

**WHEATLEY HOMES GLASGOW
BOARD MEETING**

**Friday 6 February 2026 at 10.30am
Wheatley House, 25 Cochrane Street, Glasgow**

AGENDA

1. Apologies for absence
2. Declarations of interest
3. a) Minute of meeting held on 21 November 2025 and matters arising
b) Action list

Main business

4. Awaab's law
5. 2026-2031 strategy
6. City Centre neighbourhood plan
7. Rent and service charges 2026/27
8. 2026/27 financial projections
 - a. Five-year Capital Investment Plan
 - b. Five-year Development Programme



10. Strategic governance review

Other business

11. Finance report
12. Performance report
13. Group Assurance update
14. AOCB

Action List

Action	Deadline	Update
Update on Lowther Homes satisfaction and improvement programme.	2026	See draft WH-G Board planner

Report

To: Wheatley Homes Glasgow Board

By: Alan Glasgow, Group Director of Housing

Approved by: Steven Henderson, Group Chief Executive

Subject: Awaab's Law in Scotland

Date of meeting: 6 February 2026

1. Purpose

- 1.1 This report updates the Board on the Scottish Government's introduction of the Scottish equivalent of Awaab's Law through The Investigation and Commencement of Repair (Scotland) Regulations 2026, and on our preparedness for the new statutory requirements.
- 1.2 It also sets out the proposed next steps for updating the Group's Managing Dampness, Mould and Condensation Policy.

2. Authorising and strategic context

- 2.1 Under the Board's Terms of Reference, it has a number of responsibilities which directly relate to managing damp and mould, including:
- Approval of our 5-year investment programme, including how this is targeted at specific stock condition issues and meeting all compliance obligations;
 - Oversight of the performance of our repairs service, including performance indicators relating to damp, mould and condensation required under the Scottish Housing Regulator Annual Return on the Charter;
 - Approval of our corporate risk register and monitoring the effectiveness of risk mitigations; and
 - Oversight of the implementation of Group policies, within the context of our own operating environment and service delivery model.
- 2.2 In considering our 2026-2031 strategy, we identified damp and mould as a top priority within the wider strategic theme of Homes and neighbourhoods to be proud of.

- 2.3 As part of this, we make a number of commitments that we will deliver as part of our strategy under ‘Homes where our customers can feel safe’, including to:
- Proactively address damp and mould as a top priority, including through integrating smart monitoring devices and workforce training to support early identification, effective treatment and sustainable, lasting solutions;
 - Update our policy approach to damp and mould to reflect requirements from Awaab’s Law and enshrine specific Tenants’ Rights within the policy, including the right to request further investigation; and
 - Enhance our assurance checks and customer follow-up to ensure customers are satisfied with how we handled damp, mould or leaks in their home and that no issues remain.

3. Background

- 3.1 Managing damp and mould has been a key priority for us for a number of years. We recognise the risk it poses to the health of our customers if not treated timeously and effectively. It is formally recognised as a key risk in our corporate risk register.
- 3.2 We established a Dampness, Mould and Condensation Policy in late 2021, and we have continuously evolved our approach since then, including through:
- Introducing severity categorisations for every damp and mould inspection;
 - Developing and refining performance measures, which were in place prior to this being a regulatory requirement under the ARC;
 - Increasing the level of resource dedicated to damp and mould, bringing in additional expertise and enhancing training for our staff;
 - Utilising technology such as sensors to better understand the circumstances within homes and ‘TIC’ machines, which kill both visible mould and the airborne spores which are not visible in under an hour; and
 - Leaving a report with customers after every inspection.
- 3.3 In March 2025, the Scottish Government announced its intention to introduce amendments to the Housing (Scotland) Bill to give powers to require social landlords to investigate and begin repairs within set timeframes—effectively their mechanism to bring Awaab’s Law into Scottish legislation.
- 3.4 The Board was provided with an update on the development of the Scottish Government’s plans as part of the Housing (Scotland) Bill 2025 update at its last meeting. At that stage, our expectation was that the new requirements would come into effect from March 2026.
- 3.5 At that time, the Board was advised that we were undertaking a detailed review of our damp and mould processes, supported by a recent review by Internal Audit, alongside preparing for the expected requirements of Awaab’s Law. This preparation included engaging with a number of large English Housing Associations to identify any lessons or good practices for their preparation for the English equivalent.

4. Discussion

Awaab's Law in Scotland

- 4.1 The Scottish Government has laid draft regulations, *The Investigation and Commencement of Repair (Scotland) Regulations 2026* (“**the Regulations**”), the instrument for introducing Awaab's Law in Scotland, before the Scottish Parliament on 21 January.
- 4.2 The introduction of the Regulations represents a significant shift, elevating damp and mould from a regulatory and guidance-based issue to an explicit statutory requirement. This increases legal, regulatory and reputational risk for us and the wider sector and places greater emphasis on robust processes, clear decision-making and demonstrable compliance.
- 4.3 The Regulations amend the ‘Right to Repair’, a legal scheme under the Housing (Scotland) Act 2001. The treatment of damp and mould will become a qualifying repair under the Right to Repair.
- 4.4 The Regulations/Right to Repair will introduce new requirements in relation to damp and mould in four key areas:
- **Timescales** - The timescale within which a Registered Social Landlord must respond to reports of damp and mould;
 - **Property condition** - The condition a property must be in and what constitutes ‘safe’
 - **Competence** – a minimum expected set of skills and experience to treat damp and mould
 - **Compensation** - Payment of specified compensation levels

Timescales

- 4.5 The Right to Repair timescales and requirements of the Regulation will broadly replicate the UK Government's version of Awaab's Law and require:
- Investigations to be commenced within 10 working days of an issue being reported or identified;
 - A written summary to be provided within 3 working days of the investigation;
 - Work to be commenced within 5 working days; and
 - A maximum period of 20 days to complete damp and mould repairs (subject to some exemptions).
- 4.6 The practical effect of this includes a requirement for us to advise tenants in all reported cases of damp and mould whether it is a qualifying repair and where it is, the maximum timescale allowed to complete it under the Right to Repair.
- 4.7 The maximum of 20 days has the potential to be challenging in more complex cases, where specialist work is required. However, in such cases, we would still anticipate being able to complete repairs which leave the home ‘substantially free from damp and mould’ and anything exceeding 20 days is likely not to be ‘reasonably practical’.

Property condition

- 4.8 Under the draft Regulations a home will require to be:
- a) 'substantially free from damp and mould' following a qualifying repair; and
 - b) 'so far as is reasonably practicable, continue to be substantially free of damp and mould'.
- 4.9 Under the Regulations, "*relevant safety work*" is defined as work required to ensure that the house meets both a) and b). A key issue we expect the guidance to consider is how there is consistency in assessing what constitutes 'substantially free' and "so far as reasonably practicable" across the sector.
- 4.10 We currently assess the property condition using a range of measures, including the coverage of any mould and/or damp and depending on the nature of the property and case, we may use air quality testing, mould spore testing and the deployment of sensors to monitor conditions likely to cause a recurrence such as humidity.
- 4.11 We do also encounter circumstances where it may not be reasonably practical to ensure a home will remain substantially free. Examples of this include where a home is occupied at a higher rate than expected, where the tenant has a history of no access/non-engagement, or where the causation is not related to a property related factor.

Competence

- 4.12 The draft Regulations specify that works must be completed by a '*competent person*' and define this as "*a person who, in the reasonable opinion of the landlord, has the skills and experience necessary to determine*" whether the aforementioned property condition requirements are met. In practical terms, this translates to assessing whether any '*relevant safety work*' is required.
- 4.13 Further clarification will, however, be required about how other implications of this will work in practice, given the complexity of identifying the root cause of some cases of damp and mould.

Compensation

- 4.14 If an RSL fails to carry out a qualifying repair within the specified time, tenants may appoint an alternative contractor (from an approved list) and may be entitled to compensation. The compensation is set at £15 for not completing the repair within the specified deadline and £3 per day for any delay thereafter up to a maximum of £100.

Other – circumstances beyond an RSL's control

- 4.15 The Regulations do, however, recognise that there will be circumstances outwith an RSL's control and under such circumstances the requirements to investigate within 10 days and commence work within 5 working days can be suspended. The scope of such circumstances is currently undetermined. We expect this would include issues such as no access, but clarity will be required in circumstances where there is no property defect, such as whether a tenant's inability to ventilate or adequately heat their home will be considered outwith the RSL's control.

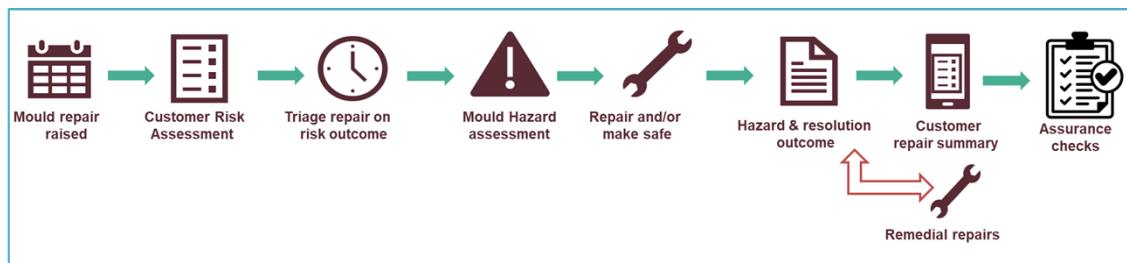
- 4.16 For any such suspensions, RSLs will be required to give notice to the tenants, stating why they are unable to comply with the specified period and why; the period within which they consider they will be able to comply; and ‘take reasonable steps’ throughout to minimise damp and mould.

Next steps

- 4.17 The Regulations are scheduled to come into effect from **6th October 2026** rather than March 2026 as initially indicated. This is in recognition of the need to allow a lead-in time for the sector.
- 4.18 The Scottish Government has indicated that guidance will be issued on the implementation of the Regulations. Given the need for further clarity in a number of areas as set out above, this will be important in understanding how we fully comply with the Regulations and reflect them in our own policy. We will be engaging with the Scottish Government alongside other stakeholders on the development of the guidance.

Preparation for Awaab’s Law

- 4.19 We consistently review and refine our approach to damp and mould and the introduction of the Regulations in October will trigger a need to further evolve our approach. A comprehensive review of our end-to-end process for handling damp and mould cases is underway, being overseen directly by the Group Executive team.
- 4.20 Our review takes into account heightened regulatory and public scrutiny, the draft Regulations, lessons from complaints and case reviews, and the need for robust data. We anticipate the future process containing the following key elements:



Customer risk assessment

- 4.21 Our current approach treats all reports of cases of damp and mould uniformly based on our targets of an initial inspection within two working days and completing any associated remedial repairs within 15 working days where feasible. However, we are planning to transition from a blanket “urgent” response model to a risk-based, customer-centred approach.
- 4.22 For any cases reported or identified, we will undertake a Customer Risk Assessment which takes into account individual and/or household circumstances such as tenant vulnerabilities, health conditions, and other key risk factors e.g. a repeat report of damp and/ or mould. This will allow us to prioritise and triage cases and:
- Provide faster and more targeted interventions for households most at risk;
 - Allocate resources more effectively; and
 - Deliver a personalised service to our customers.

- 4.23 It is intended that our response time will be based on the outcome of the customer risk assessment, for example, high risk cases remaining at four hours as an emergency; moderate risk being two working days and low risk being 5 working days. All of these would comfortably be within the 10-day requirement proposed under the Regulations.

Mould hazard assessment

- 4.24 Within the context of the Regulations and the system currently in operation in England, assessing the damp and/or mould, as well as the causes or consequences thereof, is on the basis that it is a 'hazard' to the safety of the home.
- 4.25 Whilst we currently undertake this via the tradesperson attending and a summary report, we are developing a more refined approach. This will include a consistent, structured hazard assessment process undertaken, commencing at the first point of contact and being completed in the property. As part of the assessment there will be a supporting process which clearly sets out what action/escalation should be taken based on the assessment outcome.

Written summary

- 4.26 The existing written summary we provide will require to be updated to reflect the requirement of the Regulations, in particular to assess the test of a home being made 'substantially free' of damp and mould. Work is underway to redesign this, with the hazard assessment information providing the key elements of our findings.
- 4.27 The written summary will also require to set out clearly what steps we intend to take next to resolve the issue where further action is required. This will also need to take into account our assessment of the likelihood the repair can be completed with the overall 20-day time limit.

Quality assurance

- 4.28 Following the completion of mould related works a Housing Officer will complete a house visit within 1 week of the work completing. This will also be an opportunity to update the annual tenant visit and ensure any wrap around support is progressed, ie financial wellbeing support.
- 4.29 All customers will be sent a Healthy Homes specific My Voice survey following completion of the work seeking their feedback on their experience, the customer experience team will manage this feedback, contacting customers and collating customer insights performance packs for operational team meetings to inform improvements.
- 4.30 We will also complete 8-week customer care calls, ensuring the mould has not returned and if it has, escalate the case to the most appropriate team for action. We will also issue a survey 4 months after the work has completed, asking customers for their feedback on their experience and to confirm if the mould has returned, if it has, we will escalate accordingly.

Staff development

- 4.31 The introduction of the 'competent person' will require us to clearly define, or, if guidance specifies, adopt, what qualifies as 'competent'. We are refining our training programme to ensure we can evidence that all tradespeople involved are 'competent'.

Damp, mould and condensation policy

- 4.32 Given the extended timescale, the Regulations have only just been issued and await parliamentary approval and the clarity required from the associated guidance, we propose to formally update our policy once the Regulations are approved and the guidance is issued, so it can fully reflect them.
- 4.33 It should, however, be noted that under our current policy, we state we seek to visit a customer's home within two working days of reported or identified cases of damp and mould, or within three hours if it is likely to be a category 1 severity. We also aim to complete repairs within a maximum of 15 working days. Although not currently required under our policy, we also provide a summary report on the day of the inspection to the tenant.
- 4.34 It is intended that upon the guidance being finalised, we will update our policy and present it to the next Board meeting thereafter for review alongside how we plan to implement the revised policy.

5. Customer Engagement

- 5.1 It is proposed that we consult tenants on our Managing Damp, Mould and Condensation Policy when it is updated. This will be particularly important in areas such as how we propose to apply the expected Scottish Government guidance on what is outwith the Landlord's control and their rights under the policy.

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 how we are evolving our approach to managing damp and mould, as well as how we comply with our obligations under the Regulations, will be well-defined processes that allow us to have robust data, which in turn provides us with actionable insight.
- 7.2 We have a project team, drawing from our repairs, data, IT and performance teams, including City Building (Glasgow), working on our preparation for the Regulations and delivering refinements to our current approach as set out earlier in the report.

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

- 9.1 The Regulations will apply a legal duty on all RSLs in how they manage damp and mould as set out in the report. This will be in addition to the existing obligations we have to report specific damp and mould-related performance information under the ARC to the Scottish Housing Regulator.
- 9.2 There have been instances of legal firms canvassing in our communities for potential clients to lodge legal claims for damp and mould compensation. We anticipate that the introduction of the Regulations will give rise to a further increase in legal claims being lodged, through legal firms operating on no win no fee basis.
- 9.3 Evidence from England has shown a rise in cases as a result of the Housing Ombudsman's work and this is expected to continue with Awaab's Law now live. This has manifested in law firms now using Google Ads to seek clients and actively competing for clients.

10. Risk Appetite and assessment

- 10.1 Our corporate risk register includes a risk specifically relating to damp and mould, where our risk appetite is minimal. This risk was updated by the Board at its November 2025 meeting, alongside the introduction of an additional risk 'Responsibilities under Awaab's Law'.
- 10.2 We seek to mitigate the risks via a combination of controls, including a clearly defined policy, having relevant staff appropriately trained and informed on what actions to take, being sufficiently resourced to respond to reports of damp and mould quickly and ongoing performance monitoring. The report also sets out planned enhancements to our approach, which will serve as further controls.
- 10.3 The Regulations introduce heightened litigation risk. Our strongest mitigation is a demonstrably compliant end-to-end process: risk-based triage; documented investigations by competent persons; time-stamped tenant communications; tracking 10/3/5/20-day milestones; and an auditable trail including suspension notices where invoked.

11. Equalities implications

- 11.1 We recognise that how we respond to reports of damp and mould requires an approach which can take into account specific customer circumstances, such as language barriers, flexible appointments which fit with their personal commitments, or mobility issues.

12. Key issues and conclusions

- 12.1 Effectively managing damp and mould is a key organisational priority. This is reflected in our corporate strategy, our risk register, how we prioritise our resources across the organisation, including through Wheatley Solutions, and our day-to-day engagement and communication with staff.

12.2 Under our existing approach, we are well placed to meet the core requirements of the Regulation, such as responding quickly to reports and commencing work quickly after the initial investigation. There does, however, remain a number of areas where greater clarity is necessary from future guidance to allow us to ensure our policy reflects the requirements of the Regulations.

13. Recommendations

13.1 The Board is asked to:

- 1) Note the contents of the report and the implications of the Regulations; and
- 2) Provide feedback on the proposed approach to preparing for implementation and updating the Group Managing Dampness, Mould and Condensation Policy.

LIST OF APPENDICES:

None.

Report

To: Wheatley Homes Glasgow Board

By: Aisling Mylrea, Managing Director, Wheatley Homes Glasgow

Approved by: Steven Henderson, Group Chief Executive

Subject: 2026-2031 Strategy, Making homes and lives better

Date of meeting: 6 February 2025

1. Purpose

- 1.1 The Board is asked to approve the 2026–2031 strategy, *Making homes and lives better*, and provide feedback on the proposed approach to launch and implementation.”

2. Authorising and strategic context

- 2.1 Under our Terms of Reference, we are responsible for approving our five-year strategy, within the strategic context of the overarching Group strategy. We agreed our last Wheatley Homes Glasgow (“**WHG**”) five-year strategy in February 2021.

3. Background

- 3.1 At our November meeting, the Board was updated on the responses of our phase 2 customer engagement on our strategic priorities, how this shaped our plans and provided feedback on the proposed 5-year strategy. The Board agreed that the strategy reflected our priorities, its previous discussions and feedback, and no material updates were requested.
- 3.2 At its Board meeting in December, the Group Board then considered this and the wider Wheatley strategy. No material changes were requested from the Group Board, with one area which will be strengthened in the wider Wheatley strategy being how we will continue to focus on sustainability.

4. Discussion

Phase 3 engagement

- 4.1 Following the Board in November 2025, we took the opportunity at the Group Scrutiny Panel (“**the Panel**”) in December to discuss the results of phase 2 of our customer engagement and our draft strategy to gain a further customer perspective.

- 4.2 The Panel were positive about the draft strategy and agreed that it covered the right priorities. In particular, the Panel supported the emphasis on communication and partnership working, both internally and with external partners, recognising that this is pivotal to delivering an excellent customer experience. Panel members also supported the prospect of embracing Artificial Intelligence to deliver efficiencies for the benefit of our customers.
- 4.3 The Panel were supportive of our plans to design customer-friendly versions of our strategies, supported by video content, to bring the documents to life and help ensure understanding. The Panel emphasised the need for customer communication to be straightforward and jargon-free.
- 4.4 We have since undertaken a final phase of staff engagement through holding four workshops in January, involving our frontline and support staff, and facilitated by our leaders. In total, **140** staff participated in these interactive sessions. These prompted discussion and feedback on how we will deliver each theme, including opportunities and change which may be required. Staff were asked what one word best described how they feel about our new strategy; **'excited'**, **'positive'** and **'interested'** were the most frequently uses. We also garnered staff ideas for how to proceed with the launch of our strategy.
- 4.5 These workshops allowed us to engage staff as we finalise the strategy and test our content to ensure it is clear and understandable to our people. Prior to the session, staff received the draft strategy and a podcast summary. Only 9 staff felt at the start of the workshop that they weren't entirely clear on our plans; by the end of the workshop, all staff agreed they understood them.
- 4.6 We have captured all staff feedback from the workshops and will use this to inform delivery plans and projects as we implement our objectives during the life of the strategy. For example, although the criteria for the Wheatley Standard are detailed within the strategy, it is evident following the workshops that awareness raising and engagement with staff is needed on this new concept.
- 4.7 The final strategy reflects feedback from customers, staff and the Board. Refinements have focused on clarity of language, alignment across themes and strengthening delivery commitments, rather than altering priorities. Our strategy will be accompanied by a video summarising our plans which will support the strategy launch.

2026-2031 Strategy

- 4.8 Following the workshops and customer engagement, the final draft strategy is attached at Appendix 1. Our strategy therefore follows the key themes, objectives and priorities the Board agreed in November:

Strategic theme		Strategic Objectives			
Homes and neighbourhoods to be proud of	<i>Maintain and enhance homes to meet the Wheatley standard</i>	<i>Create thriving neighbourhoods, collaborating with customers and partners</i>		<i>Lead the way in expanding supply of affordable, quality homes</i>	
	<i>Personalised services</i>	<i>Connect with customers through proactive, tailored communication</i>	<i>Enhance and apply what we learn to drive customer focused services</i>		<i>Deliver seamless services to meet customer needs</i>
Better Lives	<i>Make the largest landlord contribution to ending homelessness of any Scottish landlord</i>		<i>Shape powerful partnerships to alleviate poverty and open doors to new opportunities</i>		
	<i>Delivering sustainable value</i>	<i>Nurture and invest in our people, recognising their contribution</i>	<i>Drive effective solutions, harnessing digital capabilities and data assets</i>	<i>Ensure financial efficiency today, prepared for tomorrow</i>	<i>Grow our reputation as an ethical, trusted business</i>

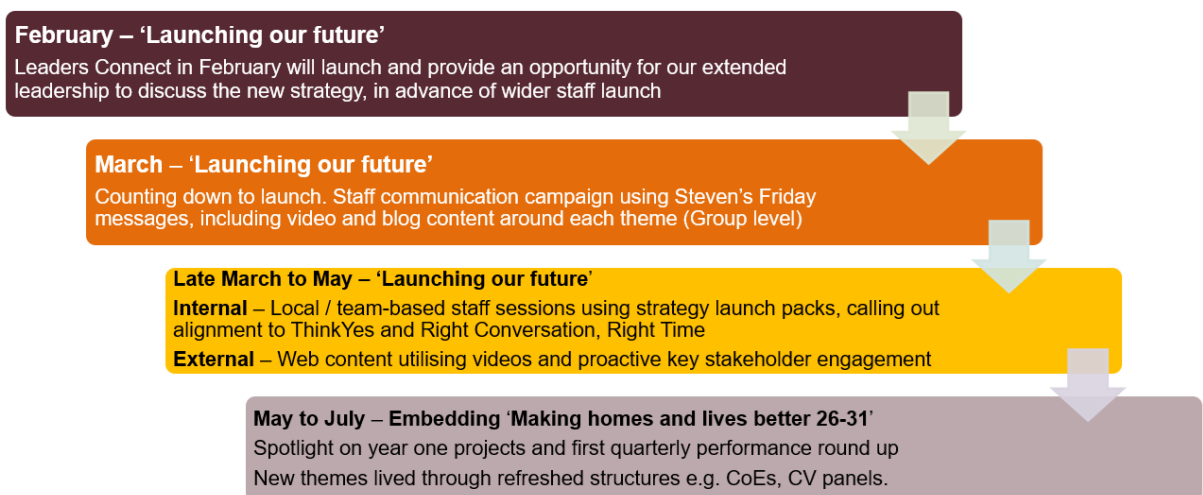
4.9 The strongest themes and headline areas of focus throughout the strategy remain driving us towards a position in 2031 whereby:

- Every home will meet or be on the way to meeting the “Wheatley Standard”
- Customers will live in safer, more attractive neighbourhoods and satisfaction levels with all areas of service are high
- Repairs and customer contact will be faster, more personal, more transparent and experience seamlessly
- Affordability and poverty reduction Will Be Deeply Embedded in Services
- Regeneration at scale will have transformed local communities
- Technology, Data and AI will have improved how services are delivered
- Our workforce is more skilled, empowered, and driven by a “Think Yes” culture

Launch and implementation

- 4.10 Subject to any final feedback from the Board, following approval of the strategy we will move into launch and implementation. Our leaders have been engaged to shape the plans for launch and implementation, with the key objectives being:
- Ensuring visibility of our strategic direction, objectives and outcomes;
 - Understanding of key priorities, as informed by customers;
 - Ensuring link with strategy launch and aligned key people / organisational development activities;
 - Making themes and commitments real for staff, discussing their role in delivery; and
 - Understanding the support staff need from the business to effectively deliver.
- 4.11 Our launch will focus on engaging staff about what this strategy means for them and the important role each staff member will play in delivering it. This supplements the engagement undertaken to date and will include the use of our Chief Executive's Friday message, interactive content via the Shaping our Future WE Connect strategy site, local team-based workshops and engagement with Communities of Excellence.
- 4.12 Moving into launch and through implementation, there is an appetite from our people for a mix of both Wheatley-wide organisational and subsidiary-level activity. We will use our leadership engagement and communication structures, to embed of our new leadership principles and bring the 2026-2031 strategy to life.
- 4.13 During March, we will then undertake a Wheatley-wide organisational staff communication campaign, using video content to raise awareness about each theme, counting down to the wider launch from April.
- 4.14 Through to May, local teams will be engaged in what our 2026-31 plans mean for them, supported by localised strategy packs to help team leaders facilitate conversations. We will use strategy games, bespoke for different teams, to get our people connecting the strategy to real life scenarios, enabling cross-team dialogue, and reinforcing key terms and concepts.
- 4.15 During this period, we will utilise planned Organisational Development activities, including new staff inductions, the Right Conversation, Right Time manager and staff one-to-ones, and Think Yes Recommit sessions to ensure alignment of messaging.
- 4.16 This also supports our Investors in People ("IIP") roadmap as we seek reaccreditation as a platinum-level organisation, which provides us with independent assurance that our people management approach is effective and about our organisational culture. This activity particularly helps focus on theme 4 content, including our objective 'nurture and invest in our people, recognising their contribution', a key area of focus following our recent IIP survey.

- 4.17 From April, we will also launch the strategy with our customers and stakeholders, taking into consideration our stakeholder engagement approach. Again, we will utilise planned engagement activity, such as with Customer Voices, and promote our plans through video content on our social media and website, with an online, customer-friendly version of our strategy published. Through our stakeholder mapping we have identified several stakeholders for whom we will offer specific briefings.
- 4.18 We will promote a summarised version of our strategy so staff, customers and stakeholders are clear about our big aims. Threaded through all of our communication will be reinforcing **Tenant Satisfaction** as the key barometer of our success.
- 4.19 Through May to July we will move into implementation of our strategy, for example, by spotlighting year one projects and publishing a quarterly performance round-up for staff. We will ensure our new strategic themes are realised and embedded, being driven for instance, by refreshed Communities of Excellence (“**CoEs**”) which bring staff together from across Wheatley to collaborate and proactively seek solutions in specific areas such as repairs.
- 4.20 Our proposed launch and implementation plan is therefore summarised as follows:



5. Customer engagement

- 5.1 Customer engagement has been at the heart of the development of our 2026-2031 strategy. The level of engagement has exceeded our expectations and provided us with important insight as we review our customer engagement framework. Engaging customers through the launch of our strategy is a key focus for us.

6. Environmental and sustainability implications

- 6.1 We understand that investment, particularly to ensure energy-efficient homes, is a priority for customers, reaffirmed by the phase 2 engagement. Our 2026-31 strategy prioritises this with a focus on improving the energy efficiency of our homes.

7. Digital transformation alignment

- 7.1 Our 2026-31 draft strategy aligns with our digital transformation plans. We understand that there are opportunities to reshape Wheatley for the future with better use of data, artificial intelligence and digital technology. Increased digital and data maturity will therefore support us in making decisions and improving services through to 2031 as detailed under theme 4 of our strategy.

8. Financial and value for money implications

- 8.1 We understand that keeping rents fair and transparent is a priority for customers, so our 2026-31 strategy details how we will maintain financial security and deliver value for money for customers, particularly in delivering investment. This is specifically detailed in theme 4 of the strategy.

9. Legal, regulatory, and charitable implications

- 9.1 The Scottish Housing Regulator (“**SHR**”) Regulatory Standards of Governance sets out a number of requirements which are relevant for the development of our strategy, including that:

- *“[the] governing body sets the RSL’s strategic direction”;*
- *“The RSL gives tenants, service users and other stakeholders information that meets their needs about the RSL, its services, its performance and its future plans”;* and
- *“The RSL actively seeks out the needs, priorities, views, concerns and aspirations of tenants”*

- 9.2 Our approach to engagement in developing our 2026-2031 strategy will provide us with strong evidence of how we are meeting these requirements.

10. Risk appetite and assessment

- 10.1 As part of the strategy development process we are considering how the strategy both reflects our existing risks and our future risk appetite in relation to how it is delivered.

11. Equalities implications

- 11.1 As part of our engagement, including with staff, customers and wider stakeholders, and the development of our strategy, we have taken account of the key principles in our Equity, Diversity and Inclusion (“**EDI**”) and Human Rights policy and associated action plan. In particular, our extensive engagement helps ensure a diverse range of customer voices and perspectives have been considered.

- 11.2 Our strategy is also being informed by key partners and stakeholders. In terms of EDI, this includes best practice guidance from Business in the Community to ensure our strategic plans align with EDI sector expectations.

- 11.3 Our strategy will be subject to an Equality Impact Assessment to inform its implementation; we have strengthened our EDI messaging in this strategy, especially supporting our aims around creating pride in neighbourhoods, delivering a personalised service and being a responsible business.

12. Key issues and conclusions

- 12.1 Our 2026-2031 Wheatley strategy, *Making homes and lives better*, is the product of extensive customer, staff and Board engagement. This provides us with a high level of confidence that our vision, values and priorities reflect those of our customers and staff and will enable us to maintain high customer satisfaction levels, as expectations and needs change.

13. Recommendations

- 13.1 The Board is asked to approve the 2026–2031 strategy, *Making homes and lives better*, and provide feedback on the proposed approach to launch and implementation.”

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Appendix 1: Wheatley Homes Glasgow 2026-31 strategy, *Making homes and lives better*

Making homes and lives better

Our five-year strategy 2026-2031

April 2026





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Building on strong foundations

– Highlights from our 2021-2026 strategy

A new vehicle for investment

Creation of Wheatley Homes Glasgow

A workforce that feels valued

Retained IiP Platinum, the highest level of accreditation for people management

High tenant satisfaction

90%
tenant satisfaction

Delivering much-needed new homes

Nearly 700
new affordable homes developed

Reducing homelessness

7000+
homes to homeless households

Financially resilient

A+ Credit
rating retained

A customer-focused culture

Retained Customer Service Excellence

Enhancing our stock

99.6% meeting Scottish Housing Quality Standard

A strong customer voice

A redefined, reshaped approach to customer engagement

Supporting communities

Over 32,000
people accessing services which help alleviate poverty in our communities

Strategic context

Our 2026-2031 strategy is set against the backdrop of Glasgow City Council declaring a Housing Emergency in November 2023, followed by the Scottish Government declaring a National Housing Emergency in May 2024. The legislative context is also changing through the Housing (Scotland) Act 2025, which introduces new duties for landlords, in particular in relation to homelessness and a Scottish equivalent of Awaab's Law to strengthen requirements around damp and mould. Housing is recognised as a key policy priority at both the national and local levels.

Demand for affordable homes in Glasgow continues to outstrip supply and homelessness services are under acute pressure. Glasgow also faces unique pressures with a disproportionately high number of refugees seeking housing in the city. This pressure will continue and building new homes alone will not be enough. Acquisitions, investing to bring long-term voids back to a lettable standard and converting buildings to housing will also need to be part of the solution.

The introduction of Awaab's Law highlights our responsibility to maintain comprehensive stock condition and repairs data. This data is vital for understanding the condition of our customers' homes and guiding investment decisions. It also reminds us of the importance of putting customers at the heart of everything we do.

The forthcoming Social Housing Net Zero Standard (SHNZ) will replace the

post-2020 Energy Efficiency Standard for Social Housing ("EESH2"), requiring a fabric-first approach, clean heating systems, and improved ventilation. Delivering this transition at scale will demand significant capital investment, supply chain capacity, and tenant engagement. There remains a lack of certainty over what, if any, grant support will be available to support local authorities and housing associations with capital investment to achieve the standard.

At the same time, rising costs, inflation, and interest rates impact our ability to invest in new homes, existing homes and services. These pressures also impact our customers,



with the costs of running a home, from food to heating, putting additional strain on household finances.

The need to recognise the challenges our customers face and be able to respond to their needs has never been in sharper focus. That goes

beyond the basics of treating customers with dignity and respect and demands that landlords have services which can truly respond to individual needs. Collaboration is vital here – we work with key partners including the Glasgow Community Planning Partnership with a specific focus on eradicating family poverty, which we know impacts many of our tenants. Breaking cycles of disadvantage and truly providing person-centred support means better data, customer-focused policies and processes, listening to customers and acting.

This context underlines the need for a strategy that balances building new

homes, investment in existing homes, customer experience, and financial resilience, while having a clear focus on meeting regulatory obligations and supporting Scotland's long-term transition to a greener housing system.

How we developed our strategy

Our strategy is a product of extensive engagement and consultation with our customers, staff, governing bodies and key stakeholders.

Over 2,400 customers engaged with us about what their priorities are for this strategy, ranging from small, independently facilitated

focus groups, through our existing engagement and scrutiny structures and a survey open to all customers and prospective customers.

The priorities identified by our customers were shared by our staff, Board and partners and have directly influenced the priorities within the

strategy. We held local strategy workshops with staff, with nearly 340 pieces of feedback showing the top priority for our people is investment in our neighbourhoods, with repairs, value for money and continuing to improve communication.

Key customer priorities:

Safety and security

Customers want to feel safe in their home and neighbourhood

Invest in existing homes

Customers want quality, comfort, and energy efficiency

Transform communication and customer contact

Excellent communication creates trust and satisfaction

Continue to improve the repairs experience

Customers want consistent, high-quality, and timely repairs completed right first time

Create pride in place

Enhance local environments, which matter to wellbeing

Keep rents fair and transparent

Customers want to feel their rent is affordable and value for money

Our purpose

Making homes and lives better.

Our vision

Our homes and neighbourhoods are places we, and our customers, are proud of. We listen, we learn, and we deliver what matters most to them.

Our values

Excellence: we proactively pursue the highest standards.

Inclusion: every voice matters and is treated with respect.

Trust: we take pride in always doing the right thing.

Ambition: we are bold, innovative and challenge ourselves.

Our strategic plan...in a page

2026-2031 strategy – Making homes and lives better

Our purpose

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Our purpose, vision and strategic priorities

Homes and neighbourhoods to be proud of

Personalised services

Better lives

Delivering sustainable value

Our values

Excellence
we proactively pursue the highest standards

Trust
we take pride in always doing the right thing

Inclusion
every voice matters and is treated with respect

Ambition
we are bold, innovative and challenge ourselves

Execution and enabling

Data

Investment in existing homes

People

Development and regeneration

Funding

Partnerships

Customer engagement

Performance Management Framework and Governance

Results

Our strategic themes and objectives to 2031

Our strategy is structured across four themes, reflecting the priorities of our customers, staff and key stakeholders.

Within each strategic theme, we have identified specific objectives that we want to achieve. This strategy sets out how we will achieve these objectives and how we will measure our progress.

Strategic theme	Strategic objectives		
Homes and neighbourhoods to be proud of	Maintain and enhance homes to meet the Wheatley Standard	Create thriving neighbourhoods, collaborating with customers and partners	Lead the way in expanding supply of affordable, quality homes
Personalised services	Connect with customers through proactive, tailored communication	Enhance and apply what we learn to drive customer focused services	Deliver seamless services to meet customer needs
Better lives	Make the largest landlord contribution to ending homelessness in Scotland	Shape powerful partnerships to alleviate poverty and open doors to new opportunities	_____
Delivering sustainable value	Nurture and invest in our people, recognising their contribution	Drive effective solutions, harnessing digital capabilities and data assets	_____
	Ensure financial efficiency today, prepared for tomorrow	Grow our reputation as an ethical, trusted business	_____

Key strategic results

- 90%+ customer satisfaction
- 7,000 homes allocated to homeless households by 2031
- At least 2,000 new homes by 2031
- Exceed all requirements on addressing damp and mould under Awaab's Law
- iIP Platinum retained with staff satisfaction over 90% by 2031





Theme 1

01 Homes and neighbourhoods to be proud of

Wheatley Homes Glasgow in 2026: Our customers continue to tell us that investment in their home and a repairs service which maintains their home to a high standard remain key priorities. Our customers also tell us it is not just about inside their home, that investing in common areas and the local environment contributes to them feeling proud, safe and secure in and around their home.




NorthBridge in Sighthill





NorthBridge in Sighthill



Our objectives over the next five years:

 **01:** Establish the Wheatley Standard and enhance homes to meet it

 **02:** Create thriving neighbourhoods, collaborating with customers and partners

 **03:** Lead the way in expanding supply of affordable, quality homes

We now want to build on the investment spent during the life of our last strategy to improve and modernise our existing homes. Our Wheatley Asset Strategy and Strategic Asset Investment Plans set out the key drivers for asset investment and management, but we want to go further and set a minimum standard all customers can expect, a Wheatley Standard.

As the largest social landlord in Scotland, we recognise our responsibility to continue to step up and play an important role in addressing the housing crisis and increasing the supply of homes of different tenure types.

We also recognise the need for wider regeneration to address issues such as low demand stock, vacant and derelict land and a lack of local amenities and social exclusion.

Wheatley Homes Glasgow in 2031

Through the Wheatley Standard, our customers are clear on the quality of home they can expect from us. By having a single view of each property, we are clear on where every customer's home is relative to the Wheatley Standard and have a clear plan for all homes to achieve it.

We will know how our homes measure up to this demanding standard and have a clear plan to ensure every single home meets it. Warm, safe, and decent homes, in thriving neighbourhoods where customers feel proud and secure, will be synonymous with Wheatley Homes Glasgow. Through a refreshed Strategic Agreement with Glasgow City Council and strong relationships with a network of partners across the city, Wheatley Homes Glasgow is playing a key role in making Glasgow a great place to live.

Establish the Wheatley Standard and enhance homes to meet it



We recognise that current published Scottish Government standards for social housing do not align with our, or our customers' expectations of a home to be proud of. That is why we will create an ambitious Wheatley Standard. For a home to meet the Wheatley Standard it must:

- ▶ be free from disrepair, meet the SHQS (Social Housing Quality Standard) and future SHNZ requirements.
- ▶ be compliant with all building safety requirements.
- ▶ until SHNZ is in place, be energy efficient with an EPC of at least "C", unless this is technically or economically impractical.
- ▶ have modern internal components including kitchens, bathrooms, windows, heating systems etc.
- ▶ have external fabric, hard surfaces, back courts, bin areas, external doors, soffits, fascias and rainwater goods, and closes that are in a good condition.
- ▶ have an external environment which achieves the five-star Keep Scotland Beautiful standard.

Example: Cranhill – transforming the external of the building to a Wheatley Standard

Neighbourhood Improvement Team upgrades to exterior of property



Before



During



After



Wheatley Group Wheatley Homes Glasgow strategy

Our roadmap to achieving our objectives:



Maintain and enhance homes to meet the Wheatley Standard	
Wheatley Standard baseline	<ul style="list-style-type: none"> • Design an assessment framework and criteria, reflecting the ambition of the Wheatley Standard, against which each property can be assessed. • Systematically assess our properties – furthering our surveying capability we will utilise data from various sources including repairs history, stock condition assessments and energy performance to provide a ‘single view of each property’ - against the Wheatley Standard, and develop a road map for each property to achieve and maintain the standard. • Publish in the first year of the strategy our assessment of the number of properties that meet the standard, and details of areas where investment is needed for homes that do not to meet it. Use this assessment as the baseline for measuring progress and more efficiently direct our Wheatley Homes Glasgow Strategic Asset Investment Plan. • Aim to reduce the number of homes not meeting the Wheatley Standard from the baseline each year.
Homes where our customers can feel safe	<ul style="list-style-type: none"> • Continue to deliver our building safety requirements including annual gas safety checks, 5-yearly electrical inspections, checks to common areas such as lifts and water tanks, and specialist condition and fire safety inspections. • Proactively address damp and mould, as a top priority, including through integrating smart monitoring devices and delivering workforce training to support early identification, effective treatment and sustainable, lasting solutions. • Update our policy approach to damp and mould to reflect requirements from Awaab’s Law and enshrine specific Tenants Rights within the policy, including the right to request further investigation. • Enhance our assurance checks and customer follow-up to ensure customers are satisfied with how we handled damp, mould or leak in their home and that no issues remain. • Work with the Scottish Government as it develops its approach to Single Building Assessment, and implement these requirements in a structured and phased manner.
Energy efficient homes	<ul style="list-style-type: none"> • Unless it is technically or economically not possible, deliver investment to ensure all our homes meet the minimum fabric requirements in SHNZ once finalised, and, in advance of this, ensure our homes are at least EPC C by 2031. • Where it is not technically or economically feasible to meet the SHNZ requirement or in advance of this EPC C, maximise the delivery of achievable fabric improvement works. • Explore modern, affordable future heating options, including district heating and links to wider heating networks. • Ensure the heating systems in our homes are easy to operate and cost effective for our customers, while recognising constraints such as the availability of suitable alternative heating options, future net-zero requirements and energy market considerations.
Investing in customers’ homes	<ul style="list-style-type: none"> • Develop and deliver targeted investment strategies for specific property types or issues, including multi-storey flats, properties in mixed tenure blocks, pre-1919 blocks and pre-stock transfer improved tenement stock and specific property issues such as damp, mould and leaks. • Make sure we strike the right balance between investment and keeping rents affordable through a needs-based investment approach, based on up-to-date information on stock condition. • Deliver upgrades so no properties have internal components beyond what a stock condition assessment would consider to be their reasonable economic life. • Develop and consistently deploy cyclical maintenance programmes, including gutter, soffit and fascia cleaning, fence, door and outdoor painting, and explore models that maximise impact for the money available. • Ensure customer engagement continues to inform priorities, and that our asset investment, aligns with locality Neighbourhood Plans which we will publish and deliver with partners as required.

Our roadmap to achieving our objectives:



Create thriving neighbourhoods, collaborating with customers and partners	
Pride in place and community	<ul style="list-style-type: none"> • Develop, with customers and partners including Glasgow City Council, a common understanding of ‘neighbourhood’, recognising this will differ according to localities or property type. • Enhance our neighbourhood approach by developing standards informed by local priorities, customer engagement and data with every neighbourhood achieving the Keep Scotland Beautiful (KSB) 5-star standard. • Work in partnership with key stakeholders to reduce anti-social behaviour within our neighbourhoods. • Reduce fly-tipping and revitalise underused green spaces in partnership with Glasgow City Council and community groups.
Safe and welcoming communities	<ul style="list-style-type: none"> • Review our anti-social behaviour approach and Community Improvement Partnership (CIP) to ensure it is delivering sustained impact in our neighbourhoods for the benefit of customers. • Through partnership, including our refreshed Strategic Agreement with Glasgow City Council, and CIP and local policing, work closer than ever to share knowledge and intelligence, co-ordinate services and provide support so our customers feel safe and secure. We will do this through enhanced structures and sharing resources including through our Neighbourhood Forums and Community of Excellence. • Expand environmental service offering and support community-led initiatives, with priorities driven by customer-led walkabouts, engagement and real time feedback. • Explore and expand the support we can provide together with local partners, being particularly mindful of customers who require extra help, recognising the diversity of our customer base and their needs. • Strengthen multi-agency partnerships including with Glasgow City Council and community groups, to address waste management, green space maintenance and vacant land. • Evolve community safety partnerships, including with Scottish Violence Reduction Unit, to better understand issues affecting our neighbourhoods and co-create lasting solutions. • Look to extend sharing and use of neighbourhood data with key partners and undertake experiments to trial new approaches to solve issues faced by our customers. • Take a resolute approach to preventing and addressing discrimination and harassment in our neighbourhoods, fostering environments where everyone feels respected and safe.
Empowered customers	<ul style="list-style-type: none"> • Increase engagement with customers, including new and younger household members, through education, awareness-raising exercises to ensure understanding and fulfilment of shared responsibilities to upkeep surroundings and maintain welcoming communal spaces. • Deepen our understanding of customer behaviours utilising and enhancing our customer insight mechanisms and develop key messaging to provide clarity around our services and responsibilities, supporting customers to maintain their environment. • Work closely with Police Scotland and Glasgow City Council to promote and support good neighbourliness and responsibility for maintaining welcoming and safe communal spaces.



Lead the way in expanding supply of affordable, quality homes

<p>Deliver new, high-quality homes to help alleviate the housing crisis</p>	<ul style="list-style-type: none"> • Strengthen strategic relationships with Glasgow City Council through a refreshed Strategic Agreement, landowners and private developers to expand the development pipeline, seeking to develop a programme level agreement for new homes which provides efficiency, streamlining and certainty of delivery. • Diversify funding sources and explore innovative housing models and acquisitions to unlock capacity for new builds, which is aligned with the Scottish Government’s commitment to £4.9bn funding of the Affordable Housing Supply Programme over four years. • Identify opportunities and develop a programme for our City Building (Glasgow) partner to build new homes for us as part of our wider development programme. • Evaluate pilot projects, such as Shandwick Street, and integrate lessons learned and voice of the customer into future development construction and delivery approach. • Work with Glasgow City Council and the Scottish Government to purchase suitable homes on the open market to supplement our available housing stock and help alleviate homelessness.
<p>Regenerated, rejuvenated communities</p>	<ul style="list-style-type: none"> • Utilise our Strategic Agreement with Glasgow City Council, and develop new and underutilised funding models, such as Partnership Support for Regeneration, to deliver affordable home ownership in areas where there is currently vacant land, such as Cranhill. • Work with partners to prioritise regeneration in identified areas, such as Transformation Regeneration Areas (TRAs) at Sighthill, Govan, Red Road and North Toryglen, as well as Wyndford. Identify priorities for regeneration in developing areas including in Milton and Drumchapel. • Explore opportunities with partners, including City Building (Glasgow) for wider regeneration projects in areas such as Lochend in Easterhouse, which support the delivery of mixed tenure housing and address wider community needs and aspirations.
<p>Homes fit for the future</p>	<ul style="list-style-type: none"> • Enhance our understanding of future trends and customer needs, further embedding the analysis of the demographics of our prospective customers to inform our development programme such as, for example, building larger family homes. • Development and regeneration efforts will emphasise the need for improved amenities such as playparks, recreational spaces, and local infrastructure which we know are important to customers. • Use the learnings from the Shandwick Street demonstrator project, customer satisfaction feedback, trends analysis and legislative requirements to inform future updates to our Design Guide.

Outcomes

Customer priorities met:

- Safety and security
- Invest in existing homes
- Create pride in place



Strategic result

90% of customers are satisfied with the quality of their home

We will measure success through:

- At least 99.6% of our homes meeting SHQS.
- The percentage of homes that meet the Wheatley Standard.
- All our homes, except where it is not technically or economically possible, will be EPC C by 2031 unless this measure is replaced through the SHNZ.



Strategic result

90% of customers are satisfied with our contribution to the management of their neighbourhood at locality level by 2031

We will measure success through:

- 90%+ of our customers that feel safe and secure in their home at locality level.
- 100% neighbourhoods maintaining KSB 5-star rating.



Strategic result

Net increase of new affordable homes by at least 2,000 by 2031

We will measure success through:

- Annual progress with our development programme against both social and mid-market targets.
- Disposal of vacant land for the delivery of over 400 homes in Govan.
- Completion of Sighthill development and lead on the Glasgow City Council owned land disposal at Cranhill for the delivery of private homes.
- Over 1000 new homes being delivered at Wyndford, Red Road, Drumchapel and Milton.
- Satisfaction with new homes annually, with a target of 95%.

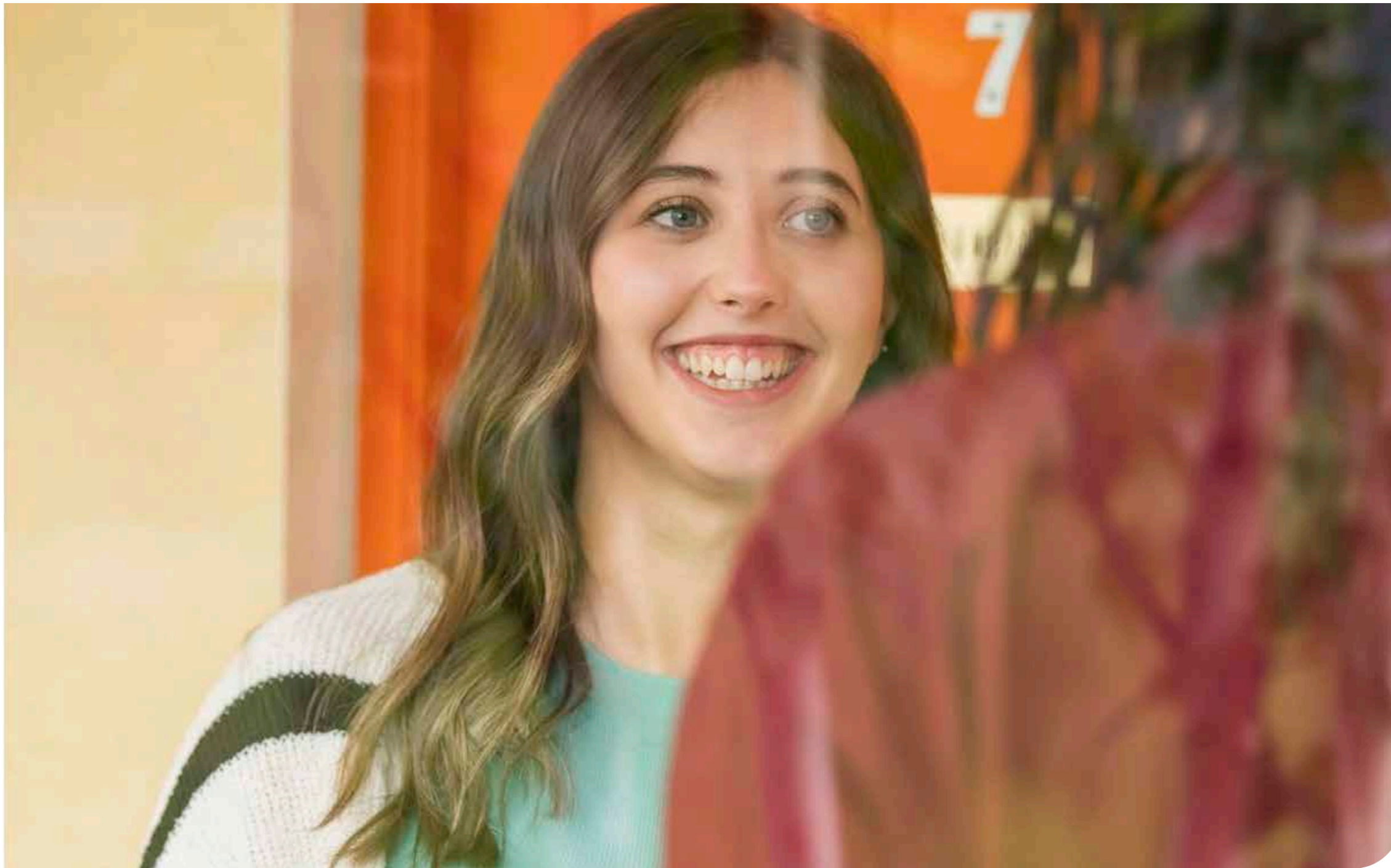
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Theme 2

Personalised services

Wheatley Homes Glasgow in 2026: Our previous strategy focused on tailoring services for an exceptional customer experience, using local teams and a geographic approach. We strengthened wraparound services, launched the Customer First Centre, and enhanced repairs through specialist teams and partnership with City Building (Glasgow).





Our objectives over the next five years:



01: Connect with customers through proactive, tailored communication



02: Enhance and apply what we learn to drive customer-focused services



03: Deliver seamless services to meet customer needs

We aim to further personalise services, with a strong emphasis on communication and contact, making every interaction timely, relevant, and accessible, as these are top customer priorities.

We recognise that customers value quick resolution over the channel used and are open to digital and Artificial Intelligence solutions if human support remains accessible. We are now leveraging our rich data and expanded real-time feedback to drive continuous improvement, ensuring customers feel heard and see action taken.

‘Thinking Yes’ to deliver seamless, accountable, and innovative services - especially in repairs - with a focus on minimising hand-offs, building trust and driving overall customer satisfaction.

Wheatley Homes Glasgow in 2031: Through a step change in the personalisation of our services, every customer receives support and communication tailored to their needs. We do this by embedding a culture of proactive engagement, harnessing data and digital tools, and strengthening local delivery and accountability.

Our services are shaped by the customer voice, delivered through empowered local teams, and supported by robust data and digital tools. Through a deeper understanding of our customers we will continue to adapt to changing needs and expectations, ensuring that every customer feels listened to, respected, and well served. This supports us to achieve 90+% customer satisfaction and demonstrate value for money with our services.



Connect with customers through proactive, tailored communication	
Transform customer connection - every interaction is timely, relevant, and accessible	<ul style="list-style-type: none"> • Transform our customer-facing communications by redesigning our websites to be fully Artificial Intelligence-ready, strengthening our social media presence, and expanding our use of modern digital channels to ensure we meet customers where they are. • Move away from outdated approaches such as local newspaper press releases and instead delivering personalised, relatable and hyper-local content that showcases our staff and the work they do in our communities. • Launch a refreshed communication framework, co-designed with customers and staff, ensuring all contact is personal, local, and relevant. • Continue to set-out transparently the investment we plan to make in localities so we can be accountable for the promises we make and publish annual progress reports and performance metrics. • Evaluate our service journey maps and communication touch points to keep customers informed at every step and ensure consistent messaging. • Refresh our approach to reasonable adjustments and understanding vulnerabilities, informed by our data, taking steps to ensure customers understand our information and can access our services in a way that suits their needs.
Proactively communicate, actively listen - be open and transparent on what we can deliver	<ul style="list-style-type: none"> • Be more proactive in communicating progress where things cannot be resolved straight away such as follow-up repairs and anti-social behaviour. • Provide direct contact options, regular updates, and acknowledgment of queries to ensure customers are clear about what contact they can expect from us about their home, such as a visit from a housing officer or a compliance check. • Expand digital self-service options, while maintaining accessible human support for those who need or prefer it.
Ensure approach is shaped by customer preferences, balancing digital and face-to-face options, committed to clarity and transparency	<ul style="list-style-type: none"> • Ensure all staff are trained and confident in delivering our communication framework, with clear accountability for follow-up and resolution. • Balance digital offering with personal contact, such as through annual tenant visits, our Stronger Voices engagement approach or face-to-face discussion. • Maintain our network of local hubs with experienced staff and visible community presence, so customers can choose how and where they engage with us. • Offer quality service that are empathetic and knowledgeable, regardless of method of contact (online, phone, email, in-person) channel.



Enhance and apply what we learn to drive customer focused services	
Listen, learn and act - customer insight driven service improvement	<ul style="list-style-type: none"> • Continue to refine and expand the ways we garner customer insight through a combination of real-time digital feedback, annual tenant visits, complaints, satisfaction surveys and customer engagement. • Independently track satisfaction with our services over the life of this strategy to gain insight into how satisfaction is trending and any changes in key satisfaction drivers. • Deepen understanding of future needs including through analysis of consumer trends and engagement with our potential customers, including younger household members or younger people living in our communities, acknowledging the potential for lifetime association through Wheatley tenures. • Enhance information flows and review our people processes to help test and pilot learning, supported by a 'culture of curiosity' and innovation. • Integrate all forms of customer feedback into a single insight platform, enabling learning, targeted interventions and personalised engagement. • Communicate the impact of customer input through 'You said, we did' reporting and regular storytelling. This will support us to demonstrate value for money. • Use data to inform the architecture of a 'single view of the customer' empowering staff to respond to customer insight and embed every day, continuous learning. • Explore segmentation mapping to ensure services are responsive to the needs of all customer groups, including those who are hard to reach or particularly disadvantaged or vulnerable.
A strong, engaged, influential tenant voice	<ul style="list-style-type: none"> • Launch our refreshed engagement framework, collaborate with community partners to expand opportunities for customers to participate in shaping services, including digital and in-person engagement, with a focus on accessibility and inclusion. • Continue to identify and engage with hard-to-reach and disadvantaged groups, including specific approaches to support homeless customers, New Scots, and those supported by Wheatley Foundation.

Our roadmap to achieving our objectives:



Deliver seamless services to meet customer needs	
<p>Reliable, joined up services, easy to access, particularly repairs and wraparound support</p>	<ul style="list-style-type: none"> • Prioritise enhancing repairs experience to deliver first-time completion, accurate and flexible appointments, and clear communication. • Explore customer reporting channels for example through our Customer First Centre platform and web self-service, and the introduction of photo or video sharing technologies. • Consider the needs of different customer groups, such as those in mixed tenure blocks, and working with our partner Lowther Homes and others to develop models to better meet their needs.
<p>Integrated, joint working with City Building (Glasgow)</p>	<ul style="list-style-type: none"> • Standardise and enhance repairs processes across Wheatley Homes Glasgow and City Building (Glasgow), complementing the approaches and systems of our wider Wheatley partners. • Enhance repairs diagnostic accuracy and optimise parts availability to increase first-time repair completion. • Introduce new ways to monitor that repairs are completed properly and to a high standard. • Keep customers informed around what will happen next and indicate the likely overall time to achieve completion before we leave their home. • Further embed customer focus and a commitment to excellence among all staff who provide our repairs service supported, for example, through training, customer insight forums and a Community of Excellence.
<p>Minimise hand-offs, well defined processes and staff ownership</p>	<ul style="list-style-type: none"> • Empower staff to resolve issues at the first point of contact, supported by training and clear escalation routes. • Strengthen collaboration, including with colleagues within Wheatley, to deliver our range of wraparound support and signpost customers to support achieving sustainable, long term solutions. • Use analytics and enhance use of data to identify potential issues and resolve them before they impact the customer or lead to dissatisfaction. • Innovate and trial new approaches, using technology and partnerships to improve efficiency and customer experience, allowing staff to deliver services with all the information they need at their fingertips through a single view of the customer.

Outcomes

Customer priorities met:

- Transform communication and customer contact
- Continue to improve the repairs experience



Strategic result

90% of customers satisfied with how we communicate with them

We will measure success through:

- 90%+ of customers agree it is easy to get in touch.
- 90% first contact resolution at Customer First Centre.



Strategic result

90%+ customer satisfaction with listening to views and acting upon them

We will measure success through:

- 90%+ of customers agree there are clear opportunities to participate.
- 100% of customer-facing policies and strategic projects informed by customer insight.
- 10% reduction in complaints escalated to stage 2 from a 2026 baseline.



Strategic result

90%+ overall customer satisfaction in key services including repairs, allocations, Customer First Centre and Wheatley Foundation

We will measure success through:

- 90%+ of customers feel treated fairly and with respect.
- 90%+ customer satisfaction with repairs experience.
- 100% receive an Annual Tenant Visit.



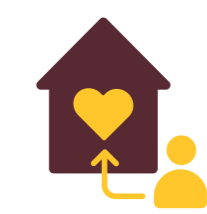
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Theme 3
**Better
lives**

Wheatley Homes Glasgow in 2026: We play a leading role in addressing Scotland's housing crisis, having, during our last strategy period, exceeded targets for new homes and support for homeless households, while maintaining high tenancy sustainment. We are not just a landlord - we provide wraparound support from the outset, working with partners, including Glasgow City Council, to convert temporary accommodation to permanent, incentivise downsizing, and deliver targeted help for vulnerable groups.



Our objectives over the next five years:



01: Make the largest contribution to ending homelessness in Scotland



02: Shape powerful partnerships to alleviate poverty and open doors to new opportunities



Supported by Wheatley Foundation and external partnerships, including with Glasgow Community Planning Partnership, we prioritise initiatives that tackle poverty, improve wellbeing, and create opportunities such as jobs, training, community ladders, and education bursaries.

Customer engagement has highlighted affordability as a key priority, reinforcing our commitment to sustainable support that genuinely improves lives.

Wheatley Homes Glasgow in 2031: Through our strengthened role as a collaborative leader -working with partners to tackle homelessness, alleviate poverty, and drive social mobility - we provide proactive, tailored support to help customers sustain successful tenancies and foster resilient communities. Our approach is underpinned by measurable outcomes, continuous improvement, and a commitment to building trust.

Our roadmap to achieving our objectives:



Make the largest contribution to ending homelessness in Scotland	
Work with national and local government to deliver solutions	<ul style="list-style-type: none"> • In collaboration with sector partners and Glasgow City Council, influence national funding and policy and implement the next phase of Housing First. • Bring empty homes back into use and expand housing options, while delivering value for money. • Support customers to downsize and develop resettlement initiatives to meet demand for larger family homes.
Enhance wraparound services	<ul style="list-style-type: none"> • Review our homelessness and allocations policies, informed by customer insight. • Support funding models for enhanced wraparound support, pilot advocacy and enhance financial wellbeing services, using data and co-production to target support with a focus on prevention, early intervention, and sustaining tenancies. • Collaborate internally and externally to expand wraparound support and build an enhanced services to support tenancy sustainment, Glasgow Community Planning Partnership and Health & Social Care Partnership.
Emphasise on community resilience	<ul style="list-style-type: none"> • Promote our Stronger Voices engagement programme to boost neighbourhood connections. • Build staff awareness and capacity around utilising local networks and partners to help foster a sense of belonging and resilience in neighbourhoods.



Shape powerful partnerships to alleviate poverty and open doors to new opportunities	
Create pathways out of poverty	<ul style="list-style-type: none"> • Work with Glasgow City Council and partners to better understand the root cause of family poverty and commit to their programme of 'demonstration of change' to target solutions across Glasgow. In Drumchapel, we will support the Demonstration of Change project, to work closely with 50 of our families in a pilot with Glasgow Helps targeted at delivering meaningful change for families living in poverty. • Participate in key local forums and directly engage stakeholders to drive progress with strategic ambitions that align with our objective to alleviate poverty. • Enhance tenancy sustainment efforts using insights from annual tenant visits to understand how customers live and use this to shape the support we receive from Wheatley Foundation around tackling poverty, particularly for families. • Work with Wheatley Foundation to leverage data to underpin the development of an anti-poverty strategy and pilot 'crisis support' approach. • Utilise the 'single view of the customer' and enhanced socio-economic data to tailor resources and monitor outcomes around supporting those in poverty.
Focus on employability, income, and social mobility,	<ul style="list-style-type: none"> • Strategically track employability and income outcomes to inform our social mobility support. • Explore new external partners to collaborate and partner with to deliver skills, jobs, and training ensuring we deliver accessible, person-centred, and impactful support. • Engage with decision makers to influence policy on social mobility, education, and skills. • Further embed use of community benefit in procurement and strengthen monitoring of supplier contributions. • Promote our work through customer testimonies and work together with Wheatley Foundation to explore digital initiatives to help customers get online and build digital skills and confidence.
Build and sustain the strategic partnerships we need to deliver for our customers	<ul style="list-style-type: none"> • Make the most of our Strategic Agreement with Glasgow City Council to align our efforts for the benefit of our tenants and Glasgow citizens. • Further develop our existing partnership with Scottish Fire and Rescue as part of continuing to reduce fire risk in our homes. • Work with Wheatley Care, as a strategic partner, to ensure care and support needs of our customers are met. • Continue to foster closer, and new, partnership working arrangements with organisations who have an interest in providing opportunities to our customers and neighbourhoods.

Outcomes

Customer priorities met:

- Create pride in place



Strategic result

Housing at least 7,000 homeless households by 2031

We will measure success through:

- 90%+ tenancy sustainment.



Strategic result

3250 jobs, apprentice and training places created for our customers and communities

We will measure success through:

- Reduce the value of arrears and number of customers in debt with us.
- On average, keeping our rent levels below 30% of disposable income.

04 | Delivering sustainable value

Wheatley Homes Glasgow in 2026: We are committed to delivering exceptional services, empowering our people and communities, and driving innovation through a strong financial and cultural foundation. Through our last strategy, we introduced flexible, home-based models for key teams while maintaining strong community presence. We support a diverse workforce through digital, remote, and in-person networks. We have broadened our focus to become a responsible, ethical business, embedding sustainability, equity, diversity, inclusion (EDI), and social mobility into our operations.





Our objectives over the next five years:



01: Nurture and invest in our people, recognising their contribution



02: Drive effective solutions, harnessing digital capabilities and data assets



03: Ensure financial efficiency today, prepared for tomorrow



04: Grow our reputation as an ethical, trusted business

Our 'Think Yes' ethos encourages staff to make decisions that best serve individuals and communities. As a platinum-accredited Investors in People organisation, we prioritise staff development, nurturing skills, and people-centred support.

We are embracing technology and data to enhance service delivery. With the launch of our data strategy and integration of Artificial Intelligence tools like CoPilot and Large Language Models, we've improved decision-

making, streamlined operations, and supported staff development. These innovations position us to deliver smarter, more efficient services while maintaining a human touch.

We ensure we strike the right balance in allocating our financial resources, maximising reinvestment of surpluses in our tenants' homes and services while retaining sufficient capital to remain resilient in the face of change. We will continue to prioritise value for money to meet customers' needs and remain resilient in the face of change. Financial efficiency underpins our ability to build trust, deliver strategic goals and promises, and maintain affordability for customers.

Wheatley Homes Glasgow in 2031: We've deepened our Think Yes culture by investing in workforce skills, dynamic learning, and strong internal relationships, and reinforced our leadership principles so these drive our behaviours. Strengthened change management ensures staff understand their impact and the importance of action that realises benefits. We fully leverage secure digital platforms and automation to enhance efficiency and experiences. A strong culture of innovation supports impactful transformation, while advanced analytics

improve forecasting and strategic planning. Our A+ credit rating continues to unlock investment potential - particularly in new-build development - and reassure our partners and stakeholders that we are financially stable, committed to sustainability and equity, all while embedding responsible business practices across all we do.

Our roadmap to achieving our objectives:



Nurture and invest in our people, recognising their contribution	
<p>Enable growth through our development</p>	<ul style="list-style-type: none"> • Implement a refreshed people strategy that integrates learning and development, strategic workforce planning, reward and recognition, and leadership development so people are equipped, empowered, and celebrated for the vital role they play. • Enhance our approach to learning by refocusing annual reviews to support the right conversations at the right time between managers and staff, ensuring meaningful interactions. • Improve reporting to inform people development plans across Wheatley Homes Glasgow and the wider organisation, embedding a culture of 360-degree feedback and continuous improvement. • Conduct a comprehensive analysis of learning needs and training methods, developing a roadmap to strengthen organisational capability. Prioritise skills essential to our strategy, including stock condition assessment and data-informed decision-making, while exploring new learning opportunities through external networks, funding, and contractor partnerships.
<p>Build leadership at every level, embedding Think Yes</p>	<ul style="list-style-type: none"> • Embed a renewed, values-driven framework aligned with our Think Yes culture, supporting leaders at all levels to model behaviours that drive change, remove obstacles and foster innovation. • Nurture internal talent and attract external expertise to enrich our leadership pipeline and strengthen succession planning. • Reinforce our Think Yes ethos through cross-functional learning and revamped induction programmes at both corporate and local levels. Staff will feel trusted and empowered to make decisions that deliver the right thing for customers. • Strengthen Different Together, our EDI brand, by ensuring leaders champion it internally and externally. Leaders will foster connection across teams to build capability and reduce social isolation. • Think Yes will be visible in our branding and communications, supported by consistent leadership messaging.
<p>Amplified staff voice and innovation</p>	<ul style="list-style-type: none"> • Diversify training methods and opportunities, such as through mentoring, shadowing, development days, and bitesize learning, to build confidence, clarify roles, and encourage innovation. • Enhance people functions and increase staff self-service, supported by data and automation, to help staff access knowledge and apply Think Yes in real time. • Expand opportunities for staff to contribute to decision-making and service design through refreshed Communities of Excellence and strategic staff networks. These platforms will ensure diverse voices deliver innovation and drive customer satisfaction. • Promote intrapreneurship and evaluate engagement with our customer-focused culture. • Health and wellbeing of our people will remain a priority. Staff will help shape benefits that support them to deliver meaningful customer outcomes and meet diverse needs. • Innovate in wellbeing support, addressing both physical and mental health through our Different Together approach. We will continue to evolve our support for staff, placing employee experience at the centre of our emotionally intelligent organisation.





Drive effective solutions, harnessing digital capabilities and data assets

<p>Single view of customer and home, consolidating systems and streamlining processes</p>	<ul style="list-style-type: none"> • Prioritise the development of integrated data and technology platforms that enable a unified view of our customers and assets to support smarter decision-making and allow staff to deliver services more efficiently and effectively. • Bespoke digital and data roadmaps will be co-developed for each major service area, setting out clear pathways to better data accessibility and stronger, digitally enabled processes. These will be delivered through robust project and change management programmes to ensure lasting transformation. • Actively consolidate our technology platforms to establish a single source of core data and consistent ways of working. • Deeper digital and data integration with City Building (Glasgow), transitioning to common platforms where appropriate. • A comprehensive view of our assets and customers and overarching data analytics platform will lay the foundation for enhanced analytics and Artificial Intelligence integration.
<p>Embed Artificial Intelligence ethically and sustainably, focusing on enhanced experiences</p>	<ul style="list-style-type: none"> • Adopt Artificial Intelligence selectively and ethically, targeting manual workflows that can be automated to free up staff for customer-focused, value-added work. Initial focus areas will include support teams in Wheatley Solutions and the Customer First Centre, with learning shared across Wheatley Homes Glasgow and the wider organisation. • Initially limit Artificial Intelligence in areas requiring significant human judgment until we are confident there is low risk; smart data applications such as in-home sensors, diagnostic tools, and real-time communications will be explored to manage our portfolio more effectively. • Work with external partners we will deliver our digital maturity roadmap aligned with Wheatley's data strategy. This will focus not only on systems but also on developing staff skills and fostering a culture of data ownership, stewardship, and literacy. • Enhanced data capability and understanding of our customers will inform and influence the activities of Wheatley Foundation, to support our communities and better equip us to measure impact.
<p>Safely cultivate innovation, for the benefit of our communities</p>	<ul style="list-style-type: none"> • Develop programmes to encourage and support innovative thinking and approaches, as part of developing and improving the services we provide. • Collaborate with acknowledged leaders, including from industry and academia, in the field of emerging technologies and innovation to develop new solutions that meet our and our customers' needs. • Embed accountability for innovation in the leadership principles of our senior staff. • Take an open and ambitious approach to exploring new ways of working, while also applying robust frameworks to ensure there is evidence that such innovation will deliver benefits for our customers and our business before large-scale deployment. • Prioritise strong data governance to ensure ethical use as new technologies, such as Artificial Intelligence, evolve. • Support customers who may be disadvantaged by the increasing shift to digitisation, such as through the potential introduction of digital identities in welfare and public services. • Achieve Cyber Essentials accreditation across Wheatley Homes Glasgow, demonstrating our commitment to safeguarding systems, protecting customer data, and maintaining business continuity.



Our roadmap to achieving our objectives:

Ensure financial efficiency today, prepared for tomorrow

<p>Maintain financial strength and flexibility</p>	<ul style="list-style-type: none"> • Retain our externally accredited A+ credit rating and adhere to our financial 'Golden Rules', ensuring Wheatley Homes Glasgow remains a trusted organisation in the eyes of funders, stakeholders, and customers. • Negotiate funding arrangements through making best use of our financial and asset strength to reduce the cost of funds and maximising capacity for new build. • Evaluate governance and funding models to unlock new capacity-particularly for new-build development through a housing bond and innovative funding approaches. • Maintain flexibility to allow us to respond quickly to emerging opportunities and adapt our financial strategy to meet changing market conditions through to 2031.
<p>Champion transparency and customer trust</p>	<ul style="list-style-type: none"> • Keep our rents fair and transparent. • Demonstrate financial transparency by publishing clearer information on how rent is spent, including through our annual rent consultation. • Explore expanding financial wellbeing support for tenants, tailoring assistance to meet diverse needs and helping customers navigate the cost-of-living crisis.
<p>Future proofing through data and insight</p>	<ul style="list-style-type: none"> • Increase our use of analytics to support business continuity planning, improve supply chain resilience, and anticipate future risks. • Our data-driven finance approach will help us make informed decisions, optimise resource allocation, and ensure long-term sustainability.



Grow our reputation as an ethical, trusted business

<p>Recognised as a responsible, ethical leader - embedding sustainability, equity, diversity, and inclusion (EDI)</p>	<ul style="list-style-type: none"> • Refresh and deliver our EDI action plan, supporting our staff and customers to feel respected and included. • Benchmark and improve our Onvero ‘Talent Inclusion and Diversity Evaluation’ rating, supporting an inclusive workplace, and annually retain our Customer Service Excellence accreditation to assess our service delivery to our diverse communities. • Refresh our Group Sustainability Framework, focusing on net zero, understanding climate impacts on our business, and work with partners to deliver a just transition and value for money for customers.
<p>Embed continuous improvement across our organisation and value chain</p>	<ul style="list-style-type: none"> • Adopt the Business in the Community ‘Responsible Business Health Check’ to drive change and support thriving communities and workplace. • Engage leaders in responsible business and systems thinking to pilot new approaches and measure impact with leading and lagging indicators. • Adopt and implement an organisation-wide approach to continuous improvement, such as EFQM, that can provide us with opportunities for independent assurance, assessment and benchmarking.
<p>Deepen stakeholder collaboration with networks and partners</p>	<ul style="list-style-type: none"> • Embed a comprehensive stakeholder engagement and communication plan reflecting preferences and influence to help us focus efforts on the most pressing social and environmental challenges for our customers. • Undertake stakeholder engagement that is dynamic and inclusive, seeking input from our broad ecosystem to inform decisions. • Deepen collaboration on national and international forums to identify gaps and share best practice. Utilise memberships, undertake joint studies and research to demonstrate value beyond our workplace, particularly in EDI, sustainability, and social impact. • Where appropriate, challenge existing best practices to develop innovative solutions. • Leverage our scale as part of Wheatley to build strategic procurement partnerships, attract private sector expertise into the public domain, support local businesses and create job and training opportunities for our customers. Reinvest financial efficiency from purpose-driven procurement into communities.

Outcomes (Wheatley Level):

Customer priorities met:

- All



Strategic result

Retain platinum IIP accreditation

Measure progress through:

- 90%+ staff satisfaction that Wheatley is a good employer.
- 90% of staff are satisfied with the development opportunities available to them.
- Increasing the diversity of our workforce.



Strategic result

Increase our data maturity score

Measure progress through:

- Achieve Cyber Essentials accreditation.
- 90% of staff are confident using data and Artificial Intelligence as it relates to their role.
- Number of staff who engage with our innovation activities increases annually from 2026 baseline.



Strategic result

Maintaining our A+ credit rating

Measure progress through:

- Raising £1.2 bn of private finance to invest in new homes.
- Launch Scotland’s first Housing Bond programme.
- Comply with our ‘Golden Rules’.



Strategic result

Recognised by the EFQM as a top organisation, achieving six stars or above

We will measure success through:

- Retaining our Customer Service Excellence accreditation.
- Improving our Business In The Community ‘Responsible Business’ and ‘Onvero’ Talent Inclusion and Diversity Evaluation’ ratings.
- Reducing harmful emissions from our homes and businesses.

Report

To: Wheatley Homes Glasgow Board

By: Aisling Mylrea, Managing Director of Wheatley Homes Glasgow

Approved by: Steven Henderson, Group Chief Executive

Subject: City Centre Strategic Neighbourhood Plan

Date of meeting: 6 February 2026

1. Purpose

- 1.1 The purpose of this paper is to seek the Board's approval of the City Centre strategic neighbourhood plan ("**city centre neighbourhood plan**").

2. Authorising and strategic context

- 2.1 Under our Terms of Reference, the Board is responsible for approving our strategy and monitoring performance in relation to our strategy. Our refreshed approach to our neighbourhoods seeks to enable positive change within Glasgow's communities, build resilience through our neighbourhood plans and build and invest in affordable and sustainable homes. This aligns with our strategic themes, 'Changing Lives and Communities' and 'Making the most of our Homes and Assets'.

3. Background

- 3.1 At the end of 2022, we conducted research into what impacts how a customer feels about the place in which they live via pulse surveys, focus groups and local engagement events. Customer insight from this research indicates that the primary factors impacting how a customer feels about the place in which they live are:

- Experience of the environment - how clean and tidy is the area;
- Experience of Anti-Social Behaviour - is there crime in the area; and
- Ease of access to people and services in the place in which they live e.g. adequate transport links, shops etc.

- 3.2 In early 2023, we engaged and co-designed a vision for our neighbourhoods with our customers:

'Wheatley Homes Glasgow's vision for neighbourhood is one where our customers feel safe and secure and live in desirable and peaceful communities. Where customers live in a place that is clean and tidy and environmentally friendly. A place where our customers have access to people and services and where our customers are empowered to make decisions about services within their communities.'

- 3.3 As part of our approach to neighbourhoods, we conduct a neighbourhood assessment in each locality. The neighbourhood assessment evaluates the following factors:

Factor	Measure
Environment	Keep Scotland Beautiful data
Place	Place standard tool to engage customers in the neighbourhood and assess 14 factors including 'Feeling safe'
Assets	Asset appraisal data
Desirability	Stock turnover and Notes of Interest on advertised two-bedroom properties on My Housing.

- 3.4 The city centre neighbourhood plan outlines the outcome to the neighbourhood assessment in the locality and provides areas of priority focus for the neighbourhood plans.
- 3.5 In the summer of 2025, we conducted a customer satisfaction survey across the city. The North-East area, of which the city centre is one of the localities, scored 90% overall customer satisfaction.
- 3.6 Customer satisfaction with our contribution to the management of neighbourhoods was 95% and satisfaction with the quality of home was 93%. These scorings are a good foundation and starting point on which to build a new neighbourhood plan for the city centre of Glasgow.

4. Discussion

- 4.1 The city centre neighbourhood plan is a five-year plan and aims to create safe, thriving and sustainable communities in the city centre. While customers value the area's connectivity, access to amenities and job opportunities, they also face challenges such as anti-social behaviour, waste management issues and an ageing stock profile. With Glasgow City Council renewing its focus on revitalising the city centre, Wheatley will set clear priority actions, working closely with key partners and engaging regularly with customers. Progress will be monitored through surveys and ongoing local engagement to ensure neighbourhoods become places residents are proud to live in.

Strategic Priorities for the City Centre of Glasgow

- 4.2 The neighbourhood assessment for the City Centre and outputs from customer engagement have drawn out our key strategic priorities. These are summarised below and set out in further detail in Appendix 1 and 2:
- Safety and Security - to work closely with community police and through our Community Improvement partnership to support tackling drug crime in the city centre;
 - More homes – The Gallowgate Transforming Regeneration area will bring forward 182 new affordable homes and Calton Village phase 3 with a further 33 homes for social rent;
 - Investment - We will invest new kitchens, bathrooms, heating systems and fabric improvements in the city centre over WHG's 3-year investment programme;
 - Clean and tidy neighbourhoods - The neighbourhood action plan outlines key actions we will take to tackle fly-tipping and waste management; and
 - Larger family homes – Utilising downsizing projects, acquisitions and promotion of GCC's city wide transfer scheme to create stock turnover within the community.

Measuring Success

- 4.3 The city centre neighbourhood plan will run for five years and have a mid-way review. We will measure the success of the plan by reviewing the following:
- Environmental score: 5-star Keep Scotland Beautiful scoring for each site in the identified neighbourhoods;
 - Asset appraisal: achieve 90% customer satisfaction with quality of home; and
 - Overall customer satisfaction for the city centre: achieving 90% customer satisfaction for the city centre of Glasgow.

- 4.4 We will also review overall customer satisfaction and customer satisfaction with contribution to the management of the neighbourhood.

5. Customer engagement

- 5.1 Customer engagement is integral to the approach to neighbourhoods. Through the neighbourhood assessment process customers are involved in being Keep Scotland Beautiful auditors and active participants in the Place Standard workshops.

- 5.2 We have also engaged customers through local governance forums including Townhead and Ladywell Community Council and local residents groups and regeneration delivery groups. Participation in these local resident groups has helped inform and shape priorities and actions within the city centre plan. Going forward, customers will be engaged and kept up to date with actions through the use of MS Dynamics to share updates.

6. Environmental and sustainability implications

- 6.1 Our neighbourhood approach will consider the environmental and financial sustainability of any local improvement projects. For example, when delivering recreational projects, there needs to be consideration for long-term maintenance of assets and/or green spaces: how will these be maintained and by whom, as well as the financial cost of maintenance and replacement.

- 6.2 Our investment programme and retrofit projects, focus on improving our properties to ensure that they remain well maintained and a warm and safe home for the longer term.

7. Digital transformation alignment

- 7.1 We will use a variety of digital channels to carry out engagement with customers including online surveys and questionnaires. Digital methods will be used to engage customers in the neighbourhood approach.

8. Financial and value for money implications

- 8.1 The activities set out in this report will be delivered from within existing partner organisation budget allocations and reflect what customers value within their neighbourhoods.

- 8.2 The City Centre Strategic Neighbourhood Plan will be used to inform investment priorities in our Asset and Investment plan.

9. Legal, regulatory and charitable implications

9.1 There are no legal implications or charitable implications arising from this report.

10. Risk Appetite and assessment

10.1 The risk appetite in respect of the strategic themes, *Making the Most of our Homes and Assets* and *Changing Lives and Communities* ranges from “open” to “hungry” in relation to operational delivery. Our ambitious approach outlined within this report is consistent with those appetites.

11. Equalities implications

11.1 Equality, Diversity and Inclusion is a key consideration throughout our customer engagement approach to ensure our methods are diverse and inclusive, allowing customers from a range of backgrounds to be involved and provide their perspectives.

12. Key issues and conclusions

12.1 Our neighbourhood planning approach directly responds to customer feedback about how they feel about the place they live and to the vision for neighbourhoods that has been shaped by customers.

12.2 We have made effective use of our data and the outputs of our engagement to identify the key priority areas affecting our customers in the City Centre, with a particular focus on investment, developing more homes, safety and security, and clean and tidy neighbourhoods.

13. Recommendations

13.1 The Board is asked to approve the City Centre Strategic Neighbourhood Plan.

LIST OF APPENDICES:

Appendix 1: City Centre Strategic Neighbourhood Plan
Appendix 2: City Centre Neighbourhood Action list

City Centre Strategic Neighbourhood Plan



1. Executive Summary

The strategic neighbourhood plan for the city centre of Glasgow outlines Wheatley Homes Glasgow's plan for the next 5 years to create safe, thriving and sustainable communities within the city centre. Customer feedback tells us that customers enjoy the connectivity, amenity access and job opportunities that come with living within the city centre. However, there are also challenges faced by these communities- including anti-social behaviour, environmental and waste management issues and a challenging stock profile. With Glasgow city centre outlining their renewed focus and plan to revitalising the city centre, now is an apt time for Wheatley Homes Glasgow to define key priority actions that we will commit to delivering for our customers.

Five years from now, we want our customers to be living in homes and neighbourhoods that they are proud of. Neighbourhoods where customers feel safe, warm and are clean and tidy. Working closely with partners like Glasgow City Council, City Property and Health and Social Care Partnership will be key to achieving this. And ensuring that we continue to listen to our customers through local community councils, residents' groups and local delivery groups will be essential. We will continue to test and monitor success of the plan through pulse surveys and engagement with customers.

2. Overview of the city centre of Glasgow

Wheatley Homes Glasgow have 1499 social rented homes and 907 Lowther factored homeowners in the city centre of Glasgow, from Townhead to Drygate, the High Street and Saltmarket and edging out to Calton. Wheatley Homes Glasgow deliver services across these communities, with neighbourhood teams providing housing support, environmental services, repairs and community engagement. As a key strategic partner within the city, WHG works closely with Glasgow City Council to ensure that we are supporting thriving and sustainable communities.

Glasgow City Council's priorities for the city centre focus on creating a more liveable, greener, and economically resilient urban core, with action centred on transforming public spaces, growing the residential population, supporting local businesses, and responding to the climate emergency. The council's city centre Strategy 2024–2030 emphasises delivering safer, more attractive streets, expanding walking and cycling routes and repurposing vacant buildings. Together, these priorities form a long-term plan to revitalise Glasgow's centre as a dynamic, sustainable place to live, work, and spend time.

Glasgow City Council sees new housing as the engine of a thriving city centre, aiming to bring far more people into the heart of the city by repurposing vacant buildings, supporting mixed-tenure developments, and backing major regeneration sites like the Gallowgate Transforming Regeneration Area (TRA). This push for a larger residential population is tied directly to wider goals: strengthening the local economy, improving safety and vibrancy, reducing carbon impact through sustainable retrofits, and ensuring the city centre becomes a greener, more inclusive place to live.

The strategy recognises the challenges, such as high retrofit costs and the need for supporting infrastructure, but positions housing as the foundation for long-term renewal and a more resilient urban core. As a key strategic partner within the city, Wheatley Homes Glasgow are key to delivering this vision and ensuring our customer voice is at the heart of this.

Living in Glasgow city centre comes with lots of positives including easy access to amenities, leisure facilities, job opportunities and easy access to transport links that connect you to the rest of Scotland and beyond. All of these things make the city centre a compelling place to call home and attract customers to live in the area.

What attracts people to living in the city centre of Glasgow, can also bring about some challenges including a high crime rate and social issues including street disorder and drug dealing which can be very visible. Crime in Glasgow's city centre is shaped by the realities of a busy urban hub: high footfall, major transport stations, nightlife, and a dense mix of residents, workers, and visitors. City-centre wards have some of the highest recorded crime rates in Glasgow, largely because they include major transport hubs and busy commercial streets. In 2024, 17,458 crimes were committed in the City Centre/Anderston/Yorkhill ward.

This was nearly triple that the next highest ward (6175). In addition to some of the social challenges, a lot of Wheatley's housing stock in the city centre consists of pre-1919 tenements which require a lot of upkeep and require energy efficiency improvements.

The city centre strategic neighbourhood plan outlines the emerging priorities within 4 communities within the city centre and the key actions that Wheatley Homes Glasgow will take over the next 5 years to support the creation of safe, sustainable and thriving neighbourhoods.

3. Customer insight from the City Centre of Glasgow

Engaging with and listening to Wheatley Homes Glasgow (WHG) customers in the city centre of Glasgow has provided insight into the positive attributes of their neighbourhoods and the areas they would like to see improved. There is a strong community forum presence within the city centre, and we play an active role at community Councils, local resident groups and regeneration delivery groups.

Through our integrated neighbourhood assessment model, we are assessing the city centre of Glasgow, via the following methods:

- Keep Scotland Beautiful assessment.
- Asset appraisal review.
- Customer satisfaction survey; and
- Desirability scoring that looks at housing demand and stock turnover.

Keep Scotland Beautiful Assessment

The city centre, Royston and Parkhead locality area achieved a 5-star rating from external auditors Keep Scotland Beautiful in June 2025. Whilst the rating is for the whole of the locality, there is feedback provided for the city centre.

Positive aspects highlighted were the waste management and condition of the green spaces at the multi-story sites. The audit raised points to address around waste management and investment and improvement to hard standing areas, car parks and pathways.

Asset Appraisal review

An asset appraisal of Wheatley Homes Glasgow stock in the city centre was conducted in 2024 and helped shape the current investment plan for the city centre. The appraisal looked at stock condition surveys, repairs data, customer feedback and neighbourhood feedback. Over £5.3 million will be invested in our city centre homes over the next 3 years including new kitchens, bathrooms, close painting and environmental improvement works.

Customer Satisfaction

As of June 2025, WHG's overall customer satisfaction in the North-East of the city, which includes the city centre is 90.2%. Customer satisfaction with the contribution to management of neighbourhood is 95.3% and satisfaction with the quality of home is 93.02%.

Feedback from customer engagement in the city centre repeatedly tells us that safety and security, a clean and tidy neighbourhood and warm energy efficient homes are key priorities for our customers.

Desirability

Demand for city centre housing is high with 1247 households requesting the city centre. 35% of these households have a priority due to overcrowding demonstrating the need for more family homes.

These 4 communities in the city centre of Glasgow have been prioritised as part of the neighbourhood plan because there are significant development and regeneration opportunities in the Calton area, much needed investment in some of our pre-1919 tenements and challenges with tackling ASB throughout the city centre.

Drygate



The Drygate estate, also known locally as the Ladywell, is one of the most distinctive pieces of post-war housing on the eastern edge of Glasgow city centre.

Built as a housing estate in the early 1960, it is located along Duke Street, right beside the historic Wellpark Brewery and only a short walk from the city centre. It sits on the former site of Duke Street Prison, once one of Scotland's most notorious jails, parts of whose perimeter wall still survive today.

Wheatley Homes Glasgow customers benefit from living walking distance to the shops, leisure and job opportunities that the city centre has to offer. Unfortunately, this can also bring challenges and problems to the area including drug dealing, waste management issues and anti-social behaviour.

Key actions in the plan include working with local policing and the community improvement partnership to jointly tackle drug dealing in the area, joint environmental initiatives with GCC on waste management and piloting a parking control management approach for the estate.

Townhead



Much of Townhead was rebuilt in the 1950s–60s as part of Glasgow’s major slum-clearance programme, replacing dense tenements with modernist flats and maisonettes. It borders the University of Strathclyde and Glasgow Royal Infirmary and has a very diverse residential community with social housing tenants, owners, students and hospital staff all residing within the estate.

With a diverse tenure mix, comes some challenges for Wheatley Homes Glasgow when it comes to investing improvements within the estate as lack of owner consent can impact the ability to bring investment forward. There are also challenges with general upkeep, the aesthetic look and waste management given the high traffic through the community.

Key actions in the plan include working closely with GCC to tackle fly tipping issues, utilising the new NETs Environmental improvement team in the area to improve the environment and aesthetic and fabric improvements at St. Mungo’s Drive.

Saltmarket



The Saltmarket is one of the oldest and most characterful streets on the eastern edge of Glasgow's city centre, a place where medieval history, 18th-century commerce, and modern regeneration all sit on top of each other. A short but important stretch linking the medieval High Street to the river and a gateway to the green space of Glasgow Green.

It is a diverse tenure mix residing in the Saltmarket area, with 253 social housing homes and 244 Lowther factored homeowners. The pre-1919 tenements in the area bring challenges in achieving energy efficiency and ensuring safe and warm homes for our customers.

Key actions in the neighbourhood plan include trialling energy efficiency solutions within our homes, kitchen replacements across our stock and internal close painting within the blocks. We are also looking to acquire some prior retail units from Glasgow City Council and convert them to new social homes for families.

Calton



For decades, the land at the Gallowgate, once home to the old Calton tenements, sat empty and derelict. The Calton Village regeneration is now bringing it back to life with 264 new affordable homes, delivered through a partnership between Wheatley Group and McTaggart Construction and supported by Glasgow City Council's Affordable Housing Supply Programme.

The Gallowgate has historically been one of Glasgow's most deprived areas, and the regeneration aims to create a stable, mixed, well-connected neighbourhood that supports local shops, links to the Barras, and strengthens the wider Calton community.

Wheatley Homes Glasgow has recently completed phase 2 of the new build at Calton village with 34 new homes being provided to customers. The final phase has started on site and will complete in 2027.

4. The emerging strategic priorities

The neighbourhood assessments for the city centre neighbourhoods and outputs from customer engagement have drawn out key strategic priorities across the city centre of Glasgow.

Homes and neighbourhoods to be proud of

Safety and security are a consistent priority for our customers residing in the city centre of Glasgow. As with many large cities, a vibrant city centre can also have high rates of crime and social disorder within the centre. Customer Feedback and data for Police Scotland tell us that drug dealing in the city centre is a prominent challenge. A primary goal of the neighbourhood plan is to work closely with community police and through our Community Improvement partnership to support tackling drug crime in the city centre.

Our neighbourhood assessment demonstrates the need for more homes within the city centre. WHG have an ambitious new build program with the Gallowgate Transforming Regeneration area bringing forward 182 new affordable homes and Calton Village phase 3 with a further 33 homes for social rent.

Customer insight also tells us that residents in the city centre are looking for us to invest in their homes and provide value for money when it comes to their rent. Over WHG's 3-year investment programme, we will invest over £5.3 million in the city centre with new kitchens, bathrooms, heating systems and fabric improvements.

Customer have repeatedly told us that a safe and clean environment is important to them. The city centre can be a challenging landscape in which to manage waste and fly tipping. Our on-going partnership work and relationship with Glasgow City Council is key to ensuring we work to create clean and tidy neighbourhoods over the next 5 years. The neighbourhood action plan outlines key actions we will take to tackle this. Through our neighbourhood walkabouts, KSB assessments and neighbourhood workshops, we will continue to work with customers to ensure they shape the environment they live in.

Better Lives

Our neighbourhood assessment indicates that we do have a demand for larger family homes within the city centre of Glasgow, through some key projects over the next 5 years we hope to create stock turnover within the community with downsizing projects, acquisitions and promotion of GCC's city wide transfer scheme.

As part of WHG's commitment to create sustainable neighbourhoods, we will also look to create a local lettings plan for Drygate, Gallowgate and Calton to ensure we are meeting unmet housing needs within the local area. Key actions in the neighbourhood plan also include utilising Glasgow City Council's downsizing scheme to help create stock movement in the local area and free up more homes for families.

5. Delivery and review

Delivering on these strategic priorities for the city centre of Glasgow will require collaborative action led by local neighbourhood delivery teams, supported by the Group and working closely with partners.

We have developed a delivery plan with key actions and outcomes which is attached to this plan. Progress will be reported to the WHG Board on an annual basis.

6. Measuring Success

The city centre plan will run for 5 years and have a mid-way review.

We will measure the success of the city centre strategic neighbourhood plan at the end of the 5 years by reviewing the following:

- Environmental score- 5 star Keep Scotland Beautiful scoring for each site in the identified neighbourhoods;
- Asset appraisal- achieve 90% customer satisfaction with quality of home; and
- Over- all customer satisfaction for the city centre- achieve 90% customer satisfaction for the city centre of Glasgow.

We will also review overall customer satisfaction in the city centre of Glasgow and customer satisfaction with contribution to the management of neighbourhood:

Measure	Target	Year ending
Over-all customer satisfaction (90.2% as of 2025)	90%	2031
Customer Satisfaction with contribution to management of neighbourhood (95.5% as of 2025)	90%	2031
Customer Satisfaction with quality of home (93% as of 2025)	90.0%	2031

Sources:

https://datamap-scotland.co.uk/scotland-reported-crime-data/glasgow-city-council-wards-crime-map/?utm_source=copilot.com

Appendix 2: City Centre Neighbourhood Actions

Homes and Neighbourhoods to be proud of		
Action	Outcome	Year
Deliver £1.9m of investment in Drygate over the next 3 years including environmental improvements for all tenement blocks and kitchen replacements.	Complete 342 kitchen replacements. Complete environmental improvement works at 14 blocks. Complete common works programme at 9 blocks.	3
Deliver £150k of investment in Calton in the next 3 years, including environmental improvements in Moncur Road and Stevenson Street and kitchen and window replacements in Moncur Road.	Complete 14 kitchen and 12 window replacements in properties. Complete environmental improvement works across 8 blocks.	3
Deliver £1.7m of investment in the High Street area over the next 3 years, including environmental improvements for all tenement properties, common works improvements in Bell Street and improvement works to the pre-1919 tenements. Kitchen replacements will be completed across Bell Street, Blackfriars Street and Duke Street.	Complete 23 kitchen replacements. Complete environmental improvement works at 22 blocks. Complete the common works programme at 3 blocks.	3
Deliver £508k of investment in the Saltmarket area over the next 3 years, including environmental improvements to all tenements in the Saltmarket and internal close painting in St Andrews Street and Parnie Street. Kitchen replacements will also take place across Saltmarket, Parnie Street, St Andrew St, Osborne St and King Street.	Complete 24 kitchen replacements. Complete environmental improvement works at 62 blocks. Complete common works programme at 47 blocks.	3
Deliver £1.1m of investment in Townhead over the next 3 years, including close painting at Kennedy Street, Glebe Court and Kennedy Path. Fabric improvements to take place at the tenements at St. Mungo's Drive and kitchens to be replaced across the Grafton Place MSF. Environmental improvements will be completed across all tenements in Townhead.	Complete 141 kitchen replacements. Complete environmental improvement works at 56 blocks. Complete common works programme at 25 blocks.	3
Deliver 182 affordable homes as part of the Gallowgate Transforming Regeneration Area (TRA). This includes 70 MMR homes at Bellgrove, 34 social rented homes at Spoutmouth, 46 MMR homes at Watson Street and 32 MMR homes at Dovehill.	Complete 182 new build handovers.	5
Deliver 33 affordable homes at Calton Village Phase 3. These will all be social rented homes.	Complete 33 new build handovers.	4

Achieve 5 star rated neighbourhoods across the city centre locality via the Keep Scotland Beautiful external auditors.	Achieve and maintain 5 star ratings across each neighbourhood.	3
Explore and influence the improvement of waste management and fly tipping via the Glasgow City Council (“GCC”)Neighbourhood Regeneration and Sustainability services group. Work with local teams on improving waste management and maintaining open green space.	Refreshed GCC strategic agreement between Wheatley Homes Glasgow and GCC.	2
Influence and feed into the design of the green space at Cathedral Square and work with GCC as part of the consultation process to engage our customers who reside in the area.	Completed new green space at Cathedral Square in 2028.	3
Work with Police Scotland to tackle drug crime in the city centre. Deliver mini deployments via our Community Improvement Partnership and promote the submission of intelligence from staff and customers. Promote the use and availability of Crimestoppers to support customers to report anonymously.	Achieve and maintain 90% customer satisfaction with the contribution to the management of neighbourhood.	3
Develop new ways of working with Police Scotland within our neighbourhoods with a focus on the city centre. Host our first joint neighbourhood forum with Police Scotland looking at new ways to jointly tackle the issues in our neighbourhoods.	25% reduction in repeat Anti-Social Behaviour cases.	2
As a strategic partner within the city, sit on the partner forum for the Thistle, the safe drug consumption unit in Calton. Ensure that we advocate for our customers and contribute solutions to any on-going issues.	Refreshed partnership relationship with Police Scotland. Complete 2 neighbourhood summit events.	1
Deliver a parking control pilot at Drygate to test whether this improves safe car parking practices and reduces the numbers of non-residents parking in the limited spaces available.	Achieve and maintain 90% customer satisfaction with the contribution to the management of neighbourhood.	2
Pilot the use of a cleaning drone to improve and maintain the aesthetic of our Multi-Storey blocks. Utilise innovative technology solutions to improve the look and feel of neighbourhoods.	Pilot the use of a cleaning drone at 2 Multi-storey sites.	2
Explore opportunities to work with Lowther and City Property to improve the shop units on Saltmarket, to improve the look and feel of the neighbourhood.	Improved aesthetics of the Saltmarket shop units.	1

Personalised Services		
Action	Outcome	Year
Test the use of MS Dynamics to deliver updates on investment works and environmental improvements across the city centre. Analyse customer engagement with the messaging.	Positive customer engagement.	1
Better Lives		
Action	Outcome	Year
Deliver 7000 lets to homeless customers across 2026-31. Contributing to the housing emergency across Glasgow. Delivering 60% lets to homeless within the locality.	7000 lets to homeless households across Wheatley Homes Glasgow.	5
Enact a Local Lettings plan for the Drygate and Calton to support the creation of thriving and sustainable communities in those areas.	Maintain 90% tenancy sustainment.	2
Deliver 20+ acquisitions for the city centre locality to bring additional homes for social rent into the letting pool and contribute to the housing emergency.	Complete 20 acquisitions in the city centre locality.	4
Lead downsizing project for Calton Village Phase 2 and work with GCC to identify households that could downsize to new build and free up a larger family home.	Over 50% of homes let to Wheatley tenants downsizing from other properties within the city.	1
Lead downsizing project for Spoutmouth development in the city centre, working to identify Wheatley tenants that could benefit from downsizing to a new build and free up a larger family home.	Over 30% of homes let to Wheatley tenants downsizing from other properties within the city.	4
Participate in key local forums and engage community partners to ensure that we are an advocate for our customers and work as a community partner to solve local problems e.g. Community Councils and Local Area Partnerships.	Consistent attendance at key partner meetings and evidence of feeding into local action plans.	1
Engage with Community planning partners on the Demonstration of Change project in Calton to understand opportunities for WHG to support this and how our customers may benefit from their employability opportunities.	Outcome report from Demonstration of Chan10ge pilot	1

Report

To: Wheatley Homes Glasgow Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: Rent and service charges 2026/27

Date of Meeting: 6 February 2026

1. Purpose

1.1 This report:

- Provides the results of our tenant consultation on the 2026/27 rent, service and other charges increase; and
- Seeks Board approval for the 2026/27 rent, service and other charges increases.

2. Authorising and strategic context

2.1 Under the Group Standing Orders, the Group Board is responsible for agreeing the overarching parameters for rent setting. Thereafter each RSL Board agrees their own rent increase within the agreed parameters. The Group Board agreed rent setting parameters at their meeting on 17 December 2025. The Group Board agreed that increase options of 6.9% and 7.4% should be the basis of consultation with tenants and that this Board be delegated authority to apply either of these rent increase levels having considered the tenant consultation feedback.

3. Background

3.1 The rent increase assumptions in our financial projections are subject to annual review. The annual review takes into account the key principles set out in our Group rent setting framework:

- 1) Financial viability;
- 2) Affordability;
- 3) Comparability; and
- 4) Consultation with tenants and service users.

3.2 The Board considered the first three principles as part of agreeing the baseline consultation levels. Following the success of the approach last year, our customers again received a bespoke version of the consultation brochure tailored with locality-specific investment information.

4. Discussion

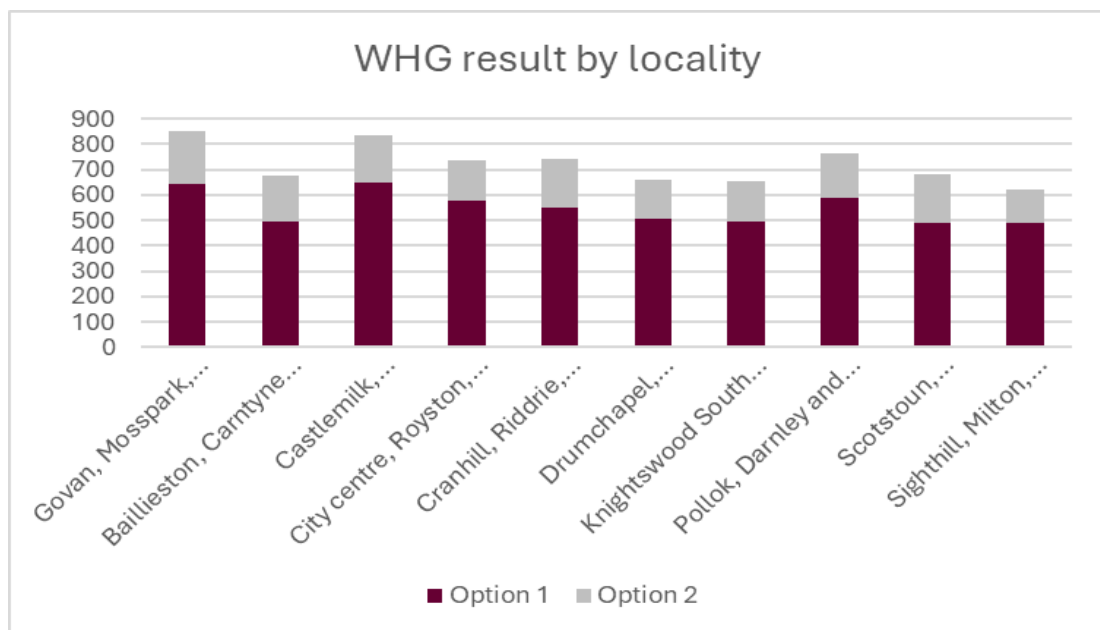
- 4.1 We formally consulted tenants on our rent setting proposals from 12-28 January 2026. Our formal consultation was independently managed by Civica as in previous years.
- 4.2 Following the high uptake level from tenants in previous years we maintained the extended means to respond from mail to digital channels or by telephone via a dedicated code. We promoted and encouraged customers to respond to the consultation through our social media, website and by promoting via messaging in our Customer First Centre.
- 4.3 The consultation received a higher response rate than last year, with **over 7,200** valid responses received:

Table 1: WHG results

Rent options	Responses
6.9%	5487 (75.9% of returns)
7.4%	1738 (24.1% of returns)
Total	7225 (2025 – 5034)

- 4.4 A further breakdown of the results by each of our ten locality areas is set out below:

Chart 1: WHG responses per locality



- 4.5 As with previous years there is no material variation in tenant preferences across our areas. This ranged from the highest level of support for option 1 in the Sighthill, Milton, Royston and Barmulloch locality (78.8%) compared with Scotstoun, Wyndford, Summerston and Broomhill (72.1%).

Qualitative feedback

- 4.6 We invited respondents to provide feedback on why they chose the option they did. If a tenant did not wish to support any options, they could provide feedback via post as to why (we received just under 100 feedback-only responses). For those who supported one of the options, we received written feedback from over 1800 customers regarding the proposals.
- 4.7 The key themes of the feedback remain consistent with previous years, specifically:
- **Affordability** is the strongest theme raised by our tenants. Many referenced the relative increase of wages and benefits, highlighting the challenging cost-of-living environment for households;
 - The next most common theme was **investment in existing homes**. Tenants frequently commented their desire for upgrades particularly around kitchens, bathrooms, windows, doors and heating systems. Some also described long-standing issues such as poor insulation; and
 - Feedback also pointed to the need for a **reliable repairs and improvements to the local environment**. Tenants highlighted issues with slow or repeat repairs, as well as the importance of close cleaning, waste management, garden maintenance, security and tackling anti social behaviour to support peaceful communities.
- 4.8 We also considered feedback received through alternative routes, such as directly provided to us through our social media, email, Customer First Centre, complaints and member services and to our staff. We received over 90 comments on our social media posts, and a small number of customers (6) also provided feedback to our independent advisor, TPAS (tenant participation advisory service). These themes were similar to those fed back through the formal consultation; in particular when customers requested more information, this related to our affordability and comparability analysis as considered by the Board at our previous meeting.
- 4.9 As with previous years customers provided feedback on individual issues. Where sufficient information was provided we have already routed this to the relevant service area and take action. In one instance, there was a request for an individual's feedback to be raised with the Board. This will be responded to under our normal processes, however the Chair has been updated on its content.
- 4.10 Taking into account the feedback from the consultation, it is proposed that we apply a 6.9% rent and service charge increase. As previously discussed by the Board this increase is in line with the expected increase, based on consultation proposals, of a number of social landlords across Scotland.

Heating charges

- 4.11 Approximately 1,500 of our customers are connected to district heating systems where we have responsibility for setting the tariff. As set out in our Group Pricing and Charging policy we set the tariff to be the lower of:
- the blended gas energy price cap for the preceding 12 months;
 - a rate to keep customers out of fuel poverty; and
 - a rate equivalent to recovering the costs of operating the system

- 4.12 The rate was last increased in July 2024 from 8.5p/kWh to 9.14p/kWh (7.5%). We have reviewed the tariff in line with the approach set out in the policy and have aligned the timing of any increase with rent and other service charge increases.
- 4.13 An increase in the tariff of **5.9%** is proposed, this takes the current tariff of 9.14p/kWh to **9.67p/kWh**, the equivalent of the blended gas energy price cap for the last 12 months. This compares to a rate of 11.11p/kWh, a tariff equivalent to the fuel poverty threshold for a single person and 13.2p/kWh which would be the rate required to recover full operating costs.

5. Customer engagement

- 5.1 Our final consultation brochure was informed by customer engagement via rent focus groups prior to the formal consultation. Every tenant was provided with the opportunity to respond to the consultation.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

- 7.1 The rent consultation itself was managed by independent provider Civica; a postal copy of the rent brochure was issued, as well as an email/text (depending on contact preference) with a link to an online copy. Tenants were able to participate in the consultation through a wide range of digital means.

8. Financial and value for money implications

- 8.1 The level of rent increase proposed during the consultation included a detailed analysis of areas such as affordability and comparability, as well as the financial challenges we face. We know that overall rent levels are an element of how tenants perceive value for money. This is however set within the context during a period of pressure on household budgets, the preservation of appropriate levels of investment in our homes, services to tenants and the financial viability of the business.
- 8.2 Our financial projections confirm that, based on the proposed rent uplifts, we will have robust financial plans which will have the necessary 30-year provisions to continue to invest in our stock as part of Strategic Asset Investment and Maintenance Plan and Neighbourhood Plans, including maintaining our stock in line with all legal and regulatory requirements such as Scottish Housing Quality Standard, electrical inspections and fire safety.

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 therefore discharges our requirement to consult under the Act.
- 9.2 The 2022 Scottish Housing Regulator Thematic Review of Rent Setting detailed a number of recommendations, including providing options to tenants during rent setting consultations. Our approach responds to these recommendations.

10. Risk appetite and assessment

- 10.1 Our risk appetite in relation to business planning assumptions such as rent increases is open, 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 decision on rent increases involves striking a balance between the need to continue investing in our stock, including compliance requirements, continuing to deliver services our customers tell us they want, and keeping rents affordable. Setting rents lower than the assumption in the business plan could – in the absence of mitigating cost savings – risk the financial viability of the Group or the delivery of services we are legally obliged to provide. However, we are also required under statute to take into account the views of customers before making final decisions on rent levels.

11. Equalities implications

- 11.1 Our customer engagement prior to formal consultation helps ensure a wide range of customer perspectives informs our final consultation approach. Civica issued our consultation material as per communication requirements including large print, braille and audio CD.
- 11.2 To support customers whose first language is not English to request a translation, we also included a translation note in the Group’s 5 top languages, informed by our translation/interpretation request data and results from the 2022 customer EDI survey.

12. Key issues and conclusions

- 12.1 Consultation with tenants is a key element of our rent setting process. Our consultation attracted over 7,200 valid responses from tenants in terms of expressing a preference for one of the options. The proportion of respondents, at over 24%, indicating a preference for the higher rate of 7.4% on the basis of additional investment was consistent with the qualitative feedback indicating investment is a key priority for tenants .

13. Recommendations

- 13.1 The Board is asked to:
- 1) Consider the feedback received through the consultation process with tenants on our 2026/27 rent, service and other charges increase;
 - 2) Approve a 6.9% rent, service charges (including garages and lock ups) for 2026/27 for all tenants effective from the first Monday in April and from 28 March 2026 for ex-Cube properties; and
 - 3) Approve a 5.9% increase in the tariff charged for our district heating schemes.

LIST OF APPENDICES:

None.

Report

To: Wheatley Homes Glasgow Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: Financial Projections 2026/27

Date of Meeting: 6 February 2026

1. Purpose

1.1 The purpose of this report is:

- To set out the updated financial projections for investment in assets and services over the period to 2031, in support of our strategy, *Making Homes and Lives Better*;
- To provide an overview of our five-year Capital Investment Plan and our five-year new build Development Programme; and
- To seek approval of the updated financial projections, Capital Investment Plan and Development Programme, with the first year of the financial projections forming the budget for 2026/27.

2. Authorising and strategic context

2.1 Under the terms of the Intra-Group Agreement between WH Glasgow and the Wheatley Group and the Terms of Reference for this Board, the WH Glasgow Board is responsible for the on-going monitoring of performance against agreed targets, including the on-going performance of its finances. The Board is also responsible for approving the five-year Capital Investment Plan and five-year Development Programme.

2.2 The key themes and aims of the 2026-31 strategy *Making Homes and Lives Better* support the context for the preparation of the financial projections, Capital Investment Plan and the Development Programme. The Capital Investment Plan provides the mechanism through which the Strategic Asset Management and Investment Plan is delivered and ensures that investment decisions are aligned to customer priorities, compliance requirements and long-term asset sustainability.

2.3 Following approval of the five-year Development Programme, Wheatley Developments Scotland Board (“**WDSL**”) has responsibility for scrutinising and approving individual contract awards, in line with its Terms of Reference including the application of our agreed development criteria and the allocation of the Group Development Fund.

3. Background

- 3.1 Keeping rents affordable for customers remains a strategic priority however we need to balance this with the cost to deliver services and to provide for the appropriate level of investment in our homes to ensure the ongoing financial viability of the business. In line with many businesses our costs have continue to rise with inflation at 3.4% at December 2025, remaining above the Bank of England's 2.0% target. In addition, cost increases for key areas of housing expenditure such as repairs, driven by increased labour costs, material prices and service demand are continuing to run higher than general inflation. The most recent forecasts suggest that it will be late 2026 before rates return nearer to the 2% target.
- 3.2 Over the past year, persistent inflation and uncertainty over the future economic outlook have increased the cost of UK government borrowing over the longer term with the return investors demand for lending to the government being substantially higher; recent rates having been at their highest level since 1998. As a result, the Bank of England has taken a cautious approach to rate reductions with the base rate at 3.75% at December 2025. As inflation remains higher than the 2.0% target, market expectations for further interest rate cuts remain but are spread over a longer period. The cost of our borrowing is linked to the cost of UK government borrowing with a margin added on our business plan assumptions have been updated to reflect expectations for future interest rates on new funding.
- 3.3 Our business plan assumptions also reflect changes in the legislative landscape through the Housing (Scotland) Act 2025, which introduces new duties for landlords, including in relation to homelessness and a Scottish equivalent of Awaab's Law in the Investigation and Commencement of Repairs (Scotland) Regulations 2026 which come into effect from October 2026. With a National Housing Emergency declared by the Scottish Government in May 2024, Housing is recognised as a key policy priority at both the national and local level.
- 3.4 The financial projections include funding provision for our five-year Capital Investment Plan, the detail of which is informed by our Strategic Asset Management and Investment Plan. The Capital Investment Plan is the third strand of our annual investment planning framework, alongside the Asset Strategy, the Strategic Asset Management and Investment Plan and our Neighbourhood Plans and Multi-Storey Flat Strategic Investment Plan, ensuring that investment decisions remain coordinated, evidence-led, funded and customer focused. The 2025/26 financial year represented the first full year of delivery of this new strategic asset investment approach. Our focus is on embedding new ways of working, strengthening our partnership with City Building Glasgow and aligning investment planning more closely with customer priorities.
- 3.5 Our five-year Development Programme links directly to our 2026-31 strategic theme of *Homes and Neighbourhoods to be Proud of*, with an objective of, *Leading the Way in Expanding the Supply of Affordable, Quality Homes*. Our Programme is support by the Scottish Government commitment to £4.9 billion for housing over the next four years with the recent 2026/27 Scottish Budget confirming funding of £926m for the Affordable Housing Supply Programme and increase of £158m compared to 2025/26.

4. Discussion

- 4.1 Our strategy for 2026-31, *Making Homes and Lives Better*, forms the basis of the financial projections, Capital Investment Plan and the Development Programme. The financial projections addresses how the four key themes of the strategy will be achieved, and in turn, ensures adequate financial provision is directed to our key customer priorities.
- 4.2 Detailed financial statements, including Statement of Comprehensive Income and Statement of Financial Position, are provided in Appendix 1. Figure 1 below summarises these to show, in cash terms, the level of income we project over the five years and how this will be spent.

Figure 1: Summary of Cash Inflows and Outflows

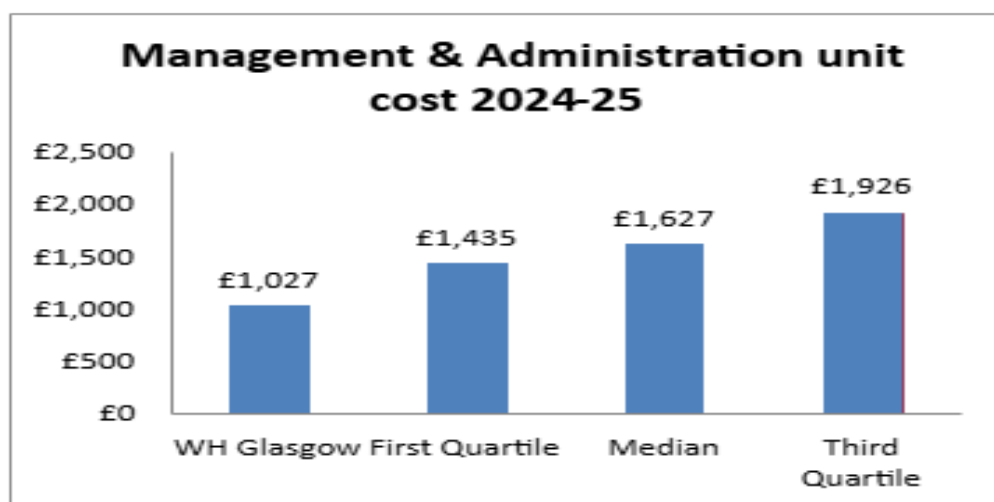
Detailed Cashflow	Year 1 2026/27 £m	Year 2 2027/28 £m	Year 3 2028/29 £m	Year 4 2029/30 £m	Year 5 2030/31 £m
Income (excluding new build grant)	268	284	297	315	332
Expenditure					
- Housing and environmental services	(54)	(58)	(58)	(58)	(58)
- Repairs	(70)	(67)	(66)	(69)	(72)
- Other Costs *	(12)	(15)	(15)	(16)	(15)
- Wheatley Solutions	(20)	(21)	(21)	(22)	(23)
Total Expenditure	(156)	(161)	(160)	(165)	(168)
Revenue Surplus before Interest and Capital Investment in Existing Homes	112	123	137	150	164
Investment in Existing Homes	(80)	(81)	(87)	(87)	(95)
Loan Interest and Funding Costs	(51)	(54)	(61)	(67)	(73)
Underlying Cash (Deficit) from Operations	(19)	(12)	(11)	(4)	(4)
New Build and Other Investment					
Development Costs**	(75)	(160)	(165)	(133)	(68)
Grant Income	68	93	84	86	22
Other Asset Investment	(9)	(5)	(5)	(5)	(5)
New Build and Other	(16)	(72)	(86)	(52)	(51)
Financing Activities					
Loan Drawdowns (net of repayments)	35	84	97	56	55
Financing Activities	35	84	97	56	55
Net Movement in Cash	0	0	0	0	0

* Other costs include bad debts, commercial property costs, demolition costs, district heating costs, ER/VR, initiatives and stock surveys

**Development costs include capitalised demolition costs and employee costs

- 4.3 The table shows how income generated from our letting and other activities is used to deliver services, deliver investment in our tenants' homes and service our financial obligations. This demonstrates our commitment to providing an appropriate level of funding for repairs and investment over the next five years, including the timing of our component replacement programme, meeting our tenant commitments and allowing an increased provision to reflect the increased demand and cost pressures noted in 2025/26. In total we will spend over £760m across repairs and investment to improve the quality of our homes, or 51% of our total income across the same five-year period.

- 4.4 While interest costs increase over the next five years as borrowings are drawn to fund the development of over 2,000 new homes in Glasgow, they remain steady as a proportion of income. Interest is paid during the development period as new homes are completed and become available for letting, with rental income then growing over the period after the units are completed. This in turn generates a higher level of cash to meet the associated funding costs and in time generates excess cashflows to help towards funding future development.
- 4.5 As shown in Figure 1, WH Glasgow reports an underlying deficit, which equates on average to 3% of income in the first five years of these financial projections. This is linked to the level of capital investment in tenants' homes with an acceleration of investment into the earlier years. The level of the deficit reduces over the five-year period and then moves to an underlying surplus position from year 6 onwards. Compared to the 2025/26 plan, a decision to delay this breakeven position by a year has been taken. This action, along with funding from rent increases, VAT efficiencies and the disposal of mid-market rent properties to Lowther increases the amount of capital investment in our homes by £36.3m over the next five years.
- 4.6 While an underlying deficit is shown for WH Glasgow on a standalone basis over the first five years this can be accommodated within the context of the RSL Borrower Group where together our RSLs generate an overall underlying surplus providing sufficient cash surpluses to meet our interest costs with headroom above this of between 1.11 and 1.12 times over the first five years. Further discussion on interest cover is provided at 4.19.
- 4.7 Efficiency savings in our management costs, in real terms, delivered through the achievement of value for money, robust procurement exercises and operational efficiencies helping mitigate the additional costs associated with the increased number of units over the period. Our management costs, when compared with other general needs providers in the Scottish sector show that for 2024/25, the latest data available, we are among the most resilient and consistently in the top quartile.



The financial highlights under each theme of the 2026-31 strategy are set out below.

Homes and neighbourhoods to be proud of

- 4.8 The financial projections reflect our Capital Investment Plan to invest approximately £430m in improvements to our customers' homes in the first five years of the plan, with a further £345m in repairs. Over the 5 years this is equivalent to £17,961 per property. Our investment plan has been developed to reflect discussions with customers on their investment priorities, our compliance obligations and improved insight from asset management and repairs data. The investment plan and provision of sufficient funding to support it will ensure our properties remain in a good state of repair and all compliance requirements are met.
- 4.9 Our financial provision for capital investment increases over the five year period as we define and establish the Wheatley Standard for our properties. We also include provision for planned compliance including keeping our properties free from damp and mould continuing to meet our duty to our customers which from October 2026 will be formally set out in the new Investigation and Commencement of Repairs (Scotland) Regulations 2026.
- 4.10 We will continue to focus on enhancing our neighbourhoods to help create thriving communities, supported by the Neighbourhood Environmental Improvement Team. Details of the five-year Capital Investment Plan are provided in Appendix 2 and it reflects our customers' consistent message on how important the overall quality of their home and neighbourhood is to them.
- 4.11 A key part of our ongoing strategy is to continue to develop quality affordable homes for people in the areas in which we operate with a particular focus on the regeneration of our communities. Over the period to 2031, our financial projections reflect the five-year Development Programme and the delivery of 2,104 additional new build homes for both social rent (1,484 units) and mid-market rent (567 units) and the acquisition of 53 units. As part of our strategy to develop, and to support the aims and objectives of Transforming Communities: Glasgow, our new build programmes has a focus on the regeneration of empty land and progressing key projects in the Transformation Regeneration Areas ("**TRAs**"). The delivery of the 2,104 units includes the development of 395 units at Wyndford, forecast to be complete over the period 2027/28 and 2030/31. Further details of the five-year Development Programme are presented in Appendix 3.
- 4.12 While the Scottish Government has announced a multi-year Affordable Housing Supply Programme ("**AHSP**") funding commitment of up to £4.9 billion over the next four years intended to support the delivery of approximately 15,000 new homes per year across Scotland, the detailed allocations are still to be confirmed in the Scottish Government Spending Review. We are working with our funders to agree covenant changes to enable us to extend and increase our affordable housing programme to support the Scottish Government's strategic aims. These projections are based on our existing debt per unit covenant of £35,000. If we are successful in agreeing an increase an updated development programme will be prepared for approval later in 2026/27.

Personalised services

- 4.13 Our strategy seeks to further develop the provision of exceptional customer experience with a focus on services that feel personal and tailored for the customer. Our services will be delivered by connecting with customers through proactive, tailored communication. This will include a blended approach of face to face and digital, will be easy to access and feel personal to customers to ensure we deliver services to meet our customer needs. Our financial projections include funding for:
- IT investment to support changes to our services to increase the scope of our digital communications and the expansion of our digital self-service channels funded within the overall IT capital provision of £22m;
 - Innovative projects to develop new ways of working to drive service improvement and gather customer insight to enhance the way that our repairs services are delivered;
 - The development of our systems to structure our data in a way that provides a “single view of the customer”;
 - Our wraparound services with provision of £4.8m in WH Glasgow, in addition to the other RSLs, to provide ongoing funding. We provide additional support and services to our customers such as housing advice, homelessness and customer support; and
 - Continuing our commitment to the Community Improvement Partnership (“**CIP**”) with the police and fire services, in addition to Group Protection and Money Advice. These partnerships support communities across several areas, such as fire prevention, and dealing with anti-social behaviour and crime. This work is delivered by Wheatley Foundation and supported through donations from the RSLs, including £3.5m from WH Glasgow.

Better Lives

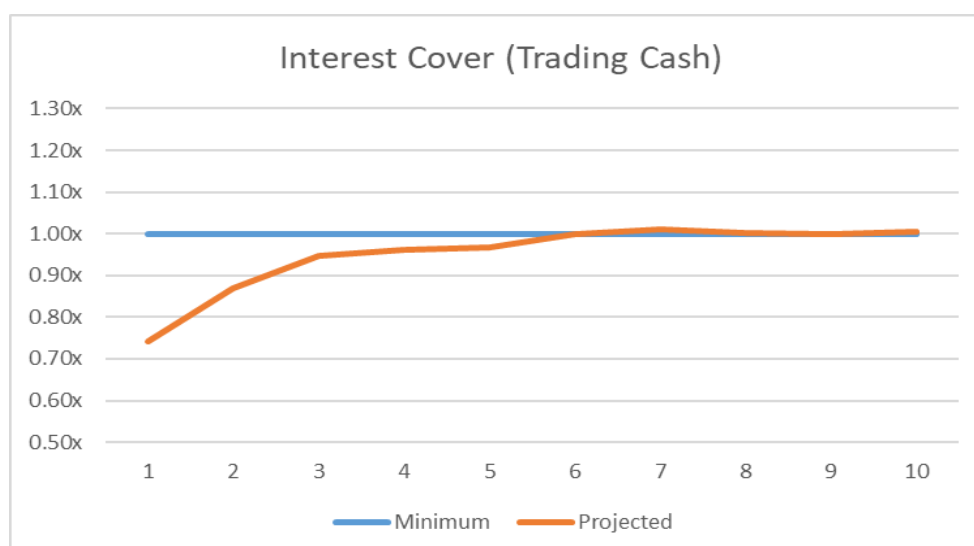
- 4.14 To support the strategic objectives within the Better Lives theme and our commitment to improving the lives of our customers and the wider communities in which we operate, the financial projections include:
- Funding of £3.5m to the Wheatley Foundation (“**The Foundation**”) over the first 5 years of the financial projections, which is WH Glasgow’s contribution to enabling the continued delivery of wide-ranging support by the Wheatley Foundation to customers including in the key areas of poverty social inclusion, and employability. In addition to this, interest receivable by WH Glasgow of £13.5m on the intra-group loan owed by Lowther is passed to directly to the Foundation, in lieu of additional contributions;
 - The extension of £1m funding for the Helping Hand Fund to March 2028, which provides assistance to our customers who are facing financial hardship with rent; and
 - Funding of £2.7m to support other initiatives including Think Yes.

Delivering sustainable value

- 4.15 Over the next five years, we will continue to invest in our staff to ensure they have the skills, attitude, engagement and influence to excel in this hybrid working environment. Our financial plan helps fund a continued focus on staff development in a technology enabled workplace and, in our leadership, apprenticeship opportunities and graduate programmes. Provision has been included to invest in apprenticeships for the environmental service staff (“**NETS**”) and apprenticeships in Foundation.

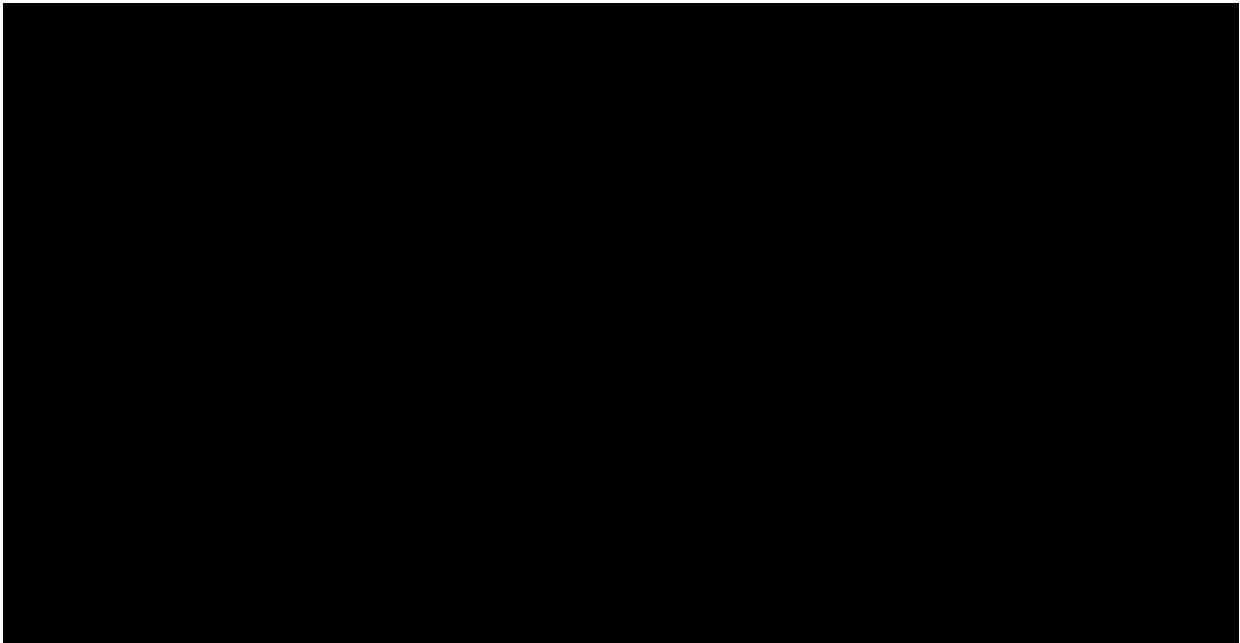
- 4.16 Within WH Glasgow planned investment of £22.0m in IT and £3.6m in premises and service facilities (such as concierge stations and local staff/community hubs) is included in our financial projections ensuring all staff are provided with the technology and facilities they need to work effectively and efficiently in our hybrid environment.
- 4.17 The Group's IT capital programme, is aligned to seven strategic workstreams, delivering key business strategy outcomes enabling organisational change, and supporting ongoing investment across staff and customer digital services and platforms, as well as supporting our services provided to our customers.
- 4.18 In order to achieve our ambitious strategy, we must demonstrate a strong and stable financial performance. This will ensure we continue to achieve a strong credit rating and attract funding at the most preferential rates of interest.
- 4.19 We must ensure that WH Glasgow together with the other RSL subsidiaries within the Group meet certain financial parameters. These include ensuring that a sufficient operating margin is generated and that there is sufficient cash flow strength and asset cover to support the level of debt. This ensures WFL1, as the RSL treasury vehicle, can meet its external funding conditions. There are two key ratios that we consider:
- Trading cash - Revenue Surplus less Capital Investment (earnings before interest, tax, depreciation and amortisation with capital investment spend taken into account) over net interest payable is the ratio used by the Group to assess whether sufficient surplus is generated to fund our activities, maintain the housing stock and cover interest payments. This interest cover ratio should be >1 which ensures that we do not borrow to fund our day to day expenditure; and
 - The loan to value ratio (outstanding loans net of cash divided by value of completed housing and investment properties) is used to assess whether there is sufficient asset cover to support the level of debt, with new debt used to fund new build housing development.

Figure 2: Interest Cover



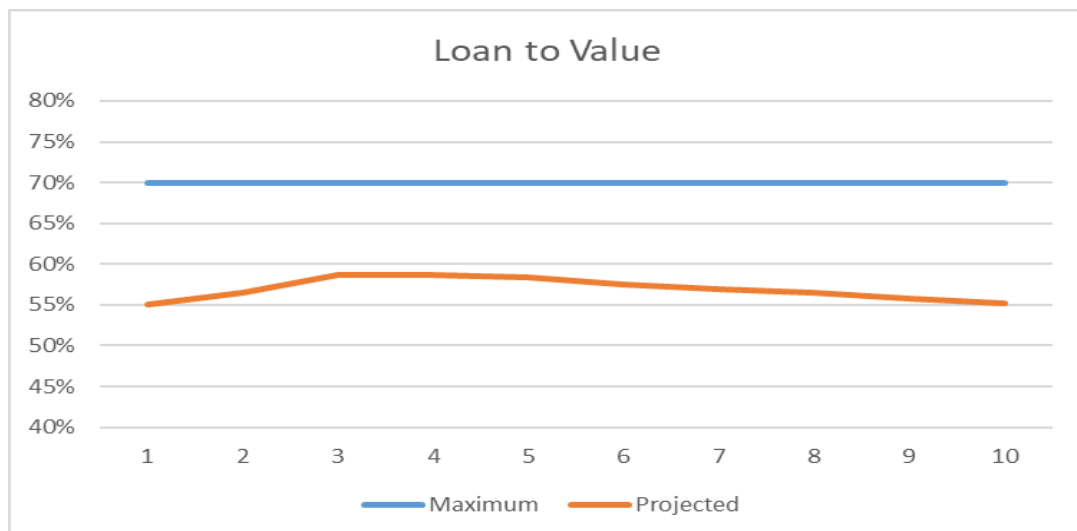
- 4.20 While the interest cover ratio is below 1.0 throughout the initial five-year period there is a steady return to 1.0 as we approach year 5 with the target of 1.0 being achieved from year 6. A contributing factor to the interest cover being below 1.0 for the initial five-year period is our commitment to providing more funding for repairs and investment in our homes particularly in the earlier years of the projections.

- 4.21 The level of cover also fluctuates over the period due to the timing of significant new build activity with interest costs increasing before the benefit of rental income is earned from completed new build properties. Increases in rental income and continuing management of the cost base during this period are of importance.
- 4.22 We are able to sustain a period where the interest cover ratio is below 1 in WH Glasgow as the financial position of our RSLs are assessed together. S shown below in Figure 3, at a combined RSL Borrower Group level the interest cover ration remains above 1 throughout the period and varies between 1.11 and 1.12 demonstrating the benefit the combined financial strength of the RSLs within the Borrower Group.



- 4.23 Figure 4 shows the proportion of our loans to the value of the properties they are borrowed against. Although loan to value increases from 55% in 2026/27 to 59% in years 3 and 5, due to the timing of new build development and associated borrowing, it remains below our 70% golden rule maximum level of loan to value. This demonstrates that WH Glasgow continues to have sufficient asset cover to support loans.

Figure 4: Loan to Value:



5. Customer Engagement

- 5.1 In the delivery of our investment programme, our customer engagement has been strengthened in the last 12 months, with clearer communication on planned investment and improved local visibility of works. Looking forward, a key priority is to revitalise the way we engage and communicate with customers, and key stakeholders who we know also engage with our tenants, on our investment plans. It is intended that we will develop a range of new or enhanced measures, including:
- A microsite within our website where customers can access information on investments plans in their own locality;
 - Localised newsletters, a combination of physical and digital, providing customers with regular updates on ongoing and future investment work in their locality;
 - Engaging with local community councils and elected members, with regular briefings on our investment plans; and
 - Customer Voice teams spending more time engaging with local communities updating them on our local investment plans as well more targeted local focus groups; and
 - The use of digital screens within multi storey properties to provide information on local priorities as well as solicit feedback from customers.
- 5.2 In the development of new build housing, local communities are engaged in the planning process at a neighbourhood level in all our developments as part of the statutory consent process. Additionally, as the programme is delivered, we undertake customer satisfaction surveys from our customers. As part of our development process, we seek feedback from customers on the design their new homes, satisfaction with their neighbourhood and the quality of defect services. The Wheatley Design Guide and Specification has been developed to ensure that all new build projects meet the required standards and customer expectations. The development of the Design Guide was underpinned by a consultation process involving key stakeholders and customers.

6. Environmental and sustainability implications

- 6.1 The capital investment programme supports the Group's sustainability ambitions through a pragmatic focus on improving fabric efficiency and heating performance, primarily delivered through component replacement and targeted neighbourhood investment.
- 6.2 New build properties will be developed to meet Aspects 1 and 2 of the Silver Sustainability Standards which covers reduction in carbon dioxide emissions and energy use for space heating. The EPC levels of our developments will be B and our specification includes the use of zero emissions heating systems.

7. Digital transformation alignment

- 7.1 The use of digital asset management information continues to underpin investment planning, enabling more accurate forecasting, prioritisation and delivery of large-scale programmes.

- 7.2 All properties in the programme will be digitally enabled, supporting social inclusion. Providing this infrastructure will allow our customers to access high speed internet services quickly at point of entry, without additional works having to be conducted by their internet service provider.

8. Financial and value for money implications

- 8.1 The financial projections incorporate cost efficiency measures, which are a key element of continuing to demonstrate value for money. These will be reflected in the annual budget and performance monitored against budget each month.

9. Legal, regulatory and charitable implications

- 9.1 There are no specific legal or regulatory implications arising from the revised financial projections. The first five years of the financial projections are shared with the Scottish Housing Regulator as part of their ongoing monitoring of financial viability. The investment plan supports compliance with all relevant legal and regulatory requirements, particularly in relation to safety and housing standards.

- 9.2 Legal support for the development programme is provided via both our in house and Framework Solicitors as required. This includes provision of advice supporting procurement, contracts, and site acquisition.

10. Risk Appetite and assessment

- 10.1 The Board's agreed risk appetite for business planning and budgeting assumptions, investing in existing homes and environments and increasing the supply of new homes 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 As part of our assessment of risk we have subjected our financial projections and capital investment programmes for both existing and new homes to sensitivity analysis to show the potential impact on the plan of key risk factors such as increased costs, lack of delivery capacity or a reduction in the availability of new build grant as well as general risks which apply to core assumptions of inflation and interest rates.

- 10.3 In relation to the five-year development programme there is an established risk management framework overseen by the WDSL Board and monitored at each meeting.

11. Equalities impact

- 11.1 We have a robust approach to the identification and assessment of customer requirements as part of our project planning activities. Individual customer needs are considered on a project-by-project basis, and this helps to inform the project design and specification.

- 11.2 Within our new build programme, all homes are designed to Housing with Varying Needs. The inclusion of wheelchair units is also included in consultation with local authorities to meet their strategic objectives. are no equalities implications arising from this report.

12. Key issues and conclusions

- 12.1 This report presents the financial projections, the Capital Investment Plan and the Development Programme for the five-year period to 31 March 2031. Once approved, these will be submitted as components of the Group to the Wheatley Group Board for approval on 25 February 2026. The figures in the first year of the financial projections, 2026/27, will then form the basis of the annual budget which will be presented to the Board for approval in March.
- 12.2 With more detail provided in Appendix 1, the financial projections provide sufficient funding to support the achievement of the aims and objectives contained within our new 2026-31 Strategy, *Making Homes and Lives Better*. They also demonstrate that WH Glasgow continues to be financially resilient and as part of the wider RSL Borrower Group we remain within our financial golden rules and loan covenants.
- 12.3 Performance against the budget will then be monitored via the management accounts provided to the Board throughout the year.
- 12.4 More details of the five-year Capital Investment Plan and five-year Development Programme are included at Appendix 2 and 3 respectively. These plans demonstrate a clear link between customer priorities, asset condition, investment decisions and the supply of new housing to help address homelessness.

13. Recommendations


- 13.1 The Board is requested to:
- 1) Approve the updated projections for investment in assets and services over the five-year period to 2031;
 - 2) Approve the five-year Capital Investment Plan summarised in Appendix 2;
 - 3) Approve the five-year Development Programme summarised in Appendix 3;
 - 4) Note that the financial projections, five-year Capital Investment Plan and five-year Development Programme will form the Group Plan and Programme and be presented in February 2026 to the Group Board; and
 - 5) Agree that the projected 2026/27 figures form the basis of next year's annual budget which will be presented to this Board for approval in March 2026.

LIST OF APPENDICES:

Appendix 1: 2026/27 Detailed Financial Projections

Appendix 2: Five-year Capital Investment Plan

Appendix 3: Five-year Development Programme



Wheatley Homes Glasgow Financial Projections 2026/27

1. Headlines

The UK economy has continued to face challenges with weak growth and persistent inflationary pressures. General CPI inflation is at 3.4% at December 2025, above the Bank of England's 2.0% target. In addition, cost inflation is continuing to run higher than general CPI for key areas of housing expenditure such as repairs, driven by increased labour costs, material prices and service demand. The persistence of core inflation indicates that underlying inflationary pressures have not yet fully unwound with longer term forecasts suggesting it will be late 2026 before rates return nearer to the 2% target.

Over the past year, inflation and high government borrowing have caused interest rate volatility. The increase in 30 year gilts means the return investors demand for lending to the UK government for 30 years is substantially higher. As a result, the Bank of England has taken a cautious approach to rate reductions with the base rate at 3.75% at December 2025. With inflation remaining higher than the 2.0% target, market expectations for further interest rate cuts remain but are spread over a longer period. We have updated our business plan assumptions to reflect expectations for future inflation and interest rates on existing and new funding.

Keeping rents affordable remains a key strategic aim but it is important that we strike an appropriate balance between affordability for our tenants whilst ensuring the ongoing financial viability of our operations and the appropriate levels of investment in our homes and services to customers.

Our rent increases implemented over the past couple of years have focused on growing the financial capacity in our business plan to ensure sufficient funding is available to meet investment in lifecycle replacements and our legislative obligations in our homes. Informed through our tenant engagement, Group Asset Strategy and our more detailed Wheatley Homes Glasgow Strategic Asset Investment and Management Plans, we have considered the level of funding required to increase investment in our homes and neighbourhoods. We also have a requirement beyond compliance and lifecycle replacements to start to create more capacity to fund energy efficiency improvements in our homes which will be needed to meet the expected requirements of the new Scottish Housing Net Zero Standard ("SHNZS") and to deliver improvements required in our multi-storey blocks to extend the life of those buildings.

We recognise that economic factors are continuing to put pressure on household income, and we have retained a prudent provision in our rent arrears assumptions and have also assumed that all working age tenants on benefits will have moved to Universal Credit by March 2026. As part of the focus on tackling poverty and the cost-of-living challenges facing our customers, funding has been set aside in the Wheatley Foundation to support customers. This includes Welfare Benefits and Fuel Advice, Home Comforts (our furniture upcycling service) and a provision in 2026/27 for the Helping Hand Fund. This fund helps our customers who are facing financial hardship manage their rent accounts.

Our new build programme has aligned our development capacity within our current approved financial covenants to grant availability, especially in the early years of the plan.

While the Scottish Government has announced a multi-year Affordable Housing Supply Programme (AHSP) funding commitment of up to £4.9 billion over the next four years intended to support the delivery of approximately 15,000 new homes per year across Scotland, the detailed allocations are still to be confirmed in the Scottish Government Spending Review. We are working with our funders to agree covenant changes to enable us to extend and increase our affordable housing programme to support the Scottish Government's strategic aims.

With strategic focus on the delivery of affordable housing in Glasgow, Glasgow has plans to deliver 2,104 affordable homes in the next 5 years to 2030/31, with 1,484 being for social rent and 567 for mid-market rent and a further 53 market acquisitions are planned for 2026/27. The programme includes projects which will assist the regeneration of empty land across the city and sites within transformational regeneration areas overseen by Transforming Communities: Glasgow, including the development of 395 units at Wyndford, forecast to be complete over the period 2027/28 to 2030/31.

Over the next five years, we will continue to invest in our staff to ensure they have the skills, attitude, engagement and influence to excel in this hybrid working environment. Our financial plan helps fund a continued focus on staff development in a technology enabled workplace and, in our leadership, apprenticeship opportunities and graduate programmes.

The updated financial projections for 2026/27 and beyond include (including inflation):

- Provision to deliver 2,104 new build homes for both social rent (1,484 units) and mid-market rent (567 units), in addition to the acquisition of 53 properties, in the first 5 years of the plan.
- £345.1m of repairs spend in our existing housing stock in the first 5 years.
- £429.6m of investment in our existing housing stock in the first 5 years of the projections.
- Provision of £22.0m for investment in our digital transformation and centres of excellence strategies.
- £6.2m of funding for Initiatives, including the Wheatley Foundation, across the first 5 years of the plan.
- Efficiency savings in our management costs, in real terms, delivered through the achievement of value for money and operational efficiencies helping mitigate the additional costs associated with the increased number of units over the period.

During the development period, our financial forecasts are driven by the profile and relative size of our development programme and the value of grant income and valuation adjustments on completion of new build properties. The forecast total comprehensive income, net assets, cashflow and ratios reflect the higher level of borrowing to support our new build programme. Glasgow's peak net debt of £1,724.7m is forecast to be reached in 2045/46 (year 20).

It is important to note that continued control of costs are an important aspect of managing our financial position.

2. Key assumptions

The key assumptions in the 2026/27 Business Plan are highlighted below. All figures include VAT and inflation, unless stated otherwise.

2.1 Stock

a) Opening stock numbers

Opening stock numbers in the plan reflect the actual stock reported in the statutory accounts as at 31 March 2025, updated for forecast new build completions, market acquisitions and demolitions in 2025/26.

Table 1 – Split of stock by type

Unit Type	Units 31.3.25	Forecast Completions 2025/26	Forecast Acquisitions 2025/26	Sales 2025/26	Demolitions 2025/26	Units 31.3.26
General Needs and Supported	42,186	77	20	-	-	42,283
Shared Ownership	11	-	-	-	-	11
Approved/planned for demolition	74	-	-	-	-	74
Total Social Rent	42,271	77	20	-	-	42,368
Market Rent*	975	118	-	(100)	-	993
Total	43,246	195	20	(100)	-	43,361

*Opening units include 12 full market rent properties, with the remainder being mid-market rent

In 2025/26, 77 social rent and 118 new build mid-market rent properties are forecast to complete by the end of the year, at Calton Phase 2, North Toryglen and Shawbridge Arcade. In addition, 20 individual asset purchases, “acquisitions”, are forecast for 2025/26, ringfenced for homeless applicants. Acquired properties primarily relate to former Right to Buy properties, which meet both the requirements of the applicant group and facilitate majority/full ownership of a block.

Our mid-market rent properties offer a low-cost alternative to people in employment who receive a low to moderate salary. These units are built and owned by WH Glasgow but are leased to and managed by our commercial subsidiary, Lowther Homes Limited. On-going capital works costs remain the responsibility of WH Glasgow and these costs are reflected within the business plan assumptions. In addition to the forecast completion of mid-market rent properties, the approved sale of 100 mid-market rent units to Lowther is expected to be completed in March 2026 with the proceeds used to increase the amount we are investing in our tenants’ homes over the next few years.

b) Projected new build completions and closing stock numbers

The 2026/27 projections assume a further 1,484 social rent units and 567 mid-market rent new build units can be delivered over the first five years of the plan, in addition to 53 acquisitions. This will provide growth in stock number of 4.85% over the 5 years.

The WH Glasgow new build pipeline is shaped by our understanding of the regeneration and housing development opportunities that are currently agreed, or may emerge, in our operational local authority area of Glasgow City. The 2026/27 projections include the completion of the development of 395 units at Wyndford, forecast to be complete over the period 2027/28 to 2030/31. We continue to take forward our plans in the region with our key strategic partners, principally Scottish Government and Glasgow City Council. Table 2 shows the planned profile for both social rent property and mid-market rent properties over the period of the projections.

Table 2 – Housing Stock Numbers

Stock Numbers	2026/27	2027/28	2028/29	2029/30	2030/31
Opening Units – Social Rent	42,368	42,498	42,761	42,992	43,256
New build	77	263	231	330	583
Acquisitions	53	-	-	-	-
Demolitions	-	-	-	(66)	-
Closing Units – Social Rent	42,498	42,761	42,992	43,256	43,839
Opening Units – Market Rent	993	993	1,082	1,297	1,503
New build	-	89	215	206	57
Closing Units – Market Rent	993	1,082	1,297	1,503	1,560

Provision for demolitions over the five year period relates to two Livingwell sites. Both sites were approved by the Board to cease being let, followed by consideration for demolition. While the assessment is still ongoing, and refurbishment remains an option, for the purposes of the business plan, both sites are assumed for demolition by 2029/30.

2.2 Income

a) Rents and Service Charge Income

The rent and service charge increases supports the continued investment in our existing homes and our services while remaining comparable with the Sector.

The plan assumes an average weekly rent based on the current average rent and, subject to Board approval, a 6.9% rent increase in April 2026. Table 3 shows the rent and service charge growth assumptions over the next five years noting that future years' rent increase levels are considered annually by the Board.

Table 3 – Rent increase assumptions

Rent Increase %	2026/27	2027/28	2028/29	2029/30	2030/31
WH Glasgow	6.90%				

b) Other Income

Other income includes service charges for heat with rent, district heating and garage lock ups, commercial income from rental of offices and shops underneath our housing properties, income generated from radio masts and solar panels, lease income from Lowther Homes for our MMR properties and Gift Aid income from Lowther Homes following the sale of 100 MMR units in 2025/26 to Lowther to offset the lost lease income on the disposal. In accordance with Lowther Homes purpose to provide continued support to the RSLs, a further gift aid payment of £750k will be made to WH Glasgow in 2026/27 ensuring capacity within Lowther Homes is reinvested back to the RSL group. Capacity for any additional gift aid by Lowther in future years will be reviewed on an annual basis.

WH Glasgow also receives income from both Wheatley Solutions and Lowther Homes for the use of the Wheatley House and Lipton office hubs.

Table 4 – Other income summary

Source	Other Income £'000	2026/27	2027/28	2028/29	2029/30	2030/31
External	Commercial – Properties (net of voids)	1,531	1,587	1,658	1,709	1,758
	Commercial - Radio Masts	279	270	270	224	195
	District heating	614	645	671	698	723
	Furnished Lets	436	446	458	469	481
	Garage income (net of voids)	474	502	525	548	570
	Heat with rent (net of voids)	438	436	456	476	495
	Home Contents Insurance	401	401	401	401	401
	Solar PVs	433	443	455	466	478
	Wayleave Income	40	-	-	-	-
	Sub-total	4,646	4,730	4,894	4,991	5,101
Internal	Commercial - Wheatley House & Lipton	1,840	1,877	1,923	1,968	2,014
	Gift Aid	1,401	679	699	720	742
	MMR lease and other income	7,726	8,112	7,658	10,283	11,489
	Donation – Wheatley Foundation (Home Comforts)	156	160	164	168	172
	Sub-total	11,123	10,828	10,444	13,139	14,417
Total Other Income	15,769	15,558	15,338	18,130	19,518	

A further £15.8m is expected to be generated by WH Glasgow in 2026/27 from other income streams, rising to £19.5m by year 5 of the projections (2030/31), an increase of 23.8% in annual income. This is driven, in the main, by the completion of 567 new build MMR units which will be leased to Lowther Homes contributing to increased lease income of £5.3m over the five years.

Wayleave income is prudently assumed for a further year only, with telecoms providers not committing to a multi-year programme.

2.3 Cost inflation assumptions

The financial planning assumptions for 2026/27 have been set against a backdrop of stabilising inflation following significant volatility in prior years. Recent market forecasts and Bank of England projections indicate inflation will remain above the long-term 2% target until at late 2026. In addition, key cost drivers for housing expenditure including repairs and utilities continue to exert upward pressure on operating costs.

The financial projections have been aligned to focus activities to benefit our customers most in need with provision made to strengthen the support provided through the Helping Hand Fund. The general cost inflation rate assumed for running costs/overheads within the financial projections are shown in the table below.

Table 5 – Inflation assumptions

Inflation Assumption %	2026/27	2027/28	2028/29	2029/30	2030/31
General cost inflation	3.00%	2.50%	2.50%	2.50%	2.50%
Pay uplift	4.00%				

2.4 Operating performance

The percentage of rent lost to voids and bad debts has been based on historical performance together with our performance expectations going forward. The higher rate of voids for our supported housing properties reflects the specialist nature of this stock and the need to work in partnership with local authorities to fill void properties, rather than referring to an established waiting list.

Table 6 – Void rent loss, bad debt and arrears assumptions

Performance Assumptions	Current Year	2026/27	2027/28	2028/29	2029/30	2030/31
Routine voids (%)	1.09	1.2	1.2	1.15	1.15	1.15
Bad debts (%)	0.80	1.37	1.49	1.51	1.52	1.53
Arrears (£'000) - gross	12,899	15,166	15,166	15,166	15,166	15,166

The plan assumes voids of 1.2% in years 1 and 2, before dropping down to 1.15%. Current void performance to December 2025 is 1.09% and, in the year, ended 31 March 2025 it was 1.17%, therefore our assumptions in the business plan are comparable to historical rates. The business plan assumptions on the movement in arrears continue to recognise the economic challenges facing our customers, together with our experience to date with Universal Credit. The 2026/27 business plan assumes that all working age tenants on benefits move to Universal Credit by March 2026.

2.5 Management costs

WH Glasgow's employee cost assumptions reflect costs in relation to delivering the direct staff structure. Additionally, WH Glasgow pays an appropriate share of the salaries of the Compliance and Investment, MyRepairs, New Build, Environmental Service (NETs) and Wheatley 360 staff teams. The year on year movements in staff costs reflect the business planning assumptions for pay uplifts and the timing of work force planning savings. Strathclyde Pension Fund employer pension contributions of 17.5% (26/27) returning to 19.3% from 27/28 onwards have also been included in the projections.

Running costs include day to day expenditure and an appropriate share of the Environmental Service and Wheatley 360 running costs but exclude Initiatives. Running costs include cost efficiencies and following a robust and competitive tender of the Groups Property Insurance, 2026/27 costs include a c35% reduction in Property Insurance premiums, with WH Glasgow's share of savings £625k. Overall, running costs are projected to increase linked to the growth in the number of new build properties, but on an individual cost per unit, will reduce over the five year period.

The plan assumes recharges from Group, which includes employee and running costs for central services such as the Customer First Centre, Employee Relations, IT, Finance. Table 7 sets out the overall management costs that are assumed in the plan.

Table 7 – Management cost assumptions (including inflation)

Management Costs £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Employee costs	42,232	42,909	43,036	43,973	44,390
Running costs	10,956	11,307	12,133	12,488	12,930
Recharges from Group	26,267	26,774	27,425	28,056	28,688
Total Management Costs	79,455	80,990	82,594	84,517	86,008
Average Cost per Unit £	1,872	1,900	1,926	1,960	1,975
Average Cost per Unit £ (excl. Inflation)	1,872	1,854	1,834	1,820	1,790

Overall, in real terms, management costs per unit are expected to steadily reduce over the 5 year period reflecting additional costs associated with the increased number of units can be managed through continued improvements in efficiency in the operating model. Keeping costs within these limits is required to be able to re-invest in our business and grow our asset base.

2.6 Asset management and growth

Scottish legislation for social housing includes the Housing (Scotland) Act 2014 and the recently passed Housing (Scotland) Bill which introduces new statutory duties for landlords across the social rented sector.

This includes new powers for Ministers to set enforceable expectations around damp and mould remediation (Awaab's Law provisions), a clearer responsibility for social landlords to help prevent homelessness and strengthens tenants' rights against eviction for rent arrears. For social landlords, these changes represent a move from discretionary good practice to mandatory compliance.

a) Repair Costs

Repair costs remain a central part of our projections with our customer satisfaction surveys consistently showing a direct link between the repairs service customers receive and their satisfaction levels. A significant proportion of the planned maintenance budget (£24.8m) is to enable us to comply with legislative requirements as a landlord (e.g. fire door safety, gas servicing, electrical inspections, emergency lighting, window safety catches, TMVs, HIU inspections).

The provision for routine maintenance recognises the demand and cost pressures that we have experienced in 2025/26. 2026/27 includes additional provision for remedial repairs such as fire door repairs, in line with our planned maintenance programme, with such repairs reducing over the five year projected period. The provision for planned maintenance recognises the life cycles, growth from the additional stock and legislative requirement including fixed installation testing, linked to the reduction in statutory testing period from 10 to 5 years. Table 8 summarises the routine and planned maintenance assumptions.

Table 8 – Planned and Routine Maintenance (including inflation and excluding CBG share of profit)

Repair Costs £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Routine Maintenance	44,167	44,709	45,106	46,398	47,750
Planned Maintenance	25,826	24,194	24,814	26,177	27,056
Total repair costs	69,993	68,903	69,920	72,575	74,806

b) Capital Investment

The Core Investment Programme includes provision to deliver the 5 Year Strategic Investment Plans and meet the tenant commitments in the first two years specific approaches to key stock types to extend their useful lives. Provision has also been made for the replacement of the cladding at Ibroxholm to a system that performs better in poor weather with an allocation for £4.2m of spend over 2026/27 and 2027/28. Our projections also recognise the growing statutory duties, and they continue to maintain the delivery of our neighbourhood plans and a programme of environmental improvements and build capacity to fund a programme of energy efficiency improvements to meet the zero targets in the new SHNZS.

Table 9 summarises the capital investment programme for the next five years. Investment in existing stock in 2025/26 is forecast to be £63.2m. Over the next five years investment will continue with a further £429.6m including inflation, of planned investment in existing stock. The capacity to increase our investment programme over the five year plan is possible due to the availability of funding following the sale of 100 MMR properties to Lowther Homes, VAT savings generated due to City Building Glasgow joining the Wheatley Group of companies from April 2026, operational efficiencies in management costs and operational cashflows generated from rental income.

Capitalised void costs include the costs of carrying out the programme of void works as well as the costs of clearing the properties carried out by a specific voids team in our Group Environmental service.

Table 9 – Capital investment programme (including inflation)

Capital Investment £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Core Investment Programme	34,317	36,477	40,969	40,157	47,038
Capitalised Void Costs	12,917	13,243	13,574	13,914	14,262
Capitalised Repairs	10,661	10,927	11,201	11,481	11,768
Disabled Adaptations	3,083	3,160	3,239	3,320	3,403
Capitalised Fixed Overhead	11,851	12,147	12,451	12,762	13,082
CBG VAT Saving	-	(2,008)	(2,058)	(2,110)	(2,162)
Sub-total	72,829	73,946	79,376	79,524	87,391
Capitalised Employee Costs	7,021	7,150	7,290	7,467	7,614
Total Capital Investment	79,850	81,096	86,666	86,991	95,005

c) New Build Programme

The new build programme as outlined in Section 1.1 reports 2,104 new units (1,484 for social rent, 53 acquisitions and 567 for mid-market rent), to be delivered within the next five years. Table 10 outlines the investment in new build homes over the next five years. In 2026/27 grant income reflects the revised grant drawdown profile agreed in 2025/26 for Albion St and Wyndford, with grant of £11m included which relates to costs incurred to 2025/26. In addition, grants receivable of £3.5m for feasibility costs incurred to 2025/26 on a number of developments have been included in 2026/27. Note that in-year development costs and unit completions do not necessarily correlate, with costs being incurred over more than one year for many sites.

In 2026/27, a further provision of £0.15m has been included for a development fund. The development fund can go towards projects of strategic importance to help where there is a small funding gap. It has not been assigned to a project at the present time and if unused will be rolled forward.

In addition to the 2,104 properties WH Glasgow will directly deliver over the five year period, WH Glasgow's loan to Lowther of £15m (fully drawn by March 2026) has enabled the development of 167 new MMR properties by Lowther; the final 58 properties at Bellgrove anticipated to handover by May 2026. The creation of asset value also allows Lowther to secure a further £15m of private finance, funding the development of a further 132 properties.

Table 10 – New build funding profile (including inflation)

New Build Programme £'000	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Yrs 1-5
Development Costs	62,259	155,150	160,660	127,738	63,201	569,008
Grant Income	(62,673)	(93,380)	(83,744)	(86,493)	(21,937)	(348,227)
Net Development Cost	(414)	61,770	76,916	41,245	41,264	220,781
Acquisitions (Net of Grant)	3,127	-	-	-	-	3,127
Capitalised Employee Costs	4,371	4,478	4,514	4,615	4,650	22,628
Capitalised Demolition Costs	-	-	-	754	-	754
Capitalised Interest Costs	1,560	2,222	3,581	2,068	1,478	10,909
Net Cost	8,644	68,470	85,011	48,682	47,392	258,199
Unit Completions (Social and MMR)	77	352	446	536	640	2,051
Acquisitions	53	-	-	-	-	53
Total Units	130	352	446	536	640	2,104

d) Demolition costs

The financial projections include a provision of £0.9m in respect of our demolition programme over the five year period, which includes provision for service disconnections, home loss and disturbance payments to tenants, in addition to the cost of the physical demolition. The proposed funding relates to the two Livingwell projects that are under consideration for demolition, although refurbishment is still being considered as an option. If demolition was to proceed, it has been assumed that most of these costs, £0.75m, can be capitalised as we have plans to redevelop the site, with £0.15m home loss and disturbance payments expensed. The costs of demolition are wholly funded by WH Glasgow, with the revenue component reducing the operating surplus in the year incurred.

2.7 Donations to Wheatley Foundation/Think Yes spend

WH Glasgow’s main contribution of over the next 5 years is indirectly to Wheatley Foundation. Interest receivable by WH Glasgow on the convertible debt instrument owed by Lowther Homes is passed directly from Lowther to Wheatley Foundation from WH Glasgow, totalling £9m over the five year period. Additional interest of £4.5m, assumed to be received in relation to the £15m increase in on lend to Lowther, will also be redirected to the Foundation in lieu of additional contributions. In addition to this, there is provision in the plan for a direct donation to Wheatley Foundation of £3.5m over the five year period.

The Wheatley Foundation is a charitable trust established with the aim of delivering community benefits. Most of the Foundation’s income is received from the other subsidiaries within the Group in the form of donations from the RSLs and through gift aid contributions from Lowther Homes. Over the five year financial projections 87% of forecast income in the Foundation is from Group entities. The income recognised in the Foundation will be used to continue our commitment to the Community Improvement Partnership, working with police and fire services, in addition to Group Protection and to fund several projects that will benefit customers and communities across the Group. Projects include the Helping Hand Fund, Wheatley Works, educational bursaries, Home Comforts service as well as the provision of Welfare Benefit Advisers. These projects are considered an investment in creating strong and sustainable communities and providing better opportunities for our tenants. It is anticipated that this will contribute to the sustainability of the income stream for WH Glasgow over the long term.

WH Glasgow’s provision over the next five years is summarised in the below table. The projections assume funding for our contribution to the work the Foundation undertakes in 2026/27 and 2027/28, is partly met through use of Foundation cash reserves linked to the higher donations made to the Foundation to 2025/26. The donations include contribution to the Helping Hand Fund in 2026/27 and 2027/28. An allocation for Think Yes spend is also include in this category.

Table 11 – Wheatley Foundation donations and Think Yes

Initiatives £'000	2026/27	2027/28	2028/29	2029/30	2030/31
	Year 1	Year 2	Year 3	Year 4	Year 5
Donation to Wheatley Foundation	-	-	1,130	1,131	1,236
Think Yes	503	520	537	553	569
Total	503	520	1,667	1,684	1,805

b) IT Capital Investment

In total, across the Group the financial projections provide for a 5 year IT capital investment programme of £33.6m. This investment is in recognition of the key role technology has in the continuation in the delivery of the key strategic aims in delivery of the Group’s strategy for 2026-2031. Alongside the digital aspirations for Group services to customers and staff, the funding also provides for a safe, secure and reliable technology service. WH Glasgow makes a capital contribution towards the overall Group IT capital costs. The table below details WH Glasgow’s contribution of £22.0m including inflation, over the next 5 years.

Table 12 – IT Capital Contribution (including inflation)

IT Capital Programme £’000	2026/27	2027/28	2028/29	2029/30	2030/31
	Year 1	Year 2	Year 3	Year 4	Year 5
IT Capital Contribution	4,872	4,319	4,321	4,322	4,129

The 5 year IT Capital Investment programme is aligned to 7 strategic workstreams, delivering key business strategy outcomes, enabling organisational change, and supporting ongoing investment across staff and customer digital services and platforms. The programme will also enable the planned transition of Wheatley Care to an independent organisation, while maintaining continuity of service, regulatory compliance, secure data separation, and appropriate shared service and integration arrangements. A core cross cutting priority of the programme is the delivery of a Group wide Data Improvement programme, focused on strengthening core data quality, extending our current system integration, and the delivery of a single, trusted view of the customer and a single, trusted view of asset and compliance data to support regulatory assurance, service delivery, and decision making.

The investment will support a portfolio of projects aligned to transforming and improving service delivery models; enabling organisational change including Care independence; strengthening compliance, assurance and audit readiness; investing in core platforms and systems across business and technical resilience; maintaining and improving Group cyber security; and evolving our digital, voice and face to face channels of delivery.

Strategic Outcomes

The programme will:

- Simplify the Group's technology estate through platform rationalisation and application consolidation, reducing complexity and cost.
- Improve customer, tenant and service user outcomes through clearer, more consistent end to end digital services.
- Strengthen regulatory compliance, audit readiness, and asset safety assurance.
- Enable organisational change, including Care independence, without compromising service delivery.
- Establish trusted, integrated data foundations to support decision making and performance management.
- Maintain secure, resilient and compliant core technology platforms.

Workstream Overview

Digital Workplace and Automation

- Improves staff productivity and service efficiency through modern workplace technology, automation, and AI enabled workflows. Supports compliance through automated processes, and secure workforce access, and a rolling programme of end-user device renewals and updates.

Customer Digital and Self Service

- Delivers improved online and multi-channel services aligned to customer journeys through investment in our core online services and platforms.
- Simplifies and consolidates customer facing platforms, aligning customer journeys across our voice, face-face and digital channels. Delivers a Single View of Customer across housing, repairs, payments and contact services, improving service consistency, insight and engagement for all staff and customers.

Housing and Care Transformation

- Modernises housing service delivery through Group platform consolidation and increasingly digitally enabled processes. Supports Wheatley Care's move to independence, including ongoing staff support and service delivery, secure data access & sharing, and continued compliance with care specific regulatory requirements.

Asset and Repairs Transformation

- Aligns repairs and asset management technology across the Group and delivers a Single View of Asset, integrating repairs, compliance, inspection and safety data to strengthen regulatory assurance and operational performance and enabling simpler, end to end repairs and compliance workflows.

Core Architecture

- Ensures the stability, security and compliance of the Group's core technology estate. Provides the integration, identity and access foundations required to support shared services, organisational separation, and cloud based delivery models.
- Underpins consolidation by reducing legacy infrastructure, completing cloud migration, and standardising core platforms. Enables shared services where appropriate, while supporting secure organisational separation and lower long term operating costs.

Cyber Security

- Strengthens cyber controls, monitoring and assurance to meet increasing regulatory and audit expectations, including Cyber Essentials certification and ongoing protection across Group.

Data, AI and Innovation

- Implementation of Group Data Strategy and supporting technology projects supporting the development and delivery of Single view of Customer, Asset and Compliance data and documentation. Consolidation of Group reporting, analytics, and data aggregation platforms. An AI (Artificial Intelligence) programme establishing Group AI strategy, governance and delivery roadmap across staff, manager and line of business platform A workflows.

Collectively, the programme ensures that IT investment directly enables service transformation, regulatory compliance, and organisational change, while establishing robust data and integration foundations that support confident decision making, improved outcomes, and long term sustainability.

2.7 Operating Cost per Unit

Our operating costs per unit, excluding depreciation and finance costs over the five year period are set out in Table 13 below:

Table 13 – Operating cost per unit (including inflation)

Operating Costs £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Costs	160,304	159,701	163,456	167,821	172,102
Average no. of social rent units	42,434	42,630	42,877	43,124	43,548
Average operating cost per unit £	3,778	3,746	3,812	3,892	3,952
Average operating cost per unit £ (excl. inflation)	3,778	3,651	3,622	3,604	3,568

As with management costs per unit, operating costs per unit steadily reduce over the five year period, equating to a 5.6% reduction in real terms. Variations in the operating costs per unit can be attributed to specific costs while the additional costs associated with the increased number of units over the period are minimised by value for money and efficiency savings gained through service transformation and investment in technology.

2.9 Interest Rate Assumptions

The new build programme planned requires debt finance to be drawn down over time. In line with the wider Group funding strategy, borrowing is advanced from Wheatley Funding No 1 Limited (“WFL1”) at an assumed blended average funding rate. The blended funding rate reflects a combination of existing bank, bond, and private placement funding and prudent assumptions on the cost of future funding, considering the proportion of funding at fixed and variable rates, and any monitoring or commitment fees payable by WFL1 to external funders. This is consistent across all Group subsidiaries.

Table 14 – Interest rate assumptions

Interest Rate Assumptions	2026/27	2027/28	2028/29	2029/30	2030/31
	Year 1	Year 2	Year 3	Year 4	Year 5
Interest Payable (Group Funding)	4.42%	4.50%	4.75%	4.90%	5.10%
Interest Receivable	2.00%	2.00%	2.00%	2.00%	2.00%

3. Financial projections – next 5 years

3.1 Statement of Comprehensive Income

Table 15 – Statement of Comprehensive Income

Statement of Comprehensive Income	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Net Rental Income	253,844	270,714	284,100	299,708	314,759
Other Income (including MMR lease income)	15,769	15,558	15,338	18,130	19,518
Grant Income	15,357	53,368	71,323	105,652	109,348
Total Income	284,970	339,640	370,761	423,490	443,625
Service Costs	(7,093)	(7,188)	(7,357)	(7,533)	(7,710)
Management Costs	(79,455)	(80,990)	(82,594)	(84,517)	(86,008)
Repair and Maintenance Costs	(69,738)	(66,903)	(67,320)	(69,465)	(71,696)
Demo and ER/VR Costs	(495)	(2,053)	(499)	(1,775)	-
Wider Role and Strategic Initiatives	(503)	(520)	(1,667)	(1,684)	(1,805)
Bad Debt	(3,515)	(4,100)	(4,345)	(4,622)	(4,883)
Depreciation	(86,486)	(91,918)	(90,314)	(96,586)	(103,857)
Operating Expenditure	(247,285)	(253,672)	(254,096)	(266,182)	(275,959)
Investment Property Valuation Movement	1,969	(10,918)	(29,109)	(39,258)	(6,819)
Operating Surplus	39,654	75,050	87,556	118,050	160,847
Operating Margin (%)	14%	22%	24%	28%	36%
Finance Costs	(56,226)	(59,050)	(65,100)	(72,929)	(79,513)
Housing Property Valuation Movement	54,169	14,745	(20,163)	(49,527)	(72,437)
Total Comprehensive Income	37,597	30,745	2,293	(4,406)	8,897

Rental income

Investment in the new build programme and assumed rental increases will generate 24.0% growth in rental income over the next 5 years ensuring the preservation of appropriate levels of investment in our homes and services to customers while keeping rents affordable.

Other income

Other income relates to income from our service charge offerings to tenants (e.g. heat with rent, home contents insurance, and rental income for our garage lock ups), as well as commercial property income (i.e. our offices and shops, radio mast charges, lease income for our MMR properties and Gift Aid income, following the sale of 100 MMR units, both from Lowther Homes). Other income is assumed to increase by £3.7m over the first 5 years of the projections, which relates to increased lease income.

Grant income

In line with SORP, the projected Statement of Comprehensive Income shows recognition of grant income upon completion of the properties. The result of this is operating margin increasing or decreasing in line with the level of grant income. Depreciation will increase in line with an increased asset base.

Operating Expenditure

Management costs, as detailed in section 2.5 of this paper, reflect SPF employer pension contributions of 17.5% (26/27) returning to 19.3% from 27/28 onwards in the projections. In real terms the management cost per unit decreases over the five year period, linked to ensuring value for money through our procurement process, and efficiency savings resulting from continued investment in back office services, particularly through the use of technology and improved working practices.

Non-recurring costs have been shown as a separate line as these are included in the projections for a finite length of time only. They primarily relate to demolition costs and ER/VR costs which are “non-recurring” business change expenditure.

As noted in section 2.7, wider role and strategic initiative spend refers to revenue funding for our wider role activities in the communities that we serve. Funding of £6.2m has been included in the first 5 years of the projections.

Investment Property Valuation Movement

Mid-market properties are held on the Statement of Financial Position as Investment Properties. These properties are valued annually, with any increase or decrease in valuation recognised within the Statement of Comprehensive Income. The year on year variation in the figure is driven by the profile of new build completions in any one year.

Finance Costs

Interest payable on our borrowings increases over the five years as debt increases, to fund the new build programme.

Housing Property Valuation Movement

Social rent properties are held on the balance sheet at valuation. These properties are valued annually, with any increase or decrease in valuation recognised within the Statement of Comprehensive Income, below the operating surplus line. The year on year variation in the figure is driven by the profile of new build completions in any one year and the recognition of new build grant income.

Total Comprehensive Income

The completion of new units has a significant impact on the reported total comprehensive income. Recognition of grant income in relation to completed units increases the reported operating surplus; however, this is offset by a downward valuation of housing properties in the year of completion. Under SORP 2018 new build grants are not considered when calculating valuation movements. In general, the gross development cost, i.e. excluding grant, of these newly completed properties will be higher than the EUV-SH valuation and results in a downward valuation. We have adopted a conservative approach to valuation adjustments in the projections and the downward valuation adjustments presented are a prudent scenario. In years 3 and 4 the total comprehensive income is lower with those years having a higher share of MMR units completing. MMR units have a lower grant rate, reducing the offset available against the valuation movement.

Over the five year period total comprehensive income is £75.1m.

3.2 Statement of Financial Position (including inflation)

Table 16 – Statement of Financial Position

Statement of Financial Position	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Housing Properties	2,115,146	2,270,846	2,367,487	2,385,159	2,364,242
Other Fixed Assets	67,190	60,825	59,725	59,108	58,078
Investment Properties	119,692	130,750	156,296	181,312	189,587
Lowther Investment	14,334	14,334	14,334	14,334	14,334
Total Fixed Assets	2,316,362	2,476,755	2,597,842	2,639,913	2,626,241
Current Assets	0	0	0	0	0
Current Liabilities	63,263	63,263	63,263	63,141	63,146
Net Current Liabilities	(152,502)	(170,840)	(199,037)	(207,035)	(139,373)
Long-Term Liabilities	(89,239)	(107,577)	(135,774)	(143,894)	(76,227)
Net Assets	(1,241,469)	(1,352,779)	(1,443,376)	(1,481,733)	(1,526,831)
Retained Earnings	985,654	1,016,399	1,018,692	1,014,286	1,023,183
Total Reserves	985,654	1,016,399	1,018,692	1,014,286	1,023,183

Housing Assets

The plan assumes Housing Property assets to increase £249.1m over five years due to the construction and delivery of new properties and an assumed increase in the value of our existing stock as a result of investment. 2030/31 notes an overall reduction in value of £20.9m due to the impact of the decreased valuation adjustment of £72.4m, driven by the projected high number 583 SR new build completions. The release of the newly completed new build grant income as noted in the statement of comprehensive income in 2030/31 fully offsets this reduction in the year of completion.

Other Fixed Assets

Other Fixed Assets include our fixtures and fittings and investment in IT Equipment. Annual depreciation charges reduce the balance each year.

Investment Properties

Investment properties include our commercial properties (i.e. shops and offices) and our full market and mid-market rent properties. The plan assumes Investment Property assets to increase £69.9m over five years due to the construction and delivery of new properties and an assumed increase in the value of our existing stock as a result of investment.

Net Current Liabilities

Current assets include rent arrears, trade debtors and cash, together with the intercompany balance relating to the loan to Lowther.

Current liabilities fluctuate over the period as a result of the inclusion of grant received in respect of the new build programme. New build grant received is held as deferred income in the balance sheet, either in current or long term liabilities, depending on the forecast completion date of the scheme. Once the units complete, it is released from liabilities and recognised in the Statement of Comprehensive Income. Due to the high number of completions over the five year period, the value of grant in current liabilities has increased, in particular in years 3 and 4, ahead of increased completions in year 4 and 5.

Long Term Liabilities

Long term liabilities relate to the loan due to Wheatley Funding Limited 1 (WFL1), the contingent efficiencies grant and deferred income. Net debt steadily increases in years 1-5, before slowing between years 6-14, and then increasing again in year 15 due to the repayment of the £100m contingent efficiencies grant. This pushes net debt to a peak of £1,724.7m in year 20 (2045/46).

Retained Earnings

During the five year period from 1 April 2026, retained earnings are projected to increase by the reported total comprehensive income of £75.1m. The increase to reserves reflect the performance over the five year period, as well as property valuation movements, which offset the impact of increased borrowing costs.

3.3 Statement of Cash

Table 17 - Statement of Cash Flow

Cash Flow	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Net Rental and Other Income	268,349	284,465	297,428	315,473	331,579
Operating Expenditure	(155,914)	(161,488)	(160,626)	(165,828)	(167,572)
Net Cash from Operating Activities	112,435	122,977	136,802	149,645	164,007
Core Capital Expenditure	(77,770)	(79,729)	(86,546)	(86,867)	(94,376)
Net Trading Cash	34,665	43,248	50,256	62,778	69,631
New Build Expenditure	(74,789)	(159,628)	(165,174)	(133,107)	(67,855)
Grant Income	67,555	93,380	83,744	86,493	21,937
Other Capital Expenditure	(10,609)	(6,906)	(5,372)	(5,400)	(5,733)
Net Cash used in Investing Activities	(17,843)	(73,154)	(86,802)	(52,014)	(51,651)
Finance Costs	(50,841)	(54,103)	(61,257)	(67,387)	(73,072)
Net Movement in Cash	(34,019)	(84,009)	(97,803)	(56,623)	(55,092)

Net Cash from Operating Activities

The plan assumes cash from operating activities to increase by 45.9% in five years. Rent increases and the completion and handover of new build properties, creates additional rental and lease income; the positive movement being further assisted by value for money and efficiency savings gained through service transformation and investment in technology.

Net Trading Cash

This reflects the cash available after operating activities and investment in our existing homes and assets. As outlined in section 2.6b) core investment reflects the provision required to maintain the quality standard of our existing homes, meet the tenant commitments as well as meet the component replacement cycles together with building provision for our neighbourhood priorities and SHNZS works. The capacity to increase in our investment programme over the five year plan is possible due to operational efficiencies in management costs and operational cashflows generated from rental income.

Net Cash used in Investing Activities

This reflects the new build programme net of grant income received and investment in other fixed assets.

Finance Costs

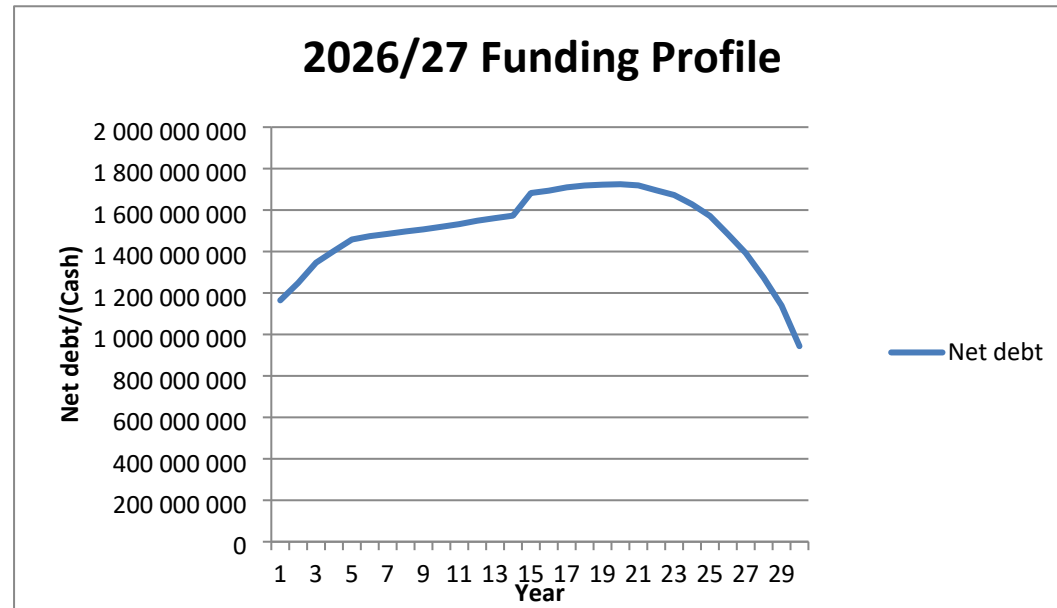
This reflects the interest due on our loan with WFL1. As expenditure is incurred to pay for our new build programme, WH Glasgow will use existing cash resources, followed by drawing down money from Group. The projections assume the new build programme is completed in 2032/33, while core programme expenditure continues. Peak net debt is reached in year 20 of the plan. Beyond peak net debt year, as no further debt is expected to be drawn, debt levels gradually decrease. Annual finance costs are therefore strongly linked to any increase or decrease in debt.

Net Movement in Cash

In the first five years of the plan, we anticipate a £327.5m net cash outflow. This is due to significant investment in our existing properties, and the new build programme, in line with our strategic objectives.

4. Funding and Debt Profile

The resulting debt profile for WH Glasgow is as follows:



5. Key Parameters

5.1 Whilst covenants attached to WFL1 funding are assessed at Group level, rather than individual RSL level, there are important financial parameters which need monitored to ensure that WH Glasgow remains financially sustainable in the long term and that its contribution to the RSL Borrowing Group, along with all the other RSLs in the group, allows WFL1 to meet its external funding conditions. Therefore, the following criteria need to be considered when assessing the impact of any risks or business decisions on projections:

5.2 Operating margin generation

In the long term, underlying operating surplus (excluding grant income and property valuation movements) needs to be sufficient to service debt, i.e. meet interest and capital payments on debt balances and achieve overall financial surplus every year. The business plan assumes that WH Glasgow will generate the following operating margins over the next 5 years:

Adjusted Operating Margin	Year 1	Year 2	Year 3	Year 4	Year 5
	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Income (excluding grant income and property valuation movement)	271,276	287,976	301,185	319,629	336,112
Adjusted Operating Surplus	23,991	34,304	47,089	53,447	60,153
Operating Margin	8.84%	11.91%	15.63%	16.72%	17.90%

The adjusted operating margin, which excludes grant income and valuation movements, is the measure used to test covenant compliance. It is lower than the operating margin reported in the Statement of Comprehensive income at 3.1, illustrating the significant impact that the recognition of grant income on completion of new build has on the results. The variation in margin over the five years is due to additional rental income generated from completed new build units and the operating costs as outlined in section 2.8, offset by efficiency savings.

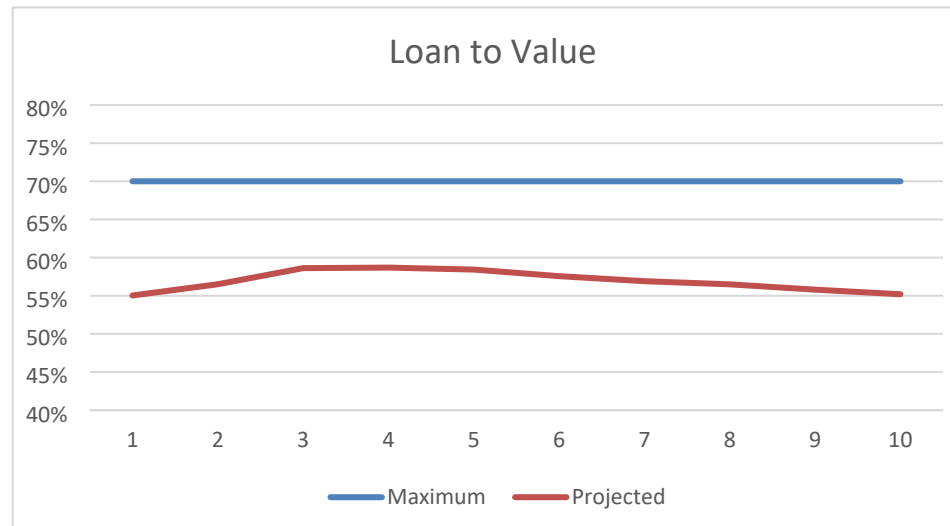
5.3



While the interest cover is below 1.0 throughout the initial five year period, the deficit equating on average to 2% of income, there is a steady return to 1.0 as we approach year 5 with the target of 1.0 being achieved from year 6. A contributing factor to the interest cover being below 1.0 for the initial five year period is our commitment to providing an appropriate level of funding for repairs and investment in our homes over the next five years as outlined in Table 8 and 9. It includes an increased provision to reflect the cost of meeting our legislative obligations including the increase in planned maintenance for fixed installation testing, linked to the reduction in statutory testing period from 10 to 5 years. It also reflects the increased demand and cost pressures experienced in 2025/26 in reactive repairs and voids and provision in core programme spend for the cladding upgrade project at Ibroxholm Oval. The level of cover also fluctuates over the period due to the timing of significant new build activity with interest costs increasing before the benefit of rental income is earned from completed new build properties. Increases in rental income (as noted in paragraph 2.2) and continuing management of the cost base during this period are of importance. As shown in the table, at a RSL Borrower Group level the interest cover is above 1 in each of the five years and varies between 1.11 and 1.12.

5.4 Asset cover

One of the metrics which governs overall borrowing limits is the value of the owned asset base. The WH Glasgow investment and development programme is supported by intra-group borrowing from WFL1 which operates on a Group wide borrowing and asset security basis. It is however important that each subsidiary within the group have sufficient asset cover to support their debt requirement. The measure used to assess this is loan to value, defined as net debt as a percentage of the value of housing and investment properties (excluding housing under construction). The graph below shows the projected loan to value for WH Glasgow over the first 10 years.



Although loan to value increases from 55% in 2026/27 to 59% in years 3 and 5, it remains below our 70% golden rule maximum level. This demonstrates that WH Glasgow will have sufficient asset cover to support loans.

6. [REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
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**Appendix 2:
Five-Year Capital Investment Plan
2026-31**

Introduction

- 1.1 The plan has been developed reflecting:
- Discussion with customers on their investment priorities;
 - Our compliance obligations;
 - Improved insight from asset management and repairs data; and
 - Our strategic asset investment and neighbourhood plans
- 1.2 Experience has demonstrated the benefits of moving from ad-hoc investment activity to larger, more targeted and structured programmes, particularly in relation to component replacement and neighbourhood investment programmes. This approach has informed the scale, targeting and sequencing of investment within this five-year plan. This is supported through the availability of up to date and accurate data on the condition of our housing assets. We will continue with our programme of surveys, with every home subject to both an internal and external survey at least once every five years supported by a combination of in-house surveyors and an external firm.
- 1.3 Once approved, the local investment plans that underpin this five-year programme will continue to provide the basis for engagement between customers, investment delivery teams and local housing management teams, ensuring that customer priorities are reflected in delivery. The investment outputs within this five year plan will go towards meeting the criteria to support the delivery of the new Wheatley Standard.
- 1.4 Total investment of £430m is planned in improvements to our customers' homes in the next five years. Our capital investment plan includes a core investment programme budget of £199m with a further £124m invested in voids and capitalised repairs, £16m in adaptations. The total investment figure also includes fixed overheads and an allocation of on-costs for our technical asset staff, who play a key role in delivering our core investment programmes. This investment will ensure we meet our compliance obligations, deliver neighbourhood improvements, significantly expand component replacement programmes, support our energy efficiency ambitions and address the needs of any particular stock types. The table below shows the breakdown of the £199m core investment.

Core Programme – Spend by Type	Total Spend £m
Compliance	16.3
Neighbourhood Priorities	19.0
Component Replacement	137.0
Particular Stock Types	11.4
Energy Efficiency	10.6
Ibroxholm & Other	4.7
TOTAL	199.0

- 1.5 Building on the first year of delivery, during 2025/26 the plan reflects our ability to plan and deliver investment at scale, particularly in relation to customer-priority component replacement programmes. This represents a step-change from previous approaches and provides greater certainty for customers and our delivery partners.

Delivery of component replacement programmes against strategic output targets 2025/26

- 1.6 The 2025/26 financial year was the first year in which strategic output targets for component replacement were set and managed as part of the new strategic asset investment approach. These targets focussed on delivering customer priority component replacements at scale, while improving programme certainty, value for money and customer experience.
- 1.7 Delivery during 2025/26 demonstrated that the new approach is effective in translating strategic priorities into measurable outputs. Component replacement programmes were delivered in line with planned outputs, with strong performance across key 'customer value' programmes including kitchens, neighbourhood improvements and heating replacements.

Component Replacement	2025/26 Target	Projected Outputs
Renew Bathroom	50	100
Renew Kitchen	720	720
Renew Extractor Fans	41	120
Renew Dwelling Windows	580	580 (363 Installed, 217 windows at manufacturer with installation commencing April 2026)
Renew Dwelling Doors	200	290
Renew Entrance Doors	24	290
Renew Close Doors	199	330
Renew Common Windows	57	60
Heating Replacements	1,246	1,246
Major Tenement Fabric Improvements	20	32
Tenement Common Area Improvements	300	300
TOTAL	3,437	4,068

- 1.8 Our planned core investment activities over the next five years continues to reflect the five investment drivers previously agreed:
- **Compliance** including gas servicing and fire safety;
 - **Neighbourhood priorities** – investment to ensure our properties and their local environment meet customer needs and our aspirations for our communities;
 - **Component replacement** – investment to ensure facilities like kitchens, bathrooms, windows etc in our homes are to a good standard;

- **Particular stock types** - reflecting the particular investment challenges associated with our diverse stock
- **Energy efficiency** – covering fabric efficiency and heating systems.

Compliance

- 1.9 Ensuring our homes remain safe and secure continues to be a fundamental priority. The capital investment plan includes **£16.3m** of capitalised compliance improvements over the five-year period, supported further by ongoing cyclical compliance revenue programmes.
- 1.10 The first year of delivery has strengthened coordination across compliance programmes, improving efficiency, assurance and delivery at scale.

Programme	Capitalised improvements
Electricity	<ul style="list-style-type: none"> ▪ Domestic wiring upgrades where required through our periodic electrical inspection regime.
Fire Safety	<ul style="list-style-type: none"> ▪ Completion of emergency lighting upgrade programme across our Multi-Storey Flat (“MSF”) portfolio by 2029/30 ▪ Lifecycle replacement of LD2 smoke and heat detection across all stock types, ▪ Provision for planned improvement works as recommended in our Fire Risk Assessments.
Asbestos	<ul style="list-style-type: none"> ▪ Funding for a rolling programme of annual asbestos re-inspections of relevant property common areas.
Water management	<ul style="list-style-type: none"> ▪ Installation of Thermostatic Mixer Valves (TMVs) for new customers that require one. ▪ Inspection and testing of communal water tanks.
Lifts	<ul style="list-style-type: none"> ▪ Upgrades of Mechanical & Electrical communal infrastructure ▪ One-off conversion to digital technology to mitigate risk of PSTN (Public Switched Telephone Network) switch off

Neighbourhood Priorities

- 1.11 Investing in our neighbourhoods remains a key investment theme, reflecting strong and consistent customer feedback. Delivery during 2025/26 demonstrated the positive impact of a more coordinated approach to neighbourhood investment. This included the improvement of common areas in 300 tenement blocks across the city, alongside major building fabric improvements to a further 32 tenements in Govan and Castlemilk. These projects delivered visible improvements to the condition and appearance of the buildings, contributed to safer and more attractive shared spaces, and supported increased customer pride in the local environment.

- 1.12 Our neighbourhood investment approach has been further strengthened through collaboration with our new Environmental Improvement Team, which has seen the coordination of follow-on environmental improvement works to these blocks and the immediate environment such as gutter cleaning, power washing paths, hedge maintenance and painting railings. This integrated approach has been designed to complement the improvement work, ensuring that our investment delivers maximum value and lasting impact for customers and neighbourhoods.
- 1.13 The plan proposes **£19m** of neighbourhood investment over the five-year period, building on delivery models tested and refined during 2025/26 and encompassing improvements to communal spaces, building fabric facelifts and environmental improvements.

Component Replacement

- 1.14 The component replacement programmes are a central feature of the new strategic asset investment approach and represents the largest element of customer-priority investment within the capital programme. During 2025/26 we demonstrated our ability to deliver at scale with over 720 kitchens, 363 windows and 1,246 heating systems forecast to be installed across the city through our planned and reactive replacement programmes.
- 1.15 The investment plan builds on that early success and includes provision of **£137m** for a scaled-up programme of component replacement over the next five years, delivering significant volumes of kitchen, window and heating replacements that respond directly to customer priorities.

Component	2026/27 Planned Tenant Commitments	2026/27 to 2030/31 (five years covered by core investment plan)
Kitchens	1,202	6,870
Windows	1,146	5,094
Heating Replacements	1,107	8,519

- 1.16 Preparations for the planned scaling-up of the investment programme from 2026/27 are well advanced. Learning from the first year of delivery has been used to drive continual improvement across communication, information sharing and joint planning with City Building and other delivery partners. This includes early provision of programme information, forward visibility of investment budgets, and more structured agreement of programme scope, costs and address list detail ahead of delivery. These improvements are enabling better sequencing of work, increased cost certainty and more effective communication. Together, these measures provide strong assurance that we are well positioned to manage increased investment volumes in a controlled, transparent and efficient manner, while maintaining a strong focus on value for money, customer experience and safety.

- 1.17 Our local delivery plans will provide visibility of both the location and timing of planned investment work. This approach will ensure customers and housing officers are better informed about planned investments in their area and will help to facilitate earlier engagement with customers in advance of planned improvements to their homes. Technical surveys will also be undertaken as part of the project development phase to help refine the scope of work. This visit provides an opportunity for customers to find out more details about the project and to select their choices for internal improvements such as kitchen renewals.

Particular stock types

- 1.18 Our diverse stock profile continues to present specific investment challenges, including multi-story flats, older tenements and properties connected to district heating networks. Our investment plan makes provision of **£11.4m** for investment across this portfolio. We have been working on a MSF survey programme and a long-term asset investment plan specifically for our multi-storey stock type. This may lead to the identification of specific investment projects bringing individual investment works in this five-year plan together to be delivered as a co-ordinated programme for that particular block. We are also reviewing blocks constructed using a Large Panel System as part of the MSF invest plan and any actions emerging from this will be presented to the Board in due course.
- 1.19 Our pre-1919 tenement portfolio continues to present specific asset management challenges. These buildings often require complex and costly fabric repairs and present additional challenges where ownership is mixed tenure, requiring coordination with multiple owners to progress major works. These factors can affect both the timing and delivery of investment and requires careful planning and engagement.
- 1.20 During 2025/26 we introduced more proactive and intelligence-led approach to managing these challenges. As part of this, we have introduced the use of drone surveys to support the inspection of high-level and difficult to access building elements. This is enabling earlier identification of defects, reducing the risk of more significant failures, and improving our ability to prioritise future planned works more effectively, supporting better value for money and risk management. Our five-year plan includes provision to support the delivery of cyclical and major planned investment works across this portfolio with a particular focus on our city centre stock, which also supports Glasgow City Council's High Street strategy investment in this area.
- 1.21 Our investment plan also recognises the importance of our Mechanical and Electrical ("M&E") infrastructure investment. This is particularly important in our multi-storey properties, to ensure vital services are maintained. Our capital investment plan includes for planned improvements to M&E components including the lifecycle replacement of lifts, pump sets and water storage tanks, ventilation plant and CCTV.

Energy Efficiency

- 1.22 Energy efficiency improvements remain embedded throughout the investment programme. Scaled-up component replacement programmes, particularly windows and heating systems, play a key role in improving energy performance, comfort and affordability for customers.
- 1.23 Over the period 2026/27-2030/31, the capital investment plan includes **£10.6m** of provision for measures that will improve energy efficiency. This investment will be delivered primarily through targeted fabric improvements, further supported through our window component replacement programme, ensuring that energy efficiency gains are integrated into wider investment programmes rather than delivered in isolation.
- 1.24 The investment plan includes provision for work required towards meeting the expected requirements of the fabric element of the proposed Social Housing Net Zero Standard (SHNZS). Scottish Government have yet to confirm a date for the implementation of the SHNZS, however we will continue with our planned programme continuing to prioritise measures that deliver tangible and immediate benefits for customers, particularly in terms of reduced energy consumption and improved home comfort.

Output projections - key investment workstreams

- 2.1 Over the next five years **£199m** will be invested in our homes and communities. Output projections for some of the **key** investment work streams **over the next five years** are shown below:

Heating

- 2.2 The Central Heating programme has a total value across the five years of **£29m**. The programme consists of £23m for reactive gas boiler replacements where existing boilers breakdown and cannot be repaired. New boilers are hydrogen ready, meaning that they will accept up to a 20% blend of hydrogen should this be introduced into the gas network in the future. In 2026/27 we will also deliver full gas central heating upgrades to around 100 homes in the Bellrock/Lamlash area of Cranhill, which are currently serviced by an older communal heating system.
- 2.3 The plan also includes for the commencement of the lifecycle replacement of older storage heating systems, present predominantly within our MSF portfolio. This programme will commence in year three of the plan.

Low-rise fabric (Roofs)

- 2.4 The low-rise fabric programme over the next five years consists of **£2m** for planned roof renewals. This programme will be informed through data intelligence such as repairs data or stock condition surveys, which will help to identify priority addresses for investment. This approach ensures that roofing investment remains targeted at properties presenting the greatest risk and need, supports better value for money and reduces the risk of unnecessary or premature replacement

Pre-1919 Tenements

- 2.5 Our five-year plan includes **£1.35m** for our contribution towards the refurbishment of our pre-1919 tenement stock within the city centre. The programme will support the delivery of sandstone and roof repairs in mixed tenure blocks in the Saltmarket, Trongate and High Street localities, helping to protect the long-term future of these historic and culturally important buildings.
- 2.6 The high level of private ownership within these assets can be a significant blockage to delivering this much needed investment. The RICO Investment Team successfully attained grant funding support from Glasgow City Council and Glasgow Heritage Trust in 2022/23 and 2023/24 to support the first two phases of major works in the High Street and we continue to work with the council to access financial support for future phases of this programme.
- 2.7 In 2025/26 we took an enhanced proactive and intelligence-led approach to managing these challenges. As part of this, we have introduced the use of drone surveys to support the inspection of high-level and difficult to access building elements. This is enabling earlier identification of defects, reducing the risk of more significant failures, and improving our ability to prioritise future planned works more effectively, supporting better value for money and risk management. Our five-year plan includes provision to support the delivery of cyclical and major planned investment works across this portfolio.

Kitchen, Bathroom and Rewire

- 2.8 We plan to invest almost **£67m** in new kitchens, bathrooms and rewiring over the next 5 years. £10.5m will be allocated to delivering ad hoc, reactive kitchens and bathroom installations in properties that become void for relet where we have previously been refused access to complete this investment through our planned programmes.
- 2.9 Our rewiring programme is informed via our periodic electrical inspection regime, with unsatisfactory inspections requiring re-wiring upgrades delivered via the investment programme. £3m has been allocated to fund these improvements over the next five years.
- 2.10 We also plan to upgrade end of life communal stair lighting provision at the deck access blocks in Hillpark and the Wyndford, with £900k allocated to this work over years 1 & 2.
- 2.11 A further £52m will be allocated to fund lifecycle replacement kitchens, which is a high investment priority which delivers value for customers. Between lifecycle replacements and renewals in void properties, we expect to renew 6,870 kitchens over the next 5 years.

Windows and Doors

- 2.12 We plan to spend **£43m** on window replacements over the next five years, benefitting 5,094 tenants. The programme will include ad hoc reactive installations where we have previously been refused access or new acquisitions in addition to planned lifecycle replacements across the city. The five-year plan will include new windows across a diverse portfolio of stock types benefitting communities across the city. Our planned window replacement programme is informed by a combination of stock condition data, repairs analysis and local knowledge/priorities.
- 2.13 Door replacements in years 1-4 will be focussed on ad hoc reactive replacements, but we plan to commence with a programme of lifecycle renewal from year 5 onwards. This will include timber doors in flats and uPVC replacements in main door stock types.

Neighbourhood Improvements (Common Areas)

- 2.14 Over the next five years, we will invest **£7.5m** redecorating the communal spaces within 1,500 flatted developments across the city. This will generally include painting the stairwells and corridors, refurbishing front and rear close doors and entrances. This programme will be further supported by our Environmental Improvement Team who will deliver follow on works including gutter cleaning, fence painting, power washing paths and boundary walls and hedge maintenance. This coordinated approach ensures that we drive maximum value from our resources.

Neighbourhood Improvements (Fabric improvements)

- 2.15 Over the next five years, we will invest **£7.8m** improving the fabric condition of 100 tenements across the city. This high customer value programme will see involve repairs and painting of external walls, redecoration of balcony areas, new fascias and soffits and localised repairs to roofs where required.

Environmental

- 2.16 We will invest **£3.7m** in improving the environment within our communities over the next five years. The primary focus of the programme over years 1 & 2 will be on the delivery of environmental improvements to the existing estate within the Wyndford; however, the plan also includes provision for fencing renewals and backcourt improvements in priority areas.

Mechanical and Electrical

- 2.17 We will invest **£2.45m** via our M&E programme, which will see the replacement of Mechanical and Electrical infrastructure, predominantly within our multi-storey stock. The five-year plan will include for the replacement of vital service components such as communal fans, water tanks, pumps, and CCTV.

High-rise Fabric

- 2.18 Our high-rise fabric programme will involve **£9.5m** of investment over the life of the plan. Our planned programme for high-rise fabric improvements will encompass improvements to balcony areas within the Wyndford estate, the completion of new EWI at Crathie Court, EWI at 10 Glenfinnan Drive as well as the commencement of EWI lifecycle replacements at the MSF estates in Cranhill and Milton.

EESHS/SHNZS

- 2.19 Much of the energy efficiency works are met through core investment activities, however, there is a provision of **£1.1m** where we will focus on draughtproofing, loft and floor insulation. This will be refined once the SHNZS is finalised.
- 2.20 We will continue to explore external funding opportunities such as from Scottish government and ECO to maximise our existing programme and further support the delivery of our sustainability ambitions. Our plans include provision to meet the anticipated requirements of the SHNZS.

Lift Replacements

- 2.21 Almost **£5m** will be invested in new efficient and reliable lifts within MSF stock across the city. 2025/26 will see the completion of lift replacements at Kingsway Court. Years 1&2 of the plan will see the delivery of new lifts at Acre Drive. Years 3-5 will see the delivery of new lifts at both Kirkton Avenue and Kennishead.

Fire Safety

- 2.22 **£1.9m** has been allocated for fire safety over the five-year plan. This programme will fund enhanced fire safety measures for our most vulnerable customers including stove guards and fire-retardant bedding packs. The programme will also facilitate the delivery of improvements recommended by our fire risk assessments and any reactive investment requirements in the event of major fires.

District Heating Component Replacements

- 2.23 **£2.7m** has been allocated to facilitate the lifecycle replacements of critical system components for our existing district heating system in the Wyndford estate.

Ibroxholm EWI Remediation

- 2.24 **£4.2m** has been allocated to accommodate the remediation of the existing EWI system at our MSF block at Ibroxholm Oval.

Garages

- 2.25 **£601k** has been allocated to fund improvements to or demolition of our existing garage/lock-ups portfolio. Investment will be targeted towards garages where there is a strong demand for these assets, while we will look at alternative uses for these assets where demand is low, including demolition and re-provisioning of the land.

Capital Compliance

- 2.26 **£10.4m** of capital compliance works will be delivered over the next five years to ensure our homes are safe and secure and to provide assurance that we are meeting our statutory and regulatory compliance obligations. This programme will encompass a range of activities including the completion of emergency lighting upgrades in our high-rise flats and LD2 smoke and heat detector lifecycle replacements across all stock types.

**Appendix 3:
Five-Year Development
Programme
2026-31**

Introduction

- 1.1 Our five-year Development Programme reflects the WH Glasgow Strategy 2026-31 *Making Homes and Lives Better*, particularly in relation to the strategic theme of *Homes and Neighbourhoods to be Proud of*, with an objective of, *Leading the Way in Expanding the Supply of Affordable, Quality Homes*. We will deliver this by:
- Providing at least 2,000 new affordable homes by 2031
 - Refresh the Strategic Agreement with Glasgow City Council
 - Identify opportunities for City Building to deliver new homes as part of our wider development programme
 - Prioritise the delivery of regeneration areas
 - Enhance our understanding of future trends and customer needs
 - Identify the need for improved amenities such as playparks, recreational spaces, and local infrastructure which we know are important to customers.
 - Learn from demonstrator projects such as Shandwick Street to inform future updates of our Design Guide.
- 1.2 On the 13 January 2026, Scottish Government confirmed the Affordable Housing Supply Programme (AHSP) budget of £926 million for 2026/27 across Scotland (20% increase from 2025/26). The total allocation to Glasgow City Council (GCC) is expected to be confirmed by the end of March, with RSL Grant Planning Targets (GPT) to be confirmed thereafter.
- 1.3 The Scottish Government has also announced a new body, referred to as 'More Homes Scotland' which will bring together housing, land, planning support and delivery expertise; working jointly with local authorities and Ministers to improve capacity for new affordable homes, support regeneration and reduce duplication across government. Its work will be structured around four pillars:
- Affordable housing delivery
 - Rural and island housing
 - Land and development
 - Investment
- 1.4 An initial two-month design phase will now begin with an update planned to be taken to Parliament in March 2026, shortly before the pre-election period ahead of the May Elections. We are engaged with Scottish Government on the establishment of the new body and further updates will be brought back to the WDSL Board.
- 1.5 We continue to be a key partner for the Scottish Government and GCC in the delivery of an ambitious growth programme supporting the Scottish Government's *More Homes Scotland* programme.
- 1.6 In 2025/26 we have completed 156 new homes to the end of January, with a further 39 new homes expected to complete by end March 2026. We currently have 310 units on site under construction across 5 projects for WHG, plus an additional 70 units at Bellgrove Hotel for Lowther.

- 1.7 Our proposed 5-year development programme assumes we will complete 2,104 units over the next five budget years from 2026/27, with 1,484 being for social rent and 567 for mid-market rent and a further 53 delivered through strategic acquisitions based on current financial capacity.
- 1.8 The proposed programme reflects a pragmatic forecast of completions aligned to the anticipated availability of grant across the local authority areas and based on the Scottish Budget announcement of a 4-year multi-year settlement of £4.9bn for the Affordable Housing Supply Programme.

Grant availability

- 1.9 On 2 September 2025, the Scottish Government published its Housing Emergency Action Plan to tackle the housing crisis. The plan focuses on three key areas – ending children living in unsuitable accommodation, supporting vulnerable groups and supporting growth and investment in the housing sector.
- 1.10 There are a number of actions set out in the plan aimed at the delivery of new supply, including the national four year £4.9 billion commitment expected to deliver around 36,000 affordable homes in Scotland by 2030. For 2026/27 the commitment is to a total Affordable Housing Supply Programme (AHSP) of £925.9m, including Financial Transactions. This represents an increase of £158.1m (20.6%) in 2026/27 when compared to the 2025/26 AHSP of £767.7m.
- 1.11 The increased grant availability has allowed additional projects to be brought forward for delivery which, combined with an increased focus on the regeneration of vacant and derelict sites, results in an uplift in completions over the five years of the programme from 989 (2025/26 Business Plan) to 2,104 units (212%).
- 1.12 Our Development Programme has been aligned with our expectations of grant availability, the provision of family homes and regeneration of our communities. We will continue to progress priority sites to ensure that when funds become available, we are well placed to secure funding. The Programme also reflects the priorities agreed with Glasgow City Council as part of our Strategic Agreement.

Five-Year Development Programme

- 1.13 Our five-year programme includes for the completion of 2,104 new homes (including 53 strategic acquisitions) of which 1,484 are new build social rent homes and 567 are mid-market rent homes in the period to 2030/31. We continue to take forward our plans in the regions with our key strategic partners, principally GCC and Scottish Government. The table below sets out our programme by year to 2030/31:

ITEM	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
SR	77	263	231	330	583	1,484
MMR	0	89	215	206	57	567
TOTAL	77*	352	446	536	640	2,051

* A further 58 MMR homes will be completed in Glasgow by Lowther at the Bellgrove Hotel in 2026/27, bringing the total number of new homes delivered in the city to 135 in 2026/27.

- 1.14 Forecast completions in 2025/26 are 195 units against a Business Plan target of 128 units (excluding acquisitions), an increase of 67 units against target. The acceleration of the 67 units removes these as completions in 2026/27 resulting in a revised 2026/27 completion target of 77 units. It is important to note, that in addition to this, a further 58 homes will complete at the Bellgrove Hotel under the Lowther programme in 2026/27, which brings the total number of new homes delivered in the city to 135. We continue to monitor progress on site and opportunity for further accelerated completions during 2026/27 may be secured.
- 1.15 Details of the draft five-year development programme are provided in Appendix 4. The Programme identifies priority projects for grant funding featuring a mix of:
- Developer, s75 and framework led opportunities
 - Social rent and MMR proposals'
 - City centre and suburban development sites
 - Delivery of family homes
 - Delivery of regeneration priorities
 - Addressing vacant land, and
 - Different sizes and scales of site.

Development Footprint

- 1.16 Our future development pipeline is shaped by our understanding of the regeneration and housing development opportunities that are currently agreed or may emerge and is based on our current financial capacity to deliver over the five-year period. The planning of our programme involves regular discussions with local authorities and Scottish Government More Homes Division, in addition to signalling of our interest in particular demand areas to our network of national house builders and private sector developer contacts.
- 1.17 Site starts have been achieved this year at the following developments:
- Spoutmouth: commenced with an initial archaeological dig in July 2025, with the main works starting in January 2026
 - Albion: construction work commenced for this 160-unit development in October 2025
 - Sighthill Phase 2: the second section of our existing contract to deliver 198 units with Keepmoat Homes at the Sighthill regeneration project. A total of 41 units are being delivered in Phase 2 and works commenced in October 2025. The remaining 73 units (Sighthill P2C) to be delivered are included in the Business Plan for completion in 2028/29.

1.18 Site completions achieved this year include:

- Shawbridge Arcade: Accelerated from an anticipated contract completion date of March 2026
- Calton Phase 2: 68 of 98 units complete by end of January 2026, with the final 30 units expected to complete in February 2026. In 2025/26, approval was obtained for a change of tenure for 25 units from MMR to SR.

1.19 Activity continues on our Wyndford development including a number of significant milestones being achieved during 2025/26, supporting progress towards a site start date in April 2027:

- Demolition of 3 multi-storey tower blocks was successfully completed during 2025/26 by blow down, with the final remaining block and demolition material to be cleared by April 2026
- CCG were appointed as the preferred main works contractor to deliver around 400 new homes on the site
- Planning application prepared for submission in February 2026
- Acquisition of GCC owned land progressing for completion in Q4 2025/26
- Demolition of the Maryhill community centre is anticipated to commence in March 2026
- An ongoing programme of engagement will continue into 2026/27 via the Wyndford Future Focus Group.

Transforming Communities: Glasgow (TC:G)

1.20 The 2026-31 TC:G Business Plan was approved by the TC:G Board in December 2025 and focusses on the priority commitments over the next five years. The live site activities at Sighthill, Toryglen, Gallowgate and Pollokshaws TRAs (detailed within this report) will be complimented by a pipeline of TRAs being brought to the market.

1.21 **East Govan/Ibrox TRA:** Significant progress has been made to date, including 278 new social rented homes, 199 Mid-Market Rent homes, and 32 New Supply Shared Equity homes. Currently Broomloan Road is being marketed by agents Jones Lang LaSalle. The site is expected to deliver over 400 market homes with the opportunity for developers to propose the inclusion of affordable homes. There have been good levels of initial interest from PLC housing builders, regeneration focused developers and land promoters. The closing date is anticipated in April 2026.

- 1.22 WH Glasgow is leading on Hinshelwood Drive which is a former demolition site located to the south of the TRA, opposite Ibrox football stadium. Indicative capacity studies show the site is capable of c.160 new homes ranging from 4 to 6 storey flats. Adjacent to the TRA, is Albion Car Park, which is on site constructing 160 new homes, 80 for WHG Social Rent and 80 for MMR.
- 1.23 **Pollokshaws:** City Property are progressing the marketing of the former Sir John Maxwell School site within the Pollokshaws TRA in early 2026, with WH Glasgow undertaking a feasibility for the affordable housing within the remaining site.
- 1.24 **Red Road:** TC:G partners, the Scottish Government and Glasgow City Council, are working collaboratively to finalise the financial framework required to unlock the funding for the remediation of Red Road, enabling delivery of over 400 new homes. The intention is to bring a delivery strategy to the TC:G Board for consideration in March 2026.
- 1.25 **North Toryglen:** Completions within the final phase of North Toryglen have begun with the first handovers having taken place. The remaining homes, are due for staged handover until October 2026. This will mark the completion of this TRA and the Local Delivery Group will hand over to the legacy body, the local Community Council.
- 1.26 Our Strategic Agreement with Glasgow City Council 2023-32 is being refreshed to reflect current priorities in the city and to agree upon key priorities for the future programme which reflect grant availability. These include:

Large Scale Regeneration Projects:

- **Sighthill** TRA – 73 units at Phase 3 to be constructed between 2026 and 2028
- **Wyndford**, Maryhill – 401 are expected to be constructed between 2027 and 2031, subject to consents.
- **Red Road TRA**, Barmulloch – 450 units (100 affordable) to be constructed between 2030 and 2035
- **Cranhill** – 150 affordable units to be constructed between 2031 and 2034. Partnership Support for Regeneration.

The establishment of City Building New Build Programme:

- **Lochend** P1 and P2 – 144 units to be constructed between 2026 and 2031. Phase 1 to deliver around 34 units in the shorter term.
- **Newlands Centre** – 24 units to be formed within existing building between 2026 and 2028
- **Vallay Street** – 18 units to be constructed as a part of a larger development site between 2027 and 2029

1.27 The remainder of the development programme is detailed in appendix 4 and has been selected based on Key Criteria agreed with GCC, including:

- Delivery of homes for social rent as the priority
- Provision of Family Homes
- Supporting the delivery of Regeneration programmes and projects
- Addressing Vacant Land
- Agreement of priority projects
- Delivering value for money

Development appraisal criteria

1.28 Our internal rate of return criteria used for project financial appraisal was updated in November 2025 to reflect market conditions and interest rates paid on new funding. These are 6.75% for social rent and 6.95% for mid-market rent and are used by WDSL in the assessment of new build projects as they are presented for approval. Any future amendments to the IRR for used by WDSL will be considered by this Board and be subject to Group Board approval.

1.29 The table below sets out the non-financial criteria used for project appraisal:

Criteria	Measure/Test
Local Housing Strategy	Contribute to the Local Housing Strategy of the local authorities in which we operate. The project appraisal should detail which of the LHS outcome(s) the project will contribute.
Building and strengthening strategic partnerships/relationships	Contribute to strengthening our relationship with our 12 local authority partnerships and developers. The appraisal will identify the strategic partnerships and/or relationships to which the project will contribute.
Improving customer choice	The housing mix will be developed in consultation with Housing Management and respond to known and anticipated housing need for social and in conjunction with Lowther who manage our MMR stock.
Housing Market Areas	Within the agreed local authority area unless otherwise agreed with the Group Board and RSL Boards.
Internal Rate of Return	The Internal Rate of Return shall be a minimum of 6.75% over 30 years for Social Rented homes and 6.95% for MMR homes over the same period.
Debt	Borrowing required would not exceed total assets.
Borrowing	Borrowing will be repaid within 30 yrs.
Valuation Growth	Projects will be valuation positive on our balance sheet and assumed to deliver valuation growth within 3 years.

- 1.30 Accordingly, the WDSL Board will continue to have authority to approve projects where they meet the agreed criteria. This allows a balance between a strategic programme role, and the ability to set clear parameters for projects to proceed. Where any of these criteria are not met the project may be referred by the WDSL Board, where it considers there to be an exceptional reason for proceeding, to WH Glasgow Board for consideration.
- 1.31 In May 2025, WDSL approved a Gateway process for new sites which provides an approach for pre-approval stages of the programme and enhances the specific steps in assessing project and approval levels required at feasibility stage. The Gateway Process strengthens the financial oversight and expenditure reporting around projects in the feasibility stage which will improve oversight and provide transparency that projects continue to meet our strategic objectives at the various points of progression. This will also provide for regular review of our pipeline to ensure this remains the case and that any required feasibility spend is agreed and provided for within our financial projections. Any project where feasibility costs are anticipated to exceed £1m will be brought to WDSL for consideration.

Environmental and sustainability

- 1.32 The properties will be developed to meet Aspects 1 and 2 of the Silver Sustainability Standards which covers reduction in carbon dioxide emissions and energy use for space heating. The EPC levels of our developments will be B and our specification includes the use of zero emissions heating systems.
- 1.33 The properties feature photovoltaic panels that convert sunlight into electricity. Along with a highly efficient thermal specification these solar generation systems help exceed the target emission rates required by building standards. Taken as a whole, the specification helps customers reduce their energy bills.
- 1.34 Provision for electric vehicle (EV) charging has now been adopted across local authorities. Local authority EV policies are requiring a mix of future ducting and increasingly, provision of charging facilities for private houses and in communal car parks from project completion. EV charging points are currently managed by Charge Place Scotland, with a procurement planned in 2026 for a new service provider.
- 1.35 In December 2024 amendments to The Building (Procedure) (Scotland) Regulations were laid in Parliament to met the commitment made by Ministers in December 2022 for a proposed 'Domestic Building Environmental Standards (Scotland) Bill'. Following further consultation, the standards will set out the requirements for new homes through the Building Regulations. The Scottish Government is aiming to publish the revised standards in early 2026, but they will not become mandatory until early 2028. We will update in due course on the key outcomes of the working group.
- 1.36 The outcome of 12 months monitoring of our Shandwick Street project which will complete in March 2026, will inform our engagement in future working groups relating to Building Standards.

Contractual arrangements

- 1.41 Legal support for the development programme is provided via both our in house and Framework Solicitors as required. This includes provision of advice supporting procurement, contracts, and site acquisition.
- 1.42 A procurement exercise took place in late 2022 which led to a new Technical Consultancy Framework (ASM001-418) coming into effect from 1 February 2023. The Framework runs for 3 years with an option to extend by 1 year at the sole discretion of the Group. Alongside this a further procurement exercise was held for our Generation 3 Construction Framework (WHG/WDSL1000) which began on 3 April 2023 for a period of 2 years with the potential to extend by 2 separate periods of 1 year. It is our intention to extend both Frameworks to 2027.
- 1.43 Where projects are awarded directly through Section 75 agreement or developer led opportunities, we are taking advantage of a commercial opportunity that has been offered to us. Where developers are not called off the Group Framework Agreement our experience of the current market suggests that the likelihood of any procurement challenge is low and is mitigated by our willingness to consider opportunities presented by other developers. Taking advantage of new opportunities is in the best interests of our subsidiaries and contributes to our strategic growth plans.

Report

To: Wheatley Homes Glasgow Board

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

Approved by: Steven Henderson, Group Chief Executive

Subject: Strategic Governance Review

Date of meeting: 6 February 2026

1. Purpose

- 1.1 This paper provides the Board with an update on the findings of the independent strategic governance review and progress in implementing its recommendations, alongside an update on the transition to a Strategic Partnership with Wheatley Care.
- 1.2 The paper also seeks the Board's consideration and approval:
 - to delegate authority to the Group Director of Development and City Building to conclude final legal drafting and execute the Transforming Communities: Glasgow ("TC:G") Activation Agreement for the East Govan/Ibrox Transformational Regeneration Area ("TRA"); and
 - the Board planner for 2026.

2. Authorising and strategic context

- 2.1 The Group Board is responsible for the overall governance of the Group. This is codified through our wider governance framework, including the Group Standing Orders, subsidiary constitutions and Intra-Group Agreements.
- 2.2 At its meeting in August 2025, the Group Board agreed to initiate a strategic governance review and approved the Terms of Reference ("ToR"). The review considered the effectiveness of our governance and how it remains aligned with our strategic direction. The Group Board reviewed the draft report and agreed our approach to implementing its recommendations at its meeting in December 2025.
- 2.3 Under the Group Standing Orders, the establishment, disposal or dissolution of subsidiaries is reserved to the Group Board for approval. The individual legal entity constitutions are the principal governance instruments through which the necessary changes are required to alter the legal status of a subsidiary.
- 2.4 Change to existing contractual arrangements between subsidiaries within the Group is authorised based on whether the matter is reserved to a Board under

its Terms of Reference, delegated to officers and/or the relevant Scheme of Financial Delegation.

- 2.5 Under our Terms of Reference we are responsible for approving our annual rolling five-year development programme. Following our approval of the five-year development programme, Wheatley Developments Scotland Board (“WDSL”) has responsibility for scrutinising and approving individual contract awards, in line with its Terms of Reference and our agreed development criteria.

3. Background

Strategic governance review

- 3.1 We keep our operational governance under review incrementally through well-established processes such as annual Board appraisal and Board effectiveness reviews. We have also undertaken periodic strategic governance reviews to consider how our governance operates in totality, how it reflects or should adapt to reflect our strategic direction and our governance framework as a whole. These two elements together have been the foundation of how we continue to comply with the SHR Regulatory Framework.
- 3.2 The ToR for the strategic governance review set out the following key areas for consideration:
- The overarching Group structure;
 - The role and remit of Boards and Group Committees within the Group;
 - Board compositions; and
 - Board practice.
- 3.3 We commissioned Campbell Tickell, a well-established consultancy which specialises in governance, to undertake the review based on the ToR.
- 3.4 A key element of the brief was that the review engaged Boards and governing body members across the Group to ensure their feedback was reflected in the findings and recommendations. This was achieved through a combination of an independent survey, facilitated workshops with a number of subsidiary Boards, including this one, and individual meetings with Group Board members.

Wheatley Care Strategic Partnership

- 3.5 At the Group Board’s meeting on 12 November 2025 it agreed that we transition from a governance partnership of Parent/Subsidiary with Wheatley Care to a strategic partnership with Wheatley Care, which would also become an independent organisation outside the legal confines of the Group structure.
- 3.6 The key elements of the strategic partnership proposed were as follows:
- Wheatley Housing Group Limited ceases to be the Parent of Wheatley Care from April 2026;
 - RSLs individually contract with independent Wheatley Care to provide Livingwell services at a commercial rate;
 - Wheatley Solutions contracts with Wheatley Care to provide support services at a commercial rate;

- RSL care-related contracts with local authorities are novated to Wheatley Care, with staff associated with these services subject to TUPE; and
- Wheatley Care retains the Wheatley Care name, with a sunset clause on its usage.

3.7 The key impact for us was identified as the future contractual arrangements for the Livingwell service.

TC:G Activation Agreement

3.8 The 2026-2031 TC:G Business Plan was approved by the TC:G Board in December 2025 and focusses on the priority commitments over the next 5 years. This includes the Govan/Ibrox TRA Activation. In line with the TC:G Members Agreement, each TRA requires to be formally activated.

4. Discussion

Strategic Governance Review

4.1 A copy of Campbell Tickell's report, setting out its findings and recommendations in detail, is attached at Appendix 1. The agreed actions we are taking to respond to each individual recommendation are set out in Appendix 2. The headline finding was as follows:

"In summary, our overall findings are highly positive. Wheatley demonstrates strong governance, effective leadership, and a culture of mutual respect: elements that collectively support its continued growth and impact."

4.2 A summary of the key findings and agreed implementation approach in each area is set out below:

Group structure

4.3 The report recognises that we have continued to reduce the complexity of our Group structure and that it is better understood, stating:

"Since our previous review, we observed clear progress in the understanding and operation of the Group structure."

4.4 The planned changes with Wheatley Care will continue in this direction. It also affirms that there is no appetite to consider collapsing the Group structure.

4.5 While the overall decision-making framework is operating effectively, the review identifies opportunities to improve clarity and consistency in how subsidiary Boards are engaged in Group-level decisions.

4.6 We have several well-established decision-making processes where items for approval by the Group Board reflect the views of subsidiary Boards. The Group level five-year investment plan, five-year development programme and five-year business plan are all driven from subsidiary variants reviewed and approved by subsidiary Boards prior to being consolidated and agreed by the Group Board. The Group Board has consistently agreed subsidiary Board proposals, taking assurance from the scrutiny already applied.

- 4.7 We also have some areas where we could be more consistent, for example, Group policies. In some cases, we seek subsidiary Board feedback in advance of Group Board approval, but in others, Group policies have already been approved by the Group Board when presented to subsidiary Boards. This inconsistency has primarily been driven by timing issues rather than by the nature of the policy.
- 4.8 We have agreed to define which decisions and decision types will be agreed at the Group level first (eg agreeing overall rent parameters) and which should be agreed at the Group level following subsidiary Board feedback (eg operational policies such as complaints). Feedback is sought from the Board on any specific areas they feel would benefit from further clarification.
- 4.9 The report reiterates the importance of keeping our Group structure under review. We have consistently undertaken such periodic reviews and will continue to do so. In addition, it has been agreed that the Group Remuneration, Appointments, Appraisal and Governance (“**RAAG**”) Committee will review the Group structure at least triennially in the absence of any specific event or Board decision triggering an earlier review.

The role and remit of Group/ Subsidiary Boards/ Committees

- 4.10 The report recognises the improvements in communication within our governance structure and a shared sense of purpose. This area of the report reiterates the earlier content on the importance of clear information flows, key messaging for subsidiary Chairs and clarifying the role of subsidiary Boards.
- 4.11 A specific area where we will seek to be clearer in subsidiary Board reporting is where an item may not be for ultimate decision, such as a Group policy, but its input is an important element of the decision-making process. In this instance, we will seek the subsidiary Board’s agreement that it progresses to the Group Board for ultimate approval to reflect this.
- 4.12 As has been the case in all previous governance reviews, in recognition of its importance, the role of Boards in overseeing risk management was a key theme. Campbell Tickell states in the report that:

“Our view overall is that the approach to risk currently works well”.

- 4.13 The report and recommendations also identify areas for incremental improvement in relation to how risk is positioned in Board agendas and how we can refine communication and decision-making on Group-wide risks and the effectiveness of controls.

Board and Committee Composition

- 4.14 The report recognises the commitment of our governing body members across the Group and their passion for the roles. The report considers our approach of Board members having multiple ‘hats’, acknowledging that this is not unusual in a structure of our nature or currently considered a cause for concern. It also recognises, as has been our experience, that subsidiary Chairs being part of this Board supports effective governance.

- 4.15 It does, however, highlight some risks associated with this approach, namely that if an individual(s) undertakes too many roles, this represents a risk in terms of succession planning, the diversity of views across our Boards/Committees and maintaining objectivity. Campbell Tickell recommends a limit of three roles for any individual to mitigate these risks.
- 4.16 This recommendation has been accepted in principle, however the Group RAAG Committee has been asked to consider and make recommendations to the Group Board on how this should be applied. We do not propose that any changes be made during the intervening period.
- 4.17 The report also recommends that no Committee membership should be ex-officio and membership should be driven by skills and experience. In practical terms, this relates only to the Group RAAG Committee. We will consider this recommendation as part of the annual review of Committee memberships. At this point, the Group Board can also consider the related recommendation that the Chair of the Group Board should not also be the Chair of the RAAG Committee.
- 4.18 The report identifies an anomaly in subsidiary constitutions, including ours, regarding the governance process for appointing staff members who are related to governing body members or vice versa. It also suggests that this type of provision be extended to cover relatives of senior staff members. As the report suggests, the anomaly is an unintended consequence of incremental changes to subsidiary constitutions, and we will take steps to address this through updates to our constitution.
- 4.19 The report recognises the complexity of our succession planning and, in part, links this with the nature of having Board members with multiple roles. It also identifies that greater clarity than the existing annual review of the rolling three-year succession planning is required for Boards. Over the early part of 2026, we will refresh our Group Board recruitment and succession planning process and engage with the Board in more depth about our approach, its role and our existing succession plan.
- 4.20 “It has been agreed that we will refresh both induction and development arrangements early next year, engaging Boards across the Group for their input, and implement changes immediately thereafter. Feedback is sought from the Board on any specific areas they wish us to incorporate in the refreshed induction or Board/Board member professional development.

Board practice

- 4.21 The report recognises a number of positives, in particular the following observation:

“our interviews and workshops revealed multiple strong examples of constructive and effective challenge, demonstrating that healthy scrutiny is very much present. There were no indications of groupthink; rather, challenge is delivered in a respectful and non-confrontational manner.”

- 4.22 The areas for refinement are mainly related to how we can achieve enhanced clarity and efficiency in Board papers. As a starting point for this, we will review the current Board reporting template and, in parallel, explore options to present information in ways other than text.

Wheatley Care Strategic Partnership

- 4.23 Following discussions at the Group Board and the Wheatley Care Board in November and December 2025, it has been agreed that, subject to commercial negotiations and due diligence, Wheatley Care will enter into a Strategic Partnership with the Group from April 2026.
- 4.24 As part of this, we are currently negotiating with Wheatley Care a refreshed contractual agreement for the provision of Livingwell services. This will include a detailed services specification, the responsibilities of each party, key performance indicators that Wheatley Care will be monitored against and reflect Wheatley Care being an independent organisation.
- 4.25 A key priority is that there will be continuity for and no impact on the day-to-day services currently received by Livingwell tenants. Formal Board approval will be sought to award the contract at the March meeting.

TC:G Govan/Ibrox TRA Activation Agreement

- 4.26 The 2026-2031 TC:G Business Plan was approved by the TC:G Board in December 2025 and focusses on the priority commitments over the next 5 years.
- 4.27 **East Govan/Ibrox TRA:** Significant progress has been made to date, including 278 new social rented homes, 199 Mid-Market Rent homes, and 32 NSSE homes. Currently Broomloan Road is being marketed by agents Jones Lang LaSalle. The site is expected to deliver over 400 market homes with the opportunity for developers to propose the inclusion of affordable homes. There have been good levels of initial interest from PLC housing builders, Regeneration focused developers and land promoters. The closing date is anticipated in April 2026.
- 4.28 WHG is leading on Hinshelwood Drive which is a former demolition site located to the south of the TRA, opposite Ibrox football stadium. Indicative capacity studies show the site is capable of c.160 new homes ranging from 4 to 6 storey flats. Adjacent to the TRA, is Albion Car Park, which is on site constructing 160 new homes, 80 for WHG Social Rent and 80 for MMR.
- 4.29 **Govan/Ibrox TRA Activation:** In line with the TC:G Members Agreement, each TRA requires to be formally activated. The key component of the activation agreement is the mechanism to waiver disposal clawback which enables with recycling of receipts within the Transforming Communities Glasgow Programme. This is in a standard form for each of the eight TRA.
- 4.30 The Govan Activation Agreement details the Local Delivery Plan with Broomloan as a market led opportunity and Hinshelwood Drive as an affordable opportunity, the role and membership of the local delivery group and the delivery timetable. The activation agreement is signed by each TC:G partner, WHG, GCC and SG. Execution of the Activation Agreement requires Ministerial approval from the Cabinet Secretary for Housing therefore WHG must complete the Activation Agreement before Scottish Government enters the pre-election period, necessitating submission by mid-February 2026.

- 4.31 It is recommended Board provide delegated authority for the Group Director of Development and City Building to agree and execute the Activation Agreement for the East Govan/Ibrox TRA.

Board Planner

- 4.26 Our Board planner provides the Board with visibility on the planned business and areas of focus for the year ahead and seeks its feedback on any areas it wishes to prioritise or amend.
- 4.27 The draft 2026 planner, attached at Appendix 3, seeks to reflect some of the Board's feedback over 2025 as well as reflect the findings from the governance review, in particular:
- Regular oversight of the Area plans, with a cycle of quarterly updates so progress with each plan is reviewed annually;
 - Group Policies are now scheduled to seek the Board's feedback and agreement prior to being scheduled for Group Board agreement; and
 - The planner maps where key risks on our strategic risk register are considered over the course of the year.
- 4.28 The Planner will remain dynamic, recognising that plans change over the course of the year to respond to external triggers, emergent priorities and the need to have a balanced agenda at each meeting. Some items, such as our damp and mould policy, require external guidance before we can present them to the Board.

5. Customer engagement

- 5.1 There is no direct customer engagement associated with this report.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

- 7.1 There are no direct digital transformation implications associated with this report.

8. Financial and value for money implications

- 8.1 Information about the finances associated with the Govan/Ibrox TRA Activation Agreement are set out in the Financial Projections Report and supporting Five-Year Development Plan reported to this Board meeting. There are no further financial or value for money implications associated with this report

9. Legal, regulatory, and charitable implications

- 9.1 We are required under the Scottish Housing Regulator's Regulatory Framework to achieve Standards of Governance as well as ensure compliance with other statutory duties relating to effective governance, such as company and charity law where they apply across the Group.

- 9.2 One way in which we meet these requirements is through commissioning independent reviews to gain assurance over the strength of our governance and to provide supporting evidence.
- 9.3 Legal advisors have been appointed to advise both the Group and Wheatley Care as the move to the Strategic Partnership progresses and Legal support for the development programme is provided via both our in house and Framework Solicitors as required. This includes provision of advice supporting procurement, contracts, and site acquisition.

10. Risk appetite and assessment

- 10.1 Our risk appetite in relation to 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”. Undertaking periodic independent strategic governance reviews to gain assurance on the strength of our governance is one of our risk mitigations in relation to the risk of a governance failure.

11. Equalities implications

- 11.1 There are no direct equality implications associated with this report.

12. Key issues and conclusions

- 12.1 The independent Campbell Tickell report is a positive reflection on our governance arrangements, how they operate and the role our Boards and governing body members play in achieving strong governance. The overarching message is to avoid complacency and continue to refine our approach from the sound footing we have. The agreed approach to how we respond to the recommendations will support us in further strengthening our governance.
- 12.2 The transition to a Strategic Partnership is underway, with our key focus being on continuity for our Livingwell tenants.

13. Recommendations

- 13.1 The Board is asked to:
- 1) Note the agreed approach to implementing the Campbell Tickell recommendations as set out in Appendix 2;
 - 2) Note the status of the transition to a Strategic Partnership with Wheatley Care;
 - 3) Approve the delegation of authority to the Group Director of Development and City Building to conclude final legal drafting and execute the Transforming Communities: Glasgow (“**TC:G**”) Activation Agreement for the East Govan/Ibrox Transformational Regeneration Area (“**TRA**”); and
 - 4) Approve the Board Planner for 2026.

LIST OF APPENDICES:

- Appendix 1: [REDACTED]
Appendix 2: Strategic governance review – implementation approach
Appendix 3: Board Planner 2026

Appendix 2 - Strategic governance review – implementation

Recommendation/Area for refinement	Proposed approach	Indicative timescale
1) Our overarching recommendation is that the Group Board follows its own advice and avoids complacency, using our recommendations below as a starting point (No response required)		
2) Continue to consider options to reduce complexity through:		
a) Regular review of the role of each subsidiary within the group, its alignment with purpose and whether there are more effective structures (for example collapsing or releasing a subsidiary).	We routinely undertake governance reviews and review the role of each subsidiary, evidenced by the recent review of the future role of Wheatley Care. It is proposed that the Group Remuneration, Appointments, Appraisal and Governance Committee next review our structure in 2028 in the absence of any specific event or Board decision triggering an earlier review.	2028
b) Clarifying the role of subsidiary Boards in contributing to Group decisions and policies, whether noting a Group approach which is being implemented across the structure, or opportunities for more upstream involvement and influence.	<p>We will define which decisions and decision types will be agreed at Group level first (eg agreeing overall rent parameters) and which should be agreed at Group level following subsidiary Board feedback (eg operational policies such as complaints)</p> <p>It is proposed that, with immediate effect, the default position will be that Group-wide policies are considered by Subsidiary Boards prior to being presented to the Group Board. We will then feed back, via Chairs, the outcome of the Group Board's decision on the final policy.</p>	Feb 2026
c) Strengthening links between the Group and subsidiary corporate plans and the reporting framework by putting in place clear, measurable targets to underpin each outcome in each plan.	To be considered as part of the development of the performance framework for the 2026-2031 Group strategy	May 2026
d) We also suggest that additional guidance be provided to chairs of subsidiary Boards to support them in cascading key messages from the Group Board.	All subsidiary Chairs will be provided with a key messages briefing note ahead of their Board meetings.	Feb 2026

3) Review and update standing orders and related documents more frequently and to reflect current practice, considering the following amendments:		
a) Define more clearly the roles of Group Chair and Senior Independent Director through enhanced role descriptions.	We will undertake a full review of the Group Standing Orders and cover the role descriptions of the Group Chair and Senior Independent Director roles as part of this review.	Feb 26
b) Formalise the arrangements through which the Chair of a subsidiary Board is also a member of the Group Board.	This is already enshrined in our Articles of Association, however, we will formally document the existing practice that subsidiary Chairs are selected by the Group Board, or a Committee thereof, based on factors such as the skills and experience required.	Feb 26
c) Review, and we suggest remove, ex officio membership of committees.	This currently only applies to the Group Remuneration, Appointments, Appraisal and Governance Committee. It is proposed that this is considered by the Group Board as part of the next annual review of Committee memberships.	Sep 26
d) On the current Group Chair stepping down, review RAAG terms of reference so that the Group Chair may be a committee member but may not chair the committee.	It is proposed that this is considered by the Group Board as part of the next annual review of Committee memberships.	Sep 26
4) Appointment of governing body member relatives		
Review and update arrangements a) so that the same probity expectations apply to all Board members across the group and b) with regards the appointment of a member of staff who is related to a senior staff member or member of a Board, so that there is a greater level of control for the Board. We suggest that RAAG could review and approve such appointments.	It is proposed that any such appointments are subject to Group Remuneration, Appointments, Appraisal and Governance Committee approval. The Committee will be asked to agree on a process in February, setting out the information it requires to allow it to review the process and the process will come into effect immediately thereafter.	April 26
	It is intended that we update each constitution (of those subsidiaries that directly employ staff) to reflect the process, as there is currently an inconsistency in how it is documented across subsidiaries.	Sep 26
5) Put in place incremental improvements to the ownership of risk by subsidiary Boards through:		
Earlier consideration of risk on board agendas to ensure the focus of adequate time and energy	It is proposed that how risk is placed on the agenda remains subject to agreement with each Chair when reviewing the agenda for individual meetings.	Feb 26

<p>Clarity over whether Group-level risks should be discussed at subsidiary Boards, and ensure there is consistency in how risks are communicated and interpreted.</p>	<p>Group-level risks remain relevant for subsidiaries, for example cyber security and core financial controls. Although they are managed at Group level, it is still expected that subsidiary Boards are scrutinising the assurance they receive.</p> <p>It is intended that future risk reports are, however, clearer on this and that subsidiary Boards can and should give feedback on our risk appetite levels and mitigation approach(es).</p>	<p>May 26</p>
<p>Including clearer information on the effectiveness of controls within the risk register, to support better oversight and decision-making.</p>	<p>We will refine how this information is more explicit in the reports and seek Board feedback on whether the refined approach is clearer.</p>	<p>May 26</p>
<p>6) Review how Board and committee succession is planned and managed including</p>		
<p>a) Limiting the number of Board / Committee posts to no more than three for any individual.</p>	<p>It is proposed that this recommendation is accepted in principle, but that how it is given practical effect is subject to review by the Group Remuneration, Appointments, Appraisal and Governance Committee. This review will be clear which posts would form part of the three, for example, some posts such as Non-Executive Director of the WFLs may not necessarily be given the same weighting as a subsidiary Board or Group Committee post.</p> <p>It is proposed that the Committee consider and recommend to the Board which posts should count towards the maximum of three.</p>	<p>June 26</p>
<p>b) Clarifying the role, responsibilities and expectations of subsidiary Chairs within recruitment onto their Board</p>	<p>We will refresh the Group Board recruitment and succession planning process to explicitly set out the role of subsidiary Chairs. As part of this, we will take into account feedback from subsidiary Chairs.</p>	<p>Feb 26</p>
<p>c) Considering how Boards can further increase their own diversity, including when and how external recruitment or internal appointments should be considered.</p>	<p>It is not proposed that a blanket provision be developed. This is and will continue to be considered by the relevant Board/Committee at the point of initiating recruitment, and where appropriate, reports and decisions will document the rationale for whether external or internal was selected.</p>	<p>Ongoing</p>

7) Board induction		
Strengthen and standardise induction across the Group, with greater emphasis on orientation to the broader governance model and ongoing development support.	We will undertake a comprehensive review of the Board induction process and feedback will be sought from every Board over the Feb-March Board cycle. The Group RAAG Committee will thereafter be asked to review the proposed standard approach.	April 26
8) Board learning and development		
Strengthen the approach to learning and development through linking the offer more explicitly to the appraisal process, creating a clearer pathway for individual development and performance improvement.	We will undertake a comprehensive review of the Board Continuous Professional Development approach and feedback will be sought from every Board over the Feb-March Board cycle. The Group RAAG Committee will thereafter be asked to review the proposed standard approach.	April 26
	We will strengthen the link in the annual appraisal process during the next cycle.	Nov 26
9) Board discussions		
Consider, for each Board, the introduction of NED only sessions from time to time (perhaps six monthly) and other opportunities for information time together.	<p>Given that the report explicitly identifies the high level of trust and transparency, this is interpreted as a desire for more unstructured discussions. It is proposed that this is addressed via a combination of allowing greater time for such discussions at the annual strategy workshop and through the reintroduction Group wide events.</p> <p>We will also reinforce each Board's ability to consider the agendas for Board meetings through reviewing and agreeing the Board planner.</p>	Ongoing
10) Continue to strengthen reporting to Board by reviewing the standard committee cover sheet and:		
a) Introducing an Executive Summary section	We will review the Board report template and introduce these elements within the updated template.	April 26
b) Raising recommendations / action to be taken to the top of the report	We will seek subsidiary feedback in advance of this Board approving the revised template.	
c) Including explicit reference to the audit trail of a paper (where it has been considered and when).		

11) Presentational approach and style		
Continue to improve the presentation of information to Boards by further streamlining of content, by considering use of visuals and dashboards in reporting and by challenging staff presenting at meetings to consider both the length and the value added of presentations.	<p>As part of the Board template review we will consider how future standard reports (such as the performance report) can be further streamlined.</p> <p>All relevant staff will be provided with more explicit guidance on presenting to Boards and Committees, reinforcing principles such as taking papers as read and presentations which accompany reports must add to a paper, not recap it.</p>	April 26
12) Board minutes		
Review the approach to Board minutes so that Board discussion and challenge has greater profile, capturing something more of the flavour of meetings. We caution that this should not in any way be seen as a recommendation to adopt verbatim style minutes.	Whilst Board minutes are subject to Board approval, we will circulate draft minutes within 10 working days to all Board/Committee members to allow them to provide feedback when they will have a fresher recollection of discussions.	Feb 26

Appendix 3: BOARD AGENDA PLANNER

Meeting	Agenda items
February	<ul style="list-style-type: none"> ▪ Awaab’s law ▪ 2026-2031 strategy ▪ City Centre neighbourhood plan ▪ Rent and service charges 2026/27 ▪ 2026/27 financial projections/investment & development plans ▪ Funding update ▪ Strategic governance review ▪ Finance report ▪ Performance report ▪ Group Assurance update
March	<ul style="list-style-type: none"> ▪ Home Safety building compliance update ▪ 2026/27 Budget and finance report ▪ Cyber-security update ▪ Group procurement – annual strategy and policy updates ▪ Group Hate Crime Policy ▪ Group Complaints Policy ▪ WH-G Lock ups and Garages Policy ▪ Group Arrears and Debtors Framework & WH-G policy ▪ Group Homelessness Policy ▪ Group Protection and Safeguarding Policies ▪ Group Suicide Prevention Framework
May	<ul style="list-style-type: none"> ▪ Fire Prevention & Mitigation annual update ▪ H&S Annual Report ▪ Wheatley Foundation Annual Report ▪ Annual complaints handling review ▪ Year-end Performance and ARC ▪ Annual Delivery Plan 2026/27 ▪ Finance report ▪ Risk register ▪ Governance update
August	<ul style="list-style-type: none"> ▪ Repairs and Maintenance Policy Framework and policy ▪ Stock condition assurance update ▪ Financial Statements ▪ Performance Report ▪ Group Assurance update ▪ Governance update
September	<ul style="list-style-type: none"> ▪ New build Development mid-year review ▪ Finance report ▪ Annual Report to Tenants ▪ Sustainability update ▪ Board appraisal – feedback and next steps
November	<ul style="list-style-type: none"> ▪ Group Anti-Social Behaviour Framework ▪ 2027/28 Rent setting ▪ Homeowner satisfaction improvement plan update ▪ Performance report ▪ Finance report ▪ Complaints handling update ▪ Risk Register

Meeting	Agenda items
TBC	<ul style="list-style-type: none"> ▪ Group Customer Reasonable Adjustment Policy ▪ Group Damp and mould policy

Board agenda – key risk mapping

Agenda Items	Relevant Strategic Risks (from strategic risk register)
February	
Awaab's Law	<ul style="list-style-type: none"> – Responsibilities under Awaab's Law – Damp and Mould
2026-31 Strategy	<ul style="list-style-type: none"> – Political and Policy changes impact on strategic key partnerships
City Centre neighbourhood plan	<ul style="list-style-type: none"> – Customer Satisfaction (tenants) – Impact on our customers of reduced public funding
Rent and service charges 2026/27	<ul style="list-style-type: none"> – Impact on our customers of reduced public funding – Rent Arrears Management
2026/27 financial projections/investment & development plans	<ul style="list-style-type: none"> – Reduced availability of financial support from Scottish Government and / or local government – Non-achievement of sustainability targets – Newbuild contractor non-compliance with building standards – Underperformance of main delivery partner against investment plans – Non-achievement of sustainability targets – Ability to meet Scottish Government legislative requirements for energy efficiency
Funding update	<ul style="list-style-type: none"> – Compliance with funders' requirements – Group Credit Rating – Securing new funding and adverse market changes
Strategic governance review	<ul style="list-style-type: none"> – Laws & Regulations – Governance Structure – Impact of Care Structural Change Proposal
Finance report	<ul style="list-style-type: none"> – Compliance with funders' requirements – Group Credit Rating
Performance report	<ul style="list-style-type: none"> – Rent Arrears Management – Impact of CBG consolidation on Group
Group Assurance update	Various Risks as identified in Internal Audit Plan and approved by Group Audit Committee
March	
Home Safety building compliance update	<ul style="list-style-type: none"> – Laws & Regulations – Underperformance of main delivery partner against investment plans – Large Panel System structural condition
2026/27 Budget and finance report	<ul style="list-style-type: none"> – Reduced availability of financial support from Scottish Government and / or local government – Compliance with funders' requirements – Group Credit Rating
Cyber-security update	<ul style="list-style-type: none"> – Staff behaviour enables a cyber-attack – Delayed recovery in the event of a cyber-attack – Disruption following a cyber-attack on a key system provider – Business Continuity
Group procurement – annual strategy and policy updates	<ul style="list-style-type: none"> – Repairs supply chain disruption

Agenda Items	Relevant Strategic Risks (from strategic risk register)
Gender Pay Gap (presentation)	<ul style="list-style-type: none"> – Laws & Regulations – Staff development and succession planning
Group Hate Crime Policy	<ul style="list-style-type: none"> – Laws & Regulations – Impact on our customers of reduced public funding
Group Complaints Policy	<ul style="list-style-type: none"> – Laws & Regulations
Lock ups and Garages Policy	<ul style="list-style-type: none"> – Rent Arrears Management – Commercial Operations
Group Arrears and Debtors Framework & RSL policy	<ul style="list-style-type: none"> – Rent Arrears Management
Group Homelessness Policy	<ul style="list-style-type: none"> – Rent Arrears Management – Impact on our customers of reduced public funding
Group Protection and Safeguarding Policies	<ul style="list-style-type: none"> – Laws & Regulations – Impact on our customers of reduced public funding
Group Customer Reasonable Adjustment Policy	<ul style="list-style-type: none"> – Laws & Regulations
Group Suicide Prevention Framework	<ul style="list-style-type: none"> – Impact on our customers of reduced public funding
May	
Governance update	<ul style="list-style-type: none"> – Laws & Regulations – Governance Structure
Fire Prevention & Mitigation annual update	<ul style="list-style-type: none"> – Laws & Regulations – Fire Event – Fire Safety
H&S Annual Report	<ul style="list-style-type: none"> – Laws & Regulations – Monitoring H&S arrangements
Wheatley Foundation Annual Report	<ul style="list-style-type: none"> – Impact on our customers of reduced public funding
Annual complaints handling review	<ul style="list-style-type: none"> – Laws & Regulations
Year-end Performance and ARC	<ul style="list-style-type: none"> – Rent Arrears Management – Impact of CBG consolidation on Group
Annual Delivery Plan 2026/27	<ul style="list-style-type: none"> – Impact of CBG consolidation on Group – Political and Policy changes impact on strategic key partnerships
Finance report	<ul style="list-style-type: none"> – Compliance with funders' requirements – Group Credit Rating
Risk register	All Risks
August	
Repairs and Maintenance Policy Framework and policy	<ul style="list-style-type: none"> - Underperformance of Repairs delivery partner (West)
Stock condition assurance update	<ul style="list-style-type: none"> – Non-achievement of sustainability targets

Agenda Items	Relevant Strategic Risks (from strategic risk register)
	<ul style="list-style-type: none"> – Ability to meet Scottish Government legislative requirements for energy efficiency – Large Panel System structural condition
Financial Statements	<ul style="list-style-type: none"> – Group Credit Rating – Compliance with funders' requirements
Performance Report	<ul style="list-style-type: none"> – Rent Arrears Management – Impact of CBG consolidation on Group
Group Assurance update and Internal Audit Annual Report	Various Risks as identified in Internal Audit Plan and approved by Group Audit Committee
September	
New build Development mid-year review	<ul style="list-style-type: none"> – Non-achievement of sustainability targets – Newbuild contractor non-compliance with building standards
Independent Tenant Satisfaction Survey	<ul style="list-style-type: none"> – Customer Satisfaction (tenants)
Governance update	<ul style="list-style-type: none"> – Laws & Regulations – Governance Structure
November	
Group Anti-Social Behaviour Framework	<ul style="list-style-type: none"> – Laws & Regulations – Impact on our customers of reduced public funding
Rent Setting 2027/28	<ul style="list-style-type: none"> – Impact on our customers of reduced public funding – Rent Arrears Management
Homeowner Satisfaction improvement plan update	<ul style="list-style-type: none"> - Customer Satisfaction (owners)
Funding update	<ul style="list-style-type: none"> – Compliance with funders' requirements – Group Credit Rating – Securing new funding and adverse market changes
EDI Action Plan & Annual Equalities report	<ul style="list-style-type: none"> – Laws & Regulations - Senior Staff Recruitment
Performance Report	<ul style="list-style-type: none"> – Rent Arrears Management – Impact of CBG consolidation on Group
Finance Report	<ul style="list-style-type: none"> – Compliance with funders' requirements – Group Credit Rating
Risk Register	All Risks

Report

To: Wheatley Homes Glasgow Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: Finance Report to 31 December 2025

Date of Meeting: 6 February 2026

1. Purpose

- 1.1 The purpose of this paper is to provide Wheatley Homes Glasgow Board with:
- an overview of the Finance Report for the period to 31 December 2025 and Q3 forecast financial out-turn.

2. Authorising and strategic context

- 2.1 Under the terms of the Intra-Group Agreement between Wheatley Homes Glasgow and the Wheatley Group and this Board's Terms of Reference, the WH Glasgow Board is responsible for the ongoing monitoring of performance against agreed targets, including financial performance.

3. Background - Financial performance

- 3.1 The results for the period to 31 December are summarised below:

	Actual £000	Budget £000	Variance £000
Turnover	218,358	191,717	26,641
Operating expenditure	(174,524)	(173,497)	(1,027)
Operating surplus	43,834	18,220	25,614
<i>Net operating margin</i>	<i>20.1%</i>	<i>9.5%</i>	
Net interest payable	(36,941)	(37,165)	224
Statutory surplus	6,893	(18,945)	25,838
Net Capital Expenditure	72,607	61,899	(10,708)

4. Discussion

4.1 Period to 31 December 2025

The financial results report a statutory surplus of £6,893k for the period to 31 December 2025, £25,838k favourable to budget. Early completion of 143 new build units and a strong letting performance has contributed to the surplus with total income £26,641k favourable to budget. Overall expenditure was £1,027k higher than budget with lower running costs and bad debts helping to offset in part the impact of reactive repairs costs that remained higher than budget due to higher average spend and completed jobs numbers.

Key points to note:

- Net rental income is £511k favourable to budget, due to a strong housing management performance, with a YTD void rate of 1.09%, compared to the YTD budgeted rate of 1.27%.
- New build grant income is £25,637k favourable to budget, following early completions at Calton Ph2 (65SR), Shawbridge (75MMR) and North Toryglen (3SR).
- Operating costs are £1,027k unfavourable to budget.
 - Total employee costs (direct and group services) are £18k unfavourable to budget mainly due to staffing changes compared to the budgeted structure in both WH Glasgow and Wheatley Solutions, in particular the recruitment on an in-house neighbourhood improvement team to deliver works such as close and entrance-way painting identified in our neighbourhood plans.
 - Direct and group services running costs are £134k favourable to budget with cost efficiencies in Wheatley Solutions contributing to the lower costs.
 - Revenue repairs and maintenance spend is £1,876k unfavourable at the end of December. Higher spend is reported in responsive repairs of £2,174k. In the year to date, 130,918 responsive repair jobs have been completed, compared to 126,875 in the same period last year. This results from action taken earlier in the year to reduce the number of live jobs. A joint working group has been established with colleagues in CBG to deliver agreed actions that are both short-term to control repairs spend within forecast in 2025/26 and longer-term service delivery changes that are addressing the drivers for increased costs and demand. This group reports in the Wheatley Executive Team. Cyclical and compliance spend is £298k favourable mainly due to lower cyclical repairs spend and utility costs.
 - Bad debts are £732k favourable to budget reflecting the prudent budget assumptions.

4.2 Net capital expenditure is £10,708k higher than budget, mainly due to capital investment income received in the period to December 2025 being £11,599k lower than budgeted. The variances in grant income compared to that budgeted relates to the early receipt of grant in March 2025 for North Toryglen and Shawbridge, both front funded projects with grant budgeted to be received in 2025/26.

4.3 Investment programme expenditure is £1,518k higher than budgeted, mainly due to void spend being £1,792k higher than budget, due to an increased number of higher-specification voids. This is partly offset by £158k lower spend on core programme, due to timing across programmes, with all tenant commitments forecast to be delivered by the year end.

4.4 Q3 Forecast out-turn

	FY Forecast (Q3)		
	Actual £000	Budget £000	Variance £000
Turnover	291,043	281,847	9,196
Operating expenditure	(231,949)	(230,894)	(1,055)
Operating surplus	59,094	50,953	8,141
<i>Net operating margin</i>	<i>20.3%</i>	<i>18.1%</i>	
Net interest payable	(54,377)	(54,695)	318
Statutory Surplus	4,717	(3,742)	8,459
Net Capital Expenditure	100,462	87,554	(12,908)

The forecast reports a statutory surplus of £4,717k for the full year out-turn to March 2026, which is £8,459k favourable to budget. The Q3 forecast shows an underlying deficit of £11,258k, which is £12k favourable to budget.

Key points to note:

- Total income is forecast to be £9,196k higher than budget:
 - Rental Income is £274k favourable and void losses are £424k favourable to budget due to strong letting performance at P9 supported by the early completion of 65 SR units at Calton Ph2 and the early completion of 12 SR units at Toryglen.
 - New build grant income is forecast to be £8,699k higher than budget recognising the early completion of 45MMR units at Shawbridge and 10 MMR units at Toryglen at the year end.
 - Other income is £131k lower than budget due a reduction of £538k in the intra group gift aid income from Wheatley Developments Scotland, following the lower forecast new build spend. This is partly offset by £156k of additional MMR income, linked to the higher than budgeted rent increase applied by Lowther in 2025/26 and early completion of units at the Shawbridge development and additional commercial rent from masts, solar panel and wayleave income.
- Total operating costs are forecast to be £1,055k unfavourable to budget reflecting revenue repairs and maintenance full year spend forecast to be £2,487k higher than budget, linked to the higher number of completed repairs and higher materials costs than in the prior year. This is offset by lower direct running costs reflecting the timing of the payment of the 2025/26 donations to the Wheatley Foundation, which were made in March 2025 earlier than budgeted and lower than budget bad debt provisions.

- Investment programme is forecast to be £286k higher than budget, including an increase in void costs, reflecting the higher specification voids we are experiencing in 2025/26 partly offset by lower spend in core programme due to savings in delivering the lowrise and internal common works planned programme, lower district heating costs due to the redistribution of minibem budget for relevant systems to WH East and a reprofiling of environmental works.
- Net new build expenditure is forecast to be £4,194k lower than budget primarily due to a delayed start at two sites (Abbottshall and Cook Street) linked to planning approval and site investigations, partly offset by an earlier than planned start at Albion Street.

4.5 The overall forecast financial position shows, as set out in the table below, an underlying position which is broadly in line with the budget. The additional repairs costs have been accommodated within the overall budgetary envelope. Capacity for this is available within lower running and bad debt costs and improved operational performance with void losses and earlier new build completions generating higher levels of rental income.

WH Glasgow Surplus - Q3 forecast 2025/26			
	Forecast £k	Budget £k	Variance £k
Net operating surplus	59,094	50,953	8,141
add back:			
Depreciation	83,576	83,576	0
less:			
Grant income	(34,384)	(25,685)	(8,699)
WDS gift aid income	(1,944)	(2,482)	538
Net interest payable	(54,377)	(54,695)	318
Total expenditure on Investment Programme	(63,223)	(62,937)	(286)
Underlying deficit	(11,258)	(11,270)	12

4.6 The financial performance continues to be managed within the covenants and golden rules for the RSL Borrowers together.

5. Customer Engagement

5.1 This report relates to our financial reporting and therefore there are no direct customer implications arising from this report.

6. Environmental and sustainability implications

6.1 There are no environmental or sustainability implications arising.

7. Digital transformation alignment

7.1 There are no digital transformation alignment implications arising.

8. Financial and value for money implications

- 8.1 Our cost efficiency targets are built into the budget and delivery of these is a key element of continuing to demonstrate value for money.

9. Legal, regulatory and charitable implications

- 9.1 There are no direct legal, regulatory and charitable implications arising.

10. Risk Appetite and assessment

- 10.1 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 this report.

12. Key issues and conclusions

- 12.1 This paper reports a strong financial performance position for the period to 31 December 2025 with a statutory surplus £25,838k higher than budget driven by the early recognition of £25,637k of new build grant. Excluding new build grant income, operating performance continues to be strong with additional net rental income reported from the early handovers and reduced void losses reflecting the letting performance. While overall there is an unfavourable expenditure position compared to budget the lower spend on running costs and bad debts helps accommodate the additional repair costs incurred in the year to date. An action plan has been agreed to manage the drivers of the higher average repairs spend; it is led by senior staff at both Wheatley and CBG and overseen by the Executive Team.
- 12.2 The strong performance position is forecast to continue at Q3 with a statutory surplus of £4,717k, £8,459k favourable to budget expected. The Q3 forecast shows an underlying deficit of £11,258k, which is £12k favourable to budget. The strong letting performance is generating additional net rental income and the donations to Wheatley Foundation paid earlier than budgeted in March 2025 are providing headroom within running costs. Together with the strong performance in bad debts, this accommodates the additional repairs and capital voids spend in line with our tenant commitments to provide high quality housing and invest to improve the energy efficiency of our homes.

13. Recommendations

- 13.1 The Board is requested to:
- 1) Note the Finance Report for the period ended 31 December 2025 and Q3 forecast at Appendix 1.

LIST OF APPENDICES:

Appendix 1: Period 9 – 31 December 2025 Finance Report



Period to 31 December 2025 Finance Report



1a. Operating statement – Period to 31 December 2025

	Period To December 2025			Full Year Budget £ks
	Actual £ks	Budget £ks	Variance £ks	
INCOME				
Rental Income	181,916	181,731	185	241,420
Void Losses	(1,974)	(2,300)	326	(3,034)
Net Rental Income	179,942	179,431	511	238,386
Grant Income New Build	25,997	360	25,637	25,685
Grant Income Other	2,736	2,694	42	2,863
Other Income	9,683	9,232	451	14,913
Total Income	218,358	191,717	26,641	281,847
EXPENDITURE				
Employee Costs - Direct	28,709	28,618	(91)	37,846
Employee Costs - Group Services	11,524	11,597	73	15,388
ER / VR	84	84	0	1,025
Direct Running Costs	11,411	11,453	42	16,402
Running Costs - Group Services	6,481	6,573	92	8,942
Revenue Repairs and Maintenance	52,185	50,309	(1,876)	64,808
Bad debts	1,448	2,180	732	2,907
Depreciation	62,682	62,682	0	83,576
Demolition	0	0	0	0
TOTAL EXPENDITURE	174,524	173,497	(1,027)	230,894
NET OPERATING SURPLUS / (DEFICIT)	43,834	18,220	25,614	50,953
<i>Net operating margin</i>	20.1%	9.5%	10.6%	18%
Net Interest Payable	(36,941)	(37,165)	224	(54,695)
STATUTORY SURPLUS / (DEFICIT)	6,893	(18,945)	25,838	(3,742)

Key highlights:

The financial results report a statutory surplus of £6,893k for the period to 31 December 2025, £25,838k favourable to budget. The financial performance reflects early completion of new build units and the additional grant recognised of £25,637k and the strong letting performance, offset in part by higher repair costs.

- Net rental income is £511k favourable to budget with the variance mainly related to lower than budgeted voids at 1.09% for the YTD compared to the budgeted YTD rate of 1.27%. In addition, we have benefitted from additional rental income following the early completion of 68 SR units (65 units at Calton Village PH2 and 3 at North Toryglen).

- Grant income recognised to date relates to 65SR completions at Calton Ph2 (budgeted for January 2026), 3SR completions at North Toryglen and 75MMR completions at Shawbridge Arcade (budgeted for March 2026). In addition, grant income includes grant for 14 property acquisitions.

- Other grant income is £42k higher than budget following receipt of two unbudgeted grants 1) grant from GCC to cover the costs of customers downsizing and 2) grant from Cycling Scotland for the installation of bike storage infrastructure.

- Other income is £451k higher than budget, with higher than budgeted MMR rental income, in part due to the early new build completions, higher commercial rent from masts and higher income from solar panels, due to good weather in Q1.

- Total employee costs (direct and group services) are £18k unfavourable to budget. Direct employee costs are £91k unfavourable to budget. The variance relates to changes in the budgeted structure within the Housing, Nets team and My Repairs. Group services are £73k favourable to budget due to the timing of changes compared to the budgeted structures in Wheatley Solutions.

- Total running costs (direct and group services) are £134k favourable to budget. Within direct running costs, several lines report variances due to timing, totalling £42k. Group services running costs are £92k favourable to budget due to several departments reporting lower costs across Wheatley Solutions.

- Revenue repairs and maintenance spend is £1,876k unfavourable to budget. In the YTD, responsive repairs are £2,174k higher than budget, linked to higher average spend and completed job numbers. 130,918 responsive repair jobs have been completed, compared to 126,875 in the same period last year, linked to a reduction in outstanding jobs. Higher responsive spend is partly offset by the timing of cyclical works of £333k, with the programme being re-profiled. Compliance spend is £35k unfavourable, mainly due to acceleration of EICR checks and higher spend related to Fire doors. A joint working group with CBG has been established and is delivering agreed actions that are both short term to control repairs spend within forecast in 2025/26 and longer-term service delivery changes that are addressing the drivers for increased costs and demand. This reports into the Wheatley Executive Team

- Bad debts are £732k favourable to budget. A prudent approach is taken when setting the budget.

Net interest payable is £224k favourable to budget due to the lower variable interest rate payable than assumed in the budget.

1b. Net Capital Expenditure – Period to 31 December 2025

INVESTMENT	Period To December 2025			Full Year Budget £ks
	Actual £ks	Budget £ks	Variance £ks	
Total Capital Investment Income	21,405	33,004	(11,599)	46,313
Investment Programme Expenditure	47,387	45,869	(1,518)	62,937
New Build Programme	42,315	41,794	(521)	62,305
Other Capital Expenditure	4,310	7,240	2,930	8,625
TOTAL CAPITAL EXPENDITURE	94,012	94,903	891	133,867
NET CAPITAL EXPENDITURE	72,607	61,899	(10,708)	87,554

Key highlights:

Net capital expenditure of £72,607k is £10,708k higher than budget, mainly due to timing of new build grant income being received.

- Capital investment income is £11,599k lower than budget driven by grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects with grant budgeted to be received in 2025/26. In the year, grant income has been impacted by the delayed starts at Cook Street and Abbotshall Avenue which is partly offset by the Albion Street start date being brought forward.

- Investment spend is £1,518k higher than budget, with lower spend of £158k on core programme fully offset by void spend being £1,792k over budget YTD due to an increase in the number of higher specification voids and the average cost per void. Void spend includes kitchens and bathrooms in replacements in void properties.

- New build spend is £521k higher than budget, mainly due to the early start of the Albion Street development following GCC grant availability in 2025/26, the timing of spend at Calton Ph2 and North Toryglen, partly offset by timing of payments for onsite developments including Abbotshall and Shawbridge Arcade and the delayed site start at Cook Street.

- Other capital expenditure is £2,930k lower than budget due to the timing of IT project and office premises spend.

1c. Underlying surplus

- 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 2018).
- 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 table 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, gift aid and depreciation but including capital expenditure on our existing properties.
- At December, the underlying deficit is £3,809k, £1,317k unfavourable to budget. The unfavourable variance to budget is mainly due to higher than budgeted responsive repairs of £1.9m and capitalised void spend of £1.8m in the YTD, with the strong letting and operational performance providing headroom to accommodate part of this spend. The overall financial position is managed with the parameters of the RSL Borrower Group where an underlying surplus is reported.

WHG Underlying Surplus December 2025				
	Actual £ks	Budget £ks	Variance £ks	FY Budget £ks
Net operating surplus	43,834	18,220	25,614	50,953
add back:				
Depreciation	62,682	62,682	0	83,576
less:				
Grant income	(25,997)	(360)	(25,637)	(25,685)
WDS gift aid income	0	0	0	(2,482)
Net interest payable	(36,941)	(37,165)	224	(54,695)
Total expenditure on Investment Programme	(47,387)	(45,869)	(1,518)	(62,937)
Underlying surplus/(deficit)	(3,809)	(2,492)	(1,317)	(11,270)

2a. Repairs & Investment Programme

	YTD P9			FY budget £ks
	Actual £ks	Budget £ks	Variance £ks	
Repairs				
Responsive Repairs	26,023	23,849	(2,174)	32,229
Cyclical (local)	221	554	333	739
JV Share of profits	0	0	0	(3,715)
Compliance/Overhead	25,941	25,904	(35)	35,555
Total Repairs	52,185	50,309	(1,876)	64,808

Repairs & maintenance:

- Responsive repairs are higher than budget by £2,174k. In the YTD, 130,918 responsive repair jobs have been completed, compared to 126,875 in the same period last year. This results from an acceleration of works to reduce the number of outstanding jobs (7,882 at March to 5,456 at the end of December). This is in addition to an increase in the average cost of certain repair types. A joint working group has been established with CBG which reports into the Whatley Executive team and is delivering agreed actions that are both short term to control repairs spend within forecast in 2025/26 and longer-term service delivery changes that are addressing the drivers for increased costs and demand.
- Overall compliance expenditure is £35k unfavourable to budget. The compliance fire door programme reports higher spend, following a higher access rate than assumed in the budget, and the FIT programme (EICR testing) has been accelerated. The compliance team will manage projects within the overall budget available while ensuring legislative timescales are met.

	YTD P9			FY budget £ks
	Actual £ks	Budget £ks	Variance £ks	
Investment Programme Grant Income				
Housing Emergency	270	270	0	270
Medical Adaptations	1,500	1,500	0	1,614
Total	1,770	1,770	0	1,884
Investment Programme Expenditure	£ks	£ks	£ks	FY Budget £ks
Core programme (excl SHNZ)	15,231	15,389	158	22,219
Housing Emergency	363	363	0	468
Capitalised Voids	10,078	8,285	(1,792)	11,064
Adaptations	1,703	2,196	493	2,928
Capitalised staff	4,487	4,414	(73)	5,859
City Building overhead allocated	8,441	8,441	0	11,255
Capitalised Repairs	7,084	6,782	(303)	9,144
Total	47,387	45,869	(1,518)	62,937
Net Investment Spend	45,617	44,099	(1,518)	61,053

Investment programme:

- Core programme expenditure of £15,231k is £158k less than budgeted with the variance mainly due to timing of the programme, in particular, for internal common works, lift renewals and lowrise fabric, partly offset by increased kitchen spend with the programme to deliver tenant commitments progressing well..
- Void costs are £1,792k higher than budget at the end of December. Higher spend is linked to higher costs for several voids requiring more extensive work. In 2025/26 kitchen and bathroom renewals in void properties are included in the void repair costs. We are working together with CBG to implement a number of actions both short term to control void spend within forecast in 2025/26 and longer-term service delivery changes that are addressing the drivers for increased costs.
- Capitalised repair work types include doors, windows, fencing, plasterwork, showers and damp and mould remediation. The MyRepairs team continue to closely monitor spend.

2b. New Build Programme Spend

Key highlights:

•**Abbotshall Avenue (SR/67):** Agreement has been reached with planning on the principles of a revised masterplan layout which will increase unit numbers to 81. Site acquisition and start is now anticipated by Q2 2026/27.

•**Albion (SR/80 and MMR/80):** Approved in September 2025. Acquisition of the site completed in September 2025 and works commenced in October 2025. This was originally in budget for January 2026. GCC had initially committed to £2.8m of grant in 2025/26 but have subsequently advised of a further £2.8m this year.

•**Calton Village Phase 3 (SR/33):** Approval given in September 2025 to undertake groundworks and surveys in Q3 at a cost of £0.9m, with this partly funded from Vacant and Derelict Land Fund of £0.3m. This work commenced in November 2025.

•**Kelvin Wynd:** Following demolition of all 4 blocks work is underway to remove materials leftover which will complete the final stage of demolition by April 2026. A planning application was submitted for the wider site late January 2026.

•**North Toryglen (SR/48 and MMR/10):** Works commenced on site in November 2024 following approval in October 2024 of a revised grant drawdown profile. Grant funding £3.2m, in respect of spend during 2024/25 was budgeted for 2025/26 but received in March 2025. All grant funding has been received. First 3 handovers completed in November 2025 with a further 19 expected in Q4. Variance to budget relates to the profiling of the spend.

•**Spoutmouth (SR/34):** Approved in May 2025 for land acquisition and construction of 34 social rent and 2 commercial units. Archaeological works started in August 2025 which delayed the site start. Main works commenced in January 2026.

•**Springfield Rd (SR/110 and MMR/49):** Approval in May 2025 for the first phase of feasibility works including design work to planning stage. Planning application anticipated to be submitted in Q4 25/26. Start anticipated for Q4 26/27.

•**Sighthill Ph3 (SR/41):** Approval in May 2025 to vary the existing contract with Keepmoat to deliver the next phase of 41 units for social rent. Site acquired and first payment made in October 2025, later than budgeted, and grant funding in place for 2025/26. Work progressing well on site.

Mid Market Rent

•**Calton Village Phase 2 (SR/65 and MMR/33);** Works are progressing ahead of schedule. In November 2025, WDS Board approved a Tenure flip where 25 MMR units will change to SR. Additional grant of £297k confirmed by GCC for this. All SR units have been handed over, earlier than budgeted for. The 33 MMR units are expected Q4 2026.

•**Cook St (MMR/112):** Site start will be delayed due to Planning and Site Access delays. Further site investigation work is required, with this scheduled to complete early 2026. Acquisition anticipated to be achievable by Q1 2026/27 with site start by Q2.

•**Shawbridge Arcade (MMR/75):** Site completed in November 2025.

•**South Annandale (MMR/12):** WDS Board approved in February 2024 and grant awarded in January 2024. The original contractor Morris & Spottiswood have withdrawn from the project and a further Board report will be presented in 2026/27 to progress with McFadzean Property Ltd on a turnkey basis.

	*Status	Contractor	YTD P9			Full Year
			Actual	Budget	Variance	Budget
Abbotshall Avenue	Feasibility	McTaggart	71	5,339	5,267	8,632
Albion	On site	JR Group	8,539	0	(8,539)	2,783
Bowling Green	Feasibility	TBC	0	8	8	10
Caledonia Rd	Feasibility	TBC	17	20	3	96
Calton Village Ph 3	Feasibility	McTaggart	670	43	(627)	57
Kelvin Wynd	On site	Safedem	6,247	6,632	385	7,600
Lochend Road Ph 1	Feasibility	TBC	65	76	11	101
Lochend Road Ph 2	Feasibility	TBC	37	39	2	52
Norby Rd	Feasibility	TBC	0	12	12	16
North Toryglen	On site	Cruden	7,175	5,722	(1,453)	7,296
Red Road	Feasibility	TBC	86	197	110	263
Sighthill Ph3	On site	Keepmoat	1,784	1,184	(600)	2,206
Sighthill Ph4	Feasibility	Keepmoat	0	57	57	81
Spoutmouth	On site	CCG	1,117	1,655	538	3,311
Springfield Rd	Feasibility	McTaggart	501	539	38	765
Stornoway St	Feasibility	TBC	0	61	61	82
Vallay St	Feasibility	TBC	46	116	70	155
Total Social Rent			26,354	21,697	(4,657)	33,505
Calton Village Ph 2	On site	McTaggart	5,774	4,729	(1,045)	4,729
Cook St	Feasibility	CCG	81	3,364	3,283	6,212
Newlands Centre	Feasibility	McTaggart	29	118	89	158
Shawbridge Arcade	Complete	CCG	5,180	7,420	2,239	7,625
South Annadale	Feasibility	TBC	0	778	778	1,408
Feasibility	Feasibility	-	144	425	282	567
Prior year	Complete	-	229	0	(229)	0
Total Mid Market Rent			11,437	16,833	5,396	20,698
Development Fund	-	-	0	0	0	175
Property Acquisitions	-	-	2,052	720	(1,332)	3,285
Capitalised Insurance	-	-	13	18	5	25
Capitalised Interest	-	-	0	0	0	1,265
Capitalised Staff	-	-	2,459	2,525	67	3,352
Total New Build Investment			42,315	41,794	(521)	62,305
Grant Income New Build and Acquisitions Received			18,877	30,476	(11,600)	43,671
Grant Income Other Received (Kelvin Wynd demo)			758	758	0	758
Total Grant Income			19,635	31,234	(11,600)	44,429
Net New Build Cost			22,681	10,560	(12,121)	17,876

3. Balance Sheet

	31 December 2025	31 March 2025
	£ks	£ks
Fixed Assets		
Social Housing Properties	1,923,159	1,887,476
Other tangible fixed assets	67,623	71,987
Investment properties	114,611	114,490
Investments - other	14,334	14,334
Fixed Assets	2,119,727	2,088,287
Debtors Due More Than One Year		
Inter Company Loan	22,460	22,460
Current Assets		
Trade debtors	543	254
Rent & Service charge arrears	12,899	14,044
less: Provision for rent arrears	(7,315)	(7,124)
Prepayments and accrued income	4,948	9,500
Intercompany debtors	14,943	9,037
Other debtors	9,461	7,984
	35,479	33,695
Bank & Cash	4,936	13,058
Current Assets	40,415	46,753
Current Liabilities		
Trade liabilities	(4,194)	(7,236)
Accruals	(22,267)	(19,231)
Deferred income	(7,583)	(24,658)
Rents & service charges in advance	(15,759)	(19,238)
Intercompany creditors	(36,866)	(39,555)
Other creditors	(17,354)	(14,377)
	(104,023)	(124,295)
Net Current Liabilities	(63,608)	(77,542)
Long Term Liabilities		
Contingent efficiencies grant	(46,943)	(46,943)
Bank finance	(1,114,193)	(1,086,030)
Deferred income	(18,471)	(7,892)
Provisions	(1,982)	(2,247)
Pension liability	(1,769)	(1,769)
Long Term Liabilities	(1,183,358)	(1,144,881)
Net Assets	895,221	888,324
Capital & Reserves		
Retained Income b/fwd	174,149	165,997
Income & Expenditure	6,893	8,148
Revaluation Reserves	714,179	714,179
Funding Employed	895,221	888,324

Key Commentary:

The balance sheet as at 31 March 2025 reflects the audited position and year end statutory adjustments, including the revaluation of both housing and investment properties and actuarial valuation of the defined benefit pension scheme.

- **Fixed assets:** movements from the year end reflects investment in existing properties, the new build programme, and other fixed asset additions, less depreciation to date.
- **Debtors due after more than one year:** The intercompany loan debtor relates to the convertible debt with Lowther Homes Limited and is revalued on an annual basis as part of the statutory accounts.
- **Current Assets (excluding cash):** £2.2m lower than the March 2025 position, this is due to an increase in intercompany debtors due to timing of settlements, fully offset by lower net rent arrears, linked to timing of HB payments, and lower prepayment and accrued income due to timing of adjustments at this point in the year.
- **Short-Term Creditors:** Amounts due within one year are £20.3m lower than the March 2025 position, mainly due to a reduction in prepaid rents related to the timing of Housing benefits and the release of deferred income following the handover of completed units to P9. At 31 March, HB relating to periods beginning on or after 1 April 2025 was received in advance, increasing the value at year end.
- **Deferred income (ST and LT):** This mainly relates to grant income for new build developments currently on site. Upon completion of the properties this income will be released to the I&E as grant income. 143 units have been completed in the YTD.
- **Long term bank finance loans:** Includes £1,114.2m of funding drawn down from WFL1.

4a. Q3 Forecast 2025/26

	Full Year 2025/26		
	Forecast £k	Budget £k	Variance £k
INCOME			
Rental Income	241,694	241,420	274
Void Losses	(2,610)	(3,034)	424
Net Rental Income	239,084	238,386	698
Grant Income New Build	34,384	25,685	8,699
Grant Income Other	2,793	2,863	(70)
Other Income	14,782	14,913	(131)
Total Income	291,043	281,847	9,196
EXPENDITURE			
Employee Costs - Direct	37,992	37,846	(146)
Employee Costs - Group Services	15,440	15,388	(52)
ER / VR	1,038	1,025	(13)
Direct Running Costs	15,515	16,402	887
Running Costs - Group Services	8,886	8,942	56
Revenue Repairs and Maintenance	67,295	64,808	(2,487)
Bad debts	2,207	2,907	700
Depreciation	83,576	83,576	0
Demolition	0	0	0
TOTAL EXPENDITURE	231,949	230,894	(1,055)
OPERATING SURPLUS / (DEFICIT)	59,094	50,953	8,141
<i>Net operating margin</i>	<i>20.3%</i>	<i>18.1%</i>	<i>2.2%</i>
Net Interest Payable	(54,377)	(54,695)	318
STATUTORY SURPLUS / (DEFICIT)	4,717	(3,742)	8,459

	Full Year 2025/26		
	Forecast £k	Budget £k	Variance £k
INVESTMENT			
Total Capital Investment Income	27,524	46,313	(18,789)
Investment Programme	63,223	62,937	(286)
New Build	58,111	62,305	4,194
Other Capital Expenditure	6,651	8,625	1,974
TOTAL CAPITAL EXPENDITURE	127,986	133,867	5,881
NET CAPITAL EXPENDITURE	100,462	87,554	(12,908)

Key Commentary:

Total income forecast of £291,043k is £9,196k higher than budget:

- Net rental income is £698k favourable. Gross rental income is £274k higher than budget linked to the early completion of 65SR units at Calton Ph 2 and 3 SR units at North Toryglen YTD to P9 and a further planned 9 SR units at Toryglen in Q4. Void losses are £424k favourable to budget reflecting the strong letting performance at P9.
- New build grant income is forecast to be £8,699k higher than budget and includes the early completion of 45MMR at Shawbridge, 12 SR and 10 MMR both at Toryglen.
- Other income is £131k lower than budget due a reduction of £538k in the intra group gift aid income from Wheatley Developments Scotland, following the lower forecast new build spend. This is partly offset by £156k of additional MMR income, linked to the higher than budgeted rent increase applied by Lowther in 2025/26 and early completion of units at the Shawbridge development, £151k higher commercial rent from masts and £100k additional solar panel and wayleave income.

Total expenditure forecast of £231,949k is £1,055 higher than budget:

- Total employee cost are forecasted to be £198k over budget. Direct employee cost variance relates to changes in the budgeted structure withing NETs teams and My Repairs including the establishment of an inhouse neighbourhood improvement team in the NETs.
- Total running cost are forecast to be £943k lower than budget. Direct running costs are forecast to be £887k lower than budget due to donations to Wheatley Foundation paid earlier than budgeted in March 2025. Group services running costs reflecting savings across several departments.
- Revenue repairs and maintenance are £2,487k higher than budget. Responsive repairs are forecast to be £2,924k higher linked to the increase in the number of completed repairs following a reduction in overdue jobs and cancellations rates and an increase in the average cost of certain repair types. This is partly offset by a forecast reduction of cyclical repairs of £437k due to a reprofiling of the planned programme. Overall, compliance costs are forecast to be in line with budget.

Net interest payable is £318k favourable to budget due to the reduction in the variable lending rate compared to budget and value achieved in the current market through new short duration facilities.

Net capital expenditure is forecast at £100,462k and is £12,908k higher than budget.

- Capital investment income is £18,789k lower than budget due to 1) grant being received in March 2025 for North Toryglen and Shawbridge Arcade, both front funded projects, with grant budgeted to be received in 2025/26 and 2) a reduction in grant claimed in 2025/26, due to a later start at two sites (Abbottshall and Cook Street), with a corresponding reduction in new build spend.
- Investment programme is forecast to be £286k higher than budget with an increase in void costs, linked to the number of higher specification voids, partly offset by lower than budgeted spend on Capitalised repairs and Core Programme driven by savings delivering the lowrise and internal common works planned programme, redistribution of minibem budget to WH East and a reprofiling of Environmental works.
- New build investment expenditure is forecast to be £4,194k lower than budget primarily due to a delayed start at two sites (Abbottshall and Cook Street) linked to planning approval and site investigations, partly offset by an earlier than planned start at Albion Street.

4b. Q2 Forecast underlying surplus

- As with the year to date results to 31 December 2025, the Q3 Forecast full year out-turn Operating Statement (Income and Expenditure Account) is prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2018).
- The table below shows the underlying surplus/ (deficit) after adjusting to exclude the accounting adjustments for the recognition of grant income, gift aid and depreciation, but including capital expenditure on our existing properties to reflect the underlying cash surplus/ (deficit) on our letting activity.
- The Q3 forecast shows an underlying deficit of £11,258k, which is £12k favourable to budget. The strong letting performance at P9 is forecast to continue, generating additional net rental income. The donations to Wheatley Foundation paid earlier than budgeted in March 2025 is providing headroom within running costs and together with the strong performance in bad debts accommodates the additional repairs and capital voids spend in line with our tenant commitments to provide high quality housing and invest to improve the energy efficiency of our homes. Financial performance continues to be managed within the covenants and golden rules for the RSL Borrowers.

WH Glasgow Surplus - Q3 forecast 2025/26			
	Forecast £k	Budget £k	Variance £k
Net operating surplus	59,094	50,953	8,141
add back:			
Depreciation	83,576	83,576	0
less:			
Grant income	(34,384)	(25,685)	(8,699)
WDS gift aid income	(1,944)	(2,482)	538
Net interest payable	(54,377)	(54,695)	318
Total expenditure on Investment Programme	(63,223)	(62,937)	(286)
Underlying deficit	(11,258)	(11,270)	12



Report

To: Wheatley Homes Glasgow Board

By: Aisling Mylrea, Managing Director, Wheatley Homes Glasgow

Approved by: Steven Henderson, Group Chief Executive

Subject: Performance Report

Date of Meeting: 6 February 2026

1. Purpose

1.1 The purpose of this report is to provide an update on performance against targets and strategic projects for 2025/26 to the end of quarter three.

2. Authorising and strategic context

2.1 Under our Terms of Reference, the Board is responsible for monitoring performance against agreed targets. We measure progress with the implementation of our five-year strategy via the Group Performance Management Framework.

2.2 The Group Board agreed on an updated programme of strategic projects and performance measures and targets for 2025/26 at its meeting in April 2025. Our Board subsequently agreed its specific performance measures and targets at its meeting on 16 May 2025.

3. Background

3.1 This report outlines our performance against targets and strategic projects for 2025/26. Unless specified otherwise, results for all measures are based on year-to-date figures. This includes progress with those measures that will be reportable to the Scottish Housing Regulator (“**SHR**”) as part of the Annual Return on the Charter (“**ARC**”) 2025/26.

3.2 At its last meeting, the Board were provided with the SHR published Scottish averages for 2024/25 and comparison with our own performance.

4. Discussion

4.1 The following sections present a summary of key measures and strategic projects. Strategic measures can be found in Appendix 1, strategic projects are found in Appendix 2 and Scottish Public Sector Ombudsman and ARC results in Appendix 3. Several of the Scottish averages 2024/25 are referenced through this paper for the relevant Charter indicators, alongside an update to quarter three.

Headline performance at quarter 3

- 4.2 Headline performance areas to the end of quarter 3, which are set out in greater detail in the report thereafter, are as follows:
- Strong performance across repairs timescales, tenancy sustainment, homelessness lets and compliance;
 - Continued pressure on emergency repair volumes and sickness absence;
 - Gross rent arrears improving, but Universal Credit migration remains a material risk;
 - Preparations are underway for Awaab’s Law equivalent in Scotland;
 - Two strategic projects are slightly overdue but are progressing and will be concluded by the end of the reporting year.



Delivering Exceptional Customer Experience

Customer First Centre (“CFC”)

- 4.3 Year-to-date results as of the end of quarter three for our core CFC measures are set out in the table below:

Table 1

Measure	2025/26		
	Value YTD	Target	Status
WHG - CSAT score (customer satisfaction) – rolling year	4.59	4.50	■
WHG - Call abandonment rate - those who waited over 30secs and abandoned	6.54%	5%	■
Group - % of contacts to CFC resolved within CFC	89.93%	95%	■

- 4.4 Customer satisfaction with the CFC (known as “**CFC CSAT**”) remains the CFC’s key measure, ensuring we place our customers’ voices at the heart of performance management. Our overall CFC CSAT score for the rolling year was 4.59 at the end of quarter three, an improvement on the score of 4.58 at the end of quarter two.
- 4.5 The introduction of a new Interactive Voice Response (“**IVR**”) callback option in late August has had an immediate and significant effect, reducing abandonment rates. When customers select the callback option, they retain their position in the queue and do not need to abandon their call.
- 4.6 The call abandonment rate after 30 seconds, whereby our customers waited over 30 seconds and then abandoned their call, was 6.54% at the end of quarter three. This improvement was achieved despite two weather warnings in December, which increased demand for services due to colder conditions and heating failures. Additionally, in-month performance for December improved significantly achieving 5.22% for the abandonment rate.

- 4.7 The end of quarter position was an improvement on the 7.33% at the end of quarter two, however it is not projected that we will be at or below target at year-end. We will continue to focus on improving performance with a focus on improving in month performance between now and year-end.
- 4.8 The percentage of contacts to the CFC resolved within the CFC, without the need to be passed to either Housing Teams or My Repairs Team, was 89.93% against a 95% target at the end of quarter three, an improvement on 89.67% at the end of quarter two. This includes resolution on the phone (including callbacks), by the CFC specialist teams and via Webchat. The stronger ownership by colleagues and more effective warm transfers to the Housing Specialist Team (“HST”) continue to support this metric.
- 4.9 A key focus for the CFC throughout the year has been on reducing unnecessary repeat calls into the CFC. Repeat calls can indicate that an enquiry or service has not been resolved or delivered right first time. Repeat caller data is analysed routinely, supporting a better understanding of failure demand and enabling us to understand root causes and implement solutions. In the last year the percentage of repeat calls from customers has reduced from 19.79% - 14.8%.

Repairs Satisfaction

- 4.10 Tenant satisfaction with our repairs service and individual repair experiences continues to be a key driver when it comes to overall customer satisfaction. In addition to our independent satisfaction surveys undertaken at least every three years, we also use in-house surveys on an ongoing basis throughout the year to assess and monitor how well we are doing.
- 4.11 Our digital survey of customers, through MyVoice surveys, gauges customer satisfaction 1-2 weeks after the repairs have been completed (known as “**Repairs CSAT**”). We have unexpectedly had to suspend the MyVoice digital survey service provision due to the service provider reporting a cyber related incident. The incident did not give rise to a reportable data breach or any implications for our own systems. Our quarter three CSAT performance reflects results to late November. We are exploring the best approach to restoring the surveys to continue to receive this customer feedback and insight on a service we know is a key driver of satisfaction.
- 4.12 Repairs CSAT year to date has remained static at 4.28/5. Customers provide a score from 1 to 5, and any customer who provides a score of one or two is contacted by our My Repairs Team to see how we can quickly resolve any issues they may have experienced.
- 4.13 Feedback is monitored and we contact customers with low satisfaction to discuss how their issues can be resolved. The results of these surveys are also discussed at monthly Customer Insight meetings to learn from any issues and, where appropriate, take action to address them.
- 4.14 The roll-out of van stock improvements is progressing well, with 98% of plumbing vans now fully equipped, with data showing a 10% improvement in right-first-time-fix rates. We have now commenced the electrician van stocks and have 3 vans fully stocked, with a programme to complete the remaining 54 vans over the next two months before progressing to joiner vans.

Volume of Emergency Repairs

- 4.15 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. It was recognised that this was within the context of certain types of repairs requiring an emergency repair under our policy, the Right to Repair requirements and this being a demand-led indicator.
- 4.16 Table 2 shows that emergency repair volumes remain significantly above target, driven primarily by weather-related demand. We will continue to review the raising of emergencies locally with the CFC teams to ensure that repairs being raised are appropriately diagnosed as emergencies.

Table 2

Completed emergency repairs	YTD 24/25	YTD 25/26	Variance
WHG	48,159	53,434	10.95%

- 4.17 Emergency repair numbers are 5,275 more than the same point in 2024/25, a variance of 10.95% and above target and therefore, driven by events beyond our control, will not achieve the strategic target by the end of 2025/26. To put this into context, 53,434 emergency repairs in 2025/26 are 31.27% of all responsive repairs completed and compare to 29.81% at the same point last year.

Repairs Timescales

- 4.18 Our average time taken for emergency repairs is 2.70 hours at the end of quarter three, within the 3-hour target. This is relatively static on 2.69 hours last quarter. The average time taken for non-emergency repairs was 7.55 days at the end of quarter three, an improvement on 8.19 days last quarter and within 10% of the 7.5-day target.
- 4.19 The Scottish average for 2024/25 for emergency repairs is 3.9 hours and 9.1 days for non-emergency repairs timescales and we are ahead of both benchmarks as shown in the table below:

Table 3

Repairs completion timescales (Charter)	Emergency (hours)		Non-emergency (days)	
	Target	Value	Target	Value
WHG	3.00	2.70	7.5	7.55

Damp and Mould

- 4.20 It remains our priority to respond quickly to reports of damp or mould and ensure that issues are resolved from the customer's perspective. We have completed 68% of damp and mould inspections within two days, 43% of these delays are due to customer choice, where they ask for inspections outside the two working day target. There are also some inspections that will require specialised equipment to ensure all the mould seen in the property is treated. Both instances impact the average time, at an average of 2.56 days.
- 4.21 20% of inspections record no mould. Where mould is found, 97% had the lowest severity rating of Category three, where the mould can ordinarily be treated in a single visit.

Table 4

By Severity Category		
Cat 3 – Mild	Cat 2 – Moderate	Cat 3 – Severe
97.45%	2.44%	0.11%

- 4.22 We have completed 85.68% of all damp and mould remedial works within 15 days, at an average of 9.9 days. Remedial works which take longer than this average are impacted by customer choice on appointment dates, where we are unable to gain access and the complexity and scale of some jobs such as roof or render related repairs.
- 4.23 In terms of end-to-end damp and/or mould cases required to be submitted to SHR for the first time in the ARC 2025/26, we have completed 4,918 damp and/or mould cases to the end of quarter three. These have an average end to end time, from the customer reporting it through the inspection and remedial repair(s) being completed, of 15.47 days, below our target of 17 days.
- 4.24 We report these damp and/or mould cases to SHR broken down by causation, shown below.

Table 5

Damp and/or Mould Cases Q3	By Causation			
	Condensation	Structural	Other	
Number complete	4,918	3,155	81	1,682
Average days to complete	15.47 days	16.89 days	9.13 days	13.11 days

- 4.25 Condensation is our largest causation reason, with 64% of cases categorised as being caused by condensation. Of those categorised as ‘Other’, this has included issues caused by leaks, external flooding, or where additional technical support may be required to understand the issue.
- 4.26 Structural cases in damp and mould are a small proportion of overall cases and have often had an easily identifiable cause that can be rectified quickly, such as a missing roof tile, and therefore have quicker resolution times. In contrast, cases caused by condensation require more extensive investigations to determine the underlying cause and may need the development of a comprehensive ventilation strategy, such as the installation of additional ventilation fans.

Introduction of Awaab’s Law

- 4.27 A more detailed is provided via a separate update at this meeting.

Tenancy Sustainment

- 4.28 Tenancy sustainment is the 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 new tenancy for longer, an improvement in this measure reduces lost rent and resources required for re-letting.

- 4.29 We continue to support our new customers to sustain their tenancies and to exceed targets in both the Charter and revised measures (the revised measure excludes deaths and transfers to other homes within the Group).
- 4.30 Our Charter tenancy sustainment at 93.89% remains high and surpasses the Scottish average of 91.6% for 2024/25.

Table 6

Tenancy Sustainment	Charter – All lets	2025/26 Target – Charter	Charter – Homeless Lets	Revised	2025/26 Target - Revised
WHG	93.89%	90%	94.43%	95.04%	91%

Allocations CSAT

- 4.31 Our Allocations MyVoice survey measures customer satisfaction with the process of getting their new home. Our score for the rolling year has stayed static at 4.2/5 between quarters two and three. Satisfaction for our current year-to-date is 4.3/5 against a target of 4.5/5.
- 4.32 This was driven by a slight reduction in the in-month score of 4.1/5 in October, which returned to 4.4/5 in November. As set out earlier in the report in relation to repairs, these surveys have been paused.
- 4.33 Positive feedback from our customers recognises housing officers as supportive and professional, appreciating how clearly the process was explained and sign up managed quickly and smoothly. Satisfied customers found staff approachable and reassuring.
- 4.34 The main area for improvement remains the condition of the property at move-in with issues around outstanding repairs and cleanliness, although positively the volume of dissatisfaction due to these issues has reduced during this reporting year. We have commenced an end-to-end review of how void properties are managed alongside City Building (Glasgow). Our focus is on a more closely integrated approach, with joint teams focusing on voids being handled quicker and meeting an appropriate standard.

Complaints Handling Timescales

- 4.35 Our complaints handling Charter timescale performance remains strong to quarter three as shown in Appendix 3. Our Stage 1 complaints continue to be responded to in less than four days on average while Stage 2 complaints take on average 15.27 days. Both remain well within their respective targets of 5 and 20 days and are better than the Scottish averages for 2024/25.
- 4.36 We have recorded an increase in complaints so far in 2025/26 and are closely managing and monitoring timescales for individual complaints, balancing timescales with the need for a full and quality response. At times, this has meant a complaint being responded to beyond the 5 and 20 day targets. Our full complaint measures, both Charter and SPSO, are included in Appendix 3.
- 4.37 The refreshed complaints policy is scheduled for Board review at the next meeting and a more detailed year-end review and analysis is scheduled for our May meeting.



Making the Most of Our Homes and Assets

Development Programme

- 4.38 Our target is to deliver a total of 128 new homes in 2025/26, comprising of 70 social rent homes and 58 mid-market rent. While we were not due to have reached the handover stage for any sites by the end of quarter three, we are ahead of target, having completed 65 social rented homes at Calton Village and 75 mid-market homes at Shawbridge Arcade.
- 4.39 We have acquired 17 homes this financial year and are projecting acquiring a further 18 by the end of the year. This would see us significantly exceed our expectation of 20 for the full year.

Medical Adaptations

- 4.40 The time taken to complete medical adaptations remains well within the 25-day target year-to-date, with the average days to complete at 15.58. We have completed 957 adaptations and there are 52 households currently waiting, 4 less than at the end of last quarter.

Table 7

Medical Adaptations (Charter)	Current Households Waiting	Number Completed YTD	Average Days to Complete YTD	Target
WHG	52	957	15.58	25

Gas Safety

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

Compliance

- 4.42 We have made good progress with our compliance programmes in quarter three. All of our 230 relevant properties are compliant with Legionella assessment requirements. We carried out safety inspections on all but two of our 267 passenger lifts. Both lifts are currently being upgraded via our investment programme. Upon completion of this work, they will be commissioned and added back into the inspection programme.
- 4.43 We are making strong progress with the inspection of electrical installation certificates due to expire before the end of 2025/26, with 88.01% already complete. At the end of quarter three, we have 39 properties without a valid Electrical Inspection Condition Report (“EICR”). Our housing teams continue to liaise with colleagues throughout the Group to support access to all required customers’ homes and remind customers of their legal requirements set out in the tenancy agreement where required.

Health and Safety

- 4.44 We continue with the positive position of no reportable RIDDOR incidents up to the end of quarter three. We have not lost any days this year due to work-related accidents.
- 4.45 We also have no Health and Safety Executive or local authority environmental team interventions this year, the same position that we have maintained since the measure started in 2021.

Workplace Fires and Flat Entrance Door Checks

- 4.46 We have not had any workplace fires to the end of quarter three and have not recorded any since the measure started in 2021.
- 4.47 We have a rolling programme for carrying out flat entrance door checks in all 9,983 of our properties six floors and higher. We visit all flat entrance doors in properties at and above 18m in each six-month period (April – September and October – March).
- 4.48 Where we gain access, photographic evidence is kept on file and the inspections verify that doors close properly, seals are intact, and hardware (hinges, locks, self-closers) function as intended. During the second phase of this year (which began on the 20th of October 2025) to the end of December, we have visited and completed a visual inspection on 6,614, and gained access to 3,238 of these to complete successful inspections.
- 4.49 This programme continues to present challenges in gaining access inside the properties. The Board previously agreed that we would force access to complete the check where there is “clear evidence that the flat entrance door has no qualities of fire resistance, or there is clear evidence that the fire resistance of the door has been compromised due to a repair”. We have had none that fit these criteria in the second phase to the end of December.
- 4.50 This programme has been delivered by City Building Glasgow who sub-contract this work out. On the 5th of January 2026 this was brought in house, which should help support the improvement of the no-access rates as the in-house teams will work closely with the concierge teams.



Changing Lives and Communities

Peaceful Neighbourhoods

- 4.51 Our strategic measure is for over 80% of customers across our Group to live in neighbourhoods categorised as peaceful by the end of the strategy period. At the end of quarter three, the Group-wide percentage of tenancies categorised as Peaceful reduced from 73.30% at the end of quarter two 2025/26 to 72.67% in quarter three. Over the course of our strategy, we have identified the need for a more insightful measure on neighbourhoods and we have agreed that this measure will not form part of our future performance framework.

Anti-Social Behaviour (“ASB”) Resolved

- 4.52 We have seen a positive performance trend in ASB cases resolved throughout this year, with performance consistently remaining over 97% from the end of quarter one onwards. By the end of quarter three, as set out in the table below, the resolution rate for our ASB cases was 97.24% year-to-date, an increase from 96.23% at the end of quarter two. The December in-month result was 100%, meeting target. The Scottish average resolution rate for ASB cases resolved in 2024/2025 was 93.4%.

Table 8

ASB Resolution Rate	YTD	2025/26 Target
WHG	97.24%	100%

- 4.53 We continue to have a strong focus on ensuring high visibility of unresolved cases within each locality to help support oversight and continuous improvement.

Repeat Anti-Social Behaviour cases – number of repeat addresses

- 4.54 To the end of quarter three, ASB was recorded at 486 repeat addresses within WHG, compared to 464 in quarter three of 2024/25. Fewer than 1% of our properties have issues with repeat incidences of ASB.

Accidental Dwelling Fires

- 4.55 This year we have had 58 accidental dwelling fires (“**ADFs**”) to the end of quarter three, compared to 57 in 2024/25. Of the 58 ADFs so far reported this year, 56 of these were considered minor, with two significant fires; in one fire the customer received medical intervention at the scene and in the second, the customer was admitted to hospital.
- 4.56 We continue to undertake Person Centred Fire Risk Assessments for any customer where there have been fire-related incidents, or there are indicators of elevated risk highlighted by Housing Officers or other staff. The purpose of these visits is to offer fire safety advice and guidance for customers and ensure any other repairs or preventative measures can be put in place to reduce and mitigate these risks as much as possible.

Table 9

Number of recorded accidental dwelling fires	2025/26 YTD	2024/25 Full year
WHG	58	57

- 4.57 This contributes towards a Group Strategic result to reduce RSL ADFs by 10% by 2025/26, against the baseline of 215 ADFs in 2020/21. We achieved this target in each year of the strategy so far.

- 4.58 Our strategy measure aims to ensure that 100% of applicable properties have a current fire risk assessment in place. This continues to be achieved as set out in the table below:

Table 10

Fire Risk Assessments	2025/26 YTD	2024/25
The percentage of relevant premises - HMOs that have a current fire risk assessment in place	100%	100%

Reducing Homelessness

- 4.59 We have provided 1,271 homes to homeless households to the end of quarter three, bringing our total homeless lets so far under our 5-year strategy to 7,619. Our percentage of relevant lets made to homeless applicants is 60.48%.




Table 11

Reducing Homelessness	2025/26 Number of lets to homeless applicants (ARC) - YTD	2024/25 Number of lets to homeless applicants (ARC) – full year
WHG	1,271	1,707

Jobs and Opportunities

- 4.60 As set out in the table below, the Wheatley Foundation is performing strongly against all measures, which focus on alleviating poverty and creating opportunities for young people.

Table 12

Indicator	Target (YTD)	(YTD)	2024/25
Number of children and young people benefiting from targeted Foundation programmes in Wheatley Communities	621	1,136 	1,651
Total number of jobs, training places or apprenticeships created for customers and communities	407	505 	533
Number of people accessing services which help alleviate poverty in Wheatley Communities	4,030	5,482 	7,270







Developing our Shared Capability

Sickness Absence

- 4.61 Our sickness rate to the end of quarter three was 3.30%, an improvement from 3.49% last quarter. As set out in the table below, we remain above the 3% target.

Table 13

Sickness Rate	Target	2025/26 YTD	2024/25
WHG	3%	3.30% 	3.24% 
NETS	5%	6.72% 	5.87% 

4.62 Our Health and Wellbeing team have been attending housing officer team meetings and providing one-to-one sessions for team members. We are also planning our annual training schedule which will ensure all managers have the opportunity to attend absence, investigation, and disciplinary training.

4.63 The following actions are also ongoing:

- Revising absence management training and including updated Occupational Health training;
- Continuing to work with management teams where absence levels are higher;
- Reviewing absence categories to align with Office of National Statistics (“ONS”) for more accurate performance benchmarking;
- Offering menopause sessions and support; and
- Promoting stress/anxiety workshop.

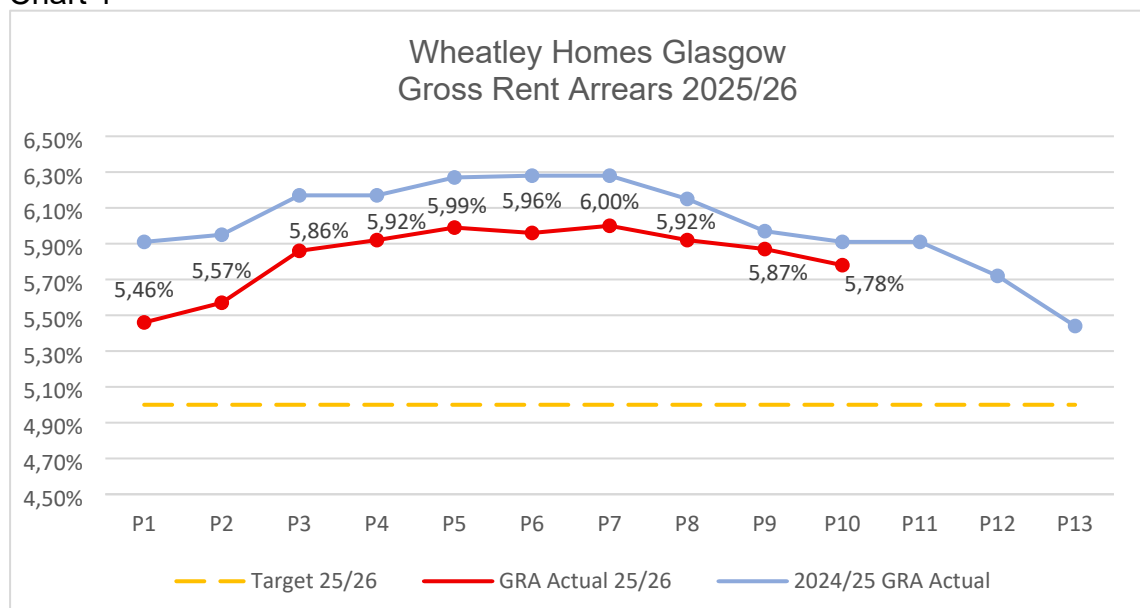
 **Enabling our Ambitions**

Gross Rent Arrears (“GRA”)

4.64 Our GRA has improved from 6% at the end of quarter two to 5.78% at the end of quarter three. This is also an improvement from 5.91% at the same time last year and we remain ahead of the 6.2% Scottish average published by the Regulator for the 2024/25 Charter.

4.65 A notable impact on our arrears performance this year has been the Department of Work and Pensions’ (“DWP”) accelerated programme of migrating our customers onto Universal Credit (“UC”). At this time last year, we had 18,198 UC customers, which has now increased to 24,816, 59.38% of our customers. Progress over the year is set out in the chart below.

Chart 1



- 4.66 We are taking a proactive and structured approach to reducing rent arrears, combining early support for customers with firm escalation where engagement is not forthcoming. This includes prioritising contact to help customers maximise income, agree affordable repayment arrangements and prevent arrears from escalating, while also strengthening recovery action and appropriate write-off of former tenant arrears to ensure all elements of gross rent arrears are effectively managed.
- 4.67 A targeted rent campaign launched in quarter two has introduced themed weekly activity, initially focusing on specific arrears value bands and using systematic customer contact, including evening and weekend outreach. In the final quarter, the focus will shift to new tenant arrears, festive non-payment and more complex cases, supported by coordinated work with Welfare Benefits Advisors, the homeless casework team and the Financial Wellbeing service, particularly for customers transitioning to Universal Credit. This approach is intended to maximise recovery, improve escalation and provide targeted support where it is most needed.


Average Days to Re-Let (Charter and Revised)

- 4.68 Our average days to re-let for the Charter further improved in quarter three with our year-to-date result now at 24.89 days compared to 26.36 days at the end of quarter two. We remain well ahead of the 60.6 days Scottish average 2024/25.
- 4.69 Meter issues which are no longer an eligible adjustment under the amended guidance introduced by the SHR this year, include, where a tampered meter results in a property having no power or where the supply has been cut off and we are awaiting reconnection (energy companies are not prioritising this work due to the property being void); both issues mean we cannot undertake crucial safety checks prior to letting.
- 4.70 Excluding meter issues, our re-letting times also improved from 21.60 days at the end of quarter two to 20.58 days at the end of quarter three as set out in the table below.

Table 14

Average days to re-let	ARC 2025/26 YTD (including meter issues)	2025/26 Target	2024/25 (including meter issues)	Revised 2025/26 YTD (excluding meter issues)	Revised 2024/25 (excluding meter issues)
WHG	24.89	16	33.49	20.58	21.38

- 4.71 The end-to-end review of our voids processes referred to earlier in the report will also positively impact our average days to let by reducing hand-offs and increasing the pace at which voids progress throughout the process.

 **Summary of Strategic Project Delivery**

- 4.72 A full update on progress with strategic projects is attached in Appendix 2. The following table summarises the current status of projects.

Table 15

Complete	On track	Slippage	Overdue
1	4	1	2

4.73 One project has shown slippage:

MSF strategic asset investment plans - Our in-house building pathology team, supported by external consultants have undertaken surveys of all 38 MSF sites. The slippage in the project is to allow us to ensure that we also align this with the stock condition work underway in relation to Large Panel Systems. The business and investment plans both have sufficient provision for the expected year one priorities of the MSF plans. It is expected this project will be concluded by the end of the reporting year

4.74 Two projects are overdue but progressing:

Glasgow Regeneration incl. TC:G and TRAs - Brighton Street site at Govan/Ibrox being marketed by JLL. The Activation Agreement is going through the relevant governance approvals, including the March TCG Board.

Engagement 2.0 - Customer engagement has been at the heart of the development of our 2026-2031 strategy. The level of engagement, in particular digital, has exceeded our expectations and provided us with important insight as we review our customer engagement framework.

Our draft strategy for 2026-31 reaffirms our commitment to engagement and insight yet places stronger emphasis on listening, learning, and delivering what matters most to customers. This means aligning our approach to our strategy objectives and customer priorities, safety, repairs, communication, and affordability. We therefore slightly delayed the finalisation of our Stronger Voices Framework 2.0 proposals to allow our draft strategy to be finalised and reflect the feedback we have received during its development. It will be presented to the next meeting for Board agreement.

5. Environmental and sustainability implications

5.1 Our Group sustainability framework includes a refined sustainability performance framework overseen by the Wheatley Solutions Board.

6. Digital transformation alignment

6.1 Our strategy is underpinned by digital transformation. The strategic projects for 2025/26 have been developed and prioritised with IT, digital and data interdependencies a key factor.

7. Financial and value for money implications

7.1 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.

8. Legal, regulatory and charitable implications

- 8.1 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. We 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 has been completed.

9. Risk appetite and assessment

- 9.1 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 a cautious appetite in relation to compliance with law and regulation.

10. Equalities implications

- 10.1 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.

11. Key issues and conclusions

- 11.1 We have strong performance against our targets at the end of quarter three in several key areas including lets to homeless households, tenancy sustainment, emergency repair completion timescales, reactive repairs completed right first time, medical adaptation completion timescales, jobs and training places created, children and young people benefiting from Foundation programmes and the number of people accessing services to help alleviate poverty.
- 11.2 Completion of annual tenant visits, arrears, average time to re-let properties, CFC resolution and abandonment, non-emergency repair timescales and sickness absence remain key areas of focus.
- 11.3 Preparations also continue for the new damp and mould requirements under Scotland's equivalent of Awaab's Law, which will have direct implications for how we monitor performance and compliance data we will require to collect and report on.

12. Recommendations








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

LIST OF APPENDICES:















Appendix 1: Strategic Measures Dashboard
Appendix 2: Strategic Projects Dashboard
Appendix 3: SPSO and ARC Complaints

Appendix 1: Delivery Plan 25/26 - Strategic Measures

1. Delivering Exceptional Customer Experience







Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
% Annual Tenant Visits	68.56%	72.53%	100%	
% new tenancies sustained for more than a year - overall	93.61%	93.89%	90%	
% new tenancies sustained for more than a year - homeless	94.57%	94.43%	Contextual	
% new tenancies sustained for more than a year - revised	95.03%	95.04%	91%	
Group - % of contacts to CFC resolved within CFC	89.79%	89.93%	95%	
CFC CSAT	4.6	4.59	4.5	
Allocations CSAT	4	4.2	4.5	
Call abandonment rate after 30 secs	3.5%	6.54%	5%	








2. Making the Most of Our Homes and Assets

Measure	2024/25	YTD 2025/26		
	2024	2025		Status
	Value	Value	Target	
Average time taken to complete emergency repairs (hours) – make safe	3.26	2.7	3	
Average time taken to complete non-emergency repairs (working days)	7.9	7.55	7.5	
% reactive repairs completed right first time	90.17%	98.65%	90%	
Number of gas safety checks not met	0	0	0	
Average time to complete approved applications for medical adaptations (calendar days)	16.11	15.58	25	
Legionella - percentage of applicable properties with a valid risk assessment in place	100%	100%	100%	
Percentage of EICR certificates due to expire by end of financial year now renewed	90.57%	88.01%	100%	
Percentage of properties with an EICR certificate up to 5 years old	99.91%	99.91%	100%	
Percentage of domestic stair and through floor lifts with a completed annual inspection and test	100%	100%	100%	
Percentage of passenger lifts with a completed six-month inspection and test	100%	99.26%	100%	
New build completions - Social Housing	83	68	0	
New build completions - Mid-market	91	75	0	
Number of RIDDOR	0	0	Contextual	
Number of HSE or LA environmental team interventions	0	0	0	
Number of accidental fires in workplace	0	0	0	
Number of accidental dwelling fires recorded by Scottish Fire and Rescue	57	58	Contextual	


Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
Number of new employee liability claims received	0	0	Contextual	
Group - Number of open employee liability claims	10	9	Contextual	
Number of days lost due to work related accidents	0	0	Contextual	

3. Changing Lives and Communities







Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
% ASB resolved	100%	97.24%	100%	
% Lets Homeless Applicants - overall	63.29%	59.17%	Contextual	
% Relevant lets to Homeless Applicants	64.62%	60.48%	Contextual	
Group - Percentage of Community Benefit job and training opportunities arising through the spend associated with new home construction and our investment programme that have been secured by Wheatley customers	69.77%	57.14%	30%	
Group - % planned jobs, training places or apprenticeships created which are secured by our customers	73.19%	70.3%	60%	
Total number of jobs, training places or apprenticeships created for customers and communities	533	505	407	
Number of children and young people benefiting from targeted Foundation programmes in Wheatley Communities	1,651	1,136	621	
Number of people accessing services which help alleviate poverty in Wheatley Communities	7,270	5,482	4,030	

Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
Group - % of Communities Classified as Peaceful	74.05%	72.67%	75%	
WHG - % of Communities Classified as Peaceful - North East	71.19%	65.38%	75%	
WHG - % of Communities Classified as Peaceful - South	71.62%	78.62%	75%	
WHG - % of Communities Classified as Peaceful - North West	60.1%	57.7%	75%	
Group - Repeat antisocial behaviour cases in period – number of repeat addresses	935	752	652	
Group - The percentage of HMOs that have a current fire risk assessment in place	100%	100%	100%	
Group RSLs - Number of accidental dwelling fires (reduce by 10% by 2025/26) (Upper limit 195 for 2024/25)	95	85	193	


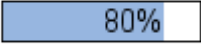

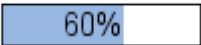
4. Developing Our Shared Capacity


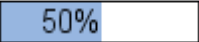

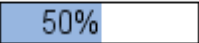

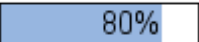
Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
% Sickness rate	3.24%	3.3%	3%	


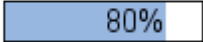
5. Enabling Our Ambitions





Measure	2024/25	YTD 2025/26		
	2024	2025		
	Value	Value	Target	Status
% lettable houses that became vacant	6.62%	6.61%	8%	
Average time to re-let properties (ARC)	33.49	24.89	16	
Average time to re-let properties (excluding meter issues)	21.38	20.58	16	
WHG C - Gross rent arrears (all tenants) as a % of rent due	5.44%	5.78%	5%	
WHG A - Gross rent arrears (all tenants) as a % of rent due	5.47%	5.82%	Contextual	
WHG B - Gross rent arrears (all tenants) as a % of rent due	4.94%	5.09%	Contextual	
% of payments made within the reporting period which were paid in 30 days or fewer (from the date the business receives a valid invoice)	94.45%	89.61%	96%	
% of contracted expenditure compliant with procurement rules	98.94%	99.37%	99%	

Appendix 2: Delivery Plan 25/26 - Strategic Projects

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note
Asset Compliance and Data Strategy Programme	31-Mar-2026			01. PIMSS Platform - Architecture and SAAS review	31-May-2025	Yes	This project will continue into quarter 4 and will conclude by the end of 2025/26.
				02. 2 (FRA + Lifts) - process map and to-be design	30-Jun-2025	Yes	
				03. PIMMS/Group 3-year roadmap - review and define with vendor input	31-Aug-2025	Yes	
				04. Group business and Assurance approach review	31-Oct-2025	Yes	
				05. ET end of Programme Update	31-Mar-2026	No	
MSF strategic asset investment plans	28-Feb-2026			01. External consultants appointed to carry out building pathology pathway project	30-Apr-2025	Yes	Update provided in the report.
				02. Building pathology pathway project concludes and in-house team in place	31-May-2025	Yes	
				03. Desktop analysis and surveys undertaken of MSFs by in-house building pathology team	30-Sep-2025	Yes	
				04. MSF Strategic Investment and Management plan developed from analysing the findings from asset data, building surveys and qualitative feedback	31-Dec-2025	No	
				05. Group Board approval of MSF Strategic Investment and	28-Feb-2026	No	

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note
				Management Plan and Five-year capital investment plan			
Providing safe, secure tenancies to support independent living (external interdependency)	28-Feb-2026			01. Complete the build and allocation of the 19 West Craigs properties	31-Jul-2025	Yes	In early January we welcomed a member of Glasgow HSCP's commissioning team to West Craigs, and plan to invite more key staff from this team to widen knowledge of what the service is achieving.
				02. Engage with Glasgow and Dumfries and Galloway Health and Social Care Partnerships to showcase the potential for new build supporting hospital discharges into independent living	31-Oct-2025	Yes	
				03. Engage with Glasgow and Dumfries and Galloway Health and Social Care Partnerships and Councils to explore the potential for a similar approach	31-Jan-2026	No	
				04. Update to the Group Board on the engagement and any associated implications for our future development programme	28-Feb-2026	No	
Wyndford regeneration (external interdependency)	31-Mar-2026			01. PAN Community Engagement Event	31-May-2025	Yes	Planning application has been collated and ready for issue. Safedem is reporting to be completed by 31 March 2026
				02. Identify preferred contractor of 380 new homes	30-Jun-2025	Yes	
				03. Submission of detailed planning application	31-Jan-2026	No	
				04. Complete demolition contract	31-Mar-2026	No	
Glasgow Regeneration incl. TC:G and TRAs	31-Dec-2025			01. Red Road Site Investigation findings & Land	30-Jun-2025	Yes	Brighton Street site at Govan/Ibrox being

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note
				Use Proposals to TC:G Board			marketed by JLL. Activation Agreement is now subject to relevant Board approvals.
				02. Govan/Ibrox TRA activated and Brighton Street site to market (as agreed by TC:G Board)	30-Sep-2025	No	
				03. Review empty or underused assets within our communities (Milton, Cranhill, Drumchapel) and agree a strategy to deliver new homes working with Glasgow City Council	30-Sep-2025	Yes	
				04. Sighthill (affordable homes) on site	30-Nov-2025	Yes	
				05. Red Road remediation and regeneration strategy to TC:G Board	31-Dec-2025	Yes	
Engagement 2.0: Maturing customer engagement and performance measures as part of our customer insight approach	31-Dec-2025			01. Trial a new method of managing engagement - MS Dynamics in WHG South area - and evaluate its impact	30-Jun-2025	Yes	Update provided in the report.
				02. Undertake a review of the existing Stronger Voices framework and operation of the existing structures	31-Jul-2025	Yes	
				03. Gather customer perspective and ideas on how our approach to engagement could evolve through the 2026-31 strategy development phase 2	30-Sep-2025	Yes	
				04. Review the existing framework based on the	31-Oct-2025	Yes	

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note
				review of its effectiveness to date and feedback from customers			
				05. Recommendations for Stronger Voices Framework 2.0 in support of our emerging Strategy 2026-31 agreed by RSL and Group Boards	31-Dec-2025	No	
Tenant Web Self-Service	31-Mar-2027			01. Business Case development and approved by the Executive Team	31-May-2025	Yes	Commercials were submitted to NEC in December. NEC have advised that costing will be provided in Feb to allow final contact discussion and agreement to be sought by the end of March.
				02. Preferred vendor engagement pre contract	30-Nov-2025	Yes	
				03. Contract award	31-Mar-2026	No	
				04. Project commencement	30-Apr-2026	No	
				05. NEC Project Plan approved	30-Jun-2026	No	
				06. Development and implementation update to Executive Team	30-Nov-2026	No	
Lowther letting growth strategy	31-Dec-2025			01. Board strategy workshop - Lowther Homes Board agree principles of an asset growth strategy	31-May-2025	Yes	Grant transfers approved. Papers drafted for WH Glasgow, WH East, Lowther, WFL2 and Group Board for final approvals. Security exercise well-advanced. Loan expected to complete before end of FY26
				02. Explore financial models to support agreed options	31-May-2025	Yes	
				03. Explore potential alternative corporate structure options to support growth e.g. equity models or Joint Ventures	31-Oct-2025	Yes	
				04. Agree preferred option(s)	31-Dec-2025	Yes	

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note
				with the Lowther Homes Board, for onward recommendation to the Group Board where applicable			

Appendix 3: Q3 2025/26 - ARC and SPSO measures

- 1.1 This appendix provides ARC and SPSO measures up to Q3 2025/26.
- 1.2 For Group RSLs, ARC measures include complaints received from all customers who receive a service provided by Group RSLs or on their behalf. This includes factoring services delivered by Lowther Homes on behalf of Group RSLs.
- 1.3 For Group RSLs, SPSO measures include all complaints relating to the RSL, irrespective of the source of the complaint.

Charter (ARC) Measures

- 1.4 ARC measures are reported to SHR for each Registered Social Landlord (RSLs) in the Group. Performance is for all RSL customers, including those factored owners who receive a service from Lowther Homes on behalf of RSLs.
- 1.5 WHG - number of complaints received:

WHG – complaints received						
* excluding complaints carried over						
	*2024/25			2025/26 YTD		
	Stage 1	Stage 2	All	Stage 1	Stage 2	All
WHG	4,848	659	5,507	3,761	598	4,359

- 1.6 The table below outlines the average time for a full response (working days) for Stage 1 and Stage 2 complaints. All targets are being met for this measure. Performance for WHG is better than the 2024/25 SHR Scottish average of 5.4 days for S1 complaints and the SHR average of 21.3 days for S2 complaints. Performance is for WHG (including Lowther Factored homeowners) who receive a factoring service from Lowther on behalf of WHG.

Charter - average time for a full response to complaints (working days)				
Subsidiary	2024/25 Stage 1 - 5-day target, Stage 2 – 20-day target		2025/26 – YTD Stage 1 - 5-day target, Stage 2 – 20-day target	
	Stage 1	Stage 2	Stage 1	Stage 2
WHG	3.71 ■	14.85 ■	3.97 ■	15.27 ■

- 1.7 The table below outlines the average time for a full response to complaints (working days) overall, for Stage 1 and Stage 2 combined. WHG is exceeding the target.

Charter - average time for a full response to complaints (working days)		
Subsidiary	2024/25 Target – not targeted	YTD 2025/26 – 6 days
WHG	5.06	5.54 ■

SPSO Measures

1.8 SPSO measures includes all customers who raise a complaint. We are required to record our performance against the SPSO indicators and report these to the board and senior managers. On request the SPSO can ask that we provide them with details of our complaint handling performance in line with their indicators.

1.9 Stages of complaints are defined as:

- *Stage 1 complaints* – are first time reports of dissatisfaction with services.
- *Stage 2 complaints* – directly received as Stage 2, i.e. not escalated from Stage 1. This can be cases which are considered a risk to reputation or requires investigation due to the number of issues raised that could not have been reasonably resolved at Stage 1 as part of a frontline resolution.
- *Escalated complaints* – complaints that were received into the organisation at Stage 1 and later escalated to Stage 2.

1.10 A summary of the year-to date figures for each of the indicators are included below.

Indicator 1 - total number of complaints received.

1.11 Both Stage 1 and Stage 2 (direct) numbers have increased compared to the same period in 2024/25, collectively increasing by 4.58% (3,646 to 3,813).

1.12 Escalated complaints are not counted in the number received but do impact the service, in that they still must be dealt with as a Stage 2 complaint. Looking at Escalated complaints, these have increased by 20% compared to the same period in 2024/25.

SPSO Indicator 1 - total number of complaints received - YTD						
	2024/25 YTD to December			2025/26 YTD		
	Stage 1	Stage 2 (Direct)	Escalated Complaints	Stage 1	Stage 2 (Direct)	Escalated Complaints
WHG	3,617	29	455	3,761	52	546

Indicator 2 - number and % of complaints at each stage that were fully closed within timescales of 5 and 20 working days. Full response has been given to customer/resolution has been reached, including those with outstanding actions. Extensions of time to a complaint will be included in the total count and will be considered "late".

1.13 WHG are under the target of 95% for stage 1 and 100% for stage 2 for quarter 3 with the following performance:

- Stage 1 – 94.38% - 207 were not responded to within timescale;
- Stage 2 – 98.11% - one was not responded to within timescale; and

- Escalated complaints – 99.63% - two were not responded to within timescale.

SPSO Indicator 2 - number and % of complaints at each stage that were fully closed within timescales of 5 and 20 working days						
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	
	2024/25	YTD 2025/26	2024/25	YTD 2025/26	2024/25	YTD 2025/26
WHG	96.48%	94.38%	100.00%	98.11%	100.00%	99.63%

Indicator 3 - the average time in working days for a full response to the stage.

1.14 WHG is achieving target of 5 days for stage 1 and 20 days for stage 2 for quarter 3.

SPSO Indicator 3 - the average time in working days for a full response to the complaints at each stage – YTD 2025/26			
Subsidiary	Stage 1 - responded to within 5 working days	Stage 2 - average time in working days to respond to complaint	Escalated complaints - Average time to respond to complaints after escalation from Stage 1 to Stage 2
WHG	3.97	16.19	15.18

Indicator 4 - the outcome of complaints as a % of overall complaints.

SPSO Indicator 4 - the outcome of complaints as a % of overall complaints YTD 2025/26				
Subsidiary	Stage 1 - upheld	Stage 1 - partially upheld	Stage 1 - not upheld	Stage 1 - resolved
WHG	38.40%	14.21%	30.76%	16.63%
	Stage 2 - upheld	Stage 2 - partially upheld	Stage 2 - not upheld	Stage 2 - resolved
WHG	32.08%	32.08%	30.19%	5.66%
	Escalated complaints - upheld	Escalated complaints - partially upheld	Escalated complaints - not upheld	Escalated complaints - resolved
WHG	47.13%	22.18%	28.47%	2.22%

Report

To: Wheatley Homes Glasgow Board

By: Ranald Brown, Director of Assurance

Subject: Group Assurance update

Date of Meeting: 6 February 2026

1. Purpose

1.1 This report provides the Wheatley Homes Glasgow Board (the Board) with an update for noting of the internal audit work reported to the August and November Group Audit Committee meetings.

2. Authorising and strategic context

2.1 Under its Terms of Reference, the Board is responsible for managing and monitoring its compliance arrangements and operational performance. The activities undertaken by the Assurance Team provide the Board with independent assurance to support the Board in this role.

2.2 The Group Audit Committee is responsible for monitoring the Group's assurance activities, including approval of the Internal Audit Annual Report, and monitoring results as presented in quarterly Assurance Updates.

3. Background

3.1 In May and August 2025, the Group Audit Committee approved delivery of the following reviews, as part of the rolling Internal Audit Plan. The reviews highlighted in **blue font** are those relevant to this Board:

Development projects budget management	Arrears management	Lowther Annual Assurance Statement	Purchase Card analytics	Business Continuity Planning
Damp and Mould process	Group Policy Framework	Faster Payments analytics	Legislative compliance mapping (Phase 1 of 2)	Health & Safety local audits
	Electrical Testing Certificates analytics	Helping Hand Fund analytics	Follow up of management actions	

3.2 The Internal Audit team has now completed these reviews, and summary details of the relevant findings (those in blue font) are set out in the report at **Appendix 1**.

3.3 In addition, the CBG Audit Committee approved an annual internal audit plan comprising the following reviews:

- Scheme of Delegation;
- Financial Management;
- Payroll;
- Sub-contractor management; and
- Compliance.

3.4 The outcome of each of these reviews is reported to the CBG Audit Committee, with a summary being provided to the Group Audit Committee in February and May 2026. An update on the key findings will be included within our 2025/26 Annual Internal Audit Report and Opinion.

4. Discussion

4.1 The tables below summarise the results of all internal audit work completed in the period since our last report.

Assurance Reviews

Review Title	Relevant Subsidiaries	Control Objective Assessment	No of actions by type	
Management of Development project budgets	All subsidiaries except Care and Foundation		P - 2	CI - 2
Arrears Management	Loretto, WH-E, WH-G, WH-S		P - 1	CI - 4
Lowther annual Assurance Statement validation	Lowther		P - 0	CI - 3
Purchase Cards data analytics	All subsidiaries		P - 0	CI - 4
Business Continuity Planning	All subsidiaries		P - 1	CI - 2
Damp and Mould process	Loretto, Lowther, WH-E, WH-G, WH-S and Solutions		P - 6	CI - 5
Group Policy Framework	All subsidiaries		P - 0	CI - 4
Faster Payments analytics	All subsidiaries		P - 0	CI - 3

Advisory Reviews

Review Title	Relevant Subsidiaries	No of actions by type	
Legislative compliance mapping annual review (phase 1 of 2)	All subsidiaries	P - 1	CI - 1
Health & Safety local audits	All subsidiaries	P - 1	CI - 3

Focused Reviews

Review Title	Relevant Subsidiaries	No of actions by type	
Electrical Testing Certificates data analytics	Loretto, Lowther, WH-E, WH-G, WH-S and Solutions	P - 3	CI - 2
Helping Hand Fund analytics	Foundation, Loretto, WH-E, WH-G, WH-S	P - 0	CI - 2

4.2 The control objective ratings are defined below:

Red	Amber	Yellow	Green
<ul style="list-style-type: none"> Control objective not achieved. Control weaknesses identified could have a significant and immediate impact on the risks to achievement of the organisation's objectives. 	<ul style="list-style-type: none"> Control objective not achieved. Control weaknesses identified could have a moderate impact on the risks to achievement of the organisation's objectives. 	<ul style="list-style-type: none"> Control objective achieved. Control weaknesses identified could have a minor impact on the risks to the achievement of the organisation's objectives. 	<ul style="list-style-type: none"> Control objective achieved. Any control weaknesses identified could have very little impact on the risks to the achievement of the organisation's objectives.

4.3 The actions are prioritised as follows:

Priority Action

- Applies to management actions that will address identified control weaknesses, usually where there is no control in place to mitigate the identified risk or the existing control does not provide assurance due to inadequate design of ineffective operation.

Continuous Improvement

- Applies to management actions where there is an existing control in place that provides assurance. However, the control could be strengthened through revised design or renewed application of existing controls ("house-keeping" issues); or further development of existing controls that are operating effectively, such as automation of a manual control.

- 4.4 The Group Audit Committee receive updates on the status of implementation of agreed audit actions. The most recent position is that there are no overdue actions.
- 4.5 More detail on the key findings for those reviews relevant to this Board are set out in the Group Assurance Update at **Appendix 1**. Full reports are available to all Board members upon request.

5. Customer Engagement

- 5.1 No customer engagement implications arise directly from this report although action owners may engage with customers to inform decision-making arising in the course of completing assigned actions.

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 This report informs the Board of specific risks arising from internal audit reviews performed during the reported period. The nature of the risks varies depending on the review and the agreed management actions are designed to help management to mitigate the identified risks.
- 10.2 Where management considers the risks identified through an internal audit review are sufficiently material to be included in the Group's risk profile, the risk is aligned to a Strategic Outcome and a risk appetite category assigned. This allows management to confirm whether the risk is being managed within risk appetite or if further improvement action is required.

11. Equalities implications

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

12. Key issues and conclusions

- 12.1 The Internal Audit team has completed the listed reviews. No significant matters were noted to bring to the attention of the Board members and management have agreed actions to address the improvement actions identified during each review. The Internal Audit team will monitor completion of these actions and report progress to future meetings of the Group Audit Committee and this Board.

13. Recommendation

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

LIST OF APPENDICES:

Appendix 1: Group Assurance update February 2026








Group Assurance update

6 February 2026

Ranald Brown
Director of Assurance

1. Internal Audit Plan Status

This report summarises the findings of the following Internal Audit activity completed during this period. The types of review, control objectives assessment ratings and number of actions by type are defined in Appendices 1 and 2.

Section and Review title	Type of review	Relevant Subsidiaries									Control Objective assessment	No. of actions by type	
		Care	Foundation	Loretto	Lowther	Solutions	WDSL	WH-E	WH-G	WH-S			
2 – Management of Development project budgets	Assurance											P - 2	CI - 2
3 – Arrears Management	Assurance											P - 1	CI - 4
4 – Purchase Cards data analytics	Assurance											P - 0	CI - 4
5 – Business Continuity Planning	Assurance											P - 1	CI - 2
6 – Damp and Mould process	Assurance											P - 6	CI - 5
7 – Group Policy Framework	Assurance												CI - 4
8 – Faster Payments analytics	Assurance											P - 0	CI - 3

Continued over

1. Internal Audit Plan Status

Continued from previous slide.

Section and Review title	Type of review	Relevant Subsidiaries									Control Objective assessment	No. of actions by type	
		Care	Foundation	Loretto	Lowther	Solutions	WDSL	WH-E	WH-G	WH-S			
9 – Compliance mapping annual review phase 1	Advisory										Not applicable	P - 1	CI - 1
10 – Health & Safety local audits	Advisory										Not applicable	P - 1	CI - 3
11 – Electrical Testing Certificates data analytics	Focused										Not applicable	P - 3	CI - 2
12 – Helping Hand Fund analytics	Focused										Not applicable	P - 0	CI - 2

2. Management of Development project budgets

Report Conclusion

This review assessed the extent to which improvement actions had been implemented following the Calton November 2024 Board Report. The review focused on the processes in place to monitor and report on project spend from the stage of Board approval of the project to completion, at the request of management.

Limitations of Scope

As a result of excluding the “feasibility” stage from our review, we are unable to conclude fully on control objective 1: *“Completeness and accuracy of planned project costs in financial appraisals reported to Board”* as we did not examine the calculation of figures included in the master cost spreadsheet and the Board approval papers.

We are also unable to conclude fully on control objective 3 *“Variances resulting in a change to approval conditions (eg meeting the IRR) are reported to the Board for review and reapproval”*, because none of the contract variations we tested resulted in a change that met the criteria for Board review and reapproval.

Work performed

We reviewed 8 of the 9 projects approved by the Wheatley Development Scotland Limited (WDSL) Board since revised

processes were introduced in 2025. The remaining project related to a “turn-key acquisition”. None of these projects have completed all 5 gateways in the revised process, so a sample of older projects was selected to test monitoring of spend and contract variation procedures.

We found that while there are examples of good practice, there are also opportunities to strengthen the control framework which should be addressed. These include improvements to the contract variation process, enhanced checking of consistency between documents and improved record management to support use of a planned Microsoft PowerApp, which could provide additional assurance over the status of individual projects in future.

Given the limitations of scope on this review, we proposed to schedule a follow up review in this area.

2. Management of Development project budgets

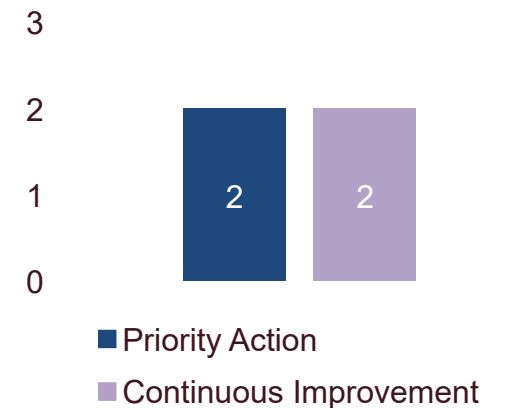
Control Objective Classification

Yellow	The completeness and accuracy of planned project costs in financial appraisals reported to the Board, including any apportionment of costs, is reviewed and agreed by Development and Finance Staff.
Green	Project approval requests clearly identify any provisional costs, the level of risk associated with those amounts, and how the risks will be mitigated.
Amber	Progress against approved budgets is tracked, contract variations are approved in advance, and any variances resulting in a change to approval conditions (e.g. meeting the IRR) are reported to the Board for review and reapproval.
Green	Actual and anticipated costs are monitored throughout the project by Development and Finance staff on a monthly basis.
Yellow	Procedure notes are updated to reflect revised procedures, and all relevant staff have attended training on the revised procedures.

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



2. Management of Development project budgets

Priority Actions

- The contract variation process guidance and request form do not require staff to confirm the required process steps have been completed and the outcome of those steps. As a result, there remains a risk that contract variations may be actioned without the appropriate level of authorisation.

Management Response: *We will review and update the Contract Variation Process and Approval Forms to reflect the points noted, to support a clear trail of rationale and approval of any contract variations, and provide further training to all staff involved in this process. (Due date 31/10/25)*

- Our review of information passed from the “pre-approval” team to the “post-approval” team identified instances of incomplete or incorrect documentation in 6 of 8 projects reviewed, including 2

instances in which the total development cost in the master cost spreadsheet was different (less than) the amount approved by the WDSL Board. This did not impact Finance reporting to the Board, which was based on the Board approved figures. There remains a risk that a lack of checking of the completeness and accuracy of project documentation at the handover stage results in incorrect or incomplete information being used for day-to-day cost monitoring within the Development team.

Management Response: *As part of the ongoing review of processes, we will develop a checklist which will set out the required documentation and checks that should be performed by both pre- and post-coordinators to ensure consistency. (Due date 31/08/25)*

2. Management of Development project budgets

Continuous Improvement Opportunities

- A Microsoft PowerApp which aims to facilitate monitoring of projects by giving a single view of key project information was in development at the time of our review. The app has the potential to provide a control over the completeness of project management documentation if the following areas of concern are addressed as the development of the app is completed: i) inconsistent file naming and storage impacting the completeness of information reflected in the app; ii) technical challenges such as broken file links; and iii) a lack of data input and user access controls to prevent unauthorised / unintentional changes.

Management Response: *A project to improve records management across the Development team is expected to be complete by June 2026. This project will consider aspects such as file naming protocols and document storage. Following completion of the records management project, we will address the technical points relating to broken file links and data input / app access controls as part of the PowerApp development. A user guide will be prepared to explain the functionality and use of the app once its*

development is complete. (Due date 30/06/26)

- Processes and procedures have been updated following management's agreement of revised procedures for cost monitoring and progress tracking of Board approved projects. At the time of our review, work to review Gateways 1 – 3 is still underway, and as these processes are finalised there is a risk of that changes in the later gateway stages are no longer effective, in particular, those relating to invoicing and financial appraisals. For example, in relation to the allocation of costs for multi-phase projects to facilitate effective cost monitoring.

Management Response: *As part of finalising the review of Gateways 1 – 3, we will confirm whether any further updates are required to Gateways 4 and 5. In particular, we will review the invoice, financial appraisal and board approval processes to confirm the complete and accurate flow of information from one stage to the next. (Due date 31/12/25)*

3. Arrears Management

Report Conclusion

The Group has a strategic aim to reduce gross rent arrears to 5% (ARC) by the end of its 2021-26 Strategy period. During 2024/25 the Group reduced gross rent arrears across RSLs to less than 5.1%. In 2025/26 the target is 4.95%.

This review has considered the processes in place for monitoring, escalating and recovering arrears balances within the Group's RSLs (WH-East, WH-South, WH-Glasgow, and Loretto). We found that while there are examples of good practice, there are also opportunities to strengthen the arrangements in place which should be addressed.

In particular, the process to write off Former Tenant arrears should be documented within the Rent Matters Toolkit to ensure that the roles and responsibilities of both the Housing Specialist Team and Housing Officers is clear. Additional controls should also be added to this process to detect any inappropriate or incorrect write offs.

Our testing of arrears cases across all RSLs identified opportunities to improve the completeness and quality of notes recorded within iworld and ASTRA. This includes notes to evidence that accounts have been reviewed and clarify why actions have been taken or not. We also identified opportunities to: improve initial contact with customers

moving into arrears; record Expected Payment Plan arrangements more consistently; and be more proactive in escalating cases to GDRT.

The RSL Income lead has recently reviewed the groups in place to drive improvement across rental income activity. This has included the introduction of a new weekly leaders VMB meeting focused on income, and a monthly Income Strategic Leads Cohort meeting to review issues in more detail. These will operate alongside the Rents Community of Excellence (COE) which provides an opportunity for all Locality Directors and Heads of Housing to share good practice. These groups will play a key role in the delivery of the actions agreed with management to address the findings of this review.

3. Arrears Management

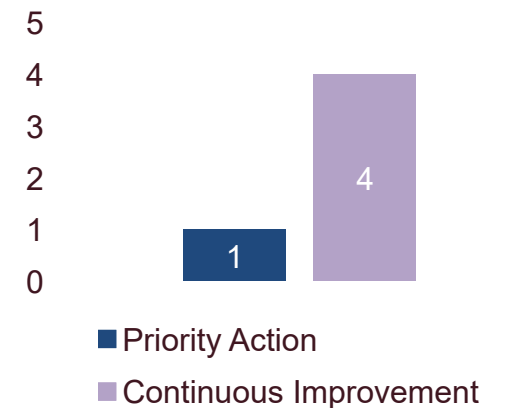
Control Objective Classification

Green	Customers receive clear information about their payment options and support available to manage their rent account, clear any monies owed and prevent further debt from accruing;
Yellow	Housing Officers identify arrears and contact customers to establish the reason for non-payment and where arrears cannot be paid in full, a repayment arrangement is agreed, monitored and revised if required;
Yellow	All actions taken to recover arrears are clearly recorded to document that the RSL has met its legal obligations as part of its 'Pre-Action Requirements';
Yellow	Arrears are escalated to the Debt Recovery Team for action where customers fail to engage with us, or no repayment agreement is reached;
Amber	Debt is written off where it is deemed to be irrecoverable and in line with agreed criteria; and
Green	Rent arrears information reported to the ET, Boards and SHR, is accurate and aligned to the ARC definitions set within the Scottish Social Housing Charter Technical Guidance for Landlords.

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



3. Arrears Management

Priority Actions

- The Rent Matters Toolkit requires completion of a form to initiate the write off of Former Tenant arrears. However, currently there is no segregation of duty within the FT Arrears write off process. A record of the amount written off and the justification for the write off is recorded in ASTRA (the Housing customer relationship management system), however no sign off is required. There is also no threshold in the policy which would prevent write offs over a certain value being completed by one person. Reliance is placed on any unusual amounts flagging in the performance reports and actual against forecast write off values.

Management Response: *The Income Lead will clarify the Housing Specialist Team (HST) and Housing Officers' roles and responsibilities with the Director of the Customer First Centre, to ensure that the agreed process includes: i) Checks to ensure the appropriateness and accuracy of write offs processed by individuals within the HST; and ii) Reporting to provide RSL leads with oversight of the FT write off activity completed by the HST. The Rent Matters Toolkit will be updated, if required, to reflect the agreed process. (Due date: 31/10/25)*

Continuous Improvement Opportunities

- Our testing of 40 arrears cases identified opportunities to improve initial contact with customers in arrears. If we do not contact customers to provide advice and support as soon as possible, there is a greater risk that arrears balances may increase to a point where the customer is unable to repay the amount due.

Management Response: *Specific attention will be given to this topic at one weekly Leaders VMB meeting each month to allow more focused review. A record of identified good practice, key feedback and actions agreed by the VMB will be maintained and shared with members to ensure that consistent messaging can be provided to Housing Officers in their local VMB discussions. (Due date 31/10/25)*

Continued on next page

3. Arrears Management

Continuous Improvement Opportunities

- Our testing also found that in 18 of the 40 cases reviewed, the notes recorded in iworld and ASTRA (the housing management systems) were not sufficiently detailed to explain whether actions had been taken or not. If notes do not capture all actions taken to manage arrears, there is a risk that we are unable to escalate cases for legal action without additional time and resource being spent collating records of actions taken.

Management Response: *In addition to discussion at one weekly VMB per month, as outlined in the previous management action, we will ensure all RSL staff complete the recently revised data protection training, including the Housing-specific module, by the end of August 2025. (Due date 31/10/25)*

- We tested 62 arrears cases and found in 8 cases the Expected Payment Plan (EPP) arrangements were not loaded or were loaded incorrectly in ASTRA. If the EPP is not loaded correctly in ASTRA, the Housing Officer will not receive a notification if the agreed payments are not received.

Management Response: *The long-term solution to this issue is to move to a single housing management and customer relationship*

management system. In the interim, we will remind Housing Officers how and when EPP's must be loaded in ASTRA and iworld. Progress will be monitored at the new VMB with Housing Leaders. (Due date 31/10/25)

- Our testing also highlighted opportunities to improve the escalation of arrears to the Group Debt Recovery Team. In one case the customer's arrears had steadily increased despite there being an EPP in place. While there was evidence that the Housing Officer had consistently tried to contact the customer about their payments and offered support, the case had not been escalated. There is a risk that escalation action is not being taken in cases where customers are engaging with us intermittently and have agreed low value EPP's.

Management Response: *The new Income Strategic Leads group will agree actions to improve Housing Officers awareness of escalation protocols, including where EPPs are not working effectively, and will work with the Litigation Services team to ensure that our messaging to customers about the escalation process is strong. (Due date 31/10/25)*

4. Purchase Cards data analytics

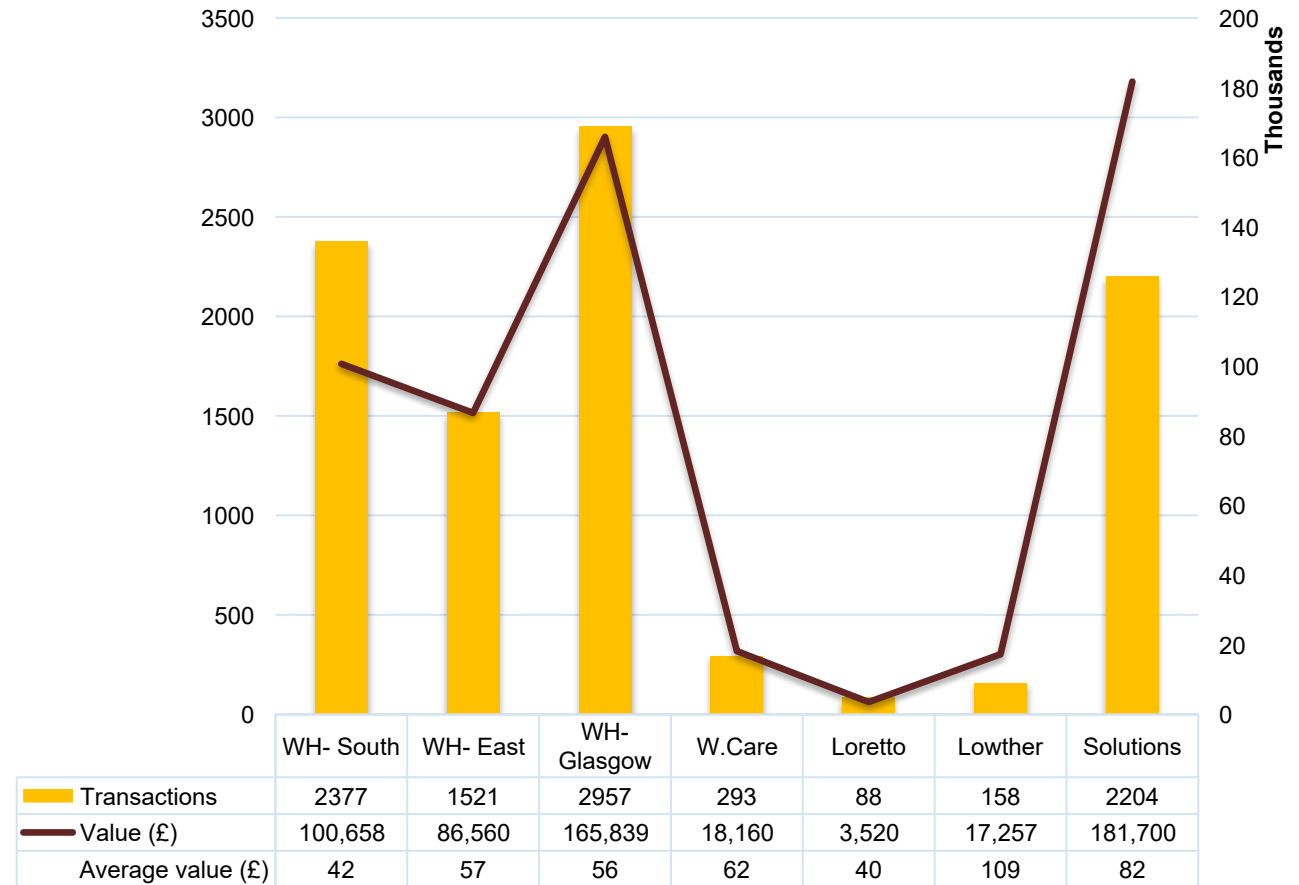
Report Conclusion

The Transaction Services team completes assurance checks on all purchase card transactions each quarter. These include review of: i) unreceipted or uncoded payments, ii) cash withdrawals, iii) transactions over £1,000; and iv) spend outwith the parameters set in the Group's Purchase Card Policy. During 2024/25, 9,598 purchase card transactions were made by cardholders across the Group, with a total value of £573,700.

This review has assessed the extent to which the checks completed by the Transaction Services team are effective in providing assurance on the application of controls over purchase card spend. We reperformed the assurance checks completed during 2024/25 and have confirmed that they are working as expected and the results are being used to investigate any exceptions and drive improvements.

Our review has identified some opportunities to improve the wider Purchase Card process, including an additional check to assess the completeness of monitoring activity undertaken by managers. The Procurement team will also be asked if they would like to receive the results of the quarterly checks to inform their own monitoring of Group spend and the P2P processes.

Purchase Card spend in FY24/25



4. Purchase Cards data analytics

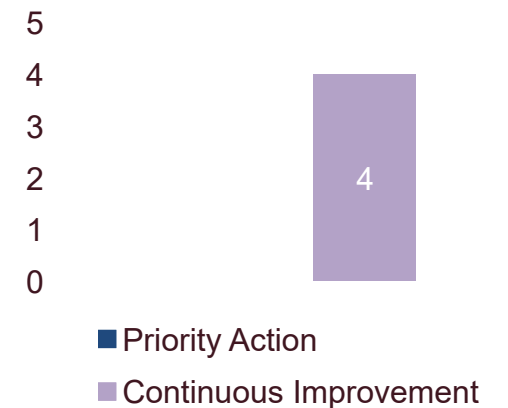
Control Objective Classification

Green
Green
Green
Green
Green

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



4. Purchase Cards data analytics

Continuous Improvement Opportunities

- The team advised that recent assurance checks had identified some cases where authorised temporary increases to card transaction limits had not subsequently been reverted to their normal level.

Management Response: *A quarterly monitoring check will be implemented by the Purchase Card Officer to confirm purchase card limits are set at the correct level. (Due date 31/09/25)*

- We tested 58 uncoded transactions which occurred between January and March 2025 and confirmed that a Monitoring Questionnaire had been returned by the cardholder's manager for each of these, despite insufficient information being held in the SDOL for the manager to have completed one or more of the checks in the questionnaire.

Management Response: *We will amend our existing check on the completeness of transactional information so that there is a reminder to managers of their responsibility when completing the monitoring questionnaire. We will continue to stop cards where required information is not provided on a recurring basis, and will escalate unsupported monitoring questionnaires to senior*

managers. (Due date 31/09/25)

- We reviewed records of cash withdrawals made during the FY24/25 and noted some minor opportunities to improve cardholders' understanding of the process. We also noted that one cardholder routinely needs to make multiple cash withdrawals in a day to obtain the cash required for a known business need.

Management Response: *Additional guidance will be added to the reminder email to all cardholders to clarify good practice points raised in relation to ATM receipts and separate cash withdrawals. We will also explore any alternative options available to provide cash for the above noted programme. (Due date 31/09/25)*

- The outcomes of the quarterly assurance checks of Purchase Card expenditure are not currently shared with the Procurement team.

Management Response: *We have now shared information from the Q4 purchase card checks with the Procurement Team, and we will continue to do this each quarter. (Due date 31/09/25)*

5. Business Continuity Planning

Report Conclusion

During 2025 there has been significant work undertaken to refine and relaunch formal business continuity planning (BCP) approaches within the Group. This has included reissuing templates and producing guidance to ensure that BCPs are regularly exercised.

Our review has assessed the adequacy and effectiveness of controls in place in relation to the Business Continuity Management (BCM) framework. We acknowledge the significant amount of work that has recently been done to improve the previous methodology. A BC Implementation Group (BCIG) meets quarterly to discuss items such as BCP updates, training requirements and policies and procedure development. There are various templates and guidance documents available which support staff to develop, invoke and test BCPs.

The work to refresh the BCP approach continues, with the most recent BCIG meeting focusing on the implementation of the revised approach to consistent testing of plans every 6 months. The ongoing work to embed processes is reflected in our assessment of two control objectives as “not rated”.

The key area for improvement is in the completion of Business Impact Assessments (BIAs), which are key documents in the BCM lifecycle. They are fundamental in establishing effective BCPs and exist to allow an organisation to identify its critical activities when a BCP event occurs. The BIA also allows an organisation to prioritise activities, identify dependencies and develop risk management strategies in advance of a business disruption occurring.

Our testing of a sample of local BIAs found that they had not been completed in a way that delivers on the objectives outlined above. The templates are structured in

a way that encourages BC Leads to document responses to predefined scenarios rather than identifying which of their activities are likely to be critical to the subsidiary/service and Group during a BCP event, such as emergency repairs and staff and/or customer wellbeing. This approach may result in too many activities being considered, without clear focus on critical activities.

These weaknesses noted within the BIAs also impact on the quality of the BCPs. We noted ‘disruption impact’ sections within BCPs were completed because they exist rather than because they are relevant, including examples where response and recovery actions were listed for impact scenarios that were highly unlikely to impact on a critical activity for that subsidiary/service. For example, the Customer First Centre BCP contained response and recovery actions for payment processing in the event of a fuel shortage.

As part of the evolution of business continuity arrangements within the Group, it will be necessary for current BIA and BCP templates and supporting guidance to be revisited, in order to ensure that BCPs reflect critical activities within the Group.

The BCIG has extensive membership from across the Group and an agreed Terms of Reference however, at the time of our review, this did not detail a formal reporting link into corporate governance, such as a reporting requirement that will allow the Executive Team and the Board to remain informed on BC compliance. This has been updated since our review.

We also noted that updated guidance on the exercising of BCPs was issued in June 2025. Due to the timing of this, we were unable to assess the extent to which it had been Implemented at the time of our review.

5. Business Continuity Planning

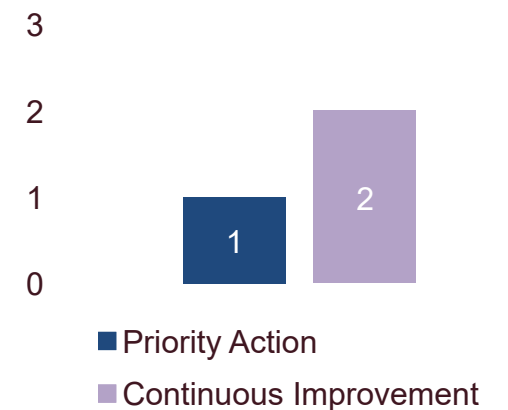
Control Objective Classification

Yellow	
Amber	Business Continuity Plans demonstrate a comprehensive understanding of the organisation, identifying the key services, as well as the critical activities that support them.
Amber	Comprehensive and robust plans have been developed to manage the initial response to an incident and to ensure the continuity and recovery of critical activities.
Not rated	Effective processes exist to confirm business continuity arrangements are kept up-to-date and plans are regularly exercised and reviewed.
Not rated	Lessons learned processes are completed and plans updated following live and test invocations of business continuity plans.
Green	There are formal processes through which recovery plans are validated with the IT & Digital Services team to confirm they are realistic.

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



5. Business Continuity Planning

Overarching Management Response

Management agrees with the findings and recommendations detailed within this report. As detailed in the reports to relevant Boards during 2025 we have relaunched our BCP approach across the Group. Early review of these new approaches has been beneficial to provide us with confidence that this new approach covers all key areas required and that we can continue to strengthen and evolve our overall approach to BCP.

While the report identifies areas for further improvement relating to Business Impact Assessments and BCP templates and supporting guidance, it also acknowledges that a significant amount of work has recently been done to improve the previous methodology including a specific focus on group wide response plans for Severe Weather and Ransomware Incidents. We recognise an opportunity to further evolve our templates which support BC leads to document more clearly critical activities for each business area which is not directly linked to specific scenarios. While scenario led business continuity planning has value, we recognise that this can be improved on through refined templates and guidance. Management is committed to further developing our BCP approach by implementing the recommendations.

(Overall due date to complete management actions within this report: 31/03/26)

A summary of the key audit findings are provided on the following slides along with also which outlines specific next steps agreed by management. Management have advised that some of these actions are already being progressed, including:

The Business Continuity Implementation Group's Terms of Reference has been agreed.

New templates for BIA have been developed and will rolled out across the Group.

5. Business Continuity Planning

Priority Action

- The Group has templates for both Business Impact Assessments (BIAs) and Business Continuity Plans (BCPs). We reviewed the templates as well as five completed BIAs and corresponding BCPs. We identified that the templates are structured in a way that encourages BC Leads to document responses to predefined scenarios rather than identifying which of their activities are likely to be critical to the Group during a BCP event, such as emergency repairs and staff and/or customer wellbeing. Therefore, they do not support local management in documenting critical activities specific to each team; completing separate impact and risk assessments for each critical activity; and then capturing the response and recovery arrangements for those activities.
- Our review of completed BIAs and BCPs found them to be of variable quality, with insufficient detail to support response and recovery planning. We also identified examples where planned actions were recorded in tables within the BCP which did not appear to be a realistic disruptive event (e.g. severe weather may not disrupt teams that regularly work from home). There were also instances in which BCPs were noted to include information typically expected to be documented within the BIA. Holding the information in the BIA rather than the BCP would assist local managers to effectively identify critical activities and required response levels.

Management Response:

We will undertake a comprehensive review of BIA and BCP templates. We will develop new templates for BIA including supporting Risk Assessments, and a new template for BCP that supports more thorough completion and more strongly aligned with ISO standard 22301 (Due: 31/10/25)

Detailed guidance will be developed to support BC leads and Coordinators to thoroughly and effectively complete the BIA, RA and BC plans. (Due: 31/10/25)

We will test use of the new templates with 4 key service areas Care, CFC, Lowther Housing(WHS) and determine any refinements required. Seeking formal Assurance input at this point prior to full roll out. (Due: 31/1/26)

Refined BIA and BCP approved by HS and Group Director (Due: 31/1/26)

Completion of new BIA and BCP for all business areas (Due: 31/3/26)

HS introduce testing regime for BIA/BC reviewing quality and relevance to ensure all plans are reviewed annually. (Due: 31/3/26)

7. Group Policy Framework

Report Conclusion

The Wheatley Group Strategy, Frameworks and Policy Directory (the Directory) sets out how and why the Group develops policies. The Directory contains a register of all Group wide, Subsidiary specific and HR policies, with information about the purpose of these and how staff can access training and support in relation to each policy. The Directory is a live document on W.E. Connect which is updated to reflect any changes to the policies as required.

The Directory has been maintained by the Customer Strategy team since January 2025, with People Services and Wheatley Care management maintaining the HR and Care policies.

This review considered the application of the Group's Policy Framework to determine whether the arrangements in place for the update and application of Group Policies are operating efficiently and effectively.

We found no issues with the status of existing policies but did identify opportunities to refine and further develop the arrangements in place to make these more efficient and easier to maintain.

In particular, there is currently a requirement for manual update of three or four records each time a policy is updated. The number of records requiring update could be reduced with PowerBI reporting being used to automate update of the remaining records.

Additional guidance in relation to the policy review and commitment tracking processes would provide clarity on roles and responsibilities, reducing the risk that required tasks are missed, or policy commitments not fully delivered.

Finally, there is an opportunity to align the policy review procedures within People Services and Wheatley Care with the more established process used by the Customer Strategy team.

7. Group Policy Framework

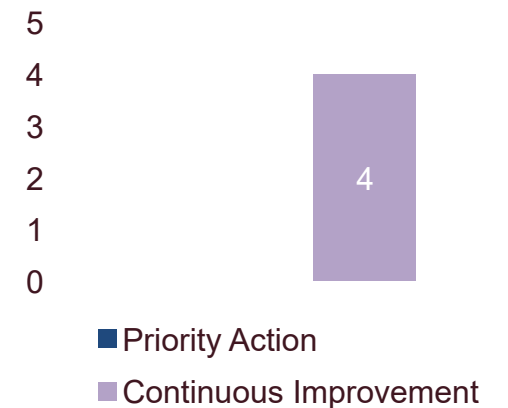
Control Objective Classification

Yellow	
Green	
Yellow	
Green	An EIA is completed for every new or existing policy which meets the criteria within the Group's EIA Guidance.
Yellow	Customers and Trade Unions are engaged with, consulted and/or informed of new policies or proposed changes as necessary at the appropriate stage in the policy development/review process, with outcomes reflected in the accompanying ET/Board report.
Yellow	

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



7. Group Policy Framework

Continuous Improvement Opportunities

- The Policy Directory states that ‘Our policies are developed according to operational, regulatory and legal requirements,’ but does not set out a specific mechanism for confirming that the policies listed in the Directory cover these requirements. There is an opportunity to reconcile the Policy Directory against legislation identified in the Group’s Legislative Compliance Maps to provide comfort on the completeness of both the Policy Directory and the Legislative Compliance Maps.

Management Response: *We will work with the Assurance team to complete a biannual reconciliation of policies against legislation and regulation identified in the Group legislative compliance maps. Any queries or gaps identified will be raised for discussion as part of the quarterly DMT reporting on policies. (Due date 31/03/26)*

- The Policy Directory sets out brief details of the arrangements for the review of policies. It is supported by a Policy Review template, which is completed by the Policy Lead and reviewed by the Customer Strategy team. The Directory does not explicitly outline the respective roles and responsibilities of the Customer Strategy team and policy leads in delivering the Policy Framework. Similarly, there is no accompanying guidance in the Directory to clarify when

a policy review template should be completed, or if the completed template should be shared anywhere. There is a risk that implied roles and responsibilities are not fully understood by all policy leads and the correct action is not taken because of assumptions that the Customer Strategy team is responsible for either doing things on their behalf or bringing any issues to their attention.

Management Response: *We will update the Directory to clearly outline the respective roles and responsibilities involved in the Policy Framework and review process, including additional guidance about the completion of the policy review template. This exercise will include agreement with People Services and Wheatley Care of a standard process for update of policies, including update to the revised Policy Register, that can be used by each team to update the policies for which they are responsible. (Due date 28/02/26)*

(Continued over)

7. Group Policy Framework

Continuous Improvement Opportunities *(continued from previous)*

- Information about the Group's policies is held in different locations, including the Policy Directory (a Word document); the Policy Hub (full policy documents stored on the intranet); the Policy Register (a spreadsheet); and the Policy Commitments tracker (a Microsoft List). Changes to policy documents need to be manually updated in the Directory, Hub and Register, with commitments being manually updated in the List, where relevant. There is an opportunity to reduce the number of Policy information locations, with PowerBi being used to extract reports tailored for different audiences. This would remove the need for updating information more than once, reducing the risk of error.

Management Response: *We will review the content of the Policy Register to include information currently held in the Policy Directory and explore the potential to introduce a PowerBI report that runs when the Policy Register is updated, and contains the information currently held in the Policy Directory, for sharing with all staff. Proposed changes to the format of the Policy Directory and DMT policy update reports will be agreed with DMTs. (Due date 31/03/26)*

- The Directory states that Category 1 and 2 policy commitments will

be tracked and monitored, with assurance sought from the lead about how these are implemented. The Customer Strategy team asks Policy Leads to provide quarterly updates on how the commitments are achieved, and the status of commitments is reported to DMT each quarter. Our review of the tracker noted that the process for assessing the delivery of commitments could be clarified to detail the respective roles and responsibilities of the Customer Strategy team and Policy Leads and to provide guidance on completing the policy review template. We also noted there is not an equivalent process in place for People Services and Wheatley Care policies, which are managed separately, due to volume.

Management Response: *We will explore the potential of a PowerBI exception report that flags commitments with no Policy Lead updates and will check a sample of policies each quarter to confirm updated evidence is available. We will also work with Care and HR leads to capture commitments they have identified within their policies within the Tracker and provide reporting to allow local checking that is consistent with the approach outlined above. These reports will be shared with DMTs to confirm they meet their oversight and information needs. (Due date 31/03/26)*

8. Faster Payments data analytics

Report Conclusion

As part of the Internal Audit team's programme of annual data analytics reviews, we have completed a review of the assurance checks performed by the Transaction Services team in relation to Faster Payment transactions. These checks are completed quarterly by the Service Team Coordinator and are designed to confirm that the manual Faster Payment transactions have been made in line with Group procedures. The checks include: i) duplicate payment search, ii) payments to existing suppliers, iii) review of high value transactions, and iv) number of payments per supplier.

We have reperformed the assurance checks completed by Finance between 1 July 2024 and 30 June 2025 and confirmed that they are working as expected and that the results are being used to investigate any exceptions and drive improvements. We noted that the overall number of Faster Payments has reduced by 20% since the assurance checks were implemented in 2023/24. The total Faster Payments spend in the 12 months to 30 June 2025 (£34.5m) was also £20m lower than in 2023/24 (£54.9m).

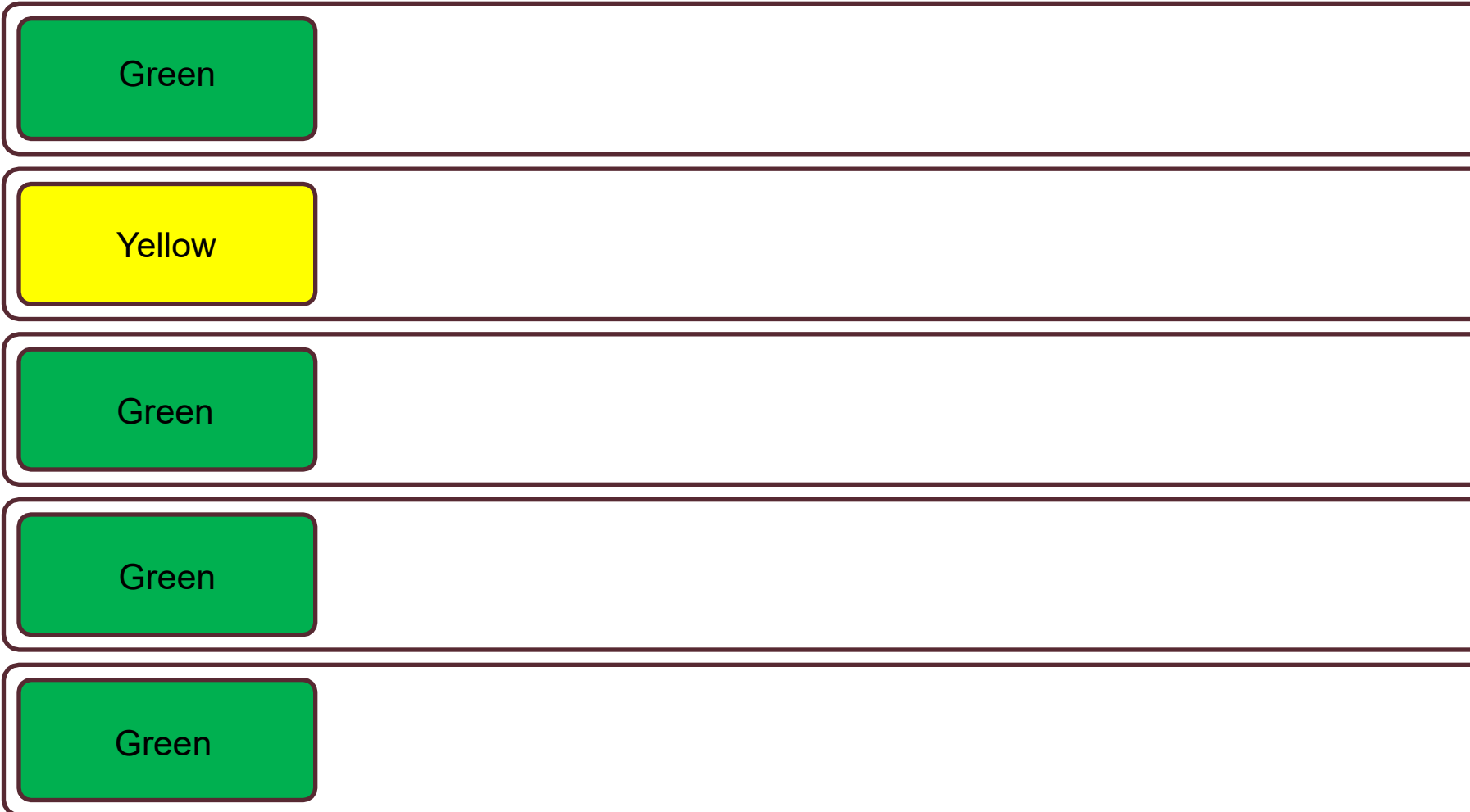
We have identified some minor opportunities to further improve the design and operating effectiveness of the quarterly assurance check

process. These include adding an overarching review of the annual Faster Payments data once a year to ensure any cross-quarter exceptions have been identified, and retaining the results of the quarterly checks within SharePoint, rather than One Drive, to ensure they can be accessed in the absence of the Service Team Coordinator. We will also work with the Transaction team to review the IDEA Macro to confirm that the checks in place are based on the most robust data fields available.

The Transaction Services team is also currently working with IT to explore the development of a more automated Faster Payment request process using Microsoft Forms. As the existing assurance checks place reliance on the accuracy of source data manually recorded in the Faster Payment request form, which is then manually recorded in the Faster Payment spreadsheet, it would be beneficial to automate this process as much as possible to reduce the risk of manual error. To support the exploration of a more automated approach, we have outlined some control points to consider in Appendix 1 of this report.

8. Faster Payments data analytics

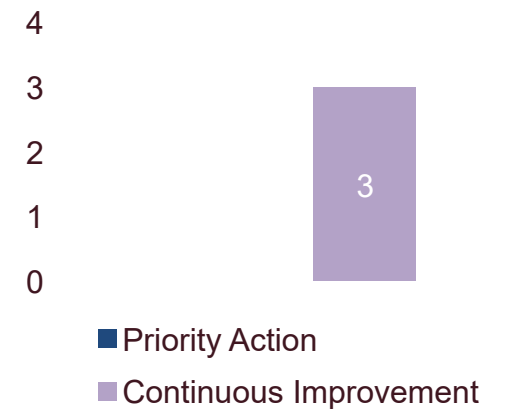
Control Objective Classification



Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



8. Faster Payments data analytics

Continuous Improvement Opportunities

- We performed data analytics on 12 months of Faster Payment data and noted some inconsistencies in the results due to tests being run using different source data fields, some of which are more robust than others. For example, matching records using names returned less matches than when we compared the same records using bank account numbers. This is because the name field is more susceptible to spelling and formatting differences which will not match in IDEA. While this has not affected the accuracy of the results of the quarterly checks completed to date, there is now an opportunity to review the IDEA test Macro and confirm that the most robust data fields are being used in each test.
Management Response: We will work with the Assurance Team to review the robustness of data fields used in the IDEA testing approach in preparation for the checks of Q3 data in January 2026. (Due date 31/01/26)
- As the existing assurance checks of Faster Payments are completed quarterly, they focus on specific 3-month periods of data. It would also be prudent to run the check for duplicate payments on an annual basis to confirm that no 'cross-quarter' exceptions have been missed during the year.
Management Response: We will introduce an annual check for duplicate payments alongside our Q3 data checks in January 2026. (Due date 31/01/26)
- The results of the quarterly assurance checks are currently stored in a OneDrive. It would be better to save these files within a restricted area of the team's SharePoint site.
Management Response: We will move the records of the quarterly assurance checks into an appropriate location in the team's SharePoint site and limit access to those staff who need to use or view the records. (Due date 31/11/25)

9. Compliance mapping annual review – phase 1

Report Conclusion

During 2024/25, the Internal Audit team (IA) completed a two-year exercise to facilitate the creation of compliance maps for all business areas within the Group. The maps are designed to capture key legislative and regulatory requirements for key business processes, along with detective controls that would alert management to any potential instances of non-compliance. The finalised maps were passed to management in July 2024, and senior leaders are responsible for ensuring the maps are kept up to date.

IA has now completed the first phase of bi-annual review to assess the extent to which management has reviewed and updated the compliance maps for changes to legislation and the internal control framework, including review and update of detective controls, where required. This report is focused on the results of our review of the People Services, Governance & Business Solutions, and Assets & Development compliance maps.

We found that, although management reviews legal and regulatory changes, and implements any resulting updates to processes during the year, the compliance map documents had not been updated to reflect these changes. To facilitate a more formal review of the compliance maps by management, they have been moved into an MS Lists format.

Following our review, the compliance maps have been updated to reflect additional legislation and planned controls that have been implemented since the previous compliance map review.

There are a number of areas where management continues to work to implement planned controls to detect a compliance breach. Management has also identified four areas where new or changed legislation is expected but not yet in place. Management should consider these points when completing their next scheduled review of these compliance maps.

10. Health & Safety local audit process

Report Conclusion

This advisory review has considered the extent to which the new local Health and Safety audit process is adequately designed and operating effectively. Overall, the new process is working as expected, but there are opportunities to strengthen and refine the audit methodology and to improve the guidance in place to direct the audit activity. This reflects the fact that this is a new process, and as the Group Health and Safety team advised at the outset of the review, some aspects are still in development.

The local Health and Safety audit programme was implemented in April 2025 to provide management with ongoing assurance that the Group is complying with relevant regulatory Health and Safety requirements. The audit programme currently includes all of the Group's properties which fall under the Health and Safety at Work Act 1974 definition of a workplace environment. However, the Group Health and Safety team plans to use the results and trends of this initial cycle of audits to help risk assess and prioritise properties requiring review in the next programme of audits. Defining and documenting clear risk assessment criteria alongside this analysis of audit outcomes would support the prioritisation of higher-risk premises in subsequent audit cycles.

During the audit we met with key staff involved in the local Health and

Safety audit process, reviewed key documentation and completed walkthroughs to confirm our understanding of this new process. We completed a high-level review of a sample of 30 local audits completed to date to verify the overall approach is working as prescribed. In addition, we target tested 5 local audits to review the application of the audit procedures and assess the consistency of application of the audit process.

We identified opportunities to refine and further develop the audit methodology and supporting guidance, including defining risk assessment criteria, review requirements and documentation expectations. Providing clearer guidance for the H&S Auditors to follow will help to reduce the risk of any inconsistencies in approach and make the audit process more robust.

There is also an opportunity to refine the work programme template and put this in a more user-friendly format which would support the development of automated reporting.

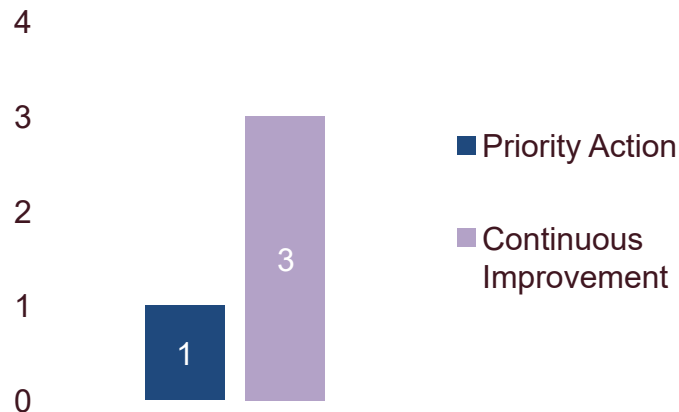
Finally, since the end of audit fieldwork, the H&S Team have implemented Power BI reporting to assist in programme planning, follow-up of corrective actions and management reporting.

10. Health & Safety local audit process

Relevant Subsidiaries

WH-E	Care	Foundation
WH-G	Loretto	Lowther
WH-S	WDSL	Solutions

Number of Actions



Priority Action

➤ The ‘Guidance Note for the Audit of Workplaces’ sets out a high-level overview of the processes in place for performing H&S Audits. Our review of the Guidance Note and audit procedure has identified opportunities to strengthen the design of this guidance and clarify the audit process for staff. We completed a detailed review of a sample of 5 H&S Audits and identified inconsistencies in documentation standards, status updates and communication of corrective actions. As H&S Audits are a relatively new process, and the Guidance Note and audit procedure are key directive controls, the areas for improvement identified within these documents may be a root cause of the inconsistencies found in our sample testing.

Management Response: *We have started to review and update the Guidance Note to reflect the points raised during this review and will provide refresher training to all those involved in the H&S Audit Programme. (Due date 30/11/25)*

10. Health & Safety local audit process

Continuous Improvement Opportunities

- As the H&S Audit Programme is in its early stages of implementation, risk assessment and prioritisation of higher risk premises have not yet been implemented, nor has the methodology to support this. There is an opportunity to use the outputs of planned analysis of results and trends from this initial cycle of audits to inform the development of wider risk assessment and prioritisation criteria. A process should also be agreed with the Asset team and other wider groups to ensure the H&S Team is aware any new premises that may require an audit.
Management Response: *We have started to define and implement risk assessment criteria for the prioritisation of the H&S audit programme. We will complete our review of the information currently available to identify workplace environments across the Group and will work with colleagues to agree a process for informing the team of future changes, including changes to use of properties. (Due date 30/11/25 & 31/01/26)*
- Local H&S audits are documented within a large work programme template held in Word format, which can be hard to navigate. There is an opportunity to move the template into a more user-friendly format, such as Excel, and explore options to automate reporting directly from the template.
Management Response: *We will develop an excel template to be used by staff when the next audit cycle starts and explore options to automate the collation of results. (Due date 31/03/26)*
- The current follow-up process for corrective actions is highly manual, making it less accessible for trend analysis and sharing of lessons learned. Opportunities exist for developing Power BI functionalities to support monitoring and follow-up of corrective actions, however these have not yet been established.
Management Response: *We have now implemented a Power BI report, similar to that used for Fire Risk Assessments, which we will use to follow-up outstanding and overdue corrective actions, in trend identification and analysis, and for monitoring progress against the audit programme. (Due date 30/11/25)*

11. Electrical Testing Certificates data analytics

Report Conclusion

This review used data held in Group systems to assess the completeness and accuracy of Electrical Installation Condition Report (EICR) reporting for the Group RSLs and Lowther. EICR completion date are all held within the PIMSS asset management system. However, the process to transfer this data differs across Group areas, as does the location for storing EICR certificates.

The Group has a legal requirement to make all reasonable efforts (supported by evidence of correspondence) to complete an EICR. However, the Group is not legally allowed to turn off the electricity supply to a property when unable to access, as is permitted under gas safety legislation. This can result in less than 100% compliance due to complex cases or customer behaviours that mean the Group cannot access properties, or complete electrical tests once in the property. To mitigate this, the EICR testing is programmed for 3 months before the expiry of the existing certificate, which allows time for forced access protocols, if required.

As all completion dates are held within PIMSS, Power Bi reporting is available for all Group areas and includes information on EICR due dates, overdue EICRs and properties that should be excluded from reporting (e.g. long-term voids or properties proposed for demolition).

We tested a sample of 150 properties to confirm the existence of an EICR certificate and to match the certificate date to the certification date recorded in PIMSS.

We confirmed the existence of the certificates in all but 4 cases and confirmed that, in those cases, there were additional complexities involved which management was actively working on with housing staff in order to complete a

new certification.

We identified a small number of instances in which the completion date recorded in PIMSS did not match the certificate date, with the PIMSS date being later. As the PIMSS date is the one used to programme the EICR testing visits, there is a risk that recertification is not scheduled until after the current certificate has lapsed. Management's approach to scheduling the retesting 3 months ahead of certificate end dates mitigates this, although there were 10 properties where the gap between the two dates was greater than 3 months.

Our assessment of the reasons for the mismatch between the dates on the certificates and in PIMSS concluded that the most common cause was errors at the manual data input stage.

Management was aware of the issue in relation to date differences and work has already started to explore opportunities to reduce manual input through automation and exception reporting.

The Asset Intelligence Team is developing a Power Bi report to identify data differences between the PIMSS completion date and the date recorded in the EICR certificate naming convention for properties in the West.

There is an automated interface between Servitor and PIMSS in the East, which is scheduled to be rolled out in the South from 1 August 2025. While this will not correct existing date differences, it should significantly reduce any future discrepancies.

11. Electrical Testing Certificates data analytics

Priority Actions

We tested a sample of 50 items each for the West, East and South areas to confirm whether a valid EICR was in place; and that the PIMSS completion date and completion date recorded on the EICR certificate matched.

We selected our sample on a targeted basis, by analysing the whole population (65,146 properties in the “Core Stock” listing from PIMSS) to identify properties more likely to have exceptions. This included items where there was no certificate name, no online certificate (East only), no match within the stock list or a duplicate Unique Property Reference Number (UPRN), which gave a population of potential exceptions of 10,800. We also selected a smaller sample of items from the properties not included in the “potential exceptions” population.

The summary of our testing results is shown below:

	West	East	South	TOTAL
Certificates obtained from sample of 50	47	49	50	146
PIMSS completion date same as EICR certificate date	33	37	17	87
PIMSS completion date before EICR certificate date	3	5	14	22
PIMSS completion date after EICR completion date	11	7	19	37

We confirmed that in the 4 instances where certificates were unavailable, there were additional complexities involved, and management was actively working with housing staff to complete a new certification.

In all three areas there were examples of manual data input errors resulting in differences between PIMSS completion dates and completion dates recorded on

the EICR certificates. Where the PIMSS completion date, which is the date used for programming the renewal visits, is later than the EICR date, there is a risk that recertification is not scheduled until after the current certificate has lapsed. The scheduling of retesting 3 months ahead of certificate end dates mitigates this, although the gap between the two dates was greater than 3 months for 10 of the 37 items in our sample.

Management was aware of the issue and actions were underway to address the situation. The different processes in place mean the actions are different in each area, as shown by the management responses below:

- **West Management Response:** *The new Power Bi report to identify differences between PIMSS completion dates and completion dates recorded in EICR certificate naming conventions will be fully operational by the end of 2025. We will share themes/trends in data error identified with CBG and in-house repairs teams to address underlying causes of incorrect data entry. (Due date 31/01/26)*
- **East Management Response:** *We will use the report referenced above to complete a quarterly review with the Development team, to identify differences between recorded completion and certificate dates. (Due date 31/01/26)*
- **South Management Response:** *The deployment of the interface between Servitor and PIMSS is planned for August 2025, which will remove the need for manual data input of completion dates. Following the deployment of the interface, we will establish a certificate upload process, which will mirror the process in the East. (Due dates: 1) 31/08/25; 2) 31/12/25)*

11. Electrical Testing Certificates data analytics

Continuous Improvement Opportunities

- We identified two housekeeping matters in relation to EICR record-keeping: Management do not routinely save the live Power Bi EICR report to evidence monthly performance reporting and we noted that compliance management trackers for complex cases occasionally contained sensitive personal information that could be subject to an information request.
Management Response: *We will remind staff that compliance management trackers should only contain the information required to manage the case effectively. We will confirm that these are stored in a secure SharePoint location, with access provided to only those who need it. We will also liaise with the Data and Performance teams to confirm what evidence should be saved and how long this should be held for, to evidence performance reporting. (Due date 31/08/25)*
- IA identified 37 properties that are recorded on the East's online portal but are not part of management Power Bi reporting due to being correctly excluded from the 'Core Stock' report. These include leased and shared ownership properties where the Group has historically taken on responsibility for EICRs, despite not being legislatively required to do so. However, there is a risk that management are unaware of these properties and the agreement to complete EICRs if managed through a separate process.
Management Response: *We will liaise with the Group legal teams to determine whether there is a requirement for the Group to continue to complete these EICRs and if such properties should be recorded in PIMSS. (Due date 31/03/26)*

12. Helping Hand Fund data analytics

Report Conclusion

The Helping Hand (HH) Fund (the Fund) supports customers to meet their rent payments when facing financial hardship. In April 2025, updated HH Fund guidance was issued to staff, setting out the required process to be followed in order to allocated monies from the Fund to a tenant. The purpose of this review was to assess the extent to which the updated guidance has been implemented.

Wheatley Foundation holds the Fund budget for the Group, which is £1m in 2025/26. In the period 1 April to 31 August 2025 there were approximately 1,550 transactions, with a value of £427,000.

We found that the majority of transactions processed were in accordance with the updated guidance and budget monitoring arrangements are in place, to track monthly use of the Fund against budget. This reporting happens within the Foundation and by RSL.

However, there is no additional reporting to provide ongoing assurance to management on whether the Fund transactions are compliant with the revised guidance. Our analysis of the Fund transactions identified a small number of those transactions as being non-compliant with the guidance.

The Foundation reports monthly on the number of people supported by the Fund, broken down by RSL. This information is based on a manual spreadsheet maintained by the Finance Transactions team. We found exceptions relating to the completeness and accuracy of this spreadsheet, although this had a minimal impact on the figures reported.

We reviewed the system reports currently available from Astra and iWorld and concluded there is an opportunity for management to develop these reports to provide more automated reporting, reducing the risk of errors inherent in manually updated spreadsheets.

If the development of additional reporting is not possible, management should consider using the existing reports to reconcile the information in the Finance Transaction team's spreadsheet to minimise the risk of undetected errors, alongside the use of conditional formatting within the spreadsheet to flag input errors. █

12. Helping Hand Fund data analytics

Continuous Improvement Opportunities

- The Finance Transactions team check that any transactions greater than £350 have manager approval before processing them. However, there are no checks on compliance with other Fund criteria such as the maximum transaction value and only having one transaction per year. Our analysis found a small number of non-compliant transactions, including duplicate transactions; customers receiving more than the maximum value, or more than one transaction in the year; and transactions that did not meet the “reason” criteria within the Fund. There is an opportunity to develop existing system reports so that exception reporting can be used to provide assurance on compliance with Fund criteria.

Management Response: *We are developing additional reports that will allow regular review of compliance with Fund criteria. In addition, we are trialling the development of an automated notification to Locality Directors / Heads of Housing to flag transactions that do not match Fund criteria as they arise. As an interim measure, we will run refresher training with staff. (Due date 31/01/26)*

- The Finance Transactions team use a spreadsheet to track processing of Fund transaction requests. This is updated manually for each transaction and our analysis identified a small number of errors within the spreadsheet. The development of the system reports outlined above may provide an opportunity to stop use of this spreadsheet, or to provide an alternative source of data against which the spreadsheet can be checked for accuracy and completeness.
- **Management Response:** *i) We will apply conditional formatting to the spreadsheet to help identify errors and we will reconcile the spreadsheet against the iWorld report that shows transactions processed to give additional comfort over the completeness and accuracy of both reports, which are used for Foundation and budget reporting respectively. ii) Following the completion of the investigation outlined above, we will assess whether the updated reporting can replace the spreadsheet currently used. (Due date i) 31/10/25; ii) 28/02/26, or 1 month after completion of finding 1 if delayed)*

Appendices

Appendix 1: Types of Review and Subsidiaries key

Wheatley Housing Group Subsidiaries

The table below shows the Wheatley Housing Group subsidiaries to which the Internal Audit team provides internal audit services, along with the shortened form used for this report.

Wheatley Homes East (WH-E)	Wheatley Homes Glasgow (WH-G)	Wheatley Homes South (WH-S)	Loretto Housing (Loretto)	Lowther (Lowther)
Wheatley Care (Care)	Wheatley Foundation (Foundation)	Wheatley Solutions (Solutions)	Wheatley Development Scotland Ltd (WDSL)	

Internal audit services for the Group’s joint venture, City Building Glasgow, are provided by the Glasgow City Council internal audit team and the results are reported separately.

Review Types

The Group’s internal audit services comprise assurance, advisory and focused activities, examples of which are outlined below.

Assurance:	Internal audits, continuous auditing data analysis, validation of management self-assessments. These reviews include an assessment against agreed control objectives within the final report.
Advisory:	Advisory review, project support, investigative data analysis to support development of management information
Focus areas:	controls mapping, pre-inspection visits, fraud investigations

Appendix 2. Definitions of ratings

Control Objective Classification:

The audit approach involves assessing the risks to the achievement of the control objectives. Controls to mitigate these risks are then identified and tested in terms design, adequacy and operating effectiveness. Where those controls are considered insufficient to mitigate the risks to the achievement of the control objective, the classification will be “red” or “amber”. Where the controls are adequate to mitigate the risks, the classification will be “yellow” or “green”. The classification allocated is based on audit findings and the Director of Assurance’s professional judgement, which will consider the strategic importance of the area under review.

Red	Amber	Yellow	Green
<ul style="list-style-type: none"> Control objective not achieved. Control weaknesses identified could have a significant and immediate impact on the risks to achievement of the organisation’s objectives. 	<ul style="list-style-type: none"> Control objective not achieved. Control weaknesses identified could have a moderate impact on the risks to achievement of the organisation’s objectives. 	<ul style="list-style-type: none"> Control objective achieved. Control weaknesses identified could have a minor impact on the risks to the achievement of the organisation’s objectives. 	<ul style="list-style-type: none"> Control objective achieved. Any control weaknesses identified could have very little impact on the risks to the achievement of the organisation’s objectives.

Action Prioritisation:

Each of the actions arising from an Internal Audit engagement is assigned a priority rating, as shown below. The prioritisation allocated is based on the Director of Assurance’s professional judgement.

Priority Action

- Applies to management actions that will address identified control weaknesses, usually where there is no control in place to mitigate the identified risk or the existing control does not provide assurance due to inadequate design of ineffective operation.

Continuous Improvement

- Applies to management actions where there is an existing control in place that provides assurance. However, the control could be strengthened through revised design or renewed application of existing controls (“house-keeping” issues); or further development of existing controls that are operating effectively, such as automation of a manual control.

The logo for Wheatley Homes Glasgow. It features a stylized 'W' icon made of three overlapping geometric shapes in shades of dark red and light red. To the right of the icon, the words 'Wheatley Homes' are stacked vertically in a dark red sans-serif font. Below this, the word 'Glasgow' is centered, flanked by two horizontal lines of the same color.