



WHEATLEY HOUSING GROUP LIMITED

SC426094

MEETING OF BOARD OF DIRECTORS

WHEATLEY HOUSE 25 COCHRANE STREET GLASGOW G1 1HL

on Wednesday 28 October 2020 at 10.30am

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

In Attendance: Anthony Allison (Director of Governance), Steven Henderson (Group Director of Finance), Tom Barclay (Group Director of Property and Development – items 6 ,7 and 11)), Olga Clayton (Group Director of Housing and Care, items 8,10 and 12).

1. Directors not in attendance

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

2. Declarations of Interest

The Board noted the standing declarations of interest. No new declarations were made.

3. Minutes of meeting held on 18 September 2020

Decided: The Board approved the minute of 18 September 2020.

4. Group CEO update

The Board received an update on a range of matters including: Board workshop to be held in January 2021 to consider next steps in our strategy implementation; homelessness; updates to the rent setting consultation; changes to the timing of our tenant survey approach; and the delay of new regulations around smoke detectors.

The Board agreed the amendments to the rent setting to include a degree of variation for GHA, subject to GHA Board approval, and to delay the tenant survey.

5. Cube Strategic review update

The Board received feedback on: the recent GHA and Cube Board workshops; stakeholder engagement to date, and; the proposed timescales for the next stages.

The Board noted the support of the GHA and Cube Boards and considered the proposed tenant offer which reflected our focus on delivering in areas which are priorities for tenants.

Decided: The Board

- 1) agreed that the restructuring of Cube should proceed with the next phase being tenant consultation, based on the tenant offer at section 5.4.**
- 2) agreed the key milestones for the proposed transfer**

6. [item redacted]

7. Infrastructure Investment Plan Consultation 2021-26

The Board received a presentation on the Scottish Government Infrastructure Investment Plan 2021/26 which was currently being consulted upon, including: the key themes of the plan; the proposed investment priorities; and the alignment with our strategic priorities, particularly our planned Green Investment Plan.

The Board discussed our proposed consultation response, the core elements of our Green Investment Plan and the potential to work in partnership with the Scottish Government on our shared priorities. The Board welcomed the focus on partnership working and the ongoing engagement with other stakeholders such as Scottish Water.

Decided: The Board

- 1) noted the content of the report and our intention to respond to the consultation to support our forthcoming Wheatley Green Investment Plan;**
- 2) noted our plan to prepare our enhanced Wheatley Green Investment Plan for submission to Scottish Government; and**
- 3) noted that a draft Wheatley Green Investment Plan will be presented to the Board at the December meeting**

8. DGHP Transformation Programme

The Board received a detailed update on progress with the DGHP Transformation Programme to date and the reshaped DGHP transformation plan, recrafted taking into account the new strategic landscape DGHP operates within.

The Board considered the progress to date and particularly the extension of group wraparound services such as bursaries and EatWell which are already having a direct positive impact.

The Board sought an update on the changes to the DGHP Operating Model, in particularly the transition of staffing changes. It was confirmed that the recruitment has been evenly split between internal appointments and external. It was reiterated that the creation of local jobs was a key priority in the partnership.

The Board discussed and welcomed progress to date in extending our partnership links across the region.

It was confirmed that the Transformation Programme remains subject to ongoing risk assessment and assurance through established project management and executive structures.

Decided: The Board:

- 1) approved the revised transformation programme for DGHP; and**
- 2) noted that updates against the plan will be provided every three months**

9. Group Strategy 2021-26

The Board considered the draft Group Strategy, in particular the feedback from our partner Board and how this has been reflected. The Board agreed the document reflected the discussions to date and previously agreed changes to the vision. It was agreed that non material refinement of wording in the strategy be updated by the Group Chief Executive to reflect more specific feedback from Board members.

Decided: The Board

- 1) noted the feedback from the final round of our partner Board strategy workshops;**
- 2) agreed the updated Group Strategy *Your Home, Your Community, Your Future*;**
- 3) delegated authority to the Group Chief Executive to make non material changes to the strategy; and**
- 3) approved the proposed approach to staff, customer and stakeholder engagement**

10. Business update - Housing and Care

The Board received an update on our remobilisation activity across the Group, including the focus on areas such as homelessness, income collection in 'won't pay' cases and the deployment of the Community Improvement Partnership intervention in the Wyndford.

The Board discussed income collection and the relative scale on non-engagement. It was confirmed this remains a relatively low overall proportion but does require a strong focus and timely engagement.

The Board considered the proposed Landlord Assurance procedure and it was confirmed the key focus of the procedure is to mitigate any demand spikes and target resources efficiently.

Decided: The Board noted the report.

11. Group New Build Performance report

The Board received an update on the remobilisation of our development activity and the current position with our programme. The Board also received a specific update on progress with the Queens Quay project.

The Board discussed our current contractor exposure position and recent changes to contractors operating within our footprint. It was confirmed that our monitoring has not identified any financial viability issues with any of our contractors.

Decided: The Board noted the report.

12. Group Delivery Plan 2020/21 Quarter 2 Performance

The Board received an update on performance for the year to date. The Board recognised the very strong performance being delivered relative to our operating context.

The Board sought an update on the planned review of our commercial properties stock condition and the wider marketplace. It was confirmed this was with a view to potentially repurposing as well as establishing potential options for our recovery approach.

Decided: The Board noted the report.

13. Finance report

The Board received an update on the Group's financial performance for the year to date.

The Board scrutinised financial performance and noted the strong performance under challenging operating conditions.

Decided: The Board noted the financial performance for the Group to 30 September 2020.

14. Treasury update

The Board considered our liquidity position, the potential impacts of current macroeconomic events on our funding structure and our covenant compliance. The current position in relation to our undrawn [redacted] facility was discussed and it was confirmed we continue to monitor the requirement for this relative to our overall securitisation position.

Decided: The Board

- 1) noted the liquidity position for the Group;**
- 2) noted the proposed security transfer from the [redacted] to [redacted];**
- and**
- 3) noted the covenant compliance across WFL1, WFL2 and DGHP.**

15. Governance update

The Board received an update on: Committee memberships, our proposed Annual Assurance Statement; and [redacted].

The Board discussed the Assurance Statement, the evidence we are able to place reliance on and the DGHP position relative to its prior year individual Assurance Statement. It was explained that we will introduce renewed external assurance over the course of the next six months as this becomes more practically achievable.

The specific changes to DGHP's compliance position was set out, in particular the underlying issue having related to the lack of appropriate systems to collect and assure information.

Decided: The Board

- 1) approved the appointment of Fiona Burden to the Group Audit Committee and remuneration of £7,000 per annum;**
- 2) approved the appointment of John Henderson to the Group Development Committee and remuneration at £7,000 per annum upon the DGHP Development Committee ceasing;**
- 3) approved the Group Development Committee Terms of Reference being updated to allow up to 7 members drawn from subsidiary Boards;**
- 4) approved the Group's Annual Assurance Statement;**
- 5) [redacted]; and**
- 6) [redacted].**

16. AOCB

[redacted].