

**WHEATLEY HOMES SOUTH LIMITED
BOARD MEETING**

**Wednesday 22 November 2023 at 10.30am
Brasswell Office, Dumfries**

1. Apologies for absence
2. Declarations of interest
3. a) Minute of 20 September 2023 and matters arising
b) Draft AGM minute
c) Action list
4. Chair and Managing Director update

Main business and approvals

5. Customer Insight (presentation)
6. 2024/25 rent setting and service charges
7. [redacted]
8. Q2 Performance and Delivery Plan
9. Governance update

Other business

10. Group EDI and Human Rights Action Plan – Implementation update
11. [redacted]
12. Social Media Policy
13. Finance Report (inc. covenant amendment)
14. Risk register
15. [redacted]
16. AOCB

Report

To: Wheatley Homes South Board

By: Alan Glasgow, Managing Director

Approved by: Hazel Young, Group Director of Housing and Property Management

Subject: 2024/25 Rent setting and service charges

Date of Meeting: 22 November 2023

1. Purpose

1.1 This report:

- seeks agreement from the Board for the 2024/25 rent and general service charge increases for initial focus group discussion; and
- sets out proposals for engagement and consultation with WH South tenants on rent increase options.

2. Authorising and strategic context

2.1 Under the Group Standing Orders, the Group Board is responsible for the Group rent setting framework. Subsidiary Boards approve their own rent increases within this framework.

2.2 The Group Board agreed that a base increase within the range of 6.9-7.9% should be the basis of our initial focus group discussion with each RSL's tenants. Alongside this, we would discuss two additional options of +0.5% and +1% on the base to fund additional activities as we have in previous years.

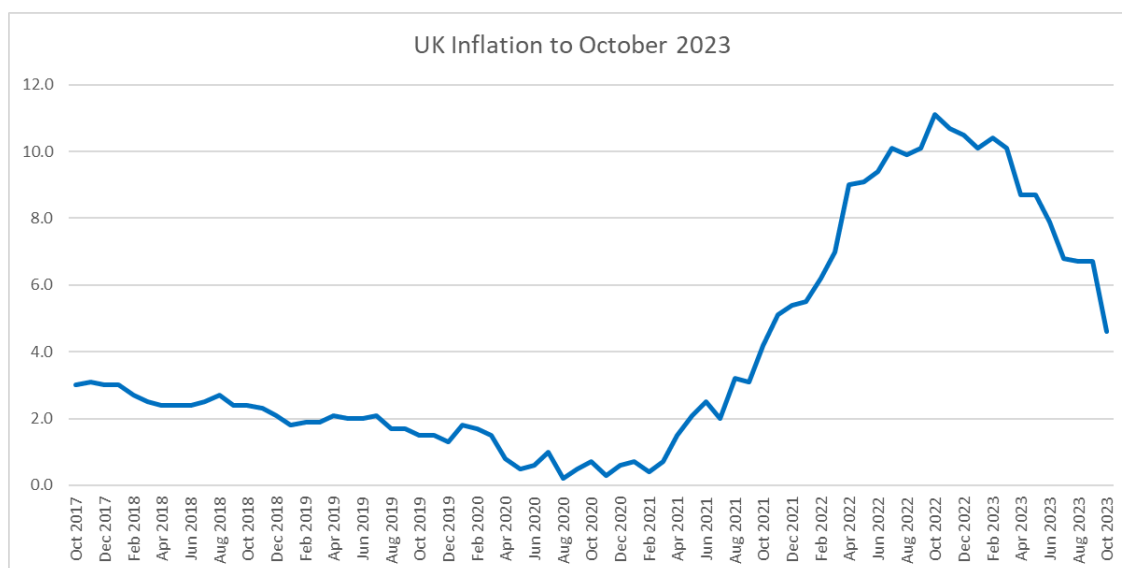
3. Background

Economic context

3.1 The economic outlook in the UK remains under pressure. Inflation has proved to be more resistant to interest rate increases than expected, with a strong labour market and higher wage settlements helping to maintain higher prices. While the current general CPI rate of 4.6% is on a slow downward trend it has remained higher for longer than initially anticipated. An unwinding to the long-term Bank of England target of 2% is now not likely to be achieved until the first half of 2025.

3.2 Our most recent predicted full-year financial out-turn for this financial year, reflects the impact of revised assumptions for interest rates and inflation and most notably for repairs expenditure which has continued to see an increase in demand with job numbers up 5% in the first half of 2023/24 compared to the same period in 2022/23 and a higher level of inflation on materials compared to the general CPI measure.

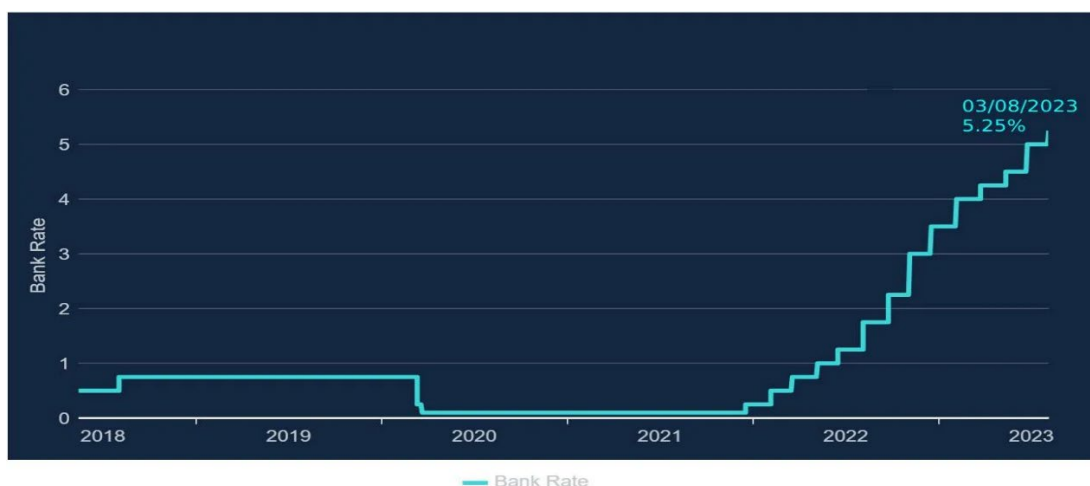
3.3 Our increased focus on addressing issues of dampness and mould in our properties has also been a factor. We have implemented a number of actions to increase the efficiency of the service, but in common with most social landlords in the UK we are seeing a sustained increase in customer demand and expectations for repairs and we have reflected an increased provision in our forward financial projections for this.



3.4 Since 2022/23 our business operations have been affected by increases in the cost of fuel, utilities, insurance and building materials. Fuel and utilities costs have stabilised to some extent, however, the most recent figures published by the Office for National Statistics show that inflation on repairs and maintenance services remains much higher than general inflation at 8.6%. Repairs costs make up a large proportion of our operating costs. Our insurance costs have increased sharply too, up 30% in the last two years.

3.5 Interest rates have been subject to 14 consecutive increases with rates currently at 5.25% after a pause in the increases at the last two Bank of England monetary policy committee meetings. Markets predict that rates may be subject to one further increase to 5.50%. This is lower than previous predictions over the summer which suggested rates hitting 6.25 to 6.50%, the current view is that while rates will peak at a lower level they will remain there for a longer period only reducing in late 2024/25. A large proportion of our existing funding is at fixed rates (87% at October 2023) which limits our interest rate exposure to the remaining 13% of variable rate borrowings.

UK Base rate – 2020 – 2023



Programme for Government/Housing Bill

- 3.6 The Scottish Government has extended the remaining provisions within the Cost of Living (Tenant) Protection (Scotland) Act 2022 for a further and final six-month period to 31 March 2024. The extension is on the same basis as currently exists: a 3% cap for private landlords; and the enforcement of evictions continuing to be paused for six months for most tenants other than a small number of specified circumstances.
- 3.7 Since the last meeting it has been confirmed that the powers for long-term rent controls which will be introduced with the new Housing Bill will not apply to social landlords. This means that there are no limits on RSL rent increases for 2024/25.

4. Discussion

- 4.1 The rent increase assumptions in our financial projections are subject to ongoing review. The annual review takes into account the key principles set out in our Group rent setting framework:
- Affordability;
 - Comparability;
 - Financial viability; and
 - Consultation with tenants and service users.

Affordability

- 4.2 Our average rents for 2023/24 are shown in Table 1 below, alongside the Scottish average and Scottish RSL averages now published for the same year. To allow as “like for like” a comparison as possible these rates are based on the latest available information via the 2022/23 Annual Return on the [Scottish Social Housing] Charter (“the ARC”) to the Scottish Housing Regulator (“SHR”) with the 2023/24 rent increase (sourced from the SHR) applied.

Table 1: Average Weekly Rents – March 2023 ARC Return + 23/24 rent increase

| RSL | Average Weekly Rent | | | | | Total Units | Overall Average Weekly Rent |
|-----------------------------|---------------------|--------|--------|---------|---------|-------------|-----------------------------|
| | 1 Apt | 2 Apt | 3 Apt | 4 Apt | 5 Apt | | |
| WH South | £94.10 | £81.69 | £89.49 | £96.15 | £104.86 | 10238 | £89.66 |
| Scottish Average | £82.25 | £87.72 | £90.68 | £98.75 | £109.01 | | £92.06 |
| Scottish RSL Average | £88.50 | £95.78 | £97.62 | £107.70 | £119.19 | | £99.60 |

- 4.3 The UK minimum wage **increased by 9.7%-10.9%** in April 2023. In April 2023 the uprating of most benefits, including Universal Credit, was **an increase of 10.1%** which was also the increase for the state pension.
- 4.4 Our rent increases from April 2023 of **4.4%** were significantly below the uplift of the minimum wage, Universal Credit and UK pensions.

- 4.5 The UK Government announced in October that it will accept the Low Pay Commission recommendations, expected this month, for the increase from April 2024 (<https://www.gov.uk/government/news/chancellor-announces-major-increase-to-national-living-wage>). Based on the Low Pay Commission's latest forecasts, this would see the National Living Wage increase to over £11 per hour from April 2024 (from the current £10.42 for over 23s).
- 4.6 Under the triple lock, the UK pension is meant to increase by whichever is highest from the percentage increase in average earnings from May to July the previous year, inflation in September the previous year or 2.5 percent. For the April 2024 pensions increase the highest level under the triple lock is 8.5% based on average earnings, with the relevant inflation indicator of 6.7%. Whilst the 8.5% is not guaranteed and there remains a possibility it is lower, it is not currently expected to be lower than the upper level of our rent increase proposal.
- 4.7 The Scottish Government increased the Scottish Child Payment from £20 to £25 per week, per eligible child, in November 2022 and this remains in place. As part of this, the criteria for the payment expanded for all eligible children (looked after by a guardian in receipt of a qualifying benefit) under 16, as opposed to the current age of under 6s.
- 4.8 The expansion of the Scottish Child Payment had a significant impact for those families eligible to receive £1,300 annually for each child over the age of 6. Our analysis at the time of the numbers of children and households across the Group suggested that over 5,300 households may have benefitted from the increase.
- 4.9 We have used the joint Scottish Federation of Housing Associations ("SFHA") Rent Affordability Tool to assess how affordable our rents are. This tool allows us to calculate the *Rent as a percentage of income* for different customer groups most associated with different property sizes – summarised in Table 2 below.

Table 2: Affordability analysis by property type and household composition

| Customer Group | 1 Apt* | 2 Apt | 3 Apt | 4 Apt |
|----------------------------------|--------|-------|-------|-------|
| Single Person | | 25.7% | | |
| Single pensioner | | 23.4% | | |
| Couple 1PT 1FT/ Pensioner couple | | 17.2% | | |
| Couple 2FT | | 12.9% | | |
| Single parent (2 Children) | | | 17.6% | 18.9% |
| Small family (2 Children) | | | 13.4% | 14.4% |

- 4.10 The table shows that consistent with previous years **all relevant customer groups and property size combinations are below a 30% rent to income ratio** relative to the national minimum (living) wage. Shelter (2015) cited in the recent Scottish Government literature review of rent affordability has quoted a figure of 35% of net household income¹ as an affordability threshold. A UK Affordable Housing Commission report from 2019 noted that if rent is higher than 40% of net income², then serious affordability issues may arise.

¹ <https://www.gov.scot/publications/rent-affordability-affordable-housing-sector-literature-review/pages/4/>

² <https://static1.squarespace.com/static/5b9675fc1137a618f278542d/t/5cf55923f41ae70001170311/1559583017920/Defining+and+measuring+housing+affordability.pdf>

- 4.11 We continue to offer a wide range of wraparound services and wider support to our customers who are experiencing financial hardship including the Here For You Fund created in response to the cost of living crisis.

Comparability

- 4.12 Wheatley Homes South rents are compared with the other local operators below. They remain significantly below the averages for other RSLs operating in the region for all stock sizes, particularly for 3 Apartment (2 bedroom) homes and larger which represent over 70% of WH South stock. The comparator figures are based on the whole stock base for those landlords, as RSL rents analysed by Local Authority are not made public.

Table 3: Dumfries and Galloway RSL average rents + service charges at March 2023 with 23/24 increase applied (Source ARC 2022/23)

| Dumfries & Galloway | | | | |
|--------------------------------|--------------|--------------|--------------|---------------|
| Social Landlord | 2 Apt | 3 Apt | 4 Apt | 5+ Apt |
| WH South | £82.13 | £89.49 | £96.15 | £104.86 |
| Cunninghame HA | £83.06 | £107.08 | £116.67 | £124.40 |
| Homes in Scotland | £92.06 | £110.24 | £117.00 | £124.93 |
| Loreburn HA | £98.43 | £104.66 | £110.92 | £125.49 |
| Irvine HA | £86.84 | £95.18 | £103.60 | £112.26 |

- 4.13 The Wheatley Homes South increase last year was the lowest in the region and this further enhanced its position as the lowest in the region across the average rent for all property sizes.

Financial Viability

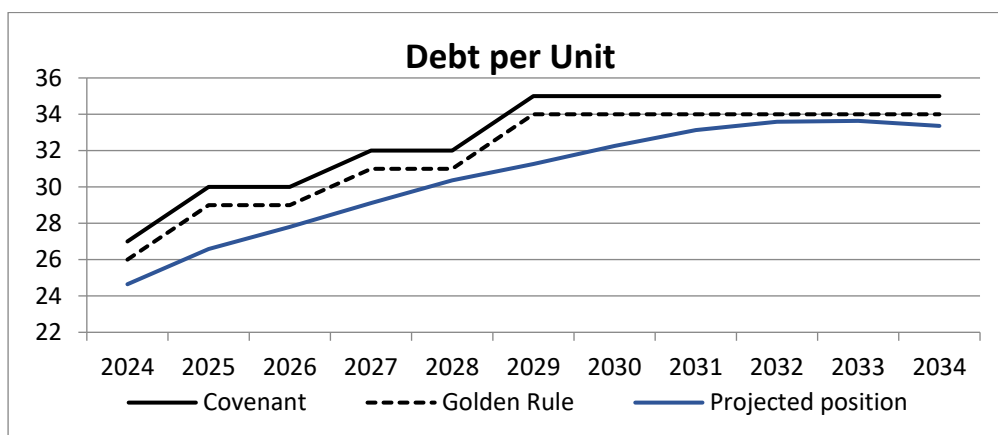
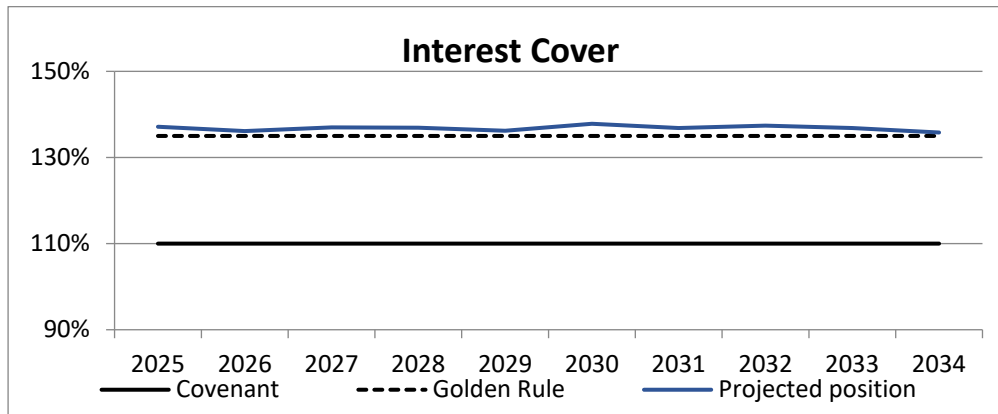
- 4.14 We form part of a borrowing group with other Wheatley RSLs. This means that we assess the key financial indicators of the RSLs aggregated together. Over recent years, the financial capacity within our RSL business plans has been subject to external pressures created by:

- higher inflation peaking at 11.1% and currently at 4.6% compared to our core assumption of 2.5%;
- repairs and maintenance inflation higher and currently at 8.6%;
- higher variable borrowing costs currently at 5.25% compared to our previous long-term assumption of 5.00%;
- repairs spend which has seen large increases in demand from tenants and has also been subject to inflationary increases in the price of materials (up 17% in 2022/23 and a further 6.9% in 2023/24 to date) driven by post pandemic shortages and the effects of Brexit; and
- increasing legislative compliance and future retrofit requirements.

All of these factors have been consumers of headroom that previously existed in our financial projections.

- 4.15 Cost efficiencies and rent increases are key areas in improving the financial capacity within the business. We have been able to keep rent increases low by driving overhead efficiencies from our Group structure. These actions combined with efficiencies achieved over the previous five years have provided a real reduction in Group staff and running costs of £15m (12%) since 2018. For Wheatley Homes South, we have achieved a real reduction in overhead costs of £3m since joining the Group.
- 4.16 Our business plan requires us to maintain a balance across keeping our rents affordable, maintaining the standard of our homes and ensuring the organisation remains financially viable. In considering last year's rent increase as well as the staff and running cost efficiencies, we also looked to our capital programme and agreed to defer core investment projects for 2023/24 and 2024/25 into the period beyond 2025/26. This allowed us to limit our April 2023 rent increase at 4.4% in recognition of the cost of living pressures faced by our customers.
- 4.17 A large proportion of our capital programme, over 30% of spending every year relates to building safety and compliance and therefore must be delivered to meet our duties as a landlord. Compliance work includes electrical and fire safety works, TMV installations, heat and smoke heat detector replacements, boiler breakdown replacements and lift replacements. After the deferrals that were agreed upon last year, this left a limited core programme before voids, capitalised repairs, capitalised staff and adaptations for the three years from 2023/24.
- 4.18 We have updated our financial projections to consider the effect current economic conditions have on our financial position setting the context for rent discussions. Inflation has remained higher than was previously predicted and we now expect it to remain above the Bank of England's long term 2% target until the first half of 2025 and interest rates have been increased to 5.25% to tackle inflation, a rate which was also beyond the previously forecast peak. These factors combined with an additional 5% increase in demand for repairs have put added demands on the financial capacity that we had in the approved projections.
- 4.19 Our tenants have previously told us how important the repairs service and the overall quality of their home are to them. This has been confirmed through the feedback gathered from our recent customer insight conversations. As outlined in 4.16 we have already deferred some capital investment projects to deliver the low rent increase in April 2023, and to maintain the existing capital programme, the quality of our homes and meet the needs of our customers for repairs we need to consider a rent increase at the proposed range.
- 4.20 A baseline rent increase of 6.9% would allow the year 1 capital programme to be maintained at the level agreed in the 2023/24 financial projections but would require some further deferrals from year 2 to year 5. A rent increase above 6.9% would help build back in financial capacity for investment more quickly over the five year period. The effects of high inflation and higher interest rates persisting for a longer period would see a lower level of headroom from year 2 onwards against the interest cover Golden Rule compared to the 2023/24 approved projections. As part of our April 2024 rent proposals we will continue to assist our tenants who struggle to pay their rent and have assumed a provision in the 2024/25 Helping Hand Fund at a Group level of £1m, of which we would contribute a share of £150k.

4.21 We form part of a borrower group with the other Wheatley RSLs and we assess the key financial indicators of our RSLs aggregated together. Our two key indicators of interest cover which measures whether our operating surplus covers our interest costs and debt per unit which relates to our borrowing capacity are both covenant measures in our loan agreements. Taking the rent increase of 6.9% and associated changes to running costs, profile of investment spend and the continuation of the Here For You Fund, the charts below show that we continue to maintain our minimum headroom in line with our Golden Rules of 25% to the interest cover covenant and £1,000 of debt per unit and remain fully compliant with loan covenants.



4.22 We are continuing to work through discussions with funders on covenant flexibilities. Should we secure the requested changes, this will release financial capacity which was not previously available for specific investment capital projects around retrofit and improvements in the energy efficiency of our homes. These discussions have not yet concluded and have therefore not been assumed in the update to our financial projections for the purposes of rent setting.

Consultation and approval – timing and approach

4.23 The consultation with tenants has in previous years set out the proposed increase with options for two 0.5% increments launched to initial focus groups followed by writing to all tenants. This year, given the uncertainty regarding the final options it is intended that we engage the focus groups on the proposed range of 6.9%-7.9% with two additional options in 0.5% increments, but with a greater focus on the rent consultation booklet.

4.24 It is proposed that the focus groups would be an independently facilitated discussion on:

- the range of 6.9% and 7.9% for the rent increase and why that is necessary e.g. legal requirements, compliance based investment, repairs demand and economic climate;
- the planned approach to offering two additional options which will support additional investment focusing on work such kitchens, bathrooms and energy efficiency upgrades; and
- the draft rent brochure and how well it explains the above.

4.25 The key outcomes we will be seeking from the focus groups would be:

- qualitative feedback on the proposed rent increase range;
- clear messaging in the final brochure on why the base level is what it is; and
- feedback on whether the proposed focus on investment activity for additional options, is where tenants would want to see spend prioritised.

4.26 It is intended that we will seek to engage 125-150 tenants in the focus groups, drawn from across the RSLs on a broadly proportionate basis. The focus groups will be a mix of in person, online and daytime and evening to allow more opportunities to participate. The attendees will be drawn from our Customer Voices, with priority given to those who have not previously attended one.

4.27 A draft of the rent consultation booklet is attached at Appendix 1. The key change for this year has been to further reduce the amount of text it contains, whilst retaining the key messages. This is based on tenant feedback which has consistently indicated that verbose communications diminish their appetite to engage.

4.28 In terms of the formal consultation and when and how we agree where within the 6.9%-7.9% range, with two additional options in 0.5% increments, we consult the proposed approach is as follows:

| Key action | Timescale |
|---|--------------------|
| Group Board approves rent increase range | Complete |
| Boards approves the rent increase range and delegate authority to the Chair to agree final level (between 6.9%-7.9%) | Today |
| Independently facilitated rent Focus Groups | w/c 20 and 27/11 |
| Group Board approve final consultation levels – taking into account focus group feedback and available comparability data | 15/12 |
| Chairs confirm to RSL Boards consultation increase options | 15/12 |
| Consultation with tenants (subject to mail drops but a minimum of 2 weeks) | 8-29 January 24 |

4.29 As with previous years we will engage with Civica electoral services to independently administer the consultation process and verify the results. Following the high uptake levels last year we will again offer the option to respond online or via text message as well as by post.

- 4.30 In order to allow us to ensure the final notification to tenants on the rent increase arrives in time, the Group Board has approved this Board to have delegated authority to approve the increase at their February meeting where it is within the agreed range i.e. the Group Board agreed range in December.
- 4.31 This will mitigate the risk that the letters are delayed awaiting Group board approval and do not arrive in time to give sufficient, including a legal minimum of four weeks, notice to tenants. This will also allow us longer to engage with tenants once they receive the notification, particularly those who are required to update their Universal Credit portal with the 2024/25 rent levels.

5. Customer Engagement

- 5.1 The rent focus groups will seek customer feedback on the main mechanism for customer engagement, the rent consultation booklet. Thereafter every tenant will be formally consulted as part of the rent setting process.

6. Environmental and sustainability implications

- 6.1 No implications noted.

7. Digital transformation alignment

- 7.1 Tenants will once again be able to participate in the consultation through a wide range of means, both in person and digital. Responses will also be able to be emailed to the independent provider Civica. We will use a wide variety of digital and social media approaches to publicise the consultation.

8. Financial and value for money implications

- 8.1 We consider a rent increase range of between 6.9% and 7.9%, provides an appropriate balance between affordability for our tenants and the preservation of appropriate levels of investment in our homes. This is within the context of our financial projections which already included the identification of substantial cost efficiencies and the deferral of capital investment which were agreed previously and allowed us to keep the April 2023 rent increase as one of the lowest in Scotland.

9. Legal, regulatory and charitable implications

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

10. Risk Appetite and assessment

- 10.1 The Group's risk appetite in relation to business planning assumptions such as rent increases is open. This is defined as "*willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward*".
- 10.2 In relation to the statutory requirement in consulting and engaging tenants on any rent increase, our risk appetite is averse, that is "avoidance of risk and uncertainty is a key organisational objective".

10.3 The proposed approach to consultation includes writing to all tenants and this mitigates the risk that we do not meet our statutory obligation in relation to consultation.

11. Equalities implications

11.1 No implications noted.

12. Key issues and conclusions

12.1 As we set out rents for 2024/25 we must be cognisant of the economic climate, our future obligations in relation to building compliance and continuing to meet the increased tenant demand for reactive repairs.

12.2 Taking this into account it is proposed that we agree on a range for the rent increase with the ability to finalise where within this range we will consult in December. This will allow us to consult based on the most up to date information on the economic climate and also expected future repairs demand based on a further two months of demand and spend analysis.

12.3 Our analysis shows that our average rents are currently well within the range of affordability and the expectation is that the National Minimum Living Wage and pensions will be increased at a level greater than our rent increase range.

13. Recommendations

13.1 The Board is asked to:

- 1) Approve a range of 6.9%-7.9% for the rent increase and with additional options of +0.5% and +1% to be offered as part of the tenant consultation;
- 2) Note that the final approval of the rent increase within the range will be presented for approval at the Group Board December 2023 meeting following the completion of the tenant focus groups;
- 3) Subject to the approval of the above, note that the Board will be updated on the decision on the proposed increase (i.e. where in the 6.9%-7.9% range) on 15 December 2023; and
- 4) Note that this Board has delegated authority to agree the 2024/25 rent and service charge increase where it is within the agreed range.

LIST OF APPENDICES:

Appendix 1 – [redacted]

Report

To: Wheatley Homes South Board

By: Alan Glasgow, Managing Director

Approved by: Pauline Turnock, Group Director of Finance

Subject: Performance Report

Date of Meeting: 22 November 2023

1 Purpose

1.1 This report presents an update on performance delivery against targets and strategic projects for 2023/24 as of the end of quarter two. It also provides sector comparisons for Annual Return on the Charter indicators following the publication of 2022/23 sector wide data by the Scottish Housing Regulator.

2 Authorising and strategic context

2.1 Under our Terms of Reference, the Board is responsible for monitoring performance against agreed targets.

2.2 We measure progress with the implementation of our five-year strategy via the Group Performance Management Framework (“PMF”) agreed in June 2021. Given the need to remain agile and flexible through the life of the strategy our PMF is subject to annual review.

2.3 The Group Board agreed an updated programme of strategic projects and performance measures and targets for 2022/23 at its meeting in April 2023. This Board subsequently agreed our own specific performance measures and targets at its meeting on 24 May 2023.

3 Background

3.1 This report outlines our performance against targets and strategic projects for 2023/24. Unless specified otherwise, results for all measures are based on year-to-date figures.

3.2 This includes progress with those measures that will be reportable to the Scottish Housing Regulator as part of the Annual Return on the Charter 2023/24.

3.3 This report also now includes the new Customer First Centre (“CFC”) measure based on customer satisfaction with calls. The CFC Customer Satisfaction (“CSAT”) score asks customers to score the CFC on a 1-5 scale.

4 Discussion

Charter 2022/23 Sector Comparison

- 4.1 The SHR published sector wide ARC data for 22/23 on 31 August 2023. A main finding from the accompanying National Report on the Charter for 2022/23¹ is that ‘Social landlords continue to perform well against the standards and outcomes of the Scottish Social Housing Charter, despite the impact of ongoing challenges facing them and their tenants’.
- 4.2 Appendix 1 provides a matrix of our 2022/23 Charter performance indicator results compared to the Scottish average. We have excluded tenant satisfaction indicators that were last updated 2019/20 and indicators considered as contextual by the SHR.
- 4.3 Overall, Appendix 1 provides a positive picture of 2022/23 performance for us, with 85% of indicators (17 of 20) better than the Scottish average (highlighted green). Some headlines include:
- SHR reported that gross rent arrears across the sector have risen to the highest level since the introduction of the Charter in 2013/14, with the Scottish average 6.9% in 2022/23 up from 6.3% in 2021/22. We were better than the 2022/23 Scottish average and remain so at Q2;
 - The Scottish average for letting times increased from 51.6 days in 2021/22 to 55.6 days in 2022/23. At 12.31 days in 2022/23 we outperformed this, and our letting times have further improved to 12.25 days for the current year-to-date;
 - We outperformed the Scottish average of 4.2 hours to complete emergency repairs and 87.8% for repairs completed right first time in 2022/23. We remain better than the Scottish average for the current year-to-date, at 2.65 hours and 91.09%. There is however room for improvement for our time to complete non-emergency repairs;
 - We performed better than the Scottish averages of 5.8 and 19.3 days respectively for the time to respond to Stage 1 and Stage 2 complaints in 2022/23 and continue to do so current year to date; and
 - The Scottish average for properties meeting SHQS is 79%, we were better than this in 2022/23 at 86.25% and maintain a consistent strong position into 2023/24 for EICR at 99.97%.
- 4.4 Our position across the 20 Charter performance indicators considered is summarised as follows:

Table 1

| | No. ARC indicators above Scottish average (Green) | % above Scottish average |
|-----|---|--------------------------|
| WHS | 17 | 85% |

- 4.5 These Scottish Average 2022/23 comparisons are referenced through this paper for the relevant Charter indicators, alongside an update to quarter 2.

¹ <https://www.housingregulator.gov.scot/about-us/news/social-landlords-are-performing-well-despite-the-impact-of-challenges-they-face-regulator-reports>

- 4.6 The following sections present a summary of key measures and strategic projects. Strategic measures can be found in appendix 2 and Strategic projects are found in Appendix 3.



Delivering Exceptional Customer Experience

Customer First Centre

- 4.7 The CFC is now firmly established as a core part of our operating model, with the key measure for the CFC recognised as the newly introduced CSAT score.
- 4.8 In addition to the voice channel, the CFC now have a dedicated Digital Team to increase our capacity to handle digital interactions including Webchat, encourage sign-up and improve customer experience, determining whether more efficient and effective use of digital channels reduces telephony demand.
- 4.9 Since the team was introduced, we have significantly improved the response time to customer emails, online messages and the availability of Webchat. All emails are responded to within 48 hours and first contact resolution for Webchat is at 100%. For all emails received, an advisor in the CFC digital team reviews each of these within 48 hours of receipt with the aim of resolving at this point. Where they are unable to fully resolve the enquiry, they email the customer setting out the steps they are taking and what will happen next. All webchats that have been handled have been resolved at first contact by the advisor on the chat with no need to raise any case for other teams to respond to.
- 4.10 Year-to-date results as at the end of Quarter 2 including CSAT, Webchat and other performance measures still monitored for the CFC are presented in Table 2:

Table 2





| Measure | 2023/24 | | |
|---|-----------|------------|--------|
| | Value YTD | Target | Status |
| WHS - CSAT score (customer satisfaction) | 4.4 | 4.5 | |
| WHS - % calls answered <30 seconds (Grade of Service) | 71.6% | Contextual | N/A |
| WHS - Average waiting time (seconds) | 68.48 | Contextual | N/A |
| WHS - Call abandonment rate | 6.02% | 5% | |
| Group - % first contact resolution at CFC (Customer Service Advisors) | 85.49% | 90% | |
| Group – Percentage of CFC customer interactions that are passed to Housing and Lowther staff for resolution | 7.57% | <10% | |
| Group - Email % responded to within 48 hours | 100% | 100% | |
| Group - Webchat % first contact resolution | 100% | Contextual | N/A |

- 4.11 Our overall CFC CSAT score is 4.4 at the end of quarter 2, the same as at the end of quarter 1. The CFC has been refining the framework for analysing feedback and implementing initiatives to address any areas that may require improvement, informing progress towards the CSAT target of 4.5/5.
- 4.12 At the end of the quarter 2, there has been an improvement in performance for abandonment, average wait time and Grade of Service from quarter 1, half of our customers are waiting only 6 seconds to have their call answered.
- 4.13 Housemark results in their recent pulse report show that on average RSL contact centres are taking 240 seconds to answer calls. The Group CFC average wait time year to date is at 66.38 seconds, and for our customers at 68.48 seconds. It is important to note that while we can experience an increase in our average wait time during significant weather events such as the recent storms, the Group CFC peak average wait time during Storm Agnes was 88 seconds and during Storm Babet was 139 seconds. These are both still significantly lower than the benchmark but do impact the overall average.
- 4.14 The Group resolved 85.49% of calls handled at first contact for the year to date, with performance at over 90% for September. The My Repairs Team continues to be a valuable asset for the CFC in dealing with more complex repairs calls and, while this means CSAs do not resolve these at first contact, customers experience an improved end-to-end service. In addition, the CFC continue to support Housing and Lowther staff with only 7.57% of customer interactions passed to them for resolution.
- 4.15 CFC performance is monitored and reviewed daily by the resource planning and operations leads. Key areas of focus remain on ensuring our call handling times balance resolution and efficiency and increasing the amount of 'call handling' hours available.

Complaints Handling

- 4.16 The biannual update to the Board drawing together our customer insight activity, including complaints analysis and associated learning and improvements, is scheduled for the December meeting. In advance of this a high level summary of our year to date Charter and SPSO performance is set out below:
- 4.17 Our performance on the Charter measure average time for a full response to complaints, at Stage 1 and Stage 2, is achieving our 5 day and 20-day respective targets for all RSLs. We also continue to better the Scottish averages of 5.8 days for Stage 1 and 19.3 days for Stage 2.

Table 2

| Charter - average time for a full response to complaints (working days) | | | | |
|---|--|---|--|---|
| Subsidiary | 2022/23 | | 2023/24 – YTD | |
| | Stage 1 (5 day) | Stage 2 (20 day) | Stage 1 (5 day) | Stage 2 (20 day) |
| WHS | 3.84  | 17.96  | 3.65  | 13.75  |

- 4.18 We continue to focus on improving stage 1 performance against the Scottish Public Services Ombudsman (“SPSO”) measure % of complaints that were fully closed within the timescale of 5 days, including use of earlier reminder triggers. Our performance is now at 93.45%, an increase from 92.75% in 2022/23.
- 4.19 We closed 100% of complaints that went direct to stage 2 within the 20-day timescales and 100% of complaints escalated to stage 2.

Table 3

| SPSO Indicator 2 - number and % of complaints at each stage that were fully closed within timescales – YTD 2023/24 | | | |
|--|--|---|--|
| Subsidiary | Stage 1 - responded to within 5 working days | Stage 2 - responded to within 20 working days | Escalated complaints - responded to within 20 working days |
| WHS | 93.45% | 100.00% | 100.00% |

Tenancy Sustainment

- 4.20 Tenancy Sustainment is a measure of new tenancies commenced in the previous reporting year where the customer remains in their home for more than a year. As well as new customers benefiting from remaining in their tenancy for longer, improvement in this measure reduces lost rent and resources required for re-letting.
- 4.21 We continue to support our new customers to sustain their tenancies and in particular work with Dumfries and Galloway Council to support new customers referred by them. We are currently 18 of 837 lets short of target for the Scottish Housing Regulator’s Charter measure and only 3 of 786 lets off target for our revised indicator, the revised measure excludes deaths and transfers to other homes in the Group. We are currently below the Scottish average of 91.2% published for the Charter 2022/23.

Table 5

| Tenancy Sustainment | Charter YTD | 2023/24 Target | Revised YTD | 2023/24 Target |
|---------------------|-------------|---|-------------|---|
| WHS | 85.90% | 88% ■ | 88.68% | 89% ■ |



Making the Most of Our Homes and Assets

New Build Programme

- 4.22 Our target is to deliver a total of 31 new Social Homes in 2023/24. No handovers were due year to date to the end of Q2.
- 4.23 Progress on site at Currie’s Yard remains positive and the planned completions for 2023/24 are expected to be achieved.
- 4.24 Progress for the remaining sites to be acquired/started in 2023/24 continues, with Leswalt, Lochans and Corsbie Road expected to be presented to Wheatley Developments Scotland Board at the upcoming meeting cycles.

Volume of Emergency Repairs

- 4.25 The table below shows our position against the strategic result to reduce the volume of emergency repairs by 10% by 2026 compared to the updated baseline year of 2022/23. The target for 2023/24 is a reduction of 3.34%.
- 4.26 Emergency repair numbers are 175 less than the same point in 2022/23, a variance of -2.83% and are below target. While customer demand has an impact on this measure, work is continuing with the CFC to ensure emergency repairs are diagnosed appropriately.

Table 6


| Completed emergency repairs | YTD 22/23 | YTD 23/24 | Variance |
|-----------------------------|-----------|-----------|----------|
| WHS | 6,177 | 6,002 | -2.83% |

- 4.27 We also have a strategic aim to reduce emergency repairs as a percentage of all reactive repairs and at the end of quarter 2. While still over the 35% target at 38.12%, performance has improved on 43.89% in 2022/23 and a slight improvement on 38.84% at Q1.

Repairs Timescales

- 4.28 Our average time taken for emergency repairs is 2.65 hours at the end of Q1, well within the 3-hour target. While this has increased slightly from 2.55 hours at Q1, it compares favourably to an average of 2.91 hours in 2022/23 and the Scottish average of 4.2 hours.
- 4.29 The table below shows our average time taken for non-emergency repairs is 8.36 days at Q2. While above this year's target of 7 days, it remains better than the Scottish average of 8.7 days.

Table 7


| Repairs completion timescales (Charter) | Emergency (hours) | | Non-emergency (days) | |
|---|-------------------|--|----------------------|--|
| | Target | YTD Value | Target | YTD Value |
| WHS | 3.00 | 2.65  | 7.0 | 8.36  |

- 4.30 Our non-emergency timescales increased from 7.01 days last quarter as a consequence of completing a significant number of jobs during September that were overdue from earlier in quarter two. The jobs that were overdue were primarily due to a stretch in resources and bringing the voids back in house earlier than recruiting for the new structure. WHS started void works at the beginning of July with new trade operatives commencing at the end of August.
- 4.31 In the context of our repairs policy, we aim to deal with routine appointed non-emergency repairs in 15 working days.

Right First Time

- 4.32 The increase in average time to complete overdue non-emergency repairs this quarter has also impacted the percentage of repairs completed right first time. Right first time repairs performance to the end of Q2 is at 88.05%, now under the 90% target and a reduction on the position last quarter (93.76%) and in 2022/23 (91.09%). Performance however remains above the 2022/23 Scottish average of 87.8%.


Table 8

| Percentage of repairs right first time (Charter) | 2022/23 | 2023/24 YTD | Target | |
|--|---------|-------------|--------|---|
| WHS | 91.09% | 88.05% | 90% |  |

Repairs Satisfaction

- 4.33 The target for 2023/24 has been increased from 89% last year to 90% this year. We are currently at 87.23% which although below target is an improvement on 83.15% in 2022/23 and now only marginally below the Scottish average of 88%.
- 4.34 This measure is based on 1,731 survey responses in the 12 months to the end of September, returned via text messages issued after completed repairs.

Table 9

| Repairs Satisfaction | Current value | 2023/24 Target | |
|----------------------|---------------|----------------|---|
| WHS | 87.23% | 90% |  |

Mould Repairs


- 4.35 We continue to monitor repairs related to mould, with updates provided to help facilitate greater scrutiny over these types of repairs. The CFC are now raising every job related to damp, mould, condensation or rot as a mould inspection line. The number of mould inspections in September is provided below.

Table 10

| Area | Total cases in month | No found | mould Category | | |
|-------|----------------------|----------|----------------|--------------|------------|
| | | | 3 (mild) | 2 (moderate) | 1 (severe) |
| South | 34 (19-30th Sep) | 8 | 21 | 4 | 1 |

- 4.36 Our strategic measure is to complete mould repairs in 15 days. 99% of completed mould repairs during September have been completed in 15 days, against a target of 90%.


Table 11

| Subsidiary | Number of completed mould repairs | % of mould repairs completed in 15 days – in month, Sept | |
|------------|-----------------------------------|--|---|
| WHS | 79 | 99% |  |

Medical Adaptations

- 4.37 Time to complete medical adaptations has further improved in the year, with the average days to complete at 24.88 year to date compared to 38.16 at the same quarter last year and significantly better than the Scottish average, 46.8 days.
- 4.38 We have completed 348 adaptations, an increase from 286 at the same quarter last year, and currently have 11 households waiting, a reduction on 32 at year end 2022/23.

Table 12

| Medical Adaptations (Charter) | Current Households Waiting | Number Completed YTD | Average Days to Complete YTD | Target |
|-------------------------------|----------------------------|----------------------|------------------------------|--|
| WHS | 11 | 348 | 24.88 | 25  |

Gas Safety

- 4.39 We continue to be 100% compliant position for gas safety, with no expired gas certificates.

Compliance

- 4.40 We have made good progress in the second quarter of the year. All of our relevant properties (202) are compliant with Legionella assessment requirements. We have carried out safety inspections on all our passenger and domestic lifts.
- 4.41 At the end of Q2, we have had no newly expired electrical certificates since Q4 2022/23 and have only 3 properties without a valid EICR, lower than at the same point last year (8).



Changing Lives and Communities

Peaceful Neighbourhoods

- 4.42 Our Group strategic measure is for over 70% of our customers to live in neighbourhoods categorised as peaceful by the end of the strategy period. Peaceful communities are defined as communities where customer reported incidents of antisocial behaviour to Police Scotland are reducing and social deprivation indicators in the associated data zone are improving.
- 4.43 As a result of system improvements at Police Scotland, there has been a change in the way their data is produced and reported for antisocial behaviour incidents. These improvements were implemented in September and impact our “Peaceful Communities” measure due to erroneous reporting, such as domestic abuse being classified as ASB.
- 4.44 The data from Police Scotland for the “Peaceful Communities” measure has therefore been recalibrated, with domestic abuse incidents removed for the

current month, year, and previous year, and missing antisocial behaviour included.

- 4.45 The table below shows the results for April – August based on both the original and updated figures from Police Scotland. Original figures for September are not available.

Table 13

| Month | April | May | June | July | August |
|------------------|-------|-------|-------|-------|--------|
| Updated figures | 76.0% | 74.0% | 79.0% | 75.0% | 75.0% |
| Original figures | 70.1% | 70.5% | 70% | 69.3% | 66.8% |

- 4.46 This indicates that the percentage of communities classed as Peaceful is higher with the new figures compared to the original figures. Using the updated Police Scotland methodology, the number of communities categorised as Peaceful in September increased slightly to 75.66%, from 75.0% in August.
- 4.47 Consideration will be given to the strategic target in light of the new Police Scotland methodology and resultant positive change to current performance during the 2024/25 measure and target review.

Accidental Dwelling Fires

- 4.48 As a Group we set a Strategic Result to reduce accidental dwelling fires (ADFs) by 10% by 2025/26. This year we have had 3 accidental dwelling fires to the end of quarter two, a reduction on the 9 we had in the same period last year.

Table 14

| Number of recorded accidental dwelling fires | 2023/24 YTD | 2022/23 |
|--|-------------|---------|
| WHS | 3 | 19 |

- 4.49 Our additional strategy measure aims to ensure 100% of applicable properties have a current fire risk assessment in place. This continues to be achieved.
- 4.50 Since our programme of fire risk assessments commenced in 2021, there have been a total of 17 fire risk assessments in our properties that generated 113 recommendations.

Table 4

| Fire Risk Assessments | 2023/24 YTD | Target |
|--|-------------|--------|
| The percentage of relevant premises - with a current fire risk assessment in place | 100% | 100% |

- 4.51 In Q2 there were 3 fire risk assessments in relevant premises and care sites (Temporary Accommodation) undertaken that generated 16 actions.

- 4.52 By the end of quarter two, 14 (86%) of those actions have been closed and 2 remain open-ongoing (14%), with these overdue their recommended timescale. These overdue actions are under review and duty holders are taking urgent action to address these.

Table 16

| FRA Actions | Raised | Complete | Open-Ongoing | 3 rd Party | Overdue |
|-------------|--------|----------|--------------|-----------------------|---------|
| WHS | 16 | 14 | 2 | 1 | 1 |

- 4.53 The overdue actions relate to; a delay in the supply of parts from a manufacturer to upgrade a smoke detection system with the lead time scheduled for delivery mid-November, the second action relates to refurbishment works required at WHS new Repairs Depot – a further Fire Risk Assessment will be required due to the changes in design and this scheduled for 14th November 2023 following occupation.

Reducing Homelessness

- 4.54 We have provided 190 homes to homeless households this year to date.

Table 17





| RSL | 2023/24 Number of lets to homeless applicants (ARC) - YTD | 2022/23 Number of lets to homeless applicants (ARC) – full year |
|-----|--|--|
| WHS | 190 | 409 |

- 4.55 As part of Wheatley Group, we continue to be a key contributor to support homelessness across the sector. This is evidenced by publication of the Charter results for 2022/23 reporting that 9,466 lets were made to homeless applicants by 137 Scottish RSLs; our 4 RSLs provided 23.3% (2,207) of this total.
- 4.56 Our percentage of relevant lets made to homeless applicants to the end of September is 40.65% (relevant lets exclude mutual exchange, transfers and LivingWell lets for which we are limited to let to homeless applicants). We continue to work closely with Dumfries & Galloway Council to increase this percentage over the coming months.

Jobs and Opportunities

- 4.57 Over 220 children in our households have now been supported through Foundation programmes in the first half of this financial year.
- 4.58 The Wheatley Works team has supported 42 jobs, training and apprenticeship opportunities within our households in the first half of this financial year. Mentors will continue to work with staff to improve customer referrals.

Table 18

| Indicator | Target (YTD) | Current Performance YTD | 2022/23 |
|--|--------------|---|---|
| WHS - Number of vulnerable children benefiting from targeted Foundation programmes | 30 | 221  | 327  |
| WHS - Total number of jobs, training places or apprenticeships created by Wheatley Group including Wheatley Pledge | 42 | 42  | 128  |





Developing our Shared Capability

Sickness Absence

- 4.59 We are currently outperforming the 3% sickness target at 2.61% year to date. This is an improvement on the position at the end of Q1 (2.79%).

Table 195

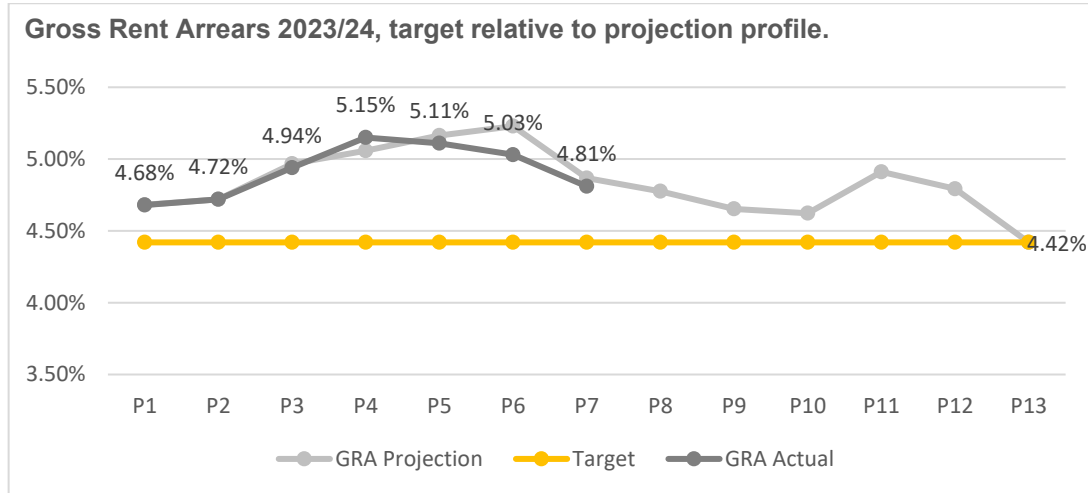
| Sickness Rate | Target | 2023/24 YTD | 2022/23 |
|---------------|--------|--|---|
| WHS | 3% | 2.61%  | 2.19%  |

- 4.60 Stress/Anxiety was the dominant reason for absence during Q2, albeit reducing from 57% of total absence in July to 44% in September
- 4.61 Ongoing support to help staff employees with a range of issues was provided in Q2 via number of Academy e-learning modules (Stress Awareness, Personal Resilience, Mental Health Awareness).
- 4.62 Employee Relations and Employee Wellbeing are reviewing trends in sickness absence related to stress and anxiety cases to inform wellbeing training offerings for both managers and staff.
- 4.63 Training proposals have been sought by different providers to offer greater support to line managers to refresh the Wellbeing culture in their teams. Manager workshops will start before the end of 2023 with wider rollout of sessions in 2024.
- 4.64 Staff workshops will also be on offer which will complement the ongoing individual support services for stress and anxiety offered through our EAP and bespoke counselling services.



Gross Rent Arrears

Chart 1



4.65 The SHR’s published ARC 2022/23 shows the Scottish average for social landlord Gross Rent Arrears (“GRA”) was 6.9%, the highest level since the introduction of the Charter in 2013/14. We continue to outperform this benchmark.

4.66 At the end of quarter two, our GRA levels are at 4.81%, an improvement from 5.15% reported at the end of quarter one. Increases to our arrears this year are partly linked to technical arrears from customers who pay monthly against our 4 weekly rent debits. Chart 1 shows the impact the technical cycle has on arrears tracking. We are better than where we expected to be at the end of quarter two, and results for the first period in quarter 3, P8, are just in and have recorded a further improvement to 4.73%.

4.67 We continue to focus on maximising income with a targeted approach to support customers in arrears and we also work closely with the joint prevention working group with DGC Homeless and Welfare Benefit Team.

Average Days to Re-Let (Charter)

4.68 The Scottish average for Charter re-letting times in 2022/23 was 55.6 days. We are significantly better than this at 12.25 days for the current year-to-date.

Table 206

| Average days to re-let (Charter) | 2023/24 YTD | 2023/24 Target | 2022/23 Results |
|----------------------------------|-------------|----------------|-----------------|
| WHG | 12.25 | 16 | 12.31 |



Summary of Strategic Project Delivery

4.69 A full update on progress with strategic projects is attached at Appendix 3. The following table summarises the current status of projects.

Table 217

| Complete | On track | Slippage | Overdue |
|----------|----------|----------|---------|
| 0 | 6 | 0 | 2 |

4.70 No projects completed during quarter 2.

4.71 The following projects are currently overdue:

- *Group wide implementation of Roll out Book it, Track it, Rate it* - Data integration is now in place with the WHS platform. The communication flows were activated at the end of October and the Rate It aspect is expected to be activated over the next couple of weeks.
- *Interest cover covenant revision* - Delayed due to external interdependencies, which were highlighted as a contingency when agreeing the project.

5 Customer engagement

5.1 We have several strategic projects that facilitate opportunity for customer engagement, as do new customer feedback channels such as MyVoice and Book It, Track It, Rate It. This will directly impact the way we deliver services, the way they can be drawn down by customers and how customers can share their views on these services.

6 Environmental and sustainability implications

6.1 One of our strategic projects for 2023/24 focuses on implementation of the Group sustainability framework. This includes a refined sustainability performance framework and delivery plan which is overseen by the Wheatley Solutions Board.

7 Digital transformation alignment

7.1 Our strategy is underpinned by digital transformation. The strategic projects for 2023/24 have been developed and prioritised with IT, digital and data interdependencies a key factor.

8 Financial and value for money implications

8.1 There are no direct financial implications arising from this report. Any financial requirements related to actions and projects within the report are subject to separate reporting and agreement.

9 Legal, regulatory and charitable implications

- 9.1 The Scottish Housing Regulator requires an Annual Return on the Charter from each RSL. Key indicators within this return are also included in quarterly performance reporting. RSL Subsidiary Boards approve the returns, and the figures are included in the year-end performance report to the Board.
- 9.2 RSLs are also required to involve tenants in the scrutiny of performance, which we do through the Group Scrutiny Panel, and to report to tenants on performance by the end of October each year, which we have done.

10 Risk appetite and assessment

- 10.1 This report covers performance across each of our strategic themes and as such there is no single agreed risk appetite. Having a strong performance management culture will in particular support our progression from excellence to outstanding for which we have an open risk appetite in relation to operational delivery with cautious appetite in relation to compliance with law and regulation.

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 Our 2022/23 results, and position to quarter two, compare very favourable to the confirmed Scottish averages for a number of key Charter indicators such as days to let, arrears and time to complete emergency repairs.
- 12.2 We have strong performance against our targets for 2023/24 in several key areas: days to let, lets to homeless, emergency repairs, adaptation completion timescales and sickness absence.
- 12.3 Good progress continues with strategic projects.

13 Recommendations

- 13.1 The Board is asked to note the contents of this report.













LIST OF APPENDICES:

Appendix 1 - Charter 2022/23 Matrix with Scottish Averages
Appendix 2 - Strategic Results Dashboard
Appendix 3 - Strategic Projects Dashboard
















| Appendix 1 - Charter 2022/23 Matrix, including Scottish Averages Excludes annual survey results and contextual performance indicators Green - at or better than the Scottish average Amber - within 10% of the Scottish average | | Wheatley Homes South | SHR Scottish Average |
|--|---|-------------------------|-------------------------|
| Charter Performance Indicator | | 2022/23 Results | 2022/23 |
| 03a | Percentage of all complaints responded to in full Stage 1 | 95.33% | 95.3% |
| 03b | Percentage of all complaints responded to in full Stage 2 | 92.98% | 92.5% |
| 04a | Average time in working days for a full response to complaints at Stage 1 | 3.84 | 5.8 |
| 04b | Average time in working days for a full response to complaints at Stage 2 | 17.96 | 19.3 |
| 06 | Percentage of stock meeting the Scottish Housing Quality Standard (SHQS) | 86.25% | 79.0% |
| 08 | Average time to complete emergency repairs (hours) | 2.91 | 4.2 |
| 09 | Average time to complete non-emergency repairs (working days) | 7.02 | 8.7 |
| 10 | Percentage of reactive repairs completed right first time | 91.09% | 87.8% |
| 12 | Percentage of tenants satisfied with repairs or maintenance carried out in last 12 months | 83.15% | 88.0% |
| 14 | Percentage of tenancy offers refused during the year | 9.64% | 30.9% |
| 15 | Percentage of anti-social behaviour cases reported in the last year which were resolved | 100% | 94.2% |
| 16 | Percentage of new tenancies sustained for more than a year - overall | 86.83% | 91.2% |
| 17 | Percentage of lettable houses that became vacant | 7.91% | 7.4% |
| 18 | Percentage of rent due lost through properties being empty | 0.51% | 1.4% |
| 21 | Average time to complete approved applications for medical adaptations (calendar days) | 32.87 | 46.8 |
| 23a | Percentage of referrals under Section 5, and other referrals for homeless households made by the local authority, that resulted in an offer | 56.88% | 37.8% |
| 23b | Percentage of offers made to LA Section 5 and other referrals for homeless households that result in a let | 86.84% | 82.5% |
| 26 | Rent collected as % of total rent due | 99.30% | 99.0% |
| 27 | Gross rent arrears (%) | 4.62% | 6.9% |
| 30 | Average length of time taken to re-let properties (calendar days) | 12.31 | 55.6 |

Appendix 2 - WHS Board - Delivery Plan 23/24 - Strategic Measures









1. Delivering Exceptional Customer Experience

| Measure | 2022/23 | YTD 2023/24 | | |
|---|---------|-------------|--------|---|
| | 2022 | 2023 | | Status |
| | Value | Value | Target | |
| Average time for full response to all complaints (working days) - overall | 5.27 | 5.02 | |  |
| Average time for full response to all complaints (working days) - Stage 1 | 3.84 | 3.65 | 5 |  |
| Average time for full response to all complaints (working days) - Stage 2 | 17.96 | 13.75 | 20 |  |
| % new tenancies sustained for more than a year - overall (ARC) | 86.83% | 85.9% | 88% |  |
| Group - % of first contact resolution at CFC | 88.99% | 85.49% | 90% |  |
| Group - Call abandonment rate | 4.72% | 5.86% | 5% |  |
| Group - Percentage of CFC customer interactions that are passed to Housing and Lowther staff for resolution | 6.15% | 7.57% | 10% |  |
| Group - % calls answered <30 seconds (Grade of Service) | 76.79% | 66.43% | |  |
| Group - Average waiting time (seconds) | 57.64 | 66.38 | |  |
| WHS - CFC Abandonment Rate | 7.7% | 6.02% | 5% |  |
| WHS - CFC Grade of Service | 75.43% | 71.6% | |  |
| WHS - Average Wait Time (seconds) | 97.5 | 68.48 | |  |


2. Making the Most of Our Homes and Assets

| Measure | 2022/23 | YTD 2023/24 | | |
|---|------------------------|------------------------|--------|---|
| | 2022 | 2023 | | Status |
| | Value | Value | Target | |
| Reduce the volume of emergency repairs by 10% by 2025/26 (target -3.34% for 2023/24) | Apr-Sep 22/23 6,177 | Apr-Sep 23/24 6,002 | -2.83% |  |
| Reduce the volume of emergency repairs to less than 30% of overall reactive repairs | 43.89% | 38.12% | 35% |  |
| Average time taken to complete emergency repairs (hours) – make safe | 2.91 | 2.65 | 3 |  |
| Average time taken to complete non-emergency repairs (working days) | 7.02 | 8.36 | 7 |  |
| % reactive repairs completed right first time | 91.09% | 88.05% | 90% |  |
| Number of gas safety checks not met | 0 | 0 | 0 |  |
| % of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the R&M service | 83.15% | 87.23% | 90% |  |
| % stock compliant with SHQS | 86.25% | | | |
| Average time to complete approved applications for medical adaptations (calendar days) | 32.87 | 24.88 | 25 |  |
| % Planned repair spending | 41.3% | 29.56% | 60% |  |
| % Reactive repair spending | 58.7% | 70.44% | 40% |  |
| New build completions - Social Housing | 37 | 0 | 0 |  |
| Number of HSE or LA environmental team interventions | 1 | 0 | 0 |  |
| Group - Number of open employee liability claims | 13 | 16 | |  |
| Group - Number of days lost due to work related accidents | 464 | 234.5 | |  |
| Number of new employee liability claims received | 0 | 0 | 0 |  |





3. Changing Lives and Communities

| Measure | 2022/23 | YTD 2023/24 | | |
|--|---------|-------------|--------|---|
| | 2022 | 2023 | | |
| | Value | Value | Target | Status |
| % ASB resolved | 100% | 100% | 98% |  |
| % Lets Homeless Applicants - overall (ARC) | 57.44% | 40.6% | |  |
| % Relevant lets to Homeless Applicants | 58.14% | 40.65% | |  |
| WHS - Number of jobs, training places or apprenticeships created including Wheatley Pledge | 128 | 42 | 42 |  |
| Group - % of Communities Classified as Peaceful in period | 69.4% | 75.98% | 70% |  |
| Group - 100% of relevant properties have a current fire risk assessment in place | 100% | 100% | 100% |  |
| Number of accidental fires in workplace | 0 | 0 | 0 |  |
| Number of accidental dwelling recorded by Scottish Fire and Rescue | 19 | 3 | |  |




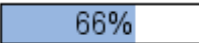
4. Developing Our Shared Capacity


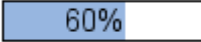

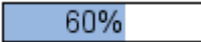
| Measure | 2022/23 | YTD 2023/24 | | |
|-----------------|---------|-------------|--------|---|
| | 2022 | 2023 | | |
| | Value | Value | Target | Status |
| % Sickness rate | 2.19% | 2.61% | 3% |  |


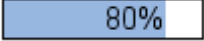


5. Enabling Our Ambitions

| Measure | 2022/23 | YTD 2023/24 | | |
|--|---------|-------------|--------|---|
| | 2022 | 2023 | | Status |
| | Value | Value | Target | |
| % lettable houses that became vacant | 7.91% | 8.6% | 8% |  |
| % court actions initiated which resulted in eviction - overall | 17.07% | 60% | |  |
| Average time to re-let properties | 12.31 | 12.25 | 16 |  |
| Gross rent arrears (all tenants) as a % of rent due | 4.62% | 4.81% | 4.42% |  |

Appendix 3 - WHS Board - Delivery Plan 23/24 - Strategic Projects

| Delivery Plan Project | Delivery Date | Status | % Progress | Milestone | Due Date | Completed | Progress Note |
|--|---------------|---|--|---|-------------|-----------|--|
| Repairs technical enhancement programme (b) | 31-Mar-2024 |  |  | 01. Programme of research and engagement with customers on online repairs service to further refine functionality and usability | 30-Sep-2023 | Yes | A date of mid-November has been agreed for the implementation start of JV Boxi, following engagement with Civica and CBG IT on project delivery dates. The CBG DRS upgrade has been delayed due to capacity constraints with the vendors supply chain. |
| | | | | 02. CBG IT integration – Boxi reporting system implementation | 31-Oct-2023 | No | |
| | | | | 03. WHS DRS upgrade | 31-Oct-2023 | Yes | |
| | | | | 04. CBG DRS upgrade | 31-Oct-2023 | No | |
| | | | | 05. Servitor and DRS fully implemented in WHE | 31-Mar-2024 | No | |
| Group wide implementation of Roll out Book it, Track it, Rate it (b) | 31-Aug-2023 |  |  | 01. Pilot commencement in Wheatley Homes East | 30-Apr-2023 | Yes | Data integration is now in place with WHS platform. Given the success in the East and West it is intended we go live immediately in the South without the need for a pilot. |
| | | | | 02. Pilot finalised in with City Building delivered repairs | 31-May-2023 | Yes | |
| | | | | 03. Pilot commencement in Wheatley Homes South | 31-May-2023 | No | |
| | | | | 04. Pilot evaluation, including customer feedback, and agreement to go live - City Building | 30-Jun-2023 | Yes | |
| | | | | 05. Pilot evaluation, including customer feedback, and agreement to go live - Wheatley Homes East | 31-Jul-2023 | Yes | |

| Delivery Plan Project | Delivery Date | Status | % Progress | Milestone | Due Date | Completed | Progress Note |
|--|---------------|--|---|--|-------------|-----------|--|
| | | | | 06. Pilot evaluation, including customer feedback, and agreement to go live - Wheatley Homes South | 31-Aug-2023 | No | |
| My Voice – real time customer feedback reporting (b) | 31-Mar-2024 |  |  | 01. MY Voice CFC pilot concluded | 30-Apr-2023 | Yes | Allocations pillar launched in August, surveying customers who moved into their home in September. |
| | | | | 02. CFC customer insight operational framework implemented | 31-May-2023 | Yes | |
| | | | | 03. Implementation plan for key service pillars developed and approved by ET | 31-May-2023 | Yes | NETs pillar has also been launched; surveying customers who had Ad-Hoc requests completed in September. Preparations are underway for a November launch of the repairs and ASB pillars. |
| | | | | 04. On-board key service pillars to MY Voice customer insight platform | 30-Nov-2023 | No | |
| | | | | 05. Implement operational frameworks | 31-Mar-2024 | No | |
| Migration to new cloud telephony platform (b) | 31-Mar-2024 |  |  | 01. Group Board approval of contract award | 30-Apr-2023 | Yes | IT Helpdesk went live with STORM at the start of October. |
| | | | | 02. Vendor Contract Award | 31-May-2023 | Yes | |
| | | | | 03. Full project delivery plan developed and commenced | 31-Jul-2023 | Yes | We have now gone live for Wheatley Homes South ahead of schedule. |
| | | | | 04. Phase 1 launch | 31-Dec-2023 | No | |
| | | | | 05. Phase 2 launch | 31-Mar-2024 | No | |
| [redacted] | | | | | | | |

| Delivery Plan Project | Delivery Date | Status | % Progress | Milestone | Due Date | Completed | Progress Note |
|---|---------------|---|--|--|-------------|-----------|--|
| Implement Group sustainability framework (b) | 31-Dec-2023 |  |  | 01. Sustainability delivery workshop with nominated group leads | 30-Apr-2023 | Yes | Update on sustainability provided to all group partner Boards and Group Board at their last meeting. |
| | | | | 02. Refine sustainability performance monitoring framework | 31-May-2023 | Yes | |
| | | | | 03. Develop sustainability delivery plan | 30-Jun-2023 | Yes | |
| | | | | 04. Quarterly sustainability updates to ET | 30-Jun-2023 | Yes | |
| | | | | 05. Annual sustainability progress report via PNAG to Group Board | 31-Dec-2023 | No | |
| Develop a new, integrated Neighbourhood Planning Approach (b) | 28-Feb-2024 |  |  | 01. Deliver workshop with key people involved in Neighbourhood tools and scoring mechanisms to map out roles and remit | 31-May-2023 | Yes | On 15/09/2023 WHG Board approved approach to neighbourhood for WHG. Five of the Six milestones now complete. Project on track. |
| | | | | 02. Develop a technical guidance document around application of tools and the scoring mechanisms within the neighbourhood assessment | 30-Jun-2023 | Yes | |
| | | | | 03. Trial and test the neighbourhood assessment, including customer engagement, in one neighbourhood within WHG | 31-Jul-2023 | Yes | |
| | | | | 04. Based on the neighbourhood assessment, propose an example neighbourhood plan | 30-Sep-2023 | Yes | |

| Delivery Plan Project | Delivery Date | Status | % Progress | Milestone | Due Date | Completed | Progress Note |
|-----------------------|---------------|--------|------------|--|-------------|-----------|---------------|
| | | | | 05. Provide worked example to WHG Board to review and agree as a model going forward | 30-Sep-2023 | Yes | |
| | | | | 06. Draft Neighbourhood approach for wider group to RSL Boards | 28-Feb-2024 | No | |
| [redacted] | | | | | | | |

Report

To: Wheatley Homes South Board

By: Stephen Wright, Director of Governance

Approved by: Anthony Allison, Group Director of Governance and Business Solutions

Subject: Governance update

Date of Meeting: 22 November 2023

1. Purpose

- 1.1 To update the Board, seeking approval where appropriate, on the following governance-related matters:
- Board appraisal process and succession plan; and
 - Scottish Housing Regulator (“SHR”) consultation on its Regulatory Framework.

2. Authorising and strategic context

- 2.1 Under the Group Standing Orders, the Group Board is responsible for agreeing the overall Governance Framework for the Group including approval of any related frameworks, policies and plans.
- 2.2 Under our Terms of Reference, our Board is responsible for:
- overseeing the implementation of relevant Group frameworks, policies and plans;
 - undertaking an annual Board self-assessment based on the approach agreed by the Group Remuneration, Appointments, Appraisal and Governance Committee (RAAG); and
 - reviewing and approving our succession plan.
- 2.3 The SHR is our primary regulator and the framework under which the SHR does this helps to define the parameters for how we are governed.

3. Background

- 3.1 Our Group Board and Committee Effectiveness Review and Governing Body Member Individual Appraisal Policy sets out how we shall keep the effectiveness of Boards and the governing body members under review.
- 3.2 Our succession planning arrangements are developed in line with the Group succession planning process. This sets the parameters under which our succession plan has been developed including the core skills and experience each member contributes to the Board, in line with the agreed skills matrix and our expected future recruitment requirements.

- 3.3 Following Group Board consideration of a discussion paper issued by the SHR in June 2023, the SHR has now issued its consultation on the regulation of social housing in Scotland. A summary of the consultation and the response agreed by the Group Board is set out below.

4. Discussion

Annual Board Appraisal Process

- 4.1 Our appraisal process gives each Board member the opportunity to reflect on their role and contribution to the operation of the Board over the year. Given the change to our Chair, it was agreed that this year the Board appraisals would be undertaken by the incoming Chair. This also provided a good opportunity for the Chair to meet with Board members on a 1-2-1 basis at the outset of her tenure.
- 4.2 The appraisals were undertaken during October 2023 and focused on the following areas:
- Board effectiveness;
 - Personal effectiveness;
 - individual skills and succession planning;
 - Continuous Professional Development (“CPD”); and
 - Areas for refinement
- 4.3 Those discussions have informed our updated Board 3-year Succession Plan.

Board effectiveness

- 4.4 All Board members considered that the Board has been effective during the year. Board members felt that there was a good range of complementary skills and experience on the Board. Board members also welcomed the work undertaken to fill existing vacancies, particularly with Board members who have a strong local connection.

Personal effectiveness

- 4.5 The Chair was pleased to agree that all Board members had made a good contribution during the year and welcomed their continued effectiveness.

Individual skills; succession planning

- 4.6 Similar to the first two areas, Board members acknowledged their own skills and experience as well as those of their colleagues. Board members each confirmed that they wish to remain on the Board in line with our succession planning assumptions. Following the recent recruitment of an independent Board member we have one remaining vacancy which we will seek to fill during 2024. A copy of our updated succession plan is attached at Appendix 1.

CPD

- 4.7 Board members noted the proposal to reintroduce our CPD programme, taking into account feedback from this round of appraisals. Board members suggested that we should focus a CPD session on the particular issues associated with the broad geography we cover.

Areas for refinement

- 4.8 During discussions some Board members highlighted that it would be good to hold Board meetings across the Dumfries and Galloway region, to ensure they have an opportunity to visit the different communities we serve. We have factored this into our meeting schedule for 2024 and will hold our March meeting in Stranraer.

Scottish Housing Regulator - consultation

- 4.9 Following its discussion paper in June 2023 the SHR has now issued its consultation on the regulation of social housing in Scotland. This includes specific updates to the Regulatory Framework and associated Statutory Guidance.
- 4.10 The proposed changes reflect the future priorities set out by the SHR in its initial discussion paper, which will focus on ensuring RSLs:
- Listen and respond effectively to tenants and service users;
 - Provide good quality and safe homes;
 - Keep homes as affordable as possible; and
 - Do all they can to reduce the number of people who are experiencing homelessness.

A copy of the consultation, including a track-changed copy of the Regulatory Framework, is attached at Appendix 2.

- 4.11 We have reviewed the consultation documents and agree that the SHR's proposed priority areas reflect the areas we already consider to be priorities and which we had taken steps to further refine during the past year.
- 4.12 A more detailed update on the key elements of the consultation and proposed changes are set out below. In addition, a copy of the response approved by the Group Board is attached at appendix 3. The consultation response reflects that the proposed changes are largely incremental and also serve to increase clarity.

Annual Assurance Statement (AAS)

- 4.13 The SHR intends to add a provision to the Statutory Guidance enabling it to require landlords to include explicit assurance on specific issues, from time to time. This allows the AAS process to respond to emerging topics, such as damp and mould. This formalises what has already been a recent practice from the SHR.

Annual Return on Charter (ARC)

- 4.14 The SHR initially set out in its discussion paper plans to introduce new indicators on tenants and resident safety as well as specific measures in relation to damp and mould. It is now proposing to undertake a comprehensive review of the Annual Return on the Charter ("ARC") which would in turn capture any new indicators for tenant and resident safety and damp and mould. It would also allow the Scottish Government ESSH Review Group to conclude its work.

- 4.15 It is intended that a working group be established with a view to a revised set of ARC indicators being issued for consultation in 2024/25 with a view to taking effect from 2025/26. We propose to support the approach, which will allow sufficient time for the measures to be well-defined and the necessary arrangements for data collection and validation to be completed. We will seek to participate in any cross-sector working Group which is established.

Regulatory requirements

- 4.16 The SHR has always had a strong focus on ensuring that landlords listen to tenants and service users. One of the proposed enhancements to the Regulatory Framework is to include a specific requirement for landlords to ensure tenants, residents and service users have an easy and effective way to provide feedback and raise concerns. This should also allow the RSL to provide quick and effective responses.
- 4.17 We already have a very strong range of mechanisms in place which would evidence our compliance with such a requirement. Our strong focus on our engagement framework and Customer Voices programme together with real-time feedback tools such as Book it, Track it, Rate and My Voice affirm that this is an area we have a strong focus on.
- 4.18 Our approach to customer contact, which includes a multi-channel offering of telephone, email, webform and direct meetings with housing officers. The SHR's proposed additional emphasis on listening to and responding to tenants is consistent with our own.

Regulatory Status

- 4.19 The SHR proposes retaining the three-category approach but making the language more direct to confirm 'working towards compliance' is a non-compliant status. We are, and will remain, in the compliant category and therefore will not be impacted by this change. There is no change proposed to the compliant category.

Significant Performance Failures

- 4.20 The SHR is also consulting on updating the framework to make clear how tenants should raise concerns about their landlord. We have an open and well-publicised complaints process and our experience is that the vast majority of customers use this process to raise concerns.
- 4.21 However, we do agree that there is an opportunity for the SHR to improve clarity and it does seek to do this. This includes clearly defining the criteria by which the SHR will consider an issue, in particular that it must impact a group of tenants, and a clear statement about the routes for tenants which should be through their landlord's process and then SPSO, rather than direct to the SHR. This will ensure that landlords will always have the opportunity to respond to and address any issues before escalation to the SPSO or the SHR.

Statutory Guidance

- 4.22 As part of its review of the Regulatory Framework, the SHR is also consulting on updates to its Statutory Guidance. A number of changes are being made to the guidance on group structures.

- 4.23 The changes are being made to reflect the SHR's experience with the development of more complex governance structures and the SHR is seeking to reinforce the principle of ensuring that group structures comply with the regulatory standards, for example in relation to delivering benefits for tenants and financial viability.
- 4.24 We keep our Group structure under review and have taken decisions to consolidate this where we can. In addition, our governance arrangements are clear and have been developed with input from our legal and our governance advisors. As such, we have clear lines of responsibility and accountability as set out in the respective constitutions and through our Group Standing Orders which were updated last year.

Consultation response

- 4.25 A draft response to the consultation is set out in Appendix 2. It is proposed that we affirm our support for the changes, which are largely incremental and focused on providing additional clarity.

5. Customer engagement

- 5.1 As a governance-related matter there are no customer engagement implications associated with this report.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

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

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

- 9.1 The Scottish Housing Regulator's (SHR's) Regulatory Framework includes Regulatory Standards of Governance and Financial Management ("the Standards") which RSLs are required to comply with.

- 9.2 Under this Framework, the Board has a regulatory duty to have in place a formal succession plan and an annual performance review process for governing body members. The proposals in the report seek to support us in our compliance with this regulatory standard.

10. Risk appetite and assessment

- 10.1 There is no single risk appetite covering the matters in this report; however across our related strategic outcomes/risk categories, our risk tolerance for legal/compliance ranges from cautious to averse; reflecting our preference of low inherent risk with limited potential for reward vs avoidance of risk and uncertainty with a priority for tight management controls and oversight.

10.2 Our approach to board effectiveness helps us to ensure that our skills and experience mix, individual performance and succession plans are reviewed annually as well as informing our Board Member continuous professional development.

10.3 The proposals set out in the report seek to support us in assessing risk that could impact on our compliance with the SHR's Standards of Governance and Financial Management.

11. Equalities implications

11.1 The diversity of the Board is a consideration in succession planning and in turn Board recruitment.

12. Key issues and conclusions

12.1 Our appraisal process allows each Board member, including our Chairs, the opportunity to reflect on their role and contribution to the wider operation of the Board over the year.

12.2 Our 3-year Board succession plan provides assurance that the Board can continue to function within the composition requirements of the Board as outlined in our Rules.

12.3 We are supportive of the SHR's proposed changes and consider that these will enhance the Regulatory Framework for the benefit of the sector.

13. Recommendations

13.1 The Board is asked to:

- 1) note the outcome of our Board appraisal process;
- 2) approve the updated succession plan; and
- 3) note the Group response to the SHR consultation.

LIST OF APPENDICES:

Appendix 1: WHS Board 3-year Succession Plan 2023-2026

Appendix 2: [redacted] available [here](#)

Appendix 3: [redacted] available [here](#)

Board 3-year Succession Plan

1. Introduction

The Board are committed to succession planning as part of its overall approach to effective governance.

We recognise the importance of succession planning in having an effective Board, which has the appropriate balance of skills and experience. Succession planning plays a key role in achieving an appropriate level of renewal and refreshment on the Board, supporting the Board maintaining and developing the skills and experience it needs to discharge its duties and protect the interests of tenants.

The Board recognise our regulatory duty, under the Scottish Housing Regulator's Regulatory Framework, to have a formal succession plan in place.

2. Background and context

Our succession planning arrangements are developed in line with the Group Succession Planning Policy. The Policy sets the parameters under which our succession plan has been developed, in particular the core requirements of the succession plan in relation to:

- maintaining an up to date record of directors & office holders length of service and retiral due dates;
- details of the core skills and experience each member contributes to the Board, in line with the agreed skills matrix and with regard to the diversity of the Board; and
- having an understanding of expected future recruitment requirements.

All appointments and reappointments assumed in the plan are subject to:

- tenure restrictions in place from time to time; and
- the requirements of our Rules, including Parent rights with regards to appointment.

3. Current Board tenure and skills

The current tenure stages of each Board member, projected retirement dates and details of the core skills and experience they bring (relative to our agreed skills matrix) are set out below.

Any reappointments beyond the span of this plan will be subject to previous tenure restrictions and Parent reapproval.

| Board member | Key skills and experience | 9 year limit | 3 year position |
|-------------------------------------|--|--------------|-----------------|
| Jo Boaden | <ul style="list-style-type: none"> ▪ Senior Management, leadership and strategy in a housing context (Executive level) ▪ Organisational strategy and policy development ▪ Provision of customer services in a housing or other similar context (Executive level) | 2027* | 2026 |
| Michael Greaves Mackintosh (Tenant) | <ul style="list-style-type: none"> ▪ Equal opportunities and diversity; the specific needs of diverse communities in the areas served ▪ In depth knowledge of the areas, clients, tenants and communities served ▪ Community engagement – scrutiny and service delivery | 2026 | 2026 |
| John Henderson (Independent) | <ul style="list-style-type: none"> ▪ Legal and regulatory ▪ General commercial business, financial & management skills ▪ Property, asset management, development, regeneration, surveying etc. ▪ Knowledge of the areas, clients, tenants and communities served | 2027 | 2026 |
| John McCraw (Tenant) | <ul style="list-style-type: none"> ▪ Knowledge of the areas, clients, tenants and communities served ▪ Community engagement – scrutiny and service delivery ▪ Provision of services in a housing or other similar context | 2028 | 2026 |
| Fiona Burden (Independent) | <ul style="list-style-type: none"> ▪ Legal and Regulatory ▪ General commercial business, financial & management ▪ Corporate Governance ▪ Risk identification, management and mitigation | 2028 | 2026 |
| Karen Hunter (Independent) | <ul style="list-style-type: none"> ▪ Accountancy and audit, knowledge of relevant statutory requirements ▪ General commercial business, financial & management skills ▪ Risk identification, management and mitigation | 2032 | 2026 |
| Hugh Martin (Tenant) | <ul style="list-style-type: none"> ▪ Knowledge of the areas, clients, tenants and communities served ▪ Community engagement – scrutiny and service delivery ▪ Provision of services in a housing or other similar context | 2031 | 2026 |
| Garry Legg (independent) | <ul style="list-style-type: none"> ▪ General commercial business, financial & management skills ▪ Property, asset management, development, regeneration, surveying etc. ▪ Knowledge of the areas, clients, tenants and communities served | 2032 | 2026 |

*cumulative across Group

4. Succession Plan 2023-2026

The Annual General Meetings are the key staging points in the plan, marking where Board members will ordinarily retire and any new members will ordinarily be appointed. Planned retirements and appointments for the next 3 AGMs will be as follows:

2024 - 2025

There are no planned retirements. Following the recent recruitment of a new independent Board member we have one remaining vacancy which we will seek to fill during 2024.

2026

Michael Greaves Mackintosh is due to retire having completed 9 years of service.

5. Review

The succession plan shall be subject to annual refreshment as part of the Board Appraisal Process.

Report

To: Wheatley Homes South Board

By: Stephen Wright, Director of Governance

Approved by: Anthony Allison, Group Director of Governance and Business Solutions

Subject: Group EDI and Human Rights Action Plan – implementation update

Date of Meeting: 22 November 2023

1. Purpose

- 1.1 The purpose of this report is to:
- 1) present our first Group Annual Equalities report; and
 - 2) seek feedback on the proposed areas of focus for our reviewed Group Equality, Diversity and Inclusion (“EDI”) Action Plan, *One Group, Many Voices*.

2. Authorising and strategic context

- 2.1 Our strategy sets out our desire to increasingly tailor services across to suit the needs of our customers, diversify our Customer Voices and consider how our workforce will more closely reflect our communities.
- 2.2 Under the Group Standing Orders, the Group Board is responsible for approving group policies and their designation as applying Group-wide. In recognition of the importance of EDI, Wheatley Solutions has been tasked with monitoring progress across the Group. Wheatley Solutions provides regular updates to us, to help ensure that we can achieve our strategic ambitions in this area.

3. Background

- 3.1 As reported in our EDI update in September, we have made good progress with our Group EDI action plan, *One Group Many Voices*. Given that progress over the last year, there are only a small number outstanding actions still to complete.
- 3.2 One of the remaining actions from One Group Many Voices is the publication of an annual equalities report. It was agreed that this should focus on sharing the information we have gathered from the Group’s customers, with a summary of how we are beginning to use this to shape our services.

- 3.3 At its meeting on 13 November, the Wheatley Solutions Board agreed that we review our Action Plan to expand its focus with an emphasis on embedding the structures and foundations now in place.

4. Discussion

Data analysis

- 4.1 Our first Wheatley Group Annual Equalities Report is attached at Appendix 1. This sets out the data we have collected over the last year as well as information about what this has helped to inform. The Annual Equalities Report has been shared with our Different Together Community of Excellence and Business in the Community (bitc) for feedback. Bitc in particular commented that the report is ‘really engaging...overall, it’s a fantastic document.’ The Report will be published on our websites for our stakeholders, including customers and prospective employees, to access.
- 4.2 Having this information publicly available not only signals our commitment to EDI, but also will be an important tool for us to track our progress and benchmark our services for example once the Scottish Census data is published.
- 4.3 We also continue to analyse quarterly EDI data collected through MyHousing; this now includes us following the launch of the housing platform in WH South and a comparison of applications versus those housed within the quarter which we will continue to monitor. While collecting data is important; it is more important that we can interrogate and use this to inform business decisions. In Quarter 2 overall, we had 606 applications and 159 housed. We have been working to train our Stronger Voices officers on how to use this data to help develop our engagement approaches. We are continuing to adopt this approach and over the life of the next Action Plan would propose to upskill other teams.
- 4.4 Appendix 2 details our Quarter 2 MyHousing data. For information, this also includes Quarter 2 EDI information for Wheatley Foundation employability projects, including No One Left Behind (Edinburgh) and Way Ahead (Glasgow) and access to our Group support programmes EatWell, Fuel Advice and Welfare Benefit Advice. In analysing this quarter’s data:
- About a third of our applicants declared a disability (consistent with national figures). This jumps to 40% when comparing to housed as we would expect given the impact of letting medically adapted homes within our new builds;
 - We have the highest proportion of White British applicants compared to our partners, potentially due to the impact of our proximity to the English border;
 - The Foundation saw nearly double the number of applications for Way Ahead than the last quarter;
 - More age diversity for NOLB as a result of training being opened up to older age groups; and
 - Mental health conditions continue to be the most declared disability in MyHousing and Foundation employability programmes

Action Plan Review

- 4.5 We have made significant progress over the last year in delivering *One Group, Many Voices*. This can be evidenced from our 2023 enei TIDE result in which we have scored 72% meaning overall we are working at 'Embed' level; this is an improvement from last year in which we scored 56% and have increased one level from 'Realise'.
- 4.6 In relating to the strategy and planning element of the assessment we achieved **the highest level of 'Sustain'**. As a benchmark, the median score for all participants was 58% and within our sector we ranked 2nd highest. The role of the Wheatley Solutions Board in EDI and the Board level commitment was a strong part of our evidence for this element.
- 4.7 In recognising this progress and considering enei's recommendations for improvement, it is proposed that our reviewed Action Plan for 2024/25 focuses on embedding and sustaining the structures we have put in place. The review of the plan is underway and has been informed internally by our Different Together CoE. Quarter 2 progress against our current plan is attached at Appendix 3.
- 4.8 The proposed areas of focus for next year's plan as below with further detail in the following sections:
- *Different Together with you* – **customer** and community focus;
 - *Different Together in our Group*- staff and internal **culture** focus; and
 - *Evolving our data* – whole journey approach and embedding into **decision-making**

Different Together with you

- 4.9 In 2022, we launched the Different Together CoE and six staff network groups; the priority here was to enhance our internal EDI culture, awareness, training, and recruitment. Now we have strengthened these foundations within our employee base, it is proposed we launch a network group focussed on frontline EDI actions for our customers and communities. This group will review, identify and action areas of improvement in terms of operational accessibility and inclusivity considerations. In particular, this network group would be able to support and inform such work ensuring the successful delivery of customer-focussed actions.
- 4.10 For instance, there would be a focus here on improving access to social housing. As reported to the last Board, Shelter recently published recommendations following research into ethnic minority access to housing. Representatives from the Group attended a workshop to discuss the report and its findings. Following this, Shelter is launching a Race and Housing Network comprised of members from across the housing sector. Partnership working will be vital here to ensure a meaningful impact within the sector; the network will take forward work on how to improve access to social housing for ethnic minorities and facilitate a forum for discussion. We are due to host the first meeting at the end of November.

- 4.11 Although our Action Plan will take an inclusive approach and is not solely focussed on one characteristic, work in this space will be beneficial in improving access more widely. The work of our Group Protection team will also be important here, particularly in launching our recently approved Group Hate Crime policy with customers and staff to signal an effective zero-tolerance approach against harassment.

Different Together in our Group

- 4.12 Notwithstanding the above section, it is important that we continue to support and strengthen the internal structures we have put in place in the last year in terms of making Wheatley a great place to work where we attract and retain a diverse group of talented people and support them throughout their career journey with us.
- 4.13 Our People Services team will continue to work with the Different Together CoE and our six staff network groups so as not to lose momentum internally. Actions here will include rolling out our EDI face-to-face training in partnership with Diversity Scotland and further enhancing our recruitment and development programmes.

Evolving our data

- 4.14 Our current EDI Action Plan allowed us to achieve a significant expansion in terms of our equality data collection, reporting and analysis. This must continue and strengthen, taking an increasingly intersectional approach. Enei's recommendations in this area were to try and improve participation levels and publish information and benchmarking. We are already planning to do this through the Annual Equality Report and census comparison once available.
- 4.15 Taking a 'whole journey' approach will allow us to better identify barriers at different stages, for instance not only tracking EDI staff data in terms of applicants and successful candidates but also in terms of promotions, turnover and attrition. For our customers and in particular housing applicants, this will include regular analysis against those then housed and comparing this with community-level data helping to predict housing needs and helping to inform new build design. We will also look at including tenancy sustainment data, as well as separating out homeless/Section 5 applications, transfers and Local Authority nominations within the waiting list data. All this together will help us build a stronger picture from which we can identify trends and help to remove any barriers.
- 4.16 Our Action Plan this year primarily focussed on the social landlords in Group. Notwithstanding this, adopting an EDI approach is also important for our partners Lowther Homes and Wheatley Care. Our reviewed Action Plan will therefore more clearly set this out, such as introducing EDI data analysis for our mid-market rent and care customers by firstly establishing what information we already have available and thereafter expanding this to align with Group EDI data collection more widely. MyHousing was recently launched for Lowther Homes so could be utilised in the same way used for housing applicant equality data collection. Currently, Wheatley Care only report some demographic data of homeless customers to Local Authorities bi-annually.

Human Rights approach

- 4.17 As part of its Programme for Government, the Scottish Government is planning to introduce a Human Rights Bill for Scotland. The purpose of the Bill will be to incorporate into Scots law internal economic, social and cultural rights and rights relating to women, disabled people and people who experience racism, as well as recognise the right to a healthy environment (within the limits of its devolved competence). A number of these are rights that derive from existing international treaties or standards, that do not yet form a part of our domestic legal framework (i.e. Scots Law). The proposed Bill would therefore make these rights enforceable in Scots Law for the first time and create duties on those delivering public functions to deliver these rights.
- 4.18 A number of our activities are already grounded in human rights, for example through our letting system, our tenancy agreements and our policies and procedures. Through equality impact assessments we consider how our policies/services are delivered without discrimination.

5. Customer Engagement

- 5.1 Customer engagement is a key part of embedding our EDI approach, for example engaging with groups of different characteristics to inform policy development and Equality Impact Assessments. Recently this has included the development of our Group Hate Crime Policy, our Group Engagement Framework review and currently our Group Anti-social behaviour framework review.
- 5.2 The collection of equalities data required extensive customer engagement as we were required to ask all waiting list applicants, new tenants and existing tenants for protected characteristic data.
- 5.3 We co-created our approach towards this with customers through focus groups as it was critical that as part of asking for this information, we were clear on why we were collecting it, what we will do with it and that provision of this information was voluntary and anonymous. By involving customers in the design of our approach, we believe this has supported a higher response rate.
- 5.4 This data, as detailed above and within our EDI Action Plan, is used within our service design and delivery- this includes informing our engagement approach which we are currently reviewing.

6. Environmental and sustainability implications

- 6.1 There are no direct environmental or sustainability implications arising from this report. Diversifying our engagement structures will support our Group Sustainability Framework implementation by engaging customers with our sustainability priorities, ensuring different perspectives are involved.

7. Digital transformation alignment

- 7.1 We have developed digital platforms to allow for easier analysis and utilising of our customer equality data.

8. Financial and value for money implications

8.1 There are no financial implications associated with this report.

9. Legal, regulatory and charitable implications

9.1 The progress made and highlighted in the report, as well as our reviewed Group EDI and Human Rights policy, provide us with a clear basis for evidencing our compliance with our legal and regulatory obligations.

9.2 In October 2022, we updated the Scottish Housing Regulator (“SHR”) on our plans for meeting their regulatory requirement with regard to equality data collection as part of the Annual Assurance Statement. In preparing our self-assessment for this year, we feel we have sufficient, and indeed strengthened evidence to continue to report compliance and progress in this area.

9.3 It is proposed that our reviewed Action Plan expands beyond this regulatory environment to also include actions for our partners Lowther Homes and Wheatley Care.

10. Risk Appetite and assessment

10.1 Our agreed risk appetite for the legal and regulatory compliance of our ‘W.E. Think’ strategic outcome is “cautious” as although *‘Wheatley staff are trusted advisors, it is essential that mitigations are in place to help keep customers safe’* In terms of EDI, our mitigation is to engage independent external advice as part of evolving our approach to demonstrate and evidence how we meet our equalities regulatory obligations

10.2 For our reputation linked to W.E Think, our risk appetite is “open” as *‘the results of our track record of achievements and strength of our engagement model will enable us to effectively represent the views of our huge customer base.’* Taking EDI into account here is vital and the continued development of our data monitoring will enable us to track progress.

11. Equalities implications

11.1 The report outlines the recent progress that has been made with our EDI agenda, particularly against the actions contained within our Group EDI Action Plan. These actions will support us to clearly assess equalities implications in our decision-making.

12. Key issues and conclusions

12.1 We are strongly committed to EDI. This is demonstrated through our Action Plan and the oversight of our EDI being a formal responsibility of the Wheatley Solutions Board. We have a strong focus on continuous improvement and ensuring this is reflected in our organisational culture – we will continue to strengthen this through the next iteration of our EDI actions.

12.2 In the last year we have significantly improved in a number of areas, in particular our data collection, data monitoring and analysis and taking decisions based on the data and analysis. We have captured this progress in our first Annual Equalities Report which we will publish to showcase our work and provide a platform for us to compare progress against on a yearly basis.

13. Recommendations

13.1 The Board is asked to:

- 1) Note our Group Annual Equalities Report (Appendix 1);
- 2) Provide feedback on the proposed areas of focus for next year's Action Plan;
and
- 3) Note the progress in the implementation of our Group EDI Action Plan at Appendix 3.

LIST OF APPENDICES:

Appendix 1: [redacted] available [here](#)

Appendix 2: Q2 EDI data update

Appendix 3: *One Group, Many Voices* Group EDI Action Plan – progress tracker

Appendix 1 - Wheatley Solutions Board – EDI Action Plan Progress 23/24 Q2

1. One Group, Many Voices

Outcomes:

1.1: Collect data relating to each of the protected characteristics for existing tenants, new tenants and people on waiting lists, employees and governing body members

Aim: To collect equalities data as per SHR requirements to inform our decision making and service design/delivery

1.2: Information security and protecting personal data

Aim: Our equality data will be stored and accessed securely, and kept up to date

1.3: Reporting and monitoring process

Aim: We will report on and monitor the data collected to inform our decision making

| Aim | Action | Timing | Progress | Progress Notes |
|-----|---|----------------------------------|----------|--|
| 1.1 | Collect equalities data from our current customers through an anonymous collection exercise every three years. The communications and approach to this will be co-created with customers | Next due 2025 | | Completed for 2022. |
| | Collect equalities data from prospective customers through MyHousing | Completed now ongoing | | Data now collected with the information available for reporting and PowerBI built – analysis of this shared and actioned through quarterly meetings with Governance and Allocation teams. |
| | Collect equalities data from job applicants through JobTrain | Completed now ongoing | | Completed and reviewed on an ongoing basis. Year one update and analysis presented to May Board. |
| | Our Governing Body members complete the equalities monitoring form on appointment (consent given to process), trade unions and external expert advice if required | Completed now ongoing | | Completed for all current Board members in 2022 and reported to Group Board in Sept 22. Ongoing upon appointment. |
| | Collect equalities data from staff every three years through an anonymous survey (in which staff can consent to waive their anonymity) –develop comms/ approach with Different Together CoE | Ongoing in line with recruitment | | Completed for 2022. 60% of staff participated. Plan for the 2023 survey to take place in Q3 (Oct-Dec 2023). Change to survey timeline for issuing in April 2024 in reflection of the full year time period of results and bring into line with annual reporting. The updated timeline will potentially increase returns. |
| 1.2 | Extract data from MS Forms to PowerBI for reporting, monitoring and analysing; restricted access but data accessible if required to inform decision making/ service design. Information stored anonymously with no identifiable markers | Completed now ongoing | | Complete - worked with the Data team to extract all customer equality data collected in MS Forms and build in PowerBI for further analysis. Data presented to Boards in Nov 22. Now also developed for Allocations MyHousing data and Stronger Voices customer data analysis. |
| 1.3 | Continue to develop our equalities monitoring reporting structures for the Group Executive Team and Boards, including agreeing what processes (e.g. recruitment and allocations) and services (e.g. Employability programmes) we monitor and how frequently we report | Completed now ongoing | | Now ongoing action. We have also expanded data analysis from the Foundation to include applications for bursaries and customers supported by fuel advice and welfare benefit advice, we analyse this through quarterly meetings. |
| | Review the data we collect through the Wheatley Foundation and consider expansion to inform our charitable programmes | Completed now ongoing | | EDI data analysis for our employability programmes is now included within our recruitment data analysis, and review for other employability programmes and WBA/FA/EatWell |
| | Continue to monitor and report on the gender pay gap, taking action where necessary. Analyse and report on the distribution of all aspects of equalities data across different groups of roles in the organisation (e.g. housing officers /neighbourhood environmental teams /Senior employees) | Complete | | Complete – 22/23 data reported to relevant housing and Care Boards in March 2022 and also to CoE for thoughts/feedback. Included as a separate agenda item for the Solutions Board May meeting. Meetings with business leads to present staff survey results, tailored to their section of the workforce, in progress. First meetings have taken place with the rest scheduled to take place during Q1 (April-June 2023). |
| | Report equalities data of applicants and internal promotions to the Group Executive team annually including making recommendations for future actions | Completed now ongoing | | These reports have been in place since April 22 and have been running every quarter. EDI and data update presented at Leader Forum in March 2023 in which circa 80 leaders attended. People Services currently attending management team meetings to present staff data and what this means for each team. The year one analysis update was presented to Different Together CoE on 26 April 2023 for discussion. This is also presented to ET in May – agreed to report to ET on an annual basis going forward. Included as a separate agenda item for Solutions Board consideration. Now ongoing action to analyse and report – next review April/May 24. |
| | Produce a public annual equalities report, detailing the data collected, what this data informed, what actions have been put in place as a result and what benefits we have seen, or expect to see, as a result | Completed | | Drafting of report has commenced – to include detail of data collected and what this has informed, plus the next steps for 2024. Will not include Census data analysis as the release has been postponed. The report will be presented to November Board. Developed and presented to November Board – will be published thereafter. |

2. Data and insight driven decisions

Outcomes:

2.1: Equality mapping

Aim: We will have a clear picture of the equality makeup of our employees and communities

2.2: Diversification of our engagement structures

Aim: We will engage and co-design services with a large, diverse group of customers in a way that suits their needs

2.3: Data and insight driven decisions

Aim: All available data and insight are embedded in decision making process

| Aim | Action | Timing | Progress | Notes |
|-----|---|-----------------------|----------|--|
| | Map employee diversity relative to the communities we serve to understand how they reflect each other | Complete | | The Scottish census release schedule has now been published and only age and sex data will be available in Autumn 2023. The full data set will not be available until 2024/25. Propose to mark this item as complete for the purpose of this year's plan and carry forward the analysis of census data to next year. Scottish census age and sex data by local authority has now been published. All other factors are not yet available, with a timeline of "summer 2024". Tables allowing multiple factors to be compared e.g. "ethnicity by age group" will not be available until "winter 2024/25". Propose to carry forward an action to check what census data is available at the end of the summer 2024, and then decide whether the data available at that point is sufficient for the comparison work to be carried out. Continuing to use all external sources available for staff comparisons e.g. CIPD, ONS etc. |
| 2.1 | Expand the equalities data maintained for our Customer Voices to ensure we have diverse representation/ representation from certain groups when relevant (i.e. reviewing a service that has a specific impact) | Launched and ongoing | | Now collected from Circa 1000 customers. PowerBI built, high-level results included in Appendix 2– high-level results presented in April Stronger Voices CoE and PowerBI will be shared with MDs/LHDs/SVOs to inform engagement approach. Criteria to be set out from the beginning of an engagement exercise whether diversity across characteristics is required or specific engagement with certain group/s. Focus of Stronger Voice CoE working group to ensure equalities data is considered during policy/service review engagement etc. EDI data collection forms part of our customer voice registration process (now completed for two-thirds of our CVs) – we compare this against our Group data to inform our engagement approach. We are carrying out an Equalities Impact Assessment as part of our review of the Engagement framework and this will help to build up staff awareness as well as creating opportunities to discuss impacts and barriers with customer voices who may have protected characteristics – we are seeking customers views to inform this via a survey to better understand barriers to engagement in terms of equalities. |
| | Use equalities data to identify any EDI considerations (e.g. particular needs regarding language translation) in communities and, where appropriate, work with the community to respond to these considerations | Now Ongoing | | WHG SVO team assisted the Group Protection team to engage with minority groups to assist with the development of new policy on Hate Crime. Eg. In person focus group held at Wheatley House inviting a broad group of individuals from different ethnic backgrounds to attend. A focus group was also facilitated for women only as an approach to increase female participation from minority groups. We are currently reaching out to diverse groups while supporting Group Protection team with reviewing our ASB policy. |
| 2.2 | Continue to engage Customer Voices - draw priorities, how customers want to engage with us and provide the support they need to do that i.e. improvement in IT skills, language skills | Completed now Ongoing | | Almost two thirds (circa 1000) of customer voices are digitally registered on the MS form and Stronger Voices Officers are following up to have all customer voices digitally registered during Q2/3. (1550) Digital registration provides more up to date and complete EDI data on our customer voices and we now have this feeding into PowerBI. SVOs have received training on using the PowerBI and the data available – further training for the remaining SVOs will roll out during Q2. MyAcademy learning platform soft launch for customers was extended to the end of July with nearly 40 customers using the site. Stronger Voices CoE will review the feedback during Q2 before the full roll out. |
| | Engage with customers in a way that suits their needs using varied engagement channels | Completed now ongoing | | No change. The customer voice registration form enables the Stronger Voices Officer to monitor communication preferences on an ongoing basis. Making use of customer preferences as standard. |
| | Further build our online methods of engagement, allowing diverse profiles of customers to be involved in the co-creation of services | Completed now ongoing | | Online engagement is now an established and ongoing method of engaging customer voices. We are doing more in-person than last year, however online is always made available for focus groups and preferred by many of our Customer Voices due to the flexibility and convenience. |
| | Use data to aid the Stronger Voices team and senior employees when reviewing our customer engagement approach | Ongoing | | Data is now available for use on PowerBI. Customer preferences and data are being used e.g. through a customer voice survey that is supporting our Engagement Framework review, of which we are also holding 8 focus groups to gain customer insight to improve our Framework. This will inform the framework review and the EIA |

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| | | | | This is ongoing and we have a Policy and Equalities working group established that is leading our development of the EIA. |
| | Using equalities data, target our approach to specific groups in our diverse communities, ensure included in engagement about policies/strategies that are expected to have a particular impact on them | Ongoing | | We continue to do this for example through using a mix of online and in-person engagement, focus groups and surveys. Currently Customer voice involvement is underway on our review of the Engagement Framework and Hate Crime policy development– this will inform the review and Framework EIA masterclass recently reinforced approach of engaging with groups in terms of equalities to inform policy/strategy review, We have updated our engagement feedback pro forma to ensure this includes on overview of demographic information, to take account of when reviewing feedback. Recent example of reviewing our Hate crime policy and underway for Engagement framework, Repairs framework and ASB policy |
| 2.3 | Age, ethnicity and disability diversity markers, along with skills, experience and gender, included in Board succession planning analysis, as well as socio-economic diversity based on National Statistics Socio-economic Classification criteria | Launched from Aug 22 | | No change. |
| | Results of customer data collected reported to RSL Boards | Complete - Nov 22 | | Presented to Boards in November 2022. |
| | Results of customer and employee data mapping considered by Group Executive | Complete | | No change – Census data postponed. |
| | Equalities data collected from customers and employees incorporated into future Equality Impact Assessments and future reports and decision making where relevant, such as strategy workshops | Now Ongoing | | No change—now ongoing. Reinforced by the recent EIA masterclass. |
| | Benchmark Board diversity annually against sector data and report via RAAG Committee, with approach to diversity being extended to all partner Boards | Ongoing | | Board equality data is now collected. Analysis against sector data to inform succession planning Underway with annual review of Board member EDI survey information |
| | Further confirm the inclusivity of our Procurement processes, using data to inform our Community Benefit approach | Completed now ongoing | | Approach approved by Solutions Boards Feb 22. Our Governance team have met with some legal services providers as part of the community benefit/added value approach. This has included reviewing the added value offer such as training, to ensure we utilise this. This has also included meeting with the senior D&I Associate at a legal firm to share knowledge, experiences, and barriers in the organisations' EDI journey. From this, reps from the EDI network groups at the legal firm are going to attend our Different Together CoE in August 2022 to meet with our staff to share learning and best practice. 129 contractors/suppliers invited to answer via our CMS on how they are committed to EDI – response will be provided to Board in Feb 24. |

3. Open to all

Outcomes:

3.1: Supportive services

Aim: An initial priority will be to support Refugees in their resettlements in our communities by providing permanent accommodation and being committed to the principles of the New Scots strategy. Following analysis of our data collection, we will enable us to shape supportive services that meet the needs of the customers

3.2: Recruitment – employees and Boards

Aim: Our inclusive recruitment processes will encourage applications from underrepresented groups and support our EDI commitments to shape a diverse demographic of employees and Board members

3.3: Induction

Aim: Quality inductions will allow our employees and Board members to feel comfortable and confident with EDI

3.4: A culture of inclusivity and a sense of belonging

Aim: EDI will be threaded through our employee services and championed by our people right through to our most senior level

3.5: Review of Employee Benefits Package

Aim: We will offer a fully inclusive range of wellbeing benefits for our employees, suitable for different needs

| Aim | Action | Timing | Progress | Notes |
|-----|---|-----------------------|----------|---|
| 3.1 | Support 'flip flats' for temporary accommodation including housing refugees | Completed and ongoing | | We have now flipped 49 properties that were leased to the local authority for Ukrainian families; we will continue to flip the remaining properties leased to LAs during the course of this year to permanent homes At end of Q2 now up to 214 leased to LAs and 53 flipped and we will continue to flip. Less demand from Ukrainian families, demand now turning to Afghan resettlement. |
| | Monthly monitoring and tracking of refugees housed | Completed now ongoing | | Data continues to be captured on a monthly basis and included in the Group Protection PMF. A desktop analysis of country of origin, first language/second language and whether the New Scots customer speaks English is underway currently. Going forward these will be part of the information we collate monthly. Data continues to be captured on a monthly basis and included in the Group Protection PMF. Country of origin, first/second language and English speaker are now captured as part of monthly data. Attendance at Glasgow Refugee Council event on 13 Sept - follows March Meet the Landlords event. Plans now to organise twice a year, one with a housing focus to promote the different housing options there are across Glasgow. The job focussed event, which our employability team organises, would run once a year to promote learning and job opportunities in adult social care. Group protection, MyHousing, Care and Recruitment reps attended event as housing may be a factor which would affect someone's decision on whether or not take on job opportunity, especially if they are living in a hotel accommodation and have refugee status. Data continues to be captured on a monthly basis and included in the Group Protection PMF. |
| | Development of guidance and training for employees on Refugees and asylum seekers to enhance understanding (e.g. the journey of the Refugee) | Developed | | The New Scots e-learning module has been signed off by Wheatley 360 Lead and is being built by MyAcademy. New Scots e-learning module is due to be launched on MyAcademy. Our New Scots Welcome Pack is also due to be launched. Our new Hate Crime Policy has been approved by Board and New Scots customers involved in reviewing prior to sign off. Launch being planned. EIA completed for Hate Crime Policy. |
| | Participation in any Vulnerable Person Relocation Schemes (VPRS) | Completed now ongoing | | Participation in relocations schemes is in our policy and this was retained in our new allocations policy which went live on 27th March 2023. We actively participate as and when required in schemes. - No change |
| | Ensure key documents (e.g. tenancy agreements, welcome packs) are available in a range of languages and demonstrate our EDI commitment to New Scots | Completed now ongoing | | All documents are available in most common languages, treated as BAU and when a new language is identified/required we arrange the process for translation - No change |
| 3.2 | Continue to ensure our job profile adverts communicate our commitment to EDI and are fully inclusive | Completed now ongoing | | EDI wording is included in all external adverts and role profiles so commitment is clear. Applicants now have multiple opportunities to disclose any reasonable adjustments required (giving a menu of different options as applicants may not realise what they need), giving one point of contact from resourcing team. Also for example, for NETs this includes highlighting there is some flexibility in shifts e.g. for childcare to encourage a diverse pool of applicants. - Completed as per last update – will be reviewed on an ongoing basis |

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|--|------------------------------|--|--|
| <p>Review where we advertise jobs, using feedback from our equality networks to ensure we reach under-represented group</p> | <p>Completed now ongoing</p> | | <p>Completed and ongoing as per the last update since the last quarter we now have access to a stronger voices calendar and have aligned our recruitment calendars when events are for us to attend. For example, recruitment attended an event as part of East End Community Homes community engagement. Our presence here aims to outreach to customers and community groups to diversify our recruitment further. Recruitment team continue to attend diversity events to discuss recruitment opportunities. Recently attended recent Scottish Refugee Council event with Wheatley Care and Housing Access raising awareness of employment opportunities with Wheatley. Since the event 17 applications have been received into care opportunities however none have explicitly mentioned the event so it is harder to track the success.</p> <p>Meet Shepperd & Wedderburn HR Business Partner to understand their experience of working with Black Professional Scotland in advance of initial partnership meeting with BPS in October 2023 to explore their internship programme further. Meeting attended by a representative of the Race and Multicultural Network.</p> <p>Have contacted CEMVO Scotland who is a strategic partner of Scottish Government equality unit and works to increase capability and sustainability of Ethnic Minority (voluntary sector) and communities. They also have an equal jobs pages to reach ethnically diverse candidates. We are considering the cost and reach of their services against other opportunities like Black Professional Scotland.</p> |
| <p>Ensure recruitment panels represent a diverse range of protected characteristics where possible to include a diversity of perspectives and minimise potential bias.</p> | <p>Ongoing</p> | | <p>As part of the Workforce Planning process, when jobs are approved for advertisement, the recruiting manager will be advised when recruiting to ensure the panel where possible is diverse taking into account the protected characteristics and to minimise potential bias. The Interview & Selection Skills e-learning module includes this information and will continue to be updated. Inclusive leadership training programme delivered by BITC to over 220 people managers - No change</p> |
| <p>Hiring managers trained in our recruitment policy, aware and confident in carrying out recruitment in a way that aligns with legislation and our EDI objectives. Recruitment panel members to be trained in unconscious bias and EDI awareness.</p> | <p>Completed now ongoing</p> | | <p>A communication was sent to all managers with responsibility for recruiting at the end of July; this links to the new Interview and Selection Skills module, which has also now been set up as mandatory for these managers on the My Academy system with a 3 year re-certification cycle. This is also linked to our new Unconscious Bias module, as well as recommended good practice for setting up diverse interview panels. The recruitment packs have also been updated to remind managers of the mandatory training, and a process has been set up to carry out follow up checks to ensure hiring managers complete the required training When all jobs are advertised, the recruiting manager receives an email with their recruitment pack and this email also reminds recruiting manager and any panel members that they need to complete Interview and Selection Skills training and the Unconscious Bias module. The email includes the links to these training modules. A monthly review of jobs advertised and who recruiting managers are is compared with the completion of these modules to ensure that their training is completed. If training has not been completed then a reminder email is sent to them. So far 89 people managers have completed this. Recruitment are exploring widening training requirements to include more detailed courses on unconscious bias as mandatory.</p> |
| <p>When relevant, advertise our intention to increase the presence of an under-represented group, to show that applicants from diverse backgrounds are encouraged</p> | <p>Completed now ongoing</p> | | <p>People Services worked with Communications to review careers and attraction pages on the Group website. Updates will include Different Together campaign information, inclusion messaging and examples of current staff diversity. Updates are expected to be complete by the end of Q2. People Services have confirmed page and layout changes to the websites with Communications which are underway. We agreed creation of an employee video featuring testimonials from members of CoE and network groups showcasing Wheatley as an employer of choice from an inclusion perspective. Filming is currently underway and webpages will launch with this included in the content. It is anticipated internal review of changes and video will be by end of October 2023.</p> |
| <p>Ensure our assessments and interview questioning are inclusive - testing when designing these with employees with protected characteristics, ensuring these do not unfairly discriminate</p> | <p>Completed and ongoing</p> | | <p>As part of the Interview & Selection Skills e-learning module, there is a section on the types of questions to be asked. All people managers will be enrolled on this e-learning module. We will also ask a panel of COE members to review sample questions that have been asked in previous interviews. Following their feedback we will prepare a guidance document for managers on questions that will be issued along with the recruitment packs that are currently sent to recruiting managers when jobs are advertised. This information will also remind managers about completing the training and ensuring they have a diverse recruiting panel Communication is sent to recruiting managers when advertising jobs that they should have completed training and have a diverse recruitment panel. Links with interview and selection training developments. Recruitment will also meet with a representation of members of our Different Together Groups to review some recent questions asked in recruitment to check questions are inclusive and do not unfairly discriminate.</p> |
| <p>Publish a "Statement of Commitment" as an employer, following other best practice EDI organisations, explicitly outlining the commitment of our Boards and Group Executive Team</p> | <p>Completed</p> | | <p>Approved by the Solutions Board, signed off by the CEO and Group Chair and published on the EDI sections of all our websites.</p> |

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|-----|--|---------------------------------|--|--|
| | Target, encourage and support groups in our communities to attain jobs with us | From Jan 2023 and ongoing | | <p>We are making connections with the Foundation and the community groups they are linked with including Enable Scotland, CEMVO & LGBT+ Scotland. Also linking in with Stronger Voices Officers to attend any local community events to promote job opportunities within the group.</p> <p>We now have access to a stronger voices calendar and have updated our recruitment calendars to attend relevant events to encourage groups in our communities to work for us. Attended event as part of East End Community Homes community engagement.</p> <p>Recruitment attended a Scottish Refugee Council event whereby we were able to promote recruitment opportunities at Wheatley Group. Recruitment continue to link in with suitable Stronger Voices Events across all areas to be able to attend and promote recruitment opportunities.</p> |
| | Independent expert review of our recruitment processes | Completed | | Confirmed with BITC that our recruitment process exemplifies best practices. |
| 3.3 | EDI threaded through the induction process, showing importance and commitment to Wheatley Group and expectations of employees | Completed now ongoing | | Diversity Scotland to train our trainers in a full 3-day EDI course, which will then be delivered to staff base with a completion date of Dec 2024. Following all staff receiving in-person training, this will become a mandatory part of induction going forward. - No change – training with Diversity Scotland approach underway. |
| | EDI & HR Policy and training as mandatory elements of induction | Completed now ongoing | | No change – continues to be mandatory. |
| | Work with equality networks e.g. Disability and Neurodiversity group to review the pre-boarding and onboarding process; interview adjustments made as necessary | From Oct 2022 and ongoing | | Completed - now had the opportunity to put this into practice with a live recruitment process with a neurodiverse applicant. |
| 3.4 | Different Together CoE meets regularly, led by the Group Director of People Services and feeding directly to the Group Chief Executive. To focus on EDI for staff, inform policy review as required | Launched from Aug 22 | | <p>Completed - calendar series agreed for 2023, chaired by Director of People Services</p> <p>No change- the group continues to meet every two months with network groups working through their action priorities in between CoE meetings.</p> <p>Calendar of CoE dates being considered for 2024 in line with feedback from CoE members and networks to respect balance of the impact of time for members contributing.</p> |
| | Different Together to feature in a CEO vlog and representation of members to attend Executive Team meeting– show the importance of EDI at the top level | From Oct 2022 and ongoing | | <p>Completed - will be reviewed on an ongoing basis. CEO has featured in 2 Vlogs for staff on diversity and inclusion, with a presentation at Leaders Connect Forum on Different Together featuring CoE with members also in attendance. SLT roadshows continue to take place to ensure EDI is prioritised across subsidiary leadership teams.</p> <p>Regular diversity campaign messaging across WeConnect and shared broadly from leaders across ET and leadership team encouraging participation and uptake in campaigns e.g. menopause month in October shared by leadership sponsor of Menopause Cafe, and Macmillan cancer awareness supports shared by ET Sponsor of the D&N network.</p> |
| | Promote initial employee equality networks as agreed by CoE (LGBTQ+, Carers, Disability and Neurodiversity) through a spotlight on WE Connect, and drop-ins. Each network is sponsored by a member of the Executive Team | From Oct 2022 and ongoing | | <p>Completed - Active recruitment ongoing to attract new members to support networks. Internal EDI campaigns continue on the intranet, aligned to celebration days e.g. attendance and promotion of Pride events in June, focus on race and menopause from August and focus on mental health in September/October</p> <p>Completed - Networks covered at all new inductions as well as regular promotion of opportunities throughout the year to all staff.</p> |
| | Re-promote our reasonable adjustment passport following review, including with members of the Disability and Neurodiversity group | Complete - launched from Oct 22 | | <p>Review completed – Carers passport now launched and promoted through our internal comms with guidance. The promotion of our passports is ongoing. To continuously improve, Disability and Neurodiversity network member(s) will complete an example reasonable adjustment passport for further review and feedback, example experience will also be shared for wider promotion.</p> <p>Disability & Neurodiversity network identified desire to review so working with ER colleagues to share feedback on the content and style of passport. Passport to be adapted based on this feedback and Group's experience of using document.</p> |
| | Encourage under-represented staff groups to join CoE e.g. trades representatives, modern apprentices | From Nov 2022 and ongoing | | Ongoing action by CoE and Staff Networks to continue attracting employees to join groups. All events, training and engagement opportunities cover opportunity for membership growth and there has been increases in representation following campaigns e.g. neurodiversity celebration week attracted new members to the Disability and Neurodiversity Network. Also, recent membership increase with 3 employees in their 20s joining the Age network. The LGBT+ plan to use PRIDE month of June to grow membership through an allyship approach. No change – ongoing. |
| | Expand and launch further 3 equality networks focusing on protected characteristics, for example, race and multicultural, age, perimenopausal and menopausal | Complete | | No Change. – completed. Race and multicultural group met Kaleidoscope, a cultural diversity network from London & Quadrant Housing Group, to learn from the successes the group has had in their organisation. The Group will also attend a BITC Race at Work Charter in September and is preparing an internal campaign to celebrate Black History Month. The menopausal group is working on Menopause Guidance to launch at the end of August – launched on Menopause Day 18 October |
| | Promote and raise awareness of Different Together both on the staff intranet and displays in hubs to reach site-based staff | From Aug 22 and ongoing | | Business as usual with ongoing weekly promotional content through Different Together blogs, vlogs and stories EDI sections of subsidiary websites were also reviewed and rebranded under Different Together and EDI calendar published on websites at the start of May, EDI learning suite on MyAcademy to be rebranded and repromoted under Different Together, with enhanced access to resources available to staff i.e. through our BITC membership. Also, webinars and training are shared through leadership channels for team awareness, |

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| | | | | and attendance at staff facing events e.g. Wheatley Homes East Conference in January to promote inclusion and our networks. - No change |
| | Review the equalities section on websites to ensure communicates inclusive culture of the organisation for customers and employees/ prospective employees and wider stakeholders – including publishing materials | Complete | | Section reviewed and updated under Different Together branding and imagery. Includes how we achieve EDI; info on the accessibility of written information and telephone; Hate Crime and Harassment; equalities monitoring; how we demonstrate our commitment; and some recent EDI achievements. Statement of Commitment and EDI calendar are now published. No change – wider review of websites underway with customer engagement to ensure accessibility of comms. |
| | Representation from protected characteristic groups/ guest speakers invited to CoE to give focus and raise awareness of particular needs – members to take back to business areas | Ongoing | | Planned speakers for upcoming meetings include the Chief Executive and founder of Diversity Scotland, members of network groups from Shepperd and Wedderburn – as part of EDI knowledge sharing with one of our legal services providers. - No change – ongoing |
| | Following the full establishment of staff Different Together CoE, recruit and launch a branched-off group which focuses on EDI for customers | Underway | | Ongoing – review of customer engagement framework underway including EIA for this, ensuring an EDI focus for customer impact. Focus for next year's action plan |
| 3.5 | Continue annual review of current employee benefits package to ensure it is suitable for different needs and benchmark against best practice EDI organisations for potential enhancement – feedback from Different Together CoE used to inform the package | Annually | | 2023 welfare package launched following consultation with CoE – group confirmed the package was inclusive and broad ranging. Further enhancements are considered on an ongoing basis. Following feedback from our DT CoE and Carers Network we have enhanced our paid carers leave to a minimum of 6 days leave and promoted this across the organisation as part of Carers Week celebrations. We have also been selected by BITC to take part in a pilot wellbeing self-assessment to help them develop a baseline. Also in recognition of our wellbeing support, BITC has invited us to guest lecture on this in the Autumn at Caledonian University business school. Feedback from CoE and network groups is sought on a regular basis. In this quarter no requests / suggestions have been offered for benefits package enhancement. |

4. Inclusiveness by design

Outcomes:

4.1: Policies and services

Aim: EDI embedded into all our policies and services with the ability to report on this

4.2: Training and awareness raising

Aim: Increase employee engagement with the EDI agenda and ensure all colleagues understand what it means to create and be part of an inclusive culture

4.3: Communications review

Aim: We will communicate with our customers in a fully inclusive way

4.4: External benchmarking and accreditation

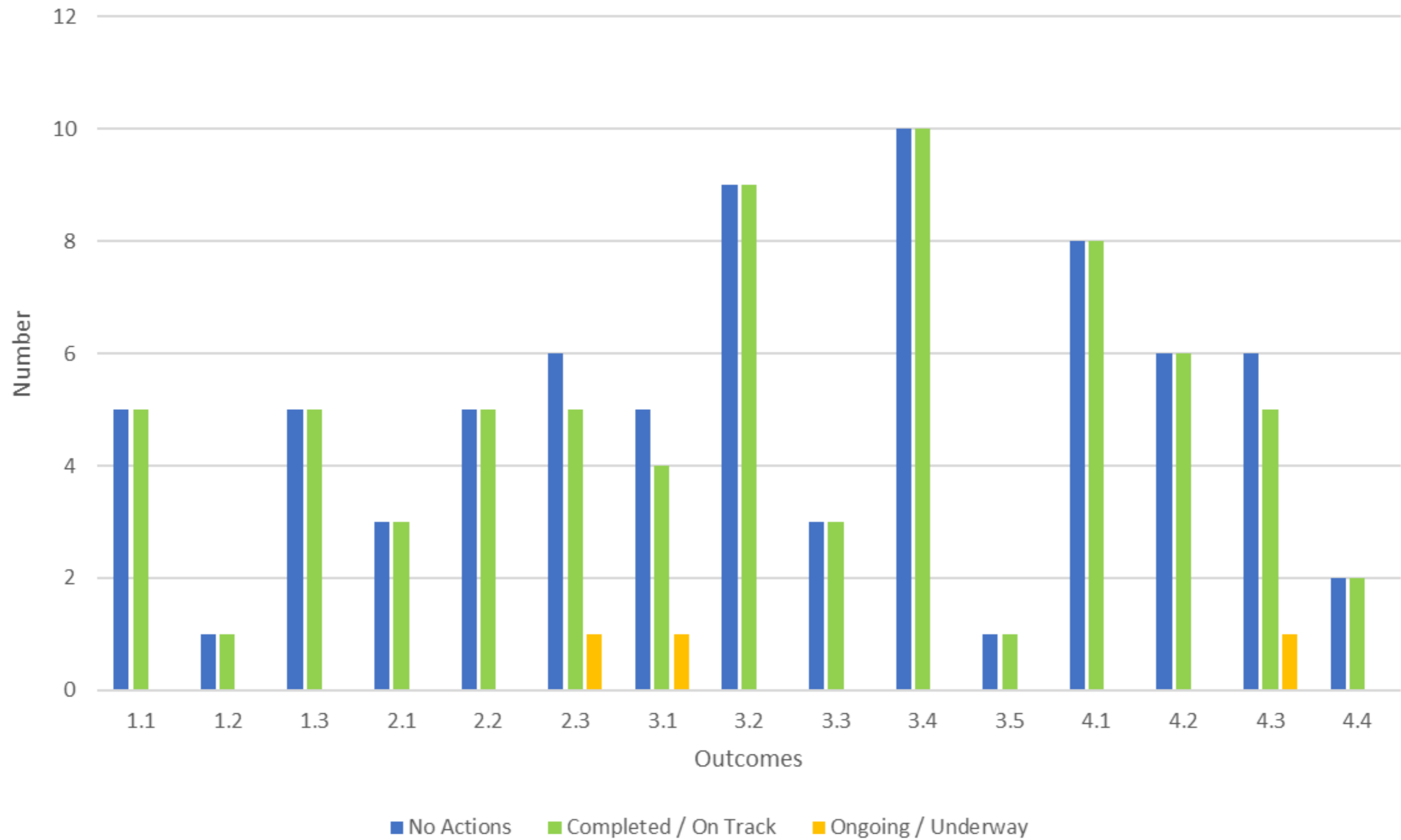
Aim: we will seek best practice from relevant sectors and peer organisations for including in our action plan

| Aim | Action | Timing | Progress | Notes |
|-----|---|--|---------------------------|---|
| | The Wheatley Foundation will continue to provide support and opportunities for access to education, employment and volunteering for customers, including Refugee customers – data collected will inform these | Completed and ongoing | | Providing support and opportunities for access to education, employment and training opportunities continues to be business as usual for the Foundation. The 23/24 Bursaries programme launched in Q1 this year providing people living in our homes with financial support to attend university or college. Bursaries are awarded based on specific criteria including prioritising people who are carers, care experienced, live in areas of multiple deprivation etc. Our new partnership employability contract also launched in Q1 aims to support disabled parents with children under 5 begin to prepare for work in the future. This project will be delivered in partnership with Enable, Parents in Trauma and One Parent Families. In Q2, a new project supporting young people get access to training and education opportunities was approved by the Foundation Board - the WEE Bursary project will complement our own internal Bursaries support by helping people who are studying at levels below HNC or are still in school and need a bit of extra financial support to help them with their education or to access further training, apprenticeship or employment opportunities. Wheatley Works has continued to work with CEMVO Scotland, Whole Family Equality Projects and Enable Scotland to improve diversity across our services. We attended an event at Glasgow Chambers to promote support for New Scots in Glasgow working in partnership with Scottish Refugee Council and The Bridges programme. |
| 4.1 | If an EIA has deemed required, a summary will be included as an appendix to Board/ET report | Ongoing as required | | Ongoing – EIAs underway for customer engagement framework review, Lowther MMR letting policy and Hate Crime policy development. |
| | Ongoing external review of all our HR policies to ensure these are inclusive in content and language - Signpost relevant policies to protected characteristic groups to access under our internal Wellbeing and Inclusion brand, Different Together | Complete | | All HR policies reviewed and updated, including with gender neutral language. Agreed with our Unions (Unison & GMB). Care policy review completed and uploaded onto WE Connect end Jan 23. Complete |
| | High-profile, organisational wide launch of our reviewed EDI & HR policy including; written and video materials for employees; live, interactive, online sessions, bespoke to staffing groups; link to interactive EDI e-learning; internal comms plan to raise awareness | Launched and ongoing | | Continued promotion through Leader's Forum and SLT roadshows, as well as enhanced internal comms around EDI and staff training. |
| | Work with each business area to develop a statement of how EDI is achieved for them – progress against which will be reviewed annually and incorporated into the annual equalities report | Complete | | To include team statement, signed off by each Group Director to evidence top-level commitment, within equalities report and inform next year's EDI action plan. Included in annual equalities report |
| | Use allocations equality data to inform our new build programme so that the needs of our customers, including refugee communities, is incorporated into the planning | ongoing | | Quarterly analysis of EDI MyHousing data underway and will be shared with development teams – will inform EIA for new build programme for Feb 24 Boards. Quarterly analysis of MyHousing data continues to inform letting process. Development trained on 1 November 2023 by our Data Analyst on how to synthesise the MyHousing data on PowerBI to inform new build planning. |
| | Review EIA template/guidance post data collection, including EIAs for specific purposes e.g. development and including in project proposal process | Complete and ongoing | | Review complete and to be promoted through EDI meetings with teams and EIA masterclass No change |
| | Add the existence of EDI policy as a desirable (as well as signing up to Wheatley Pledge) when procuring to encourage and raise awareness with suppliers/contractors of the importance of this to us | Complete from 2023 | | Complete – meeting with suppliers as part of our community benefit approach to raise awareness of the EDI agenda and how suppliers can support i.e. through training No change |
| | 4.2 | People managers from <i>Different Together</i> CoE to review managers training from an EDI perspective | From Nov 2022 and ongoing | |

| | | | | |
|-----|---|-----------------------|--|---|
| | <i>Different Together</i> members undertake in person EDI training facilitated by BITC | Complete - Nov 22 | | <p>Complete with CoE members and members of the People Services team receiving BITC Inclusion Champion training (totalling 48 staff). Managers will continue to influence the D&I training offering for colleagues and leaders following feedback through engagement meetings. Network members also now attending other training/event opportunities to network, learn, share experiences and bring back best practice. For example, a member of the Age network attended a BITC Age Inclusion event in May and a member of the Menopause group attended a Menopause in the Workplace conference. At a recent Menopause café, an independent expert attended to speak on sleep management. We have also made it easier for staff to self-serve EDI training, webinars and resources for example staff can now access the BITC platform through MyAcademy. We are also scoping other avenues to access resources for staff e.g. through the Scottish Trans Alliance and Pride Outside, an LGBTQ+ social enterprise</p> <p>Completed. CoE will now undertake first training sessions by L&D in partnership with Diversity Scotland to provide feedback on training experience and content before going live to all-staff starting with NETS end of 2023 / early 2024.</p> |
| | EDI modules to be included in all Leadership and Management Development Programmes | Ongoing from Dec 2022 | | <p>Complete. Completion records being cross referenced to ensure all people managers have attended training before the final mop up in Care in June 2023. Training on specific areas of diversity following insight from our employee diversity survey is being programmed in, with neurodiversity training for people managers and menopause training planned for later this year. Now also partnered with Diversity Scotland for EDI training going forward</p> <p>Completed. Next stage of EDI leadership training will take place in-house as part of new programme with Diversity Scotland.</p> |
| | Refresh EDI training approach and have externally validated | Complete and ongoing | | <p>EDI for all staff will be delivered face to face from Sept 23 until Dec 24. This will begin for staff w/c 18th of Sept, plan is being created for the delivery of this and for full roll-out. Initial focus on NETs as will be outwith grass cutting season however each area will have a minimum of one session per week.</p> <p>Face to face for all staff, including leaders, is being delivered by in-house trainers accredited by Diversity Scotland. Our EDI e-learning module will be out for review with Diversity Scotland to attain Diversity Scotland endorsement for 2024. Agreed 3 year certification for e-learning which is mandatory and reported to ET on a monthly basis.</p> |
| | When using interactive training, give employees the opportunity to reflect and share, promoting dialogue about diversity | Complete and ongoing | | Management training includes the opportunity to discuss EDI considerations in teams - No change |
| | EIA masterclass for senior leadership to increase knowledge on the relationship between equalities data and EIAs, how it should be considered in the planning stage and how to use data to inform our EIAs. | Complete | | Session delivered to key policy leads by BITC on 19 July 2023. |
| 4.3 | Continue to ensure our communications comply with accessibility standards- e.g. translations, audio formats, braille available etc | Completed and ongoing | | BAU - work with The Big Word to provide translation/interpretation and highlight on documents (e.g. policies, consultation brochures etc) that alternative formats are available We are currently reviewing this contract, taking our translation and language data analysis into account, to ensure we are providing the most efficient service. |
| | Use up-to-date, diverse imagery that reflects and represents the demographic of our employees and communities, including recruitment campaigns | Completed and ongoing | | New imagery for Group available from August. Diversity and representation was a key consideration in our storyboarding, the imagery will be incorporated into our image library demonstrating our EDI ambitions. Our housing partners' new imagery now available. |
| | Consider EDI in our storyboarding, branding and photoshoots | Ongoing | | The Group photoshoot planning was shared with Governance to ensure our EDI ambitions were considered and met. We are now starting to develop planning for a Wheatley Care photoshoot during 2023 – again EDI will be a key consideration here. Housing photoshoots now completed and Care still in progress – will carry into next year. |
| | Ensure our websites are welcoming, representative of our communities | Ongoing | | EDI sections of websites recently reviewed and employability sites are being reviewed to update to Different Together branding. We also published a customer facing version of our EDI calendar, informed by data from our equality survey highlighting key awareness and celebration days. As previously reported and updated imagery will now be included in our image library. |
| | Engage expert external bodies (such as Deaf Scotland) to independently review our customer communications | Ongoing | | As required. |
| | Scope systems for simplification of preferred customer communications, incorporating language analysis from data collection | Completed now Ongoing | | No change – we continue to engage with non-English speaking groups as part of our customer engagement. We also plan a review of our websites to ensure these are accessible. We are currently reviewing our translation contract, taking our translation and language data analysis into account, to ensure we are providing the most efficient service. We use the data we have available including the customer communication preference data to inform our communication, |

| | | | | |
|-----|---|----------|--|--|
| | Review and update the equalities section on our websites, ensuring commitment to EDI is visible and highlighting recent progress with our EDI agenda as per best practice | Complete | | Complete with statement of commitment and EDI calendar published. Also strengthened EDI commitment on JobTrain and MyHousing. No change. |
| 4.4 | Following the achievement of Bronze TIDE Mark accreditation with ENEI, progress to become a Silver then Gold Standard Employer in EDI | Complete | | 2023 self-assessment underway to be submitted by 31 May, following self-assessment from numerous teams including governance, employee relations, procurement, learning and development, and communications– An action plan will be developed with recommendations following publication of results. TIDE 2023 self-assessment submitted. Benchmarking results will not be announced by enei until Q2/Q3 to determine where we sit on the TIDEmark bronze, silver and gold levels. TIDE 2023 benchmark results have been provided recognising the organisation as Silver level, a progression from Bronze. Leads have met with enei to discuss report, progress and possible areas of improvement which will inform 2024 EDI Action plan. |

EDI Action Progress November 2023



Report

To: Wheatley Homes South Board

By: Stuart Darroch, Director of Communications and Marketing

Approved by: Graham Isdale, Group Director of Corporate Affairs

Subject: Group Social Media Policy

Date of meeting: 22 November 2023

1. Purpose

1.1 To note the revised on Group Social Media Policy, approved as a Group Policy by the Group Board on 27 September 2023 and which applies to us.

2. Authorising and strategic context

2.1 Under the Group Standing Orders, the Group Board is responsible for the approval of Group policies and frameworks. This policy applies to all staff and Board members.

2.2 Customer engagement and digital innovation are key themes in our 2021-2026 strategy; the use of social media is an enabler of this.

3. Background

3.1 The Group Social Media Policy was last reviewed in late 2017. Since then, the use of social media worldwide has expanded, including for business use. The launch of our 2021-2026 strategy 'Your Home, Your Community, Your Future' sets out our digital ambitions and a renewed focus on driving engagement through new digital channels.

3.2 Across the Group, we have 16 social media accounts including Facebook, Twitter, Instagram and LinkedIn; we also have almost 55,000 followers. For us specifically, more than 61,000 people used the Wheatley Homes South website, over the 2022/23 year and our number of followers on our social media channels, was 7,203, an increase of 238 from the year before. The growth in smartphone use and of new channels such as TikTok means it is increasingly important that we have a policy in place to safeguard the organisation by identifying who is permitted to represent us online and provide guidance to those who have their own personal social networking accounts.

3.3 The policy has also been updated to include staff using W.E. Connect, our internal staff intranet site. As an internal policy, the draft reviewed policy was shared with our Trade Union partners and includes their feedback.

3.4 The updated policy was considered by the RAAG Committee at its meeting on 22 June 2023, which agreed to recommend the policy for adoption by the Group Board. The Group Board considered and approved this on 27 September 2023.

4. Discussion

4.1 Social media is the broad term used for online platforms that enable users to communicate instantly with each other through sharing information, opinions, knowledge and interests. We recognise our social media presence is valuable in engaging with customers and other stakeholders.

4.2 For social media to be effective, it is vital it is used as part of our communications to provide up-to-date information about us, our subsidiaries, our communities, the services we provide and our engagement activities.

4.3 However, we need to ensure our use of social media channels does not expose us to security risk or reputational damage. This policy and appended staff guidance (Appendix 1 to the policy) sets out how we will manage and regulate our use of social media.

4.4 The updated policy reflects changes and growth in social media channels, including the launch of popular sites such as TikTok and includes a new Appendix (Appendix 2 to the policy: guidelines for using our social media sites). This sets out the guidelines users should adhere to when engaging with us on our social media channels. We also publish 'house rules' on our sites.

4.5 The revised policy applies to all staff, Board Members and other workers, including placements, agency workers, secondees and any other contractors. For Board members, the key issue is that they should not purport to communicate on behalf of the Group or Wheatley Homes South in their social media activity.

4.6 We have published the updated policy on our websites and internal Policy Hub and are developing a high-profile launch of the policy to all staff across the Group through:

- video material for staff;
- use of TalkTogether and manager briefings;
- refresh and promotion of focused e-learning, under MyCompliance on our staff learning platform; and
- and internal communications to raise awareness including through a blog.

5. Customer engagement

5.1 As an internal policy, there has been no customer engagement in relation to this review.

5.2 Social media is an opportunity for us to connect with communities, gather feedback and engage in two-way conversations. It can empower residents to have a voice about their needs and influence decision-making, building trust and stronger communities.

5.3 We also use social media to promote engagement opportunities to customers as well as consultations or campaigns, such as the fire safety campaign. Social media is an effective way of relaying important information quickly to customers for example, if we were to have a disruption to services.

5.4 Last year, we posted 6006 updates across Group our social media channels throughout the year; 4,892,287 people/accounts saw the updates – up by 1.7 million from 2021. For us specifically over the last year, we have had 757 social media posts with a reach of 1,058,349 and 2460 messages/comments received.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

7.1 A key focus in our ‘Your Home, Your Community, Your Future’ strategy up to 2026 is our Digital Transformation programme around our approach to engagement. Our strategy specifies that engagement will increasingly be digital and online, broadening our reach and providing customers with ease of access at a time and in a way that suits them.

7.2 Social media plays an increasingly important role in how we engage with customers and stakeholders. In the calendar year 2022, we received 10,320 messages on our Group social media channels. This figure includes people who sent us a direct message, commented on our posts and tagged us.

7.3 On the staff intranet site, W.E. Connect, in 2022 there were 285,458 page views with high levels of engagement: 4979 likes and 1594 comments on stories and content pages.

8. Financial and value for money implications

8.1 There are no financial implications associated with the updated policy.

9. Legal, regulatory and charitable implications

9.1 Anyone who uses social media and holds, shares, refers to or uses, for example processes personal information, must comply with the Data Protection Act 2018.

10. Risk appetite and assessment

10.1 The policy outlines the risks associated with online activity and how we mitigate this through our approach to social media use. The improper use of social media by staff or Board members could lead to reputational or credibility damage to the Group. Our risk appetite towards this is ‘minimal’ which is defined as *‘tolerance for risk taking limited to those events where there is no chance of significant repercussion’*.

10.2 Communication of the reviewed Group Social Media Policy and appended guidelines, as well as the mandatory social media awareness e-learning course, helps mitigate this risk by ensuring staff are clear on how they should interact on social media. This policy is included in induction for new employees, and the training on our employee learning platform MyAcademy. Board members will have access to this policy through the AdminControl reading rooms.

11. Equalities implications

11.1 A key focus of our equality, diversity and inclusion (EDI) goals is diversifying our engagement. Social media offers an alternative, flexible form of communication with customers in which we can use various methods to suit different needs such as audio, subtitled video and imagery.

11.2 We are always considerate of EDI in our communications, imagery and branding. We can use social media to raise awareness in terms of equalities, for example through promoting celebration or awareness days to celebrate our diverse communities. We also use social media to promote our services such as our wraparound support.

11.3 Social media helps us reach a wide demographic audience, and in particular can be a useful tool to communicate with our younger customer groups. However, we understand many customers may not use social media or their first language may not be English, so it is important we retain varied, accessible communication and engagement, including face-to-face and translation/interpretation services, to ensure no-one is left behind.

12. Key issues and conclusions

12.1 This policy has been updated to reflect our new channels, larger social media presence, increase in followers, higher levels of customer engagement and reflect the importance placed on digital communications in the current five-year strategy.

13. Recommendations

13.1 The Board is asked to note the updated Group Social Media Policy which is designated as a group policy and therefore applicable to us.

LIST OF APPENDICES:

Appendix 1: [redacted] available [here](#)

Report

To: Wheatley Homes South Board

By: Lyndsay Brown, Director of Financial Reporting

Approved by: Pauline Turnock, Group Director of Finance

Subject: Finance Report (inc. covenant amendment)

Date of Meeting: 22 November 2023

1. Purpose

1.1 The purpose of this report is to provide the Board with:

- An overview of the management accounts for the period to 30 September 2023 and Q2 forecast; and
- Seek approval for amendments to our WFL1 loan arrangements.

2. Authorising and strategic context

2.1 Under the terms of the Intra-Group Agreement between Wheatley Homes South and the Wheatley Group and this Board's Terms of Reference, the Wheatley Homes South Board is responsible for the on-going monitoring of performance against agreed targets. This includes the on-going performance of its finances.

2.2 Under the Group Standing Orders and the Terms of Reference contained therein, the Board is required to approve loan agreements, covenant returns and granting of security. Raising additional funding and ensuring our existing financing arrangements are fit for purpose ensure we have the financial resources to enable our ambitions to deliver new energy-efficient affordable homes.

3. Background

Financial performance

3.1 The results for the year to 30 September are summarised below.

| | Year to Date (Period 6) | | |
|--------------------------------|-------------------------|-----------------|-------------------|
| | Actual £'000 | Budget £'000 | Variance £'000 |
| Turnover | 27,048 | 26,442 | 606 |
| Operating expenditure | (21,007) | (21,590) | 583 |
| Operating surplus | 6,041 | 4,852 | 1,189 |
| <i>Operating margin</i> | 22% | 18% | 4% |
| Net interest payable | (3,246) | (3,060) | (186) |
| Surplus | 2,795 | 1,792 | 1,003 |
| Net Capital Expenditure | 8,018 | 8,560 | 542 |

4. Discussion

4.1 A statutory surplus of £2,795k is reported for the year to 30 September 2023, £1,003k favourable to budget.

Key points to note:

- Within income, net rental income is £138k higher than budget, driven by a strong letting performance, with a void loss rate of 0.6% vs 1.2% in budget. Rental income is £4k favourable due to the timing of properties cleared for demolition. Other grant income is £482k favourable than budget mainly due to additional adaptation grant claimed of £434k (with higher corresponding spend in investment). In addition to adaptations, increased renewable heat incentive (RHI) grant and care grant funding was also received.
- Operating expenditure is £583k favourable to budget driven by lower spend against budget across the majority of budget lines including repairs costs:
 - Total employee costs (direct and group services) are £159k lower than budget. The savings include vacant positions some of which are linked to the ERVR programme and lower than budgeted overtime.
 - Total running costs (direct and group services) are £21k unfavourable to budget, reflecting higher than budgeted insurance costs. Group recharges are £28k favourable to budget driven by timing of external accreditation activity and reduced customer survey costs; these are likely to show savings in the full year.
 - Repair costs are £320k favourable to budget. Responsive repairs are £183k unfavourable to budget due to increased demand and a higher cost per job driven by increased material costs to date. This unfavourable position has been fully offset by the favourable cyclical and compliance spend of £503k due to a reprofiling of the programme. There is no impact to our legislative obligations by deferring these costs. A repairs improvement plan which includes mitigating actions has been put in place to manage repairs spend.
- The investment income is £7,792k lower than budget mainly due to timing of grant funding claimed for the new build programme (Curries Yard and Springholm).
- Total core investment spend of £7,096k is £230k higher than budget due to higher spend on capitalised voids and grant funded adaptation works (which have compensating additional grant income). Mitigating actions and business rules have been put in place to bring Investment spend within the forecast spend. Void works are now being undertaken by a new in-house team who have been in place since June 2023, with a reduction in average cost per job.

- New Build expenditure is £7,989k under budget driven primarily by the timing of spend on Curries Yard and Springholm.

Q2 2023/24 Full Year Forecast

| | Full year 2023/24 | | |
|--------------------------------|-------------------|---------------|----------------|
| | Forecast £k | Budget £k | Variance £k |
| Turnover | 63,978 | 66,876 | (2,898) |
| Operating expenditure | (43,363) | (43,469) | 106 |
| Operating surplus | 20,615 | 23,407 | (2,792) |
| <i>Operating margin</i> | 32% | 35% | |
| Net interest payable | (6,673) | (6,024) | (649) |
| Surplus | 13,942 | 17,383 | (3,441) |
| Net Capital Expenditure | 20,925 | 25,950 | 5,025 |

- 4.2 The forecast reflects the results in the year to date as well as expected results for the remaining 6 months of the year. The forecast statutory surplus of £13,942k is £3,441k adverse to budget. The key driver for the variance to budget is the timing of the recognition of the grant income for works funded by Social Housing Net Zero (SHNZ) grant and lower gift aid from Wheatley Developments Scotland.

Key points to note:

- Within income, other grant income is £2,497k lower than budget, due to the required reprofiling of the SHNZ project to 2024/25, due to delays accessing the Scottish Power Energy Network, which is partly offset by additional adaptation income (both with the corresponding impact in investment works). Other income is £634k lower than budget due to reduced gift aid from WDS linked lower New Build spend.
- Expenditure includes an increase of £245k for demolition costs and increased running costs of £100k. This is offset by lower than budgeted bad debts, £150k, with the forecast taking a conservative approach to future performance, and an overall net reduction of repairs costs of £152k, due to £270k of compliance works being rescheduled to 2024/25. All compliance work is still within the required legislative framework.
- Investment income is £7,864k lower than budget due to the reprofiling of the development programme and the SHNZ project, partly offset by higher adaptation income. This links through to investment works which includes reprofiling of SHNZ works to 2024/25 and are £2,094k lower than budget. The forecast out-turn includes increased costs of £837k on capitalised voids.
- The new build programme has reduced by £10,064k due to the reprofiling of various developments. Spend on Johnstonebridge and Lochans has reduced by £3,908k and £2,441k respectively because of planning permission delays. This spend has been deferred to 2024/25.

- It is our aim to manage the forecast variations to budget on individual lines within the parameters of the overall budget for 2023/24. The Q2 forecast presented to the Board has been prepared on a prudent basis and although £763k adverse to budget reports a good level of underlying surplus of £4,966k. Across the wider RSL borrower group, we continue to meet covenants and remain within our financial golden rules.

Funding Update

- 4.3 We have been in discussions with our funders to make some amendments to our lending arrangements. [redacted]
- 4.4 This change will provide us with more flexibility around the planning of our investment programme. In line with our existing approach to covenant compliance and financial planning, we will continue to operate prudently and work within our financial golden rules which provide an agreed level of financial headroom above the minimum covenant level.
- 4.5 We are working with funders to finalise these changes; the majority have already confirmed with the final funder consent due by Christmas 2023. A draft Board minute for approval by the respective members of the WFL1 Borrower Group, of which Wheatley Homes South is one, is provided at Appendix 2. Updated final drafts of loan agreements can be found on Admincontrol and these have been reviewed by our legal advisors Pinsent Mason. The Group Board and WFL1 Board have approved these changes and this Board is asked to approve a delegation of authority to any WFL1 director to agree the final form of the lender documentation on our behalf.

5. Customer Engagement

- 5.1 This report relates to our financial reporting and therefore there are no direct customer implications arising from the Finance 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 the Finance Report.

8. Financial and value for money implications

- 8.1 The statutory surplus for the period to 30 September 2023 is £1,003k favourable to budget. Delivery of our cost efficiency targets is a key element of continuing to demonstrate value for money. The underlying result for the year to September 2023 is £773k favourable to budget driven by increased adaptation grants, lower responsive repairs and savings on employee costs.
- 8.2 The Q2 forecast shows a statutory surplus of £13,942k, £3,441k adverse to budget driven by the deferral of SHNZ grant income to 2024/25. The Q2 forecast reports an underlying surplus of £4,966k, £763k unfavourable to budget.

9. Legal, regulatory and charitable implications

9.1 There are no direct legal, regulatory and charitable implications arising from the Finance Report.

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.

10.3 The Group's risk appetite in respect of development is "open", which is defined as willing to choose the option "*most likely to result in successful delivery while also providing an acceptable level of reward*". The Group's risk appetite in respect of governance is "cautious" which is defined as "*preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward*".

11. Equalities implications

11.1 There are no equalities implications arising from the Finance Report.

12. Key issues and conclusions

12.1 This paper presents the financial performance for the period to 30 September 2023 and Q2 forecast for 2023/24.

13. Recommendations

13.1 The Board is requested to:

- 1) Note the Finance Report for the period to 30 September 2023 and Q2 forecast at Appendix 1;
- 2) Approve the amendments to the borrowing arrangements through the approval of the formal legal minute appended to this report: and
- 3) Approve delegation of authority to any WFL1 director to make non-material changes and to agree the final form of the lender documentation on behalf of Wheatley Homes South.

LIST OF APPENDICES:-

Appendix 1: Period 6 – 30 September 2023 Finance Report

Appendix 2: [redacted]



Period to 30 September 2023

Finance Report



1) Operating statement – Period to 30 September 2023

| OPERATING STATEMENT | Period to Sept 2023 | | | Full Year |
|--|---------------------|---------------|-----------------|---------------|
| | Actual £ks | Budget £ks | Variance £ks | Budget £ks |
| INCOME | | | | |
| Rental Income | 23,789 | 23,784 | 4 | 47,855 |
| Void Losses | (151) | (285) | 134 | (568) |
| Net Rental Income | 23,638 | 23,500 | 138 | 47,287 |
| Grant Income | - | - | - | 4,977 |
| Other Grant Income | 2,823 | 2,341 | 482 | 11,736 |
| Other Income | 587 | 601 | (14) | 2,876 |
| TOTAL INCOME | 27,048 | 26,442 | 606 | 66,876 |
| EXPENDITURE | | | | |
| Employee Costs - Direct | 2,752 | 2,862 | 110 | 5,715 |
| Employee Costs - Group Services | 1,970 | 2,019 | 49 | 4,038 |
| ER/VR | 166 | 166 | 0 | 340 |
| Direct Running Costs | 1,272 | 1,222 | (49) | 2,529 |
| Running Costs - Group Services | 1,047 | 1,075 | 28 | 2,150 |
| Revenue Repairs and Maintenance | 5,860 | 6,180 | 320 | 12,360 |
| Bad debts | 201 | 325 | 125 | 651 |
| Depreciation | 7,290 | 7,290 | 0 | 14,581 |
| Demolition and compensation | 450 | 450 | 0 | 1,105 |
| TOTAL EXPENDITURE | 21,007 | 21,590 | 583 | 43,469 |
| NET OPERATING SURPLUS | 6,041 | 4,852 | 1,189 | 23,407 |
| <i>Net operating margin</i> | 22% | 18% | 4% | 35% |
| Interest Receivable and similar income | 34 | 6 | 28 | 15 |
| Interest payable & similar charges | (3,280) | (3,066) | (214) | (6,039) |
| STATUTORY SURPLUS | 2,795 | 1,792 | 1,003 | 17,383 |
| INVESTMENT | | | | |
| TOTAL CAPITAL INVESTMENT INCOME | 9,392 | 17,184 | (7,792) | 34,425 |
| Capital Investment spend | 7,096 | 6,866 | (230) | 19,535 |
| New Build Programme | 9,861 | 17,850 | 7,989 | 38,785 |
| Other Fixed Assets | 452 | 1,028 | 576 | 2,056 |
| TOTAL INVESTMENT EXPENDITURE | 17,409 | 25,744 | 8,335 | 60,376 |
| NET CAPITAL EXPENDITURE | 8,018 | 8,560 | 542 | 25,950 |

Key highlights :

Net operating surplus of £6,041k is £1,189k favourable to budget. Statutory surplus to 30 September is £2,795k, which is £1,003k favourable to budget. The key driver of the variance is higher than budgeted adaptation grant income claimed to date, lower void rent loss and lower spend across a number of expenditure lines.

- Net rental income is £138k higher than budget driven by lower than budgeted voids, with a void loss rate of 0.6% vs 1.2% in budget..
- Other grant income is £482k favourable to budget mainly due to additional adaptation grant claimed (with higher corresponding spend in investment). In addition to adaptations there is increased renewable heat incentive (RHI) grant and care grant funding.
- Other income is £14k unfavourable to budget due to lower garage and lock-up income due to increased voids.
- Total employee costs (direct and group services) are £159k lower than budget. The savings include vacant positions and lower than budgeted overtime.
- ER/VR costs are in line with budget, with four ER/VR leavers YTD. This cost will yield future revenue savings.
- Total running costs (direct and group services) are £21k unfavourable to budget, due to due to higher than budgeted insurance costs. Group recharges are £28k favourable to budget.
- Repair costs are £320k favourable to budget. Responsive repairs are £183k unfavourable to budget due to increased demand and a higher cost per job driven by increased material costs. This unfavourable position has been fully offset by the favourable cyclical and compliance spend of £503k following a reprofiling of the programme. A repairs improvement plan which includes a number of mitigating actions has been put in place to manage repairs spend within the forecast spend.

Gross interest payable of £3,280k reports an unfavourable variance of £214k is due to the increase in floating interest rates.

- The investment income is £7,792k lower than budget mainly due to timing of grant funding claimed for the new build programme (Curries Yard and Springholm).
- Total core investment spend of £7,096k is £230k higher than budget due to higher spend on capitalised voids and grant funded adaptation works (which have compensating additional grant income). A number of mitigating actions and business rules have been put in place to bring Investment spend within the forecast spend.
- New Build expenditure is £7,989k under budget driven by timing of spend on Curries Yard and Springholm.

1b) Underlying surplus – Period to 30 September 2023

Key highlights :

- The 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 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.
- For the period to September 2023, an underlying surplus of £2,989k has been generated which is £773k favourable to budget. The variance is driven by higher adaptation grant income, lower void rent loss and lower spend over expenditure lines.

| Underlying Surplus - Period to 30 Sept 2023 | | | | |
|---|-------------------|-------------------|---------------------|------------------|
| | YTD Actual £ks | YTD Budget £ks | YTD Variance £ks | FY Budget £ks |
| Net Operating surplus | 6,041 | 4,852 | 1,189 | 23,407 |
| add back: | | | | |
| Depreciation | 7,290 | 7,290 | 0 | 14,581 |
| less: | | | | |
| Grant income | 0 | 0 | 0 | (4,977) |
| Net interest payable | (3,246) | (3,060) | (186) | (6,024) |
| Total expenditure on Core Programme | (7,096) | (6,866) | (230) | (19,535) |
| Underlying surplus | 2,989 | 2,216 | 773 | 7,452 |
| | | | | |

2) Repairs and Investment – Period to 30 September 2023

| Revenue Repairs and Maintenance | YTD | | | Full Year |
|--------------------------------------|---------------|---------------|-----------------|---------------|
| | Actual £ks | Budget £ks | Variance £ks | Budget £ks |
| Reactive | 4,646 | 4,463 | (183) | 8,820 |
| Gas planned maintenance | 523 | 598 | 75 | 1,178 |
| Landscaping and cyclical maintenance | 326 | 410 | 84 | 857 |
| Compliance | 261 | 674 | 413 | 1,505 |
| Loss on IHR | 104 | 35 | (69) | - |
| TOTAL | 5,860 | 6,180 | 320 | 12,360 |

| Core Investment Programme | To 30 Sept 2023 | | | Full Year |
|--|-----------------|---------------|-----------------|---------------|
| | Actual £ks | Budget £ks | Variance £ks | Budget £ks |
| Investment programme grant income | | | | |
| Aids and Adaptations | 704 | 270 | 434 | 459 |
| Social Housing Net Zero | 1,620 | 1,620 | - | 10,375 |
| Total | 2,324 | 1,890 | 434 | 10,834 |
| Investment programme spend | | | | |
| Core Programme | 887 | 2,010 | 1,123 | 3,791 |
| Capitalised repairs | 438 | 450 | 11 | 876 |
| Social Housing Net Zero | 1,620 | 1,620 | - | 9,975 |
| Capitalised Voids | 2,829 | 1,879 | (950) | 3,076 |
| Adaptations | 704 | 270 | (434) | 540 |
| Capitalised Staff | 618 | 638 | 20 | 1,277 |
| Total | 7,096 | 6,866 | (230) | 19,535 |

| | | | | |
|-----------------------------|--------------|--------------|------------|--------------|
| Net Investment Spend | 4,772 | 4,976 | 204 | 8,701 |
|-----------------------------|--------------|--------------|------------|--------------|

Repairs

Repairs and maintenance costs are £320k favourable to budget.

- Reactive repairs are £183k adverse to budget driven by higher material costs and demand. A number of mitigating actions and business rules have been put in place to bring repairs spend within the forecast spend.
- Gas planned maintenance, landscaping and cyclical maintenance and compliance expenditure were all favourable to budget due to the reprofiling and timing of spend against budget. Compliance spend is still within the required legislative framework, with the savings from deferring EICRs to 24/25 whilst still meeting the required timescale.

Investment

Net investment in our existing homes after taking account of fully funded SHNZ and adaptations work was £4,772k, which is £204k lower than budget.

- Core programme is £1,123k lower than budget due to the reprofiling of the investment programme against budget. Reduced spend to budget was noted on environmental, M&E, windows and doors and lowrise programmes which was partially offset by increased spend to budget on structural work.
- Capitalised voids are higher than budget. Void work was brought in house during June 2023. The average cost per void is decreasing which will reduce the full year overspend.
- While adaptations are £434k higher than budget these are fully funded as per the grant income section above.

3) In House Repairs Service – Period to 30 September 2023

| In House Repairs | YTD | | | Full Year Budget |
|-----------------------------|--------------|--------------|--------------|------------------|
| | Actual £ks | Budget £ks | Variance £ks | |
| INCOME | | | | |
| Internal Subsidiaries | 5,578 | 5,932 | (354) | 11,934 |
| External Customers | 122 | 213 | (91) | 426 |
| TOTAL INCOME | 5,701 | 6,145 | (444) | 12,360 |
| COST OF SALES | | | | |
| Staff Costs | 2,276 | 2,650 | 374 | 5,300 |
| Materials | 1,462 | 1,450 | (13) | 2,900 |
| Subcontractor & Other Costs | 1,233 | 1,200 | (33) | 2,400 |
| TOTAL COST OF SALES | 4,971 | 5,300 | 328 | 10,600 |
| GROSS PROFIT | 729 | 845 | (116) | 1,760 |
| Margin % | 13% | 14% | 26% | 14% |
| Overheads | 833 | 880 | 47 | 1,760 |
| NET LOSS | (104) | (35) | (69) | |

Key Comments:

- Income for the in house repairs service is £444k lower than budget. External customers income represents Home Group income generated in the period to 30 September 2023.
- Savings have been generated in staff costs due to the timing of the recruitment for the new structure. The budget assumed this would be in place in May, however this wasn't achieved until July.
- Materials and subcontractor costs are higher than budget driven by more complex jobs and increased prices.

4) New Build – Period to 30 September 2023

| Development Name | Status | Contractor | YTD P6 | | | Full Year |
|------------------|---------|------------|--------|--------|----------|-----------|
| | | | Actual | Budget | Variance | FY Budget |
| Curries Yard | On Site | CCG | 5,820 | 6,946 | 1,126 | 11,404 |
| Springholm | On Site | Ashleigh | 2,710 | 6,266 | 3,557 | 10,218 |

[redacted]

Development spend at September 2023 totalled £9,861k, against a budget of £17,850k, a favourable variance of £7,989k due to delays in development works. Similarly, the grant income received of £7,068k was £8,226k under budget. The grant income received was for Curries Yard and Springholm, which will be recognised in the operating statement when the units are handed over.

- **Currie's Yard (SR/89):** Spend is below budget as works commenced on site later than budgeted due to a delay in receiving road work permission. Works progressing well and on target to meet planned completion.
- **Springholm (SR/47):** Spend is below budget due to construction not starting till May 2023. Now on site with monthly valuations increasing.
- **Lochside** – all 12 blocks demolished and final surfacing complete.

[redacted]

| | | | | | | |
|-----------------------------------|-----------|--|--------------|---------------|--------------|---------------|
| Completed PY | Completed | | 12 | 97 | 85 | 97 |
| Total Social Rent | | | 9,312 | 17,266 | 7,954 | 37,321 |
| Capitalised Staff | | | 549 | 584 | 35 | 1,168 |
| Capitalised Interest | | | - | - | - | 296 |
| Total New Build Investment | | | 9,861 | 17,850 | 7,989 | 38,785 |

| | | | | | | |
|---------------------|--|--|--------------|---------------|----------------|---------------|
| Grant Income | | | 7,068 | 15,294 | (8,226) | 23,591 |
|---------------------|--|--|--------------|---------------|----------------|---------------|

| | | | | | | |
|---------------------------|--|--|--------------|--------------|--------------|---------------|
| Net New Build Cost | | | 2,793 | 2,556 | (237) | 15,194 |
|---------------------------|--|--|--------------|--------------|--------------|---------------|

| | | | | | | |
|---|--|--|---|---|---|--------------|
| Grant Income Completions (recognised in OPS) | | | - | - | - | 4,977 |
|---|--|--|---|---|---|--------------|

5) Balance Sheet – Period to 30 September 2023

| | 30 September 23 | 31 March 23 |
|--|-----------------|-----------------|
| Fixed Assets | | |
| Social Housing Properties | 433,128 | 423,556 |
| Other Fixed Assets | 1,884 | 1,406 |
| Investment Properties | 12,154 | 12,154 |
| | <u>447,166</u> | <u>437,116</u> |
| Current Assets | | |
| Stock | 1,038 | 954 |
| Rent and service charge arrears | 3,095 | 3,022 |
| less: provision for rent arrears | (1,090) | (930) |
| Prepayments and accrued income | 4,084 | 3,360 |
| Other debtors | 3,113 | 3,198 |
| Total Debtors | 9,203 | 8,650 |
| Due from other group companies | 267 | 68 |
| Cash & Cash Equivalents | 4,189 | 3,405 |
| | <u>14,697</u> | <u>13,078</u> |
| Creditors: within 1 year | | |
| Trade Creditors | (1,355) | (967) |
| Accruals | (5,588) | (7,458) |
| Deferred income (Grant) | (6,582) | (6,599) |
| Prepayments of Rent and Service Charge | (1,061) | (884) |
| Other Creditors | (548) | (554) |
| Total Creditors | (15,134) | (16,463) |
| Amounts due to Group Undertakings | (7,126) | (5,022) |
| | <u>(22,261)</u> | <u>(21,485)</u> |
| Net Current Liability | (7,564) | (8,407) |
| Long Term Creditors | | |
| Long term loans | (158,664) | (158,164) |
| Loan interest | (4,639) | (4,108) |
| Deferred Income | (13,713) | (6,645) |
| Other provisions | (88) | (88) |
| Pension | | |
| Net Assets | 262,499 | 259,704 |
| Capital and Reserves | | |
| Share Capital | | |
| Revenue Reserve | 118,188 | 115,393 |
| Revaluation Reserve | 144,311 | 144,311 |
| | <u>262,499</u> | <u>259,704</u> |
| Shareholders' funds | 262,499 | 259,704 |

Key Comments:

The balance sheet reported reflects the 31 March 2023 year-end statutory position, including year-end audit adjustments.

- **Fixed assets** of £447m – representing new build works less depreciation of existing assets.
- **Stock** relates to stock for the in-house repairs team and materials on site related to the investment program.
- **Debtors** – net rent and service charge arrears have decreased driven by increase in bad debt provision.
- **Accrued income** – This includes new build grant income, aids and adaptations and the SHNZ investment grant claim.
- **Other debtors** includes capital asset recharge £2.8m.
- **Creditors: within 1 year** Includes
 - Trade creditors are higher than 31 March 2023 driven by timing of supplier payments.
 - Accruals includes £1.0m of investment works (CBG), £2.2m Design and Build costs due to WDSL, £0.4m materials and £0.3m fleet accruals.
 - Grant income received is deferred until the completion of new build properties. The £6.6m relates to 41 units expected to complete in 2023/24.
- **Long-Term Creditors** relate to
 - Capital loans of £158.7m, including WFL1, Allia and THFC loans.
 - The roll up of accrued interest on Allia loans is not payable until the end repayment date of the loan. £4.6m has been accrued since the drawdown of the loans.
 - Grant income received is deferred until the completion of new build properties. The balance relates to Curries Yard, Catherinefield and Thornhill which are all expected to complete in 2024/25 onwards.
 - Provision of £88k relates to the remaining balance made for dilapidation liabilities for offices.

6) Q2 Forecast 2023/24

| Operating statement | Full Year 2023/24 | | |
|--------------------------------------|-------------------|---------------|----------------|
| | Q2 Forecast £k | Budget £k | Variance £k |
| INCOME | | | |
| Rental Income | 47,855 | 47,855 | 0 |
| Void Losses | (334) | (568) | 234 |
| Net Rental Income | 47,521 | 47,287 | 234 |
| Grant Income | 4,977 | 4,977 | 0 |
| Other Grant Income | 9,239 | 11,736 | (2,497) |
| Other Income | 2,241 | 2,876 | (634) |
| Total Income | 63,978 | 66,876 | (2,898) |
| EXPENDITURE | | | |
| Employee Costs - Direct | 5,640 | 5,715 | 75 |
| Employee Costs - Group Services | 3,998 | 4,038 | 41 |
| ER / VR | 340 | 340 | 0 |
| Direct Running Costs | 2,629 | 2,529 | (100) |
| Running Costs - Group Services | 2,117 | 2,150 | 33 |
| Revenue Repairs and Maintenance | 12,208 | 12,360 | 152 |
| Bad debts | 501 | 651 | 150 |
| Depreciation | 14,581 | 14,581 | 0 |
| Demolition | 1,350 | 1,105 | (245) |
| TOTAL EXPENDITURE | 43,363 | 43,469 | 106 |
| OPERATING SURPLUS / (DEFICIT) | 20,615 | 23,407 | (2,792) |
| Interest Payable | (6,673) | (6,024) | (649) |
| STATUTORY SURPLUS / (DEFICIT) | 13,942 | 17,383 | (3,441) |

| Investment | Full Year 2023/24 | | |
|--|-------------------|---------------|----------------|
| | Q2 Forecast £k | Budget £k | Variance £k |
| Total Capital Investment Income | 26,561 | 34,425 | (7,864) |
| Investment Works | 17,441 | 19,535 | 2,094 |
| New Build | 28,721 | 38,785 | 10,064 |
| Other Capital Expenditure | 1,324 | 2,056 | 731 |
| TOTAL CAPITAL EXPENDITURE | 47,486 | 60,376 | 12,890 |
| NET CAPITAL EXPENDITURE | 20,925 | 25,950 | 5,025 |

Key highlights :

Statutory surplus of £13,942k is £3,441k unfavourable to budget driven by the reduction of Social Housing Net Zero (SHNZ) grant income as a result of reprofiling works to 2024/25, lower Wheatley Development Scotland (WDS) gift aid income and increased interest payable.

- Void losses are £234k favourable to budget with the forecast maintaining a conservative approach to future performance..
- Other grant income is £2,497k lower than budget due to reprofiling of SHNZ project to 2024/25, partly offset by additional adaptation income (both with the corresponding impact in investment works).
- Other income is £634k lower than budget due to lower gift aid from WDS (linked to lower New Build spend) and lower garage and lock up rental income to align with Q2 actuals.
- Employee costs (direct & group) are £116k lower than budget driven by staff vacancies in the budgeted structure.
- Running costs (direct & group) are £67k higher than budget to account for higher than budgeted insurance costs.
- Revenue repairs and maintenance are £152k lower than budget. Responsive repairs have been uplifted by £118k with cyclical and compliance spend being reduced by £270k to account for a reprofiling of the programme. A thorough review of repairs has been conducted with mitigating actions implemented.
- Bad debts are £150k lower than budget with the forecast maintaining a conservative approach to future performance.
- Demolition costs have increased by £245k reflecting increased tender demolition costs, and property buy backs delayed from 2022/23.
- Interest payable is £649k higher than budget linked to a higher floating rate than assumed in the business plan.
- Investment income is £7,864k lower than budget due to the reprofiling of the development programme and the SHNZ project, partly offset by higher adaptation income.
- Investment works are £2,094k lower than budget. This includes reprofiling of some of the SHNZ works to 2024/25. This is offset by increased costs on capitalised voids, £837k, driven by higher costs in Q1. Adaptations are £671k higher, however £405k of the increase is funded.
- The new build programme has reduced by £10,064k due to reprofiling of various developments. Johnstonebridge and Lochans have reduced by £3,908k and £2,441k respectively due to planning permission delays with spend deferred to 2024/25.

7) Underlying surplus – Q2 forecast 2023/24

Key highlights :

- The 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 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.
- The Q2 forecast show an underlying surplus of £4,966k which is £763k unfavourable to budget. The variance is driven by increased interest payable, higher demolition costs and higher capitalised voids.

| WH South Underlying Surplus/ (Deficit) - Q2 Forecast 23/24 | | | |
|--|-------------------|-------------------|---------------------|
| | YTD Actual £ks | YTD Budget £ks | YTD Variance £ks |
| Net Operating surplus | 20,615 | 23,407 | (2,792) |
| add back: | | | |
| Depreciation | 14,581 | 14,581 | |
| less: | | | |
| Grant income | (4,977) | (4,977) | - |
| Gift aid | (1,140) | (1,724) | 584 |
| Net interest payable | (6,673) | (6,024) | (649) |
| Total expenditure on Core Programme | (17,441) | (19,535) | 2,094 |
| Underlying surplus / (deficit) | 4,966 | 5,727 | (763) |



Report

To: Wheatley Homes South Board

By: Alan Glasgow, Managing Director

Approved By: Hazel Young, Group Director of Housing and Property Management

Subject: Risk Register

Date of Meeting: 22 November 2023

1. Purpose

- 1.1. This report asks the Board to consider and approve the proposed changes to the Risk Register.

2. Authorising and strategic context

- 2.1. In accordance with the Group Standing Orders, the Board is responsible for managing and monitoring its Corporate Risk Register and Risk Appetite. The Group Board is responsible for managing and monitoring the Wheatley Group Risk Management Framework.

3. Background

- 3.1. This report gives an overview of our current risk position for consideration by the Board. As set out in the Group Risk Management approach, this update focuses on risks to bring to the attention of the Board. This includes risks in the following categories:

- A. Risks outwith risk appetite;
- B. Risks with a residual risk score of 12 or more or an inherent risk score of 20 or more, for which the Board has not received an update on the operation of the controls in the last 6 months; and
- C. Risks highlighted for consideration. This will include new risks, risks to be removed from the Strategic Risk Register, or risks with a significant change in scoring. It also includes brief details of any significant changes to the external environment that may impact on the Board's risk profile ("horizon-scanning").

4. Discussion

- 4.1. The chart below shows all risks within the Corporate Risk Register. These are colour-coded as follows:
- **Red font – risks highlighted for Member consideration (as set out in paragraph 3.1) and discussed further below;**

- Purple font – risks with a high residual risk or inherent risk score where Boards have received an update on the operation of the controls in the last 6 months;
- Black font – lower scoring risks that have remained stable within the current period.

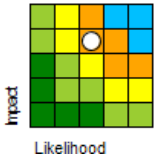
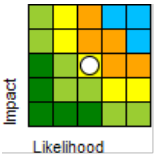
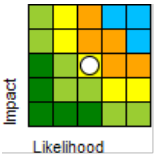
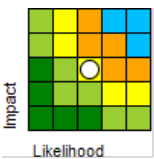
| | | | | | | |
|--------|---|---|--|--|---|---|
| Impact | 5 | | | | | |
| | 4 | | <ul style="list-style-type: none"> • Failure to recruit, develop, retain and succession plan • Supply chain disruption • Damp and Mould (A) • Lochside Development | <ul style="list-style-type: none"> • [redacted] • Impact on our customers of the Cost-of-Living crisis • Reduced availability of financial support from SGov't/Local Govt | | |
| | 3 | <ul style="list-style-type: none"> • Business Continuity • Fire Safety (C) • Rent arrears management | <ul style="list-style-type: none"> • New operating model implementation (C) • Care and Support Services (A) • Financial impact of rent control legislation • WHS Property Services • Future waves of pandemic (C) • Fire Event (A) • Compliance with funders' requirements • Customer Satisfaction • Governance Structure • Securing new fundings and adverse market changes • Political and Policy changes • Group Credit Rating (A) • Non-achievement of sustainability targets (C) | <ul style="list-style-type: none"> • Climate change impact on Group assets and services (C) | | |
| | 2 | <ul style="list-style-type: none"> • Homes4D&G | | <ul style="list-style-type: none"> • Laws and Regulations | | |
| | 1 | | | | | |
| | | 1 | 2 | 3 | 4 | 5 |
| | | Likelihood | | | | |

4.2. The remainder of this section provides additional commentary on those risks highlighted in red font. A full description of each of these risks, and associated controls, is set out in Appendix 2.

Section A - Risks outwith risk appetite

4.3. There are five risks with a residual risk score that is greater than the approved risk appetite. This is set out in the table below.

| Risk | Residual Risk Score | Risk Appetite Level | Commentary |
|------------|---------------------|---------------------|------------|
| [redacted] | | | |

| Risk | Residual Risk Score | Risk Appetite Level | Commentary |
|---|---|---------------------|--|
| RISK 053: Damp and Mould |  | Minimal | The residual risk scoring for this risk was increased to 12 in August 2023. The proactive approach to the identification of damp and mould issues within customers' homes will reduce the likelihood of any homes having damp or mould present and not being actioned as a result of the customer not reporting it. This is supported by the development and implementation of the new procedures for dealing with reports of damp/mould, the treatment works that have been carried out over the course of the last year and the support / information / guidance that has been made available to customers and frontline staff should in turn reduce the risk associated with damp/mould over the winter period. |
| RISK 005 – Care and support services |  | Minimal | We continue to embed the Care Quality Framework which is providing improved controls. Enhancements have been made to the Framework following feedback and learning from the first full year of use. Work to deliver the outcomes of the Care Strategic Review continues and will also add to an enhanced control environment. |
| NEW RISK: RISK 089 – Fire Event |  | Minimal | This risk has been separated from the existing 'Fire Safety' risk to focus on the risk of a fire event within a customer property. It is outwith risk appetite due to the limited control the Group has over the actions of third parties to minimise fire risk. |
| RISK010 – Group Credit rating |  | Minimal | The residual risk score remains above risk appetite due to the uncertainty within the external economic and policy environment. We will continue to monitor the potential impact on business plans and keep the scoring of this risk under review. |

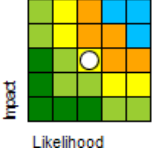
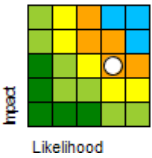
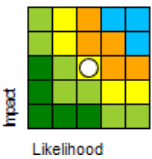
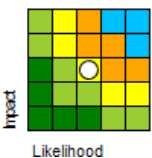
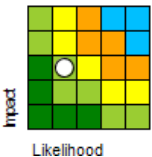
- 4.4. The implementation of any identified actions will be monitored and residual risk scores will be reviewed as part of the scheduled quarterly review of all risks.

Section B – High scoring risks with controls due for review.

- 4.5. There are no risks with a residual risk score that is greater than the 12, or an inherent risk score of 20 or more, for which the Board has not received an update on the operation of the controls in the last 6 months.

Section C- Horizon Scanning

- 4.6. The table below summarises five risks highlighted for the Board's attention, including any key changes to the risks in the Risk Register.

| Risk | Residual Risk Score | Risk Appetite Level | Commentary |
|--|---|---------------------|---|
| PROPOSED FOR DELETION: RISK004 – New operating model implementation |  | Hungry | It is proposed that this risk is deleted from the Corporate Risk Register as the new operating model is now embedded. |
| AMENDED RISK: RISK023 – Climate change impact on Group customers, assets and services |  | Open | Following discussion at the Solutions Board risk workshop, this risk has been split within the Group SRR. (See Risk 137 below) This original risk is focused on the potential that climate change consequences on Group assets and services are not anticipated, resulting in damage to the value of our assets and our ability to deliver services. |
| NEW RISK: RISK137 – Non-achievement of sustainability targets |  | Open | As above, propose this new risk is added (in line with agreed change to SRR) to focus on the risk that the Group is unable to demonstrate how it is contributing to climate change mitigation activities, due to non-achievement of targets within its Sustainability Framework. |
| PROPOSED FOR REMOVAL: RISK002 – Ongoing threat of future waves of COVID-19 and / or another pandemic |  | Hungry | It is proposed that this risk is removed from the Corporate Risk Register and monitored at a local level. |
| AMENDED RISK: RISK003 – Fire Safety |  | Minimal | In line with a change made to the SRR, this risk has been split and a new 'Fire Event' risk has been added to the Group Risk Profile. This amended risk is now focused on the risk of non-compliance with legislation. |

- 4.7. The Board is asked to consider whether any matters discussed elsewhere during the Board meeting result in additional risks to be captured in the risk register.

5. Customer Engagement

- 5.1. No customer engagement implications arise directly from this report.

6. Environmental and sustainability implications

6.1. No environmental or sustainability implications arise directly from this report.

7. Digital transformation alignment

7.1. No digital transformation alignment implications arise directly from this report.

8. Financial and value for money implications

8.1. No financial or value for money implications arise directly from this report.

9. Legal, regulatory and charitable implications

9.1. No legal, regulatory or charitable implications arise directly from this report.

10. Risk Appetite and assessment

10.1. There is no single risk appetite associated with this paper. Instead, the review of risks within the Corporate Risk Register, as outlined in this paper is designed to provide assurance on the controls in place to manage risks such that the residual risk score is within risk appetite and to identify additional actions we plan to reduce residual risk further, where required.

11. Equalities implications

11.1. This report does not require an equalities impact assessment.

12. Key issues and conclusions

12.1. Our review of the Corporate Risk Register has identified five risks that is outwith risk appetite, no risks with high inherent or residual risk scores that have not been reviewed; and a further five risks highlighted for Board consideration.

13. Recommendations

13.1. The Board is asked to:

- Approve the updates in this report; and
- Identify any further changes required to the Corporate Risk Register.

LIST OF APPENDICES:

Appendix 1 – Summary status of Wheatley Homes South Corporate Risk Register
Appendix 2 – Wheatley Homes South Detailed Highlighted Risks

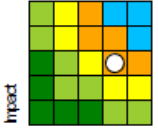
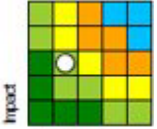
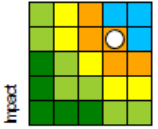
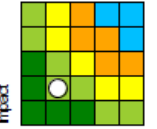
Appendix 1 – Summary status of Wheatley Homes South Risk Profile

| Code | Title | Original Score | Risk Appetite | Current Risk Score | Owner | Strategic Outcome | Ref to Appendix 2 |
|------------|--|---|---------------------------------------|---|---|--|-------------------------|
| [redacted] | | | | | | | |
| RISK 001 | Impact on our customers of the cost of living crisis |  | Risk Appetite is OPEN (Orange) |  | Group Director of Communities | Supporting economic resilience in our communities | N/A |
| RISK 021 | Reduced availability of financial support from Scottish Government and / or local government |  | Risk Appetite is OPEN (Orange) |  | Group Director of Finance | Raising the funding to support our ambitions | N/A |
| RISK 018 | Supply chain disruption |  | Risk Appetite is OPEN (Orange) |  | Group Director of Governance & Business Solutions | Increasing the supply of new homes | N/A |
| RISK 015 | Failure to recruit, develop, retain and succession plan |  | Risk Appetite is HUNGRY (Blue) |  | Group Director of Finance | W.E. Work – strengthening the skills and agility of our staff | N/A |
| RISK 023 | Climate change impact on Group customers, assets and services |  | Risk Appetite is OPEN (Orange) |  | Group Director of Repairs and Assets | Setting the benchmark for sustainability and reducing carbon footprint | P12 C – Amended risk |

| Code | Title | Original Score | Risk Appetite | Current Risk Score | Owner | Strategic Outcome | Ref to Appendix 2 |
|----------|--|----------------|---|--------------------|---|--|----------------------------------|
| RISK 053 | Damp and Mould | | Risk appetite is MINIMAL (Light Green) | | Group Director of Repairs and Assets | Investing in existing homes and environments | P13 A – Outwith risk appetite |
| RISK 091 | Lochside Development | | Risk Appetite is OPEN (Orange). | | Group Director of Housing & Property Management | Increasing the supply of new homes | N/A |
| RISK 004 | New operating model implementation | | Risk Appetite is HUNGRY (Blue) | | Group Director of Finance; Group CEO | W.E. Create– driving innovation | P14 C– Proposed for deletion |
| RISK 005 | Care and support services | | Risk Appetite is MINIMAL (Light Green) | | Group Director of Communities | Shaping Care Services for the future | P15 A – Outwith risk appetite |
| RISK 022 | Financial impact of rent control legislation | | Risk Appetite is CAUTIOUS (Yellow) | | Group Director of Finance | Progressing from Excellent to Outstanding | N/A |
| RISK 137 | Non-achievement of sustainability targets | | Risk Appetite is OPEN (Orange) | | Group Director of Repairs and Assets | Setting the benchmark for sustainability and reducing carbon footprint | P16 C – Proposed new risk |

| Code | Title | Original Score | Risk Appetite | Current Risk Score | Owner | Strategic Outcome | Ref to Appendix 2 |
|----------|--|---|--|---|--|--|-------------------------------|
| RISK 183 | WHS Property Services |  | Risk appetite is <u>OPEN</u> (Orange) |  | Group Director of Housing & Property Management | Developing a Customer Led Repairs Service | N/A |
| RISK 002 | Ongoing threat of future waves of COVID-19 and / or another pandemic |  | Risk Appetite is <u>HUNGRY</u> (Blue) |  | Group Director of Repairs and Assets; Group CEO | W.E. Create- driving innovation | P17 C-Proposed for removal |
| RISK 008 | Compliance with funders' requirements |  | Risk Appetite is <u>OPEN</u> (Orange) |  | Group Director of Finance | Raising the funding to support our ambitions | N/A |
| RISK 089 | Fire Event |  | Risk Appetite is <u>MINIMAL</u> (Light Green) |  | Group Director of Repairs and Assets | Developing peaceful and connected neighbourhoods | P18 A - Outwith risk appetite |
| RISK 006 | Customer Satisfaction |  | Risk Appetite is <u>OPEN</u> (Orange) |  | Group Director of Housing & Property Management | Enabling customers to lead | N/A |
| RISK 009 | Governance Structure |  | Risk Appetite is <u>CAUTIOUS</u> (Yellow) |  | Group Director of Governance & Business Solutions; | W.E. Work- strengthening the skills and agility of our staff | N/A |

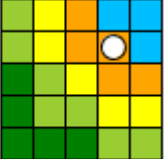
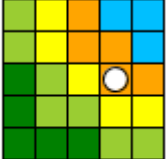
| Code | Title | Original Score | Risk Appetite | Current Risk Score | Owner | Strategic Outcome | Ref to Appendix 2 |
|----------|---|---|---|---|---|---|----------------------------------|
| RISK 011 | Securing new funding and adverse market changes |  | Risk Appetite is OPEN (Orange) |  | Group Director of Finance | Raising the funding to support our ambitions | N/A |
| RISK 014 | Political and Policy changes |  | Risk Appetite is OPEN (Orange) |  | Group Director of Governance & Business Solutions | Influencing locally and nationally to benefit our communities | N/A |
| RISK 010 | Group Credit Rating |  | Risk Appetite is MINIMAL (Light Green) |  | Group Director of Finance | Maintaining a strong credit rating and managing financial risks | P19 A – Outwith risk appetite |
| RISK 016 | Laws and Regulations |  | Risk Appetite is CAUTIOUS (Yellow) |  | Group Director of Governance & Business Solutions | Progressing from Excellent to Outstanding | N/A |
| RISK 012 | Business Continuity |  | Risk Appetite is OPEN (Orange) |  | Group Director of Repairs and Assets | Progressing from Excellent to Outstanding | N/A |
| RISK 003 | Fire Safety |  | Risk Appetite is MINIMAL (Light Green) |  | Group Director of Repairs and Assets | Investing in existing homes and environments | P20 C – Amended risk |

| Code | Title | Original Score | Risk Appetite | Current Risk Score | Owner | Strategic Outcome | Ref to Appendix 2 |
|----------|-------------------------|---|---|---|---|----------------------------|-------------------|
| RISK 007 | Rent Arrears Management |  Likelihood | Risk Appetite is <u>OPEN</u> (Orange) |  Likelihood | Group Director of Housing & Property Management | Enabling customers to lead | N/A |
| RISK 090 | Homes4D&G |  Likelihood | Risk Appetite is <u>OPEN</u> (Orange). |  Likelihood | Group Director of Housing & Property Management | Enabling customers to lead | N/A |

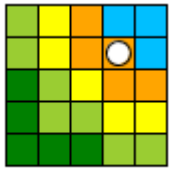
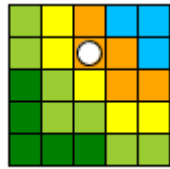
Appendix 2 – Detailed risks highlighted for Board consideration

[redacted]

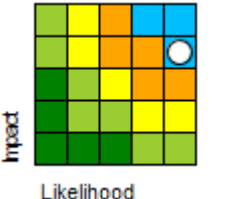
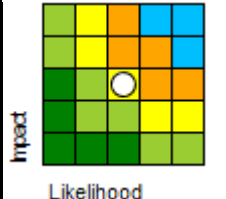
RISK 023 Climate change impact on Group customers, assets and services – C: Amended risk

| Strategic Outcome | Setting the benchmark for sustainability and reducing carbon footprint | Risk type | Financial or VFM | Risk owner | Group Director of Repairs and Assets |
|--|--|--|------------------|---|--------------------------------------|
| Description | | Controls | | | |
| <p>There is a risk that the impact of climate change consequences on Group customers, assets and services are not anticipated resulting in damage to the value of our assets and our ability to deliver services to our customers.</p> | | <p>Business continuity plans (both at Group and local level) provide for operational responses to extreme weather events such as flooding and severe winter snow (e.g. “Beast from the East” type events). Climate Impact Assessment report commissioned from external consultants (Foresight report).</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | | Previous / Next detailed Board update on operation of controls listed above: | |
|  <p>Likelihood</p> |  <p>Likelihood</p> | <p>Risk Appetite is OPEN (Orange)</p> | | <p>All Boards – business plan including detailed 5 year capital investment plan and climate impact (Feb 23)</p> <p>Annual Sustainability Report (August 23)</p> <p>All Boards provided an update on the Action Plan and work undertaken through the CoE (Sept 23)</p> | |

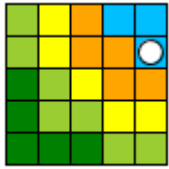
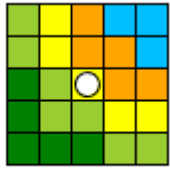
RISK 053 Damp and Mould - A: *Outwith risk appetite*

| Strategic Outcome | Investing in existing homes and environments | Risk type | Compliance - Legal / Regulatory | Risk owner | Group Director of Repairs and Assets |
|---|---|--|---------------------------------|--|--------------------------------------|
| Description | | Controls | | | |
| <p>There is a risk that housing stock is in a poor-quality condition as a result of damp and mould, resulting in harm to tenants' health.</p> | | <p>Existing Controls The Group has a Damp and Mould Policy, which is supported by detailed procedures. Mould and damp are recorded as specific work order descriptions, with agreed timescales for completion of the works. Timescales for completion of mould works have been reduced from 30 to 15 days and all jobs include a full inspection within 2 working days. Additional staff, to specialise in mould and damp, have been recruited to provide additional resource to the existing team. Arrangements are also in place for specialist external support to this Service. A process is in place to contact tenants with completed mould and damp jobs to determine whether the reported issue has been resolved. Trades staff are made aware of condensation and its causes, as well as being trained in application of products used to manage it. There are annual visits to all properties as part of technical compliance programme, with those in attendance advised to report any issues noted while in a property, including damp and mould. Housing Officers also access properties at least once per annum (usually more frequently). Housing Officers have access to information about current mould and damp jobs, factsheets to provide to tenants and are able to direct tenants to videos on how to manage issues. These are also available on Group websites. Training has been developed for all frontline staff who work with tenants including housing, wraparound services, CFC and care staff. CFC staff have specific script for probing when someone raises concern about damp or mould, so we understand clearly the extent of concern at the outset. A No Access Policy to cover the Group's approach to forced access, including in instances where repeated issues of damp and mould are raised but access is refused, has been rolled out.</p> <p>Planned controls All staff with reason to visit customer homes are currently being trained to recognise signs of damp and mould as part of a See It, Report It campaign. This also includes CBG trades operatives. A pilot exercise to test environmental sensors in a small number of properties is underway and the findings of this will be used to inform any further roll out. Technological solutions to treat mould are also being engaged wherever they are required e.g. misting machines.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | | Previous / Next detailed Board update on operation of controls listed above: | |
|  <p>Impact</p> <p>Likelihood</p> |  <p>Impact</p> <p>Likelihood</p> | Risk appetite is MINIMAL (Light Green) | | Group paper on approach to Damp and Mould at the December 2022 Group Board. Repairs Service and Damp and Mould update provided to Group Board in March 2023. Update on winter preparation, including damp and mould related actions, was submitted to RSL Boards as part of the Winter Resilience Planning papers in September 2023. | |

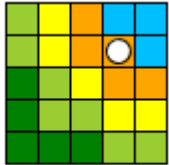
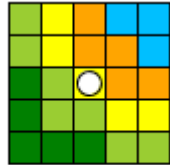
RISK 004 New operating model implementation - C: Proposed for deletion

| | | | | | |
|---|--|--|---|-------------------|---|
| Strategic Outcome | W.E. Create- driving innovation | Risk type | Operational Delivery | Risk owner | Group Director of Finance; Group CEO |
| Description | | Controls | | | |
| <p>The implementation of a new operating model, including changing staff patterns/places of work, reducing the number of offices and placing greater reliance on technology could be poorly implemented and communicated, leading to staff disengagement and lack of support from our trade union partners.</p> | | <p>The results of the completed customer consultation were reported to Boards for consideration. The implementation of the Customer First Centre has now been delivered and will continue to be regularly reviewed to ensure this model meets business need. Executive team receives regular reporting of plans and has oversight of plans, including for the Customer First Centre, rollout of the Centres of Excellence and delivery of the Digital Programme. Continued roll-out of the new operating model has been incorporated into the 2023-24 Delivery Plan and progress against the Plan will be reported to Boards at regular intervals throughout the year.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | Previous / Next detailed Board update on operation of controls listed above: | | |
|  |  | <p>Risk Appetite is HUNGRY (Blue)</p> | <p>Quarterly performance reports with CFC KPIs as a standing item (Ongoing) Group Board CFC one-year review (Summer 23)</p> | | |

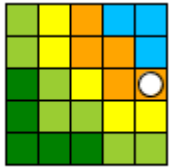
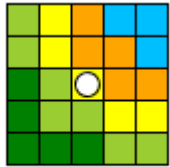
RISK 005 Care and support services – A: Outwith risk appetite

| | | | | | |
|--|---|---|---|-------------------|-------------------------------|
| Strategic Outcome | Shaping Care Services for the future | Risk type | Compliance: Legal/Regulatory | Risk owner | Group Director of Communities |
| Description | | Controls | | | |
| <p>A failure in the care of an individual could result in serious personal harm, leading to risk to life and limb, financial liability and loss of future work due to reputational damage.</p> | | <p>Care and support services governance arrangements, including the authorising environment, are clear and have been approved. These include regular reviews of service financial positions and processes to hand back services which cannot be delivered in a financially viable manner.</p> <p>The Care Quality Framework is being implemented through systems of audit that provide quality assurance within service delivery, prompting improvements where necessary.</p> <p>Customer sentiment surveys are deployed annually to seek formal feedback on customer satisfaction with the service they receive. Complaints are monitored monthly as part of the performance cycle. Accidents and incidents are reviewed with any learning opportunities identified at Managers Forums.</p> <p>Care policy framework review cycle ensure that policy and procures remain up to date with the most concise direction to staff on their roles and responsibilities</p> <p>The Care Inspectorate conduct inspections either annually or ever 2 years producing reports that evidence outcomes from inspection.</p> <p>The Protecting People Policy Framework sets out arrangement for protecting the people we work for, including those considered to be vulnerable. Work to deliver against the Framework is reported to the Wheatley Care Board.</p> <p>Mandatory and service specific training is in place to give staff the knowledge to identify additional support needs in relation to the people we work for. A training needs assessment is completed for each service annually to identify any additional training requirements in relation to the specific needs of people using that service. Dynamic risk assessments are completed for service users where risk has been identified and revisited on an ongoing basis to ensure the care and support arrangements in place continue to meet their needs.</p> <p>Care Strategic Review Project proposes improvements to data gathering that enhances reputation and credibility with a sound evidence base.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | Previous / Next detailed Board update on operation of controls listed above: | | |
|  |  | <p>Risk Appetite is MINIMAL (Light Green)</p> | <p>Care business plan and ongoing care performance reporting to Group and Wheatley Care Board (minimum quarterly)</p> <p>Strategic Care Review Update paper to Care Board (June 2023 / October 2023)</p> <p>Strategic Care Review Update paper to Group Board (November 2023)</p> | | |

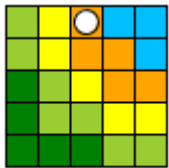
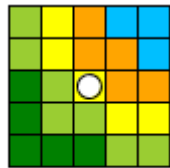
RISK 137 Non-achievement of sustainability targets - C: Proposed new risk

| Strategic Outcome | Setting the benchmark for sustainability and reducing carbon footprint | Risk type | Reputation and Credibility | Risk owner | Group Director of Repairs and Assets |
|--|--|--|----------------------------|---|--------------------------------------|
| Description | | Controls | | | |
| <p>There is a risk that the Group is not able to demonstrate how it is contributing to climate-change mitigation activities, due to non-achievement of targets within its Sustainability Framework, resulting in reputational damage with key stakeholders, including investors, government and customers.</p> | | <p>Our strategy includes an objective to reduce emissions from our corporate activities to be carbon neutral by 2026. We have detailed asset information and baseline data, an EESSH 2 plan is under development, and we are in discussions with the Scottish Government about funding to accelerate investment in our properties through a bid to the SHNZ (Social Housing Net Zero Fund). The Group's ethos is that demolition is not a preferred option.</p> <p>We produce an annual ESG report for investors setting out our progress on the environmental agenda and have produced a sustainability framework for investors to support the raising of sustainability-linked finance.</p> <p>In addition to ESG reporting, increased public messaging around our work in relation to climate change is ongoing and we are in the process of developing a group sustainability strategy.</p> <p>This risk has been further mitigated by the production of an Action plan which ensures each area of commitment across the group is being progressed and that progress is regularly monitored and reviewed through the CoE</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | | Previous / Next detailed Board update on operation of controls listed above: | |
|  <p>Likelihood</p> |  <p>Likelihood</p> | <p>Risk Appetite is OPEN (Orange)</p> | | <p>All Boards – business plan including detailed 5 year capital investment plan and climate impact (Feb 23)</p> <p>Annual Sustainability Report (August 23)</p> <p>All Boards updated on the Sustainability Action Plan (Sept 2023)</p> | |

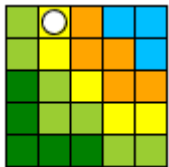
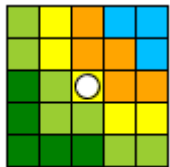
RISK 002 Ongoing threat of future waves of COVID-19 and / or another pandemic - C: Proposed for removal

| | | | | | |
|---|--|--|--|-------------------|--|
| Strategic Outcome | W.E. Create- driving innovation | Risk type | Operational Delivery | Risk owner | Group Director of Repairs and Assets; Group CEO |
| Description | | Controls | | | |
| <p>The risk of future waves of Covid-19 and / or another pandemic along with the risk of further periods of lockdown (either Scotland wide or by geographical area) may result in previously remobilised services being paused.</p> | | <p>Through lessons learnt from previous lockdown and remobilisation, services now have contingency plans (both Group wide and at a local level in place) for future waves and / or another pandemic. These include protocols for different grades of service model depending on the level of government restrictions (according with the levels system), Operational Safety Manual amendments which can be reinstated at short notice depending on the situation and 16-week PPE forward supply stocks being maintained at all times.</p> <p>We have a clear set of links with Scottish Government and other stakeholders through our standing place on the sector resilience group which allows us to quickly input to and understand Scottish Government responses and guidance.</p> <p>Revised approach to Business Continuity Management implemented and introduction of Business Continuity Co-ordinators and Response Teams established in all Business Areas. Comprehensive Training provided to Business Continuity Co-ordinators.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | Previous / Next detailed Board update on operation of controls listed above: | | |
|  <p>Impact</p> <p>Likelihood</p> |  <p>Impact</p> <p>Likelihood</p> | <p>Risk Appetite is HUNGRY (Blue)</p> | <p>Business updates have been standing Board agenda items through the last year and have set out any changes to service levels as the pandemic has progressed. This will continue to be the case through 2022. (Ongoing)</p> | | |

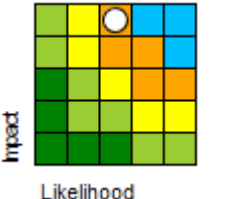
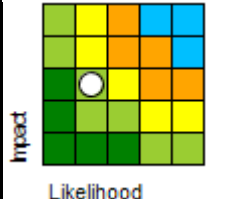
RISK 089 Fire Event - A: Outwith Risk Appetite

| Strategic Outcome | Developing peaceful and connected neighbourhoods | Risk type | Compliance: Legal/Regulatory | Risk owner | Group Director of Repairs and Assets |
|---|--|---|------------------------------|---|--------------------------------------|
| Description | | Controls | | | |
| <p>Actions and behaviours of customers or third parties which are outwith the Group's control lead to a fire within our buildings, resulting in the injury or fatality of individuals, damage to Group property, and reputational damage.</p> | | <p>Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell. Fire Risk Assessments are completed on a rolling cycle and include assessment of Wilful Fire Raising. Person Centred Risk Assessments (Home Fire Safety Visits) undertaken by Fire Safety Officers where vulnerable customers identified.</p> <p>Daily, weekly and monthly inspections of high rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed. Statutory maintenance of Domestic Properties undertaken to include Gas Safety Installations, Electrical Installations and the provision of Heat and Smoke Detection. New Build properties from 2022 onward will be built with Water Suppression Systems as per new Building Standards requirements.</p> <p>Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance. Fire Working Group attended by Snr Mgt Teams every 2 months that feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Leadership Directors to review performance, emerging issues and escalate matters as required.</p> <p>Compliance Steering Group established to monitor and review compliance events that could contribute to risk of fire e.g. Gas Safety, Electrical Safety etc.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | | Previous / Next detailed Board update on operation of controls listed above: | |
|  <p>Likelihood</p> |  <p>Likelihood</p> | Risk Appetite is MINIMAL (Light Green) | | Standing item at Group Audit Committee meetings. (Ongoing) Annual report to RSL Boards on Fire Prevention and Mitigation Framework. (May 23) Group, RSL and Lowther Boards - Fire safety performance related KPIs (ADFs and FRAs) as part of standing performance updates. (Ongoing) Board updates due prior to the end of Dec 2023. | |

RISK 010 Group Credit Rating - A: *Outwith risk appetite*

| Strategic Outcome | Maintaining a strong credit rating and managing financial risks | Risk type | Financial or VFM | Risk owner | Group Director of Finance |
|--|--|--|------------------|---|---------------------------|
| Description | | Controls | | | |
| <p>There is a risk that external factors such as a downgrade of the UK's credit rating or a default by another organisation within the social housing sector results in a downgrading of the Group's credit rating to BBB+ or below, resulting in a potential requirement to repay our European Investment Bank loans, a reduction in the availability of future borrowing, and/ or an increase in the cost of current debt.</p> | | <p>The Group's business plan is designed to maintain a strong standalone credit rating, for example excluding build for sale. Our financial Golden Rules include maintaining strong levels of liquidity to mitigate refinance risks. Ongoing dialogue is maintained with relevant credit rating agencies in order to mitigate the risk of unexpected rating changes which are controllable. Mitigation drafting used in legal clauses - in the event the rating fell to BBB+, the legal clauses are specific that this is not an event of default (thereby avoiding cross-default). Negotiation period – the legal clauses provide for a period to negotiate with EIB on mitigating measures, such as revisions to covenants or posting of increased security/collateral. Standby funders to replace EIB if necessary - A strong relationship is maintained with EIB to mitigate future risk from external factors causing a credit rating downgrade. Strong investor/lender relationships are maintained with a number of other organisations at all times in case of unanticipated funding need. Annual review (April) and quarterly meetings held with the S&P ratings team to enable pre-emptive actions where required.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | | Previous / Next detailed Board update on operation of controls listed above: | |
|  <p>Likelihood</p> |  <p>Likelihood</p> | <p>Risk Appetite is MINIMAL (Light Green)</p> | | <p>Business plan projections for all Boards set out how we will maintain financial position (February 2023) The Group and WFL1 Boards receive quarterly treasury reports on the current credit market conditions and any credit rating updates. (Quarterly through 2022 and 2023)</p> | |

RISK 003 Fire Safety - C: Amended risk

| | | | | | |
|--|--|---|--|-------------------|---|
| Strategic Outcome | Investing in existing homes and environments | Risk type | Compliance: Legal/Regulatory | Risk owner | Group Director of Repairs and Assets |
| Description | | Controls | | | |
| <p>There is a risk that a failure to comply with relevant fire safety standards for our buildings results in harm to the health or safety of our customers and/or staff, leading to injuries or fatalities, enforcement action and reputational damage</p> | | <p>Group Fire Safety Team focuses on identification of fire preventions actions for implementation by MDs. Fire Working Group attended by Snr Mgt teams every 2 months feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Directors to review performance, emerging issues and escalate matters as required. Quarterly Bi-annual reporting of implementation of actions to Group Audit Committee.</p> <p>Outwith relevant premises, Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell, and Fire Risk Assessments are completed on a rolling cycle. Daily, weekly and monthly inspections of high-rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed. Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance.</p> | | | |
| Inherent risk | Residual risk | Risk Appetite level: | Previous / Next detailed Board update on operation of controls listed above: | | |
|  |  | <p>Risk Appetite is MINIMAL (Light Green)</p> | <p>Standing biannual item at Group Audit Committee meetings. (May / November) Annual Report to RSL and Lowther Boards on Fire Prevention and Mitigation Framework Group, RSL and Lowther Boards - Fire safety performance related KPIs (ADFs and FRAs) as part of standing performance updates. (Ongoing)</p> | | |