**WHEATLEY HOUSING GROUP LIMITED**

**SC426094**
**MEETING OF THE BOARD OF DIRECTORS**
**Wheatley House, Glasgow**
**on Wednesday 25 February 2026**

**Directors Present:** **Jo Armstrong (Chair), Maureen Dowden, Caroline Gardner, Alison McLaughlin, Bryan Duncan, Ken Barclay, Jo Boaden, Manish Joshi, Lyndsey Teaz, Pamela Paton and Rhona Conteh.**

**In Attendance:** **Steven Henderson (Group Chief Executive), Anthony Allison (Group Director of Governance and Business Solutions), Pauline Turnock (Group Director of Finance), Alan Glasgow (Group Director of Housing)- item 6 only, Charli Griffen (Director of MyRepairs) – item 6 only, Laura Pluck (Group Director of Communities) – item 15 only, Ranald Brown (Director of Assurance) – item 14 only.**

**1. Apologies for absence**

Apologies were received from Iain Macaulay.

**2. Declarations of interest**

The Board noted the standing declarations of interest. It was agreed that Lyndsey Teaz had a conflict of interest in relation to the item 'Wheatley Care strategic partnership update' and that she would leave the meeting for this item.

**3. Minutes of meeting held on 17 December 2025 and matters arising**

**Decided: The Board approved the minutes of the meeting held on 17 December 2025.**

**4. Group CEO update**

The Board was provided with an update on a range of matters, including: the announcement of the planned creation of a new national housing agency, More Homes Scotland; engagement with Glasgow City Council on a refreshed Strategic Agreement to reflect the scale of change since it was agreed in 2023; City Building (Glasgow) constitutional changes and senior staffing; and Board Professional Development

**Decided: The Board noted the update**

**5. Chair updates**

The Board was provided with a summary of the written updates from the Audit and WDSL Chairs.

**Decided: The Board noted the updates.**

## 6. Awaab's Law in Scotland

The Board received an update on Awaab's Law and its expected introduction in Scotland in October 2026. The Board received a summary of the legislative background, emerging statutory requirements on damp and mould, and the associated implications for landlords, including timescales, competence, customer communication and property condition.

The Board was further updated on our current arrangements together with proposed changes to introduce a risk-based, customer-centred approach aligned to Awaab's Law and supported by strengthened governance, assurance and implementation activity.

The Board discussed the areas where there remains uncertainty on how the draft regulations should be interpreted, particularly in relation to issues out with our control. It was confirmed we are engaging with the Scottish Government stakeholder group to seek further clarity. The Board discussed the risk, for us and the sector more widely, that some areas may be tested through the court and how our processes and approach will mitigate such risk.

The Board discussed the particular challenges that may arise where causation is not related to property condition factors but cannot necessarily be resolved by us immediately, such as overcrowding. It was explained that in such cases there is a strong likelihood that the onus will be on us to be proactive to keep the property substantially free, such as an ongoing regime of monitoring and treatment. It was agreed that we should consider our allocations policy in 2026/27 and take into account the implications of Awaab's Law.

It was agreed the Board would receive further updates in advance of the legislation coming into effect.

**Decided: The Board:**

1) **Noted the contents of the report and the implications of the Regulations; and**
2) **Endorsed the proposed approach to preparing for implementation and updating the Group Managing Dampness, Mould and Condensation Policy.**

## 7. 2026-2031 Wheatley strategy, Making homes and lives better

The Board was provided with feedback on the subsidiary Boards' feedback on their own strategies and how this was reflected in the Wheatley strategy. A further update was provided on the planned approach to launch our strategy with staff.

The Board agreed that the strategy reflected its feedback on the initial draft, encapsulated the key priorities of our customers and subsidiary Boards and was appropriately accessible for our staff.

The Board discussed how we will develop the Wheatley Standard and the choices it will give rise to such as balancing stock condition, affordability and our financial capacity. It was agreed that this would be the strongest area of focus in year one of implementing our strategy.

**Decided: The Board approved the 2026–2031 strategy, *Making homes and lives better*.**

**8. 2026/27 rent and service charge**

The Board was provided with a summary of the findings of our Registered Social Landlords' ("**RSLs**") tenant consultation on the 2026/27 rent, service and other charges increase; and confirmed the 2026/27 RSL rent, service and other charges increases which were approved by subsidiary RSL Boards under delegated authority.

The Board was updated on the approach to district heating system tariffs and the Group Pricing and Charging policy context within which the tariffs are set.

The Board was assured that we have support available for any tenants who may experience issues with affordability. The Board affirmed that this support remains essential and we should ensure it is appropriately communicated to tenants.

**Decided: The Board noted the rent increases, approved by RSL Boards under delegated authority having considered the results of their respective tenant consultations.**

**9. Financial projections 2026/27**

The Board was provided with an update on the financial projections for investment in assets and services to 2031; an overview of our five-year Capital Investment Plan and our five-year new build Development Programme. The Board was updated on scenario testing activity undertaken to explore the potential to further increase our investment in existing homes.

The Board discussed our assumptions in relation to future rent increases, cost inflation and wage inflation and the need to keep them under review to ensure they are sustainable.

The Board discussed the potential implications of increasing investment on our covenants and how this would be perceived in our credit rating assessment. It was explained that we would need to have a clear rationale and there would potentially be implications for our credit rating. The Board further discussed how we balance our borrowing capacity between new build and having the capacity, if we wished to use it, to invest in existing stock via borrowing.

The Board discussed the CBG business plan and welcomed the strategic intent to explore new areas whilst recognising this would necessitate choices on the capacity it has to deliver new areas whilst maintaining its programme of improvement in core areas.

**Decided: The Board:**

1) **Approved the updated projections for investment in assets and services over the five-year period to 2031 in support of our strategy, *Making Homes and Lives Better*;**

2) **Approved the RSL Borrower Group and Lowther financial Golden Rules respectively;**
3) **Approved the five-year Capital Investment Plan summarised in Appendix 2;**
4) **Approved the five-year Development Programme summarised in Appendix 3;**
5) **Approved the financial projections for each of the subsidiaries attached;**
6) **Delegated authority to the Group Director of Finance to provide Member approval of the final City Building Glasgow financial projections;**
7) **Agreed that the projected 2026/27 figures form the basis of next year's annual budgets for each subsidiary and the Group overall; and**
8) **Noted the uplift to charges in the Framework of Principal Charges in line with inflation and the rent and service charge increases set out in the financial projections.**

**10. Group Chair succession**

The Board was provided with a summary of the proposed approach and process to appoint the Group Chair Designate in advance of the current Group Chair's retirement in September 2026. The Board agreed the process balanced the case for an internal only process whilst providing sufficient time contingency should this not result in an appointment.

**Decided: The Board:**
1) **Approved the updated Group Chair role profile; and**
2) **Agreed that the process be internal-only on the basis of the process set out in paragraphs 4.6-4.11.**

**11. Performance Report**

The Board was given an update on performance against targets and strategic projects for 2025/26 to the end of quarter three.

The Board discussed how we continue to evolve our stock condition assessments to transition areas such as balconies into proactive, cyclical programmes. It was confirmed this would be considered as part of our approach to surveying for the Wheatley Standard. It was also agreed that the future performance reporting should include further information on the status of mandatory Fire Risk Assessment actions.

The Board discussed how we are learning from complaints and it was explained that hand-offs was a theme we are particularly focused on based on our analysis of underlying causes of complaints.

The Board discussed emergency repairs performance and volumes. It was explained that the volumes and variance across Wheatley was an area currently under consideration to understand the drivers.

**Decided: The Board noted the contents of this report and provided feedback on the priority areas for yearend focus.**

## 12. Finance report

The Board was provided with an update on financial performance and the forecast full-year out-turn. It was explained that a key area of focus is on costs associated with voids, in particular to understand the particular issues driving the costs.

The Board discussed the proposed advance payment to SHAPS and any risk this may give rise to. It was confirmed given the obligation exists the proposed approach would deliver the best value for money in meeting it. It was confirmed there was no financial risk associated with the advance payment.

**Decided: The Board:**

1) **Noted the Group management accounts for the period ended 31 December 2025;**
2) **Noted the forecast full-year out-turn for 2025/26 at Appendix 1;**
3) **Approved the RSL Borrower Group accounts at Appendix 2 for submission to the Group's lenders; and**
4) **Approved the £1.7m advanced payment of 2026/27 and 2027/28 SHAPS pension deficit contributions in WH East and Loretto and donations of up to £4.2m to the Wheatley Foundation from the Group's RSLs agreeing that the RSL Borrower Group will deliver a Trading Cash cover outwith the Golden Rule policy parameters but will remain within the interest cover covenant Golden Rule policy limits.**

## 13. Treasury and funding update

The Board was provided with a detailed update on our liquidity, cashflow forecast, and covenants.

The Board noted the new WFL1 loan terms and MMR disposal had been subject to detailed review by relevant subsidiary Boards and were consistent with our agreed funding strategy.

**Decided: The Board:**

1) **Noted the liquidity position and covenant compliance at 31 December 2025;**
2) **Approved the proposed new WFL1 term loans, totalling up to £130m**
    - **£70m Social Loan with RBS for 10 years**
    - **£40m Retrofit Loan with Bank of Scotland for 5 years**
    - **Up to £20m Term Loan with Allia for 9 years;**
3) **Delegated authority for the Group Director of Finance and/or the Director of Treasury to finalise the WFL1 loan documentation and agree any non-material changes;**
4) **Delegated authority for the Group Director of Finance and/or the Director of Treasury to fix the RBS social loan [redacted];**
5) **Delegated authority for the Group Director of Finance and/or the Director of Treasury to agree the minor drafting changes to the Syndicate Agreement;**

6) **Approved the proposed WFL2 term loan to fund the acquisition of MMR units**
    - **c. £23m Term Loan with Scottish Widows to 2043;**
7) **Delegated authority for the Group Director of Finance and/or the Director of Treasury to finalise the WFL2 loan documentation and agree any non-material changes;**
8) **Delegated authority for the Group Director of Finance and/or the Director of Treasury to fix the Scottish Widows loan [redacted]; and**
9) **Noted the timeline for the proposed RSL Loan Note Programme.**

## 14. Group assurance update

The Board was provided with an update on internal audit work reported to the August and November Group Audit Committee meetings. The Board was also updated on the planned External Quality Assessment of our Internal Audit function.

The Board noted that no serious internal control issues had been identified.

**Decided: The Board noted the contents of this report.**

## 15. Wheatley Care strategic partnership update

The Board was provided with an update on the progress made on the strategic partnership with Wheatley Care and the next steps to effect the associated legal changes.

The Board noted that the Wheatley Care Board is playing an active role in overseeing the partnership and was assured the Wheatley Care Board has indicated they are satisfied they have had access to sufficient independent advice.

**Decided: The Board:**

1) **Noted the progress to date;**
2) **Agreed the proposed approach set out in paragraphs 4.16-4.18 to legally effect the change; and**
3) **Noted that final contractual arrangements will be agreed by the relevant RSLs and Wheatley Solutions.**

## 16. AOCB

There was no other competent business.

**Signed:** ………………………………. **(Chair)**

**Date:** ………………………………..