidiary from time to time;

84.1.12 "**Group Agreement**" means the written agreement from time to time between the Company and the Parent in relation to the objectives and operation of the Group;

84.1.13 "**Guarantee**" means any guarantee and includes any obligation (including as primary obligor), including a contract of indemnity or suretyship, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any Subsidiary or any other person;

84.1.14 "**Independent Board Member**" means a Board Member who is neither a Tenant Board Member nor the Parent Appointee;

84.1.15 "**Member**" means any person who is admitted to membership of the Company in accordance with the provisions of these Articles;

84.1.16 "**Office Bearer**" means the Chairperson, Secretary and any such other office bearer of the Company appointed under article 59.1;

84.1.17 "**Office of the Scottish Charity Regulator**" means the body set up under the Charities and Trustee Investment (Scotland) Act 2005 to regulate charities in Scotland;

84.1.18 "**Parent**" means Wheatley Housing Group Limited, a company incorporated in Scotland (company number SC426094) and a registered social landlord (registration number 363), having its registered office at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL;

84.1.19 "**Register of Members**" means the register of members referred to in article 64;

84.1.20 "The **Scottish Housing Regulator**" means the body corporate established under section 1 of the Housing (Scotland) Act 2010 known as the Scottish

Housing Regulator, having its principal office at 3rd Floor, Sutherland House, 149 St Vincent Street, Glasgow, G2 5NW;

84.1.21 "**Secretary**" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

84.1.22 "**Subsidiary**" means any organisation which is from time to time a subsidiary of the Company within the meaning of Section 164 of the Housing (Scotland) Act 2010;

84.1.23 "**Taxes Acts**" means Part 11 of the Corporation Tax Act 2010 as read with Schedule 6 of the Finance Act 2010 and any statute or statutory provision which amends, extends, consolidates or replaces the same; and

84.1.24 "**Tenant Board Member**" means a Board Member who is elected to the Board pursuant to these Articles and is a residential tenant of the Company from time to time occupying a residential property let by the Company under a Scottish secure tenancy or a short Scottish secure tenancy.

84.2 Words in the singular also include the plural. Words in the plural also include the singular.

84.3 A reference to law or statute is a reference to that law or statute as re-enacted, amended or replaced.

84.4 In the event of Sterling joining the Euro any sums of money referred to in Sterling in these Articles shall be redenominated into Euros at the rate of exchange applying for such redenomination as at the date of joining the Euro.

## APPENDIX 1

### PROXY FORM

You must use the wording shown below to appoint a representative to vote at a meeting for you. Please see article 27.1 for more details.

I (insert name) am a member of (insert name) \_\_\_\_\_ Limited.

My address is: (please insert).

I hereby appoint (insert name) who lives at (insert address) to be my representative and vote for me at the Company's meeting on (insert date) and any other dates that meeting continues on.

Your name

---

Your signature

---

Date

---



## APPENDIX 2

### CANCELLATION OF PROXY

You must use the wording shown below to reverse your application to send a representative to vote at a meeting for you. Please see article 27.4 for more details.

I (insert name) am a member of (insert name) \_\_\_\_\_ Limited.

My address is: (please insert).

I hereby revoke the appointment of (insert name) as my representative to vote for me at the Company's meeting on (insert date) made by me on the (insert date).

I no longer authorise the person referred to above to represent me at the meeting referred to above.

Your name

---

Your signature

---

## **SPECIAL RESOLUTION**

### **WEST LOTHIAN HOUSING PARTNERSHIP LIMITED (SC188968) (the “Company”)**

#### **IT WAS HEREBY RESOLVED**

1. The existing Articles of Association of the Company be replaced in their entirety with the new Articles of Association, a copy of which has been presented to the meeting.
2. The new Articles of Association shall take effect immediately upon the passing of this resolution.
3. The Secretary of the Company is authorised and directed to file the new Articles of Association with the relevant regulatory authorities and to take all necessary actions to implement this resolution.

This resolution is proposed as a special resolution and requires a majority of not less than 75% of the votes cast by members entitled to vote.

30 April 2025

---

Wheatley Housing Group Limited