

**WHEATLEY HOMES GLASGOW BOARD
AT WHEATLEY HOUSE, 25 COCHRANE STREET, GLASGOW**

MINUTE OF MEETING – 10 FEBRUARY 2023

Present: Bernadette Hewitt (Chair), Andrew Clark, Maureen Dowden, Cathy McGrath, Robert Keir and Derek Treanor.

In attendance: Anthony Allison (Group Director of Governance and Business Solutions), Steven Henderson (Group Chief Executive), Pauline Turnock (Group Director of Finance), Hazel Young (Group Director of Housing and Property), Frank McCafferty (Group Director of Repairs and Assets – items 6,7 and 12 only) and Stuart Darroch (Director of Communications and Marketing – item 6b only)

1. Apologies for Absence

Apologies were received from Councillor Kenny McLean and Councillor Frank McAveety.

2. Declarations of Interest

The Board noted the standing declarations of interest.

**3. a) Minute of meeting held on 25 November 2022 and matters arising
b) Minute of meeting held on 11 January 2023 and matters arising
c) Action List**

Decided: The Board approved the minutes of the Board Meetings on 25 November 2022 and 11 January 2023.

4. Rent and Service Charges 2023/2024

The Board were updated on the results of the tenant consultation, where we received the highest response rate on record at over 5,000.

The Board considered the level of engagement overall, including the extensive pre engagement which informed the formal consultation, and the feedback from tenants as part of the formal consultation. It was noted that the feedback again reaffirmed there was no appetite from the vast majority of tenants.

The Board considered comparability and noted that our proposals were very low relative to both our geographic footprint and the national average.

The Board noted the high level of engagement with the online option in its first year of use and agreed this should now become a standard option.

It was explained that the insight garnered through the pre-engagement and consultation would be used to inform our future priorities.

Decided: The Board

- 1) Considered the feedback received through the consultation process with tenants on our 2023/24 RSL rent, service and other charges increase;**
- 2) Approved a 1% rent, service and other charges (including garages and lock-ups) increase for former Cube homes, with the exception of those classified for demolition, that transferred to WHG effective from 28th March 2023;**
- 3) Agreed that no rental uplift is applied to ex-Cube stock classified as for demolition;**
- 4) Approved a 3.9% rent, service and other charges (including garage and lock-ups) for 2023/24 for all other tenants effective from the first Monday in April; and**
- 5) Agreed that we formally write to tenants to confirm this, subject to Group Board approval**

5. Financial Projections 2023/2024

The Board received a report and detailed presentation setting out: the key issues impacting our business plan; our core assumptions over the life of the plan; how we reinvest our income in homes, services and communities; our operating costs; and projected covenant compliance.

The Board discussed our projected interest cover for year one and sought an update on the key drivers. It was explained that this related to a number of one-off costs which we would benefit from in future years. It was reiterated that the actual covenant was at the wider borrower group level which gives us flexibility. It was affirmed we will meet all covenants at borrower group level. It was further explained that the capital expenditure for 23/24 included elements of grant and as such the actual cash expenditure was lower.

The Board discussed our new build assumptions relative to the projected loan to value ratio and it was reaffirmed our projections reflect our ambitious programme but in a prudent way.

The Board discussed the sensitivity analysis, property valuation methodology and non-cash movements areas such as pension valuations in more detail. It was explained that in terms of our sensitivity analysis we have mitigations which we can enact quickly in the event of any downside scenario being realised.

The Board discussed our current approach to fixed and variable rate interest borrowing and the balance our treasury management seeks to strike between best value and certainty. It was explained that a key issue for us will be the next tranche of funding for our future development programme.

Decided: The Board

- 1) Approved the updated projections for investment in assets and services over the five-year period to 2028: and**
- 2) Agreed that the projected 2023/24 figure form the basis of next year's annual budget which will be presented to the Board for final approval in March**

6. a) [redacted]

b) Wyndford update (Presentation)

The Board received an update on: progress with our rehousing strategy, including a proposed refinement of our approach; engagement with the Wyndford Future Focus group including future planned engagement on the regeneration plans; and wider stakeholder engagement.

The Board reaffirmed the importance of engaging the community as the regeneration plans are developed. It was noted that the plans will see no reduction in the number of bedspaces.

The proposed update to the rehousing strategy was discussed and it was agreed it should be enacted with immediate effect.

Decided: The Board:

- 1) Noted the update; and**
- 2) [redacted]**

c) Bellgrove update (Presentation)

The Board were updated on the development of plans for the redevelopment of the Bellgrove, including how we can refurbish existing properties whilst achieving a high standard.

The Board discussed the anticipated future plans for the commercial units in the vicinity of the site. [redacted]

The Board discussed the potential heating systems for the properties within the context of achieving low or zero carbon. It was confirmed we were exploring options such as district heating.

[redacted]

Decided: The Board noted the presentation.

7. Five-Year Capital Investment Plan

The Board considered the proposed five-year plan for capital investment in existing homes for the period 2023-2028. The Board discussed the activity that will support tenants with energy efficiency, in particular the Connected Response.

The future funding for Connected Response was discussed in more detail and it was explained that this element of the programme could attract grant funding.

The Board welcomed the focus on structural fixes which can reduce the likelihood of damp and mould.

Decided: The Board approved our Five-Year capital investment plan 2023-2028

8. Customer Insight

The Board received an update on the work we are undertaking or planning to support and strengthen neighbourhoods and customer satisfaction with the management of neighbourhoods.

The Board welcomed the use of customer insight to drive service improvements and enhancements. The Board discussed how the activity integrated with the wider range of satisfaction drivers and how we can track the outcomes of the changes. The Board further discussed how it fits with our wider neighbourhood approach and approach to placemaking. It was agreed this would be further explored at the strategy workshop.

Decided: The Board noted the update on actions to improve customer satisfaction with our management of neighbourhoods.

9. Performance Report

The Board reviewed performance against targets and strategic projects to the end of quarter three. In particular the damp and mould data was reviewed and the application of our strengthened procedures and processes.

Decided: The Board noted the contents of this report and approved the project changes at 4.62.

10. Finance Report

The Board received a summary of financial performance for the year to date, proposed amendments to our two finance contracts with the European Investment Bank, a proposed new £35m debt facility with Allia Social Impacts Investments Limited ("Allia"), and the review of the new build appraisal target return rate.

The Board discussed the repairs spend and the reflection of this demand level in future years of our financial projections.

Decided: The Board

- 1) Noted the management accounts for the period ended 31 December 2022 at Appendix 1;**
- 2) Approved the amendments to the EIB finance contracts to reflect the transition from LIBOR to SONIA;**
- 3) Approved the new £[redacted] Allia facility to fund new affordable homes; and**
- 4) Noted the outcome of the review of the internal rate of return targets**

11. Governance Update

The Board received the report that provided an update on a number of governance related matters. In relation to the Tenant Board Member Pathway Programme the Board requested that specific criteria be brought to the next meeting.

Decided: The Board

- 1) Noted the approach to tenant board member recruitment and approved the approach to selecting members for the board development programme subject to specific criteria being presented to and agreed at the next meeting;**

- 2) Approved the updated meeting calendar: and
- 3) Approved the Board agenda planner.

12. Sustainability Framework

The Board received the final Group Sustainability Framework which reflected the feedback from this and all partner Boards.

Decided: The Board noted the Group Sustainability Framework.

13. Corporate Risk Register

The Board reviewed the proposed updates to the Corporate Risk Register and current scoring and mitigations for the remaining risks. It was agreed that the damp and mould risk be further reviewed to take into account the changes to our processes and the case levels.

Decided: The Board

1) Approved the updates in this report: and

2) Agreed that the damp and mould risks be further reviewed ahead of its next review of the register.

14. AOCB

There was no further business considered.

Signed
(Chair)