

WHEATLEY HOMES GLASGOW BOARD MEETING

Friday 22 November 2024 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 13 September 2024 and matters arising
 - b) Minute of AGM meeting held on 13 September 2024
 - c) Action list

Main business

- 4. Repairs update (Presentation)
- 5. North West and South strategic neighbourhood plans
- 6. Fire safety update
- 7. 2025/26 rent setting and service charges
- 8. Performance report
- 9. Owner satisfaction update (Presentation)
- 10. Health and safety performance update

Other business

- 11. Finance report
- 12. Risk Register
- 13. AOCB



Report

To: Wheatley Homes Glasgow Board

By: Aisling Mylrea, Managing Director of Wheatley Homes

Glasgow

Approved by: Steven Henderson, Group Chief Executive

Subject: Neighbourhood Plans update

Date of meeting: 22 November 2024

1. Purpose

1.1 The purpose of this paper is to seek the Board's approval of the North-West and South srategic neighbourhood plans.

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, Wheatley Homes Glasgow 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, Wheatley Homes Glasgow 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 Our vision for neighbourhoods was approved by the Board in March 2023 and the neighbourhood of Barmulloch/Red Road agreed as the pilot area to test this new approach.
- 3.4 Across the summer of 2023, WH-Glasgow carried out a neighbourhood assessment and engaged with customers to understand the positive attributes of living in Barmulloch/Red Road and customer priorities for improvements.
- 3.5 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.

- 3.6 An update on this pilot was presented in September 2023 with an outline of the key priorities for Barmulloch and an emerging strategic plan for the North-East of Glasgow.
- 3.7 In February of 2024, the Board approved the North-East Strategic neighbourhood plan. The Board agreed that the North-West and South neighbourhood plans be presented at a later date.
- 3.8 In 2024, WH-Glasgow launched its new Asset and Investment strategy of which there will be 10 individual locality plans. One of the key drivers of the strategy is neighbourhood priorities identified through the neighbourhood plans.

4. Discussion

Update on the North-East Strategic Neighbourhood Plan

- 4.1 We have made excellent progress in our Year 1 delivery of the North-East strategic neighbourhood plan that was approved by the Board in February 2024. The neighbourhood team are delivering improvements in the environment, asset improvements and enhancing amenity provision in our priority neighbourhoods in the North-East. Some of the highlights so far include:
 - Nearly completed Cranhill site for the 'Wheatley Standard' pilot project which has seen the visual transformation of 3 tenement closes in Cranhill with external fabric improvements, replacing the gutters, jet washing the pathways etc.;
 - Progression of the Sighthill Larder to provide an interim amenity service for the community in Sighthill. A site has been identified with Glasgow City Council and a plan is in place to get this service up and running;
 - Development plans for a new-build site in the heart of Milton have gone out to public consultation. The development is on the site of former tenement blocks and the future plans include provision for larger family homes that are desperately needed in the North-East of the city; and
 - Partnership work with Glasgow City Council within Barmulloch to improve the green spaces within the area, clean streets and litter free pathways has been hugely successful and we are rolling out this approach across the city.

4.2 The Neighbourhood Plans (Appendix 1 and 3) provide an overview of the North-West and South of Glasgow, the outputs from the neighbourhood assessment and a summary of customer insight derived from engaging with the communities in the identified priority neighbourhoods. The priority neighbourhoods for the North-West are Wyndford, Drumchapel and Knightswood. The priority neighbourhoods for the South are Govan, Pollok and Castlemilk. Alongside the Neighbourhood Plans are a set of strategic actions (Appendix 2 and 4) that will be delivered by neighbourhood teams to drive towards improved outcomes for our customers in their experience of the environment, anti-social behaviour and access to people and services.

Strategic Priorities for the North-West of Glasgow

- 4.3 The neighbourhood assessments for the North-West neighbourhoods and outputs from customer engagement have drawn out key strategic priorities across the North-West of Glasgow. The following priorities have been identified and outlined in further detail in Appendix 1 and 2:
 - Development and Neighbourhood regeneration- customers have highlighted the need for larger family homes and regeneration of key areas like Wyndford and Drumchapel;
 - Greenspace and play- key improvements include revitalising green space in Wyndford and a new play space in Knightswood;
 - Accessible roads and walkways- customers raised that pavements and roads were not always accessible. Key areas identified for improvement include the Lincoln Avenue car park;
 - Safe and attractive neighbourhoods- key priorities included investment in the assets within our communities as well as improvements to CCTV coverage in our Multi-Storey flat sites; and
 - Opportunities to access employment and alleviate poverty- continuing to support our customers in our communities through employment opportunities is a key priority. Actions in the plan include supporting the delivery of 2 larder projects and working with Maryhill Citizens Advice Bureau.

Strategic Priorities for the South of Glasgow

- 4.4 The neighbourhood assessments for the South neighbourhoods and outputs from customer engagement have drawn out key strategic priorities across the South of Glasgow. The following priorities have been identified and are outlined in further detail in Appendix 3 and 4:
 - Neighbourhood regeneration- investment in our housing stock in Castlemilk are identified as key priorities for regenerating our neighbourhoods in the South:
 - Larger family homes- the progression of the Transformational Regeneration Areas in Govan and Pollokshaws are key priorities for increasing the number of larger family homes in the South of the city;
 - Green space- access to usable green space was identified as a key priority in our communities in the South. Key actions in the plan include making better use of the green space around some of our MSF sites;

- Local neighbourhood planning- supporting our communities when it comes to enhancing local amenities and food provision were identified as key priorities in the South. This included supporting the pantry provision in Castlemilk; and
- Access to employment opportunities- continuing to support employment opportunities through Wheatley Foundation and work with communities in the South through the Wheatley works programme.

4.5 Measuring Success

The Neighbourhood Plans will run for 4 years and have annual reviews with a full review at the end of the 4 years. We will measure the success of the Neighbourhood Plan at the end of the 4 years by reviewing the following:

- Environmental score- one star improvement in Keep Scotland Beautiful scoring for each site in the identified neighbourhoods;
- Asset appraisal- achieve 90% customer satisfaction with quality of home; and
- Place standard Scoring- 10% improvement in place standard scoring including a 'sense of' rating on pride, identity and belonging in the community.
- 4.6 We will also review overall customer satisfaction and customer satisfaction with contribution to the management of the neighbourhood and track these as we aim to achieve 90% overall customer satisfaction by 2026.

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 Customers also take part in the co-design of the Neighbourhood Plan through priority building workshops. Customers will have opportunities throughout the lifetime of a Neighbourhood Plan to engage in both smaller and larger projects. We will also keep the wider community up to date through local newsletters.
- 5.3 We will use our Stronger Voices Officers to gain local customer insight, engage local focus groups and deliver engagement activities that help tackle issues raised by tenants. Our aim is to have stronger local tenant involvement in tackling local issues. Customer will be kept informed with updates on the neighbourhood plans through local newsletters and social media posts. As part of our neighbourhood plans, we are exploring the use of new video facilities in MSFs and hope to use that as an avenue to provide further updates to customers on the progression of neighbourhood plans.

6. Environmental and sustainability implications

6.1 There are no direct environmental and sustainability implications arising from this report. However, the neighbourhood approach and the delivery teams should consider the 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.

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 Neighbourhood Plan will also 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 ("EDI") 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.
- 11.2 From the engagement undertaken, EDI themes have been evident in terms of the need for larger homes for families reflective of our MyHousing EDI data which consistently has a higher percentage of applicants who are currently pregnant/taken maternity/paternity leave in the previous year compared to our customer equality data and for households with accessibility needs, for example in Cranhill. We will continue to consider EDI implications during the implementation of our Neighbourhood Plan.

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 we co-designed with our 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 North-East, with a particular focus on regeneration, developing larger family homes, transport connectivity, access to usable green space, and access to employment opportunities.

13. Recommendations

13.1 The Board is asked to approve the North-West and South Strategic Neighbourhood Plans.

LIST OF APPENDICES:





Report

To: Wheatley Homes Glasgow Board

By: Frank McCafferty, Group Director of Repairs and Assets

Approved by: Steven Henderson, Group Chief Executive

Subject: Fire Safety update

Date of Meeting: 22 November 2024

1. Purpose

1.1 This report:

- Summarises the Grenfell Tower Inquiry Phase 2 Report and its key findings and draws out any implications for our approach to fire safety.
- Provides an update on fire safety matters for WH-Glasgow during Quarters 1 and 2 of 2024/25, including progress with actions raised by the ongoing Fire Risk Assessment (FRA) and Person-Centred Fire Risk Assessment (PCFRA) programmes.

2. Authorising and strategic context

- 2.1 Under the Group Standing Orders, the Wheatley Group Board is responsible for approving Group policies and frameworks and designating those as applicable to all the Group partners. The Group Board approved the updated Fire Prevention Mitigation Framework at their meeting on 24 April 2024.
- 2.2 Under our Terms of Reference, we are responsible for monitoring our performance and corporate risks. This report supports us with those responsibilities.
- 2.3 This report most closely aligns with our strategic outcome of investing in existing homes and environments. The Group Fire Prevention and Mitigation Framework therefore supports us in our delivery of this outcome.

3. Background

- 3.1 We have always identified fire safety as a high-risk area and embedded it within our governance and operational arrangements. Our Community Improvement Partnership ("CIP") was established by Wheatley Homes Glasgow in 2010/11 with a dedicated team of police officers and senior fire officers to deal with crimes and fire risks in our communities. It was the first of its kind in the UK reflecting our long- term and ongoing commitment to mitigating risk relating to fire safety.
- 3.2 Our overarching approach to fire safety is detailed within our Group Fire Prevention and Mitigation Framework (FPMF), which was first approved in 2017 and is reviewed on an ongoing basis.

- 3.3 As part of this Framework a programme of FRAs for 2022- 2025 covering Care, Corporate, HMOs, NETs depots, Livingwell properties, and Multi-Storey Flats was agreed. In addition, minimum targets were set for PCFRAs for vulnerable customers notified to us by various agencies and frontline staff.
- 3.4 The Framework was subsequently supplemented by a Fire Prevention Charter ("the Charter") between us and the Scottish Fire and Rescue Service which was approved in 2019. The Charter is scheduled for review this year and an updated version will be subject to Group Board approval.
- 3.5 Fire safety is also a feature in our Group and Registered Social Landlord Strategies, including measures relating to Accidental Dwelling Fires.
- 3.6 Bi-annual updates on fire safety, summarising ongoing issues, are in addition provided to the Group Audit Committee.
- 3.7 Lastly, risk and mitigations relating to fire safety are included in the Corporate Risk Register, which is subject to ongoing Board review and formal approval.
- 3.8 On 14 June 2017 a fire broke out in the kitchen of Flat 16 of Grenfell Tower, a high-rise residential building in North Kensington, West London owned by the RBKC (Royal Borough of Kensington and Chelsea) and managed by the TMO. The fire, which should have been contained within the flat, escaped from the kitchen into the external envelope of the building. Tragically, the lives of 71 people were lost.
- 3.9 On 15 August 2017 an Inquiry was formally set up under the Inquiries Act 2005 to investigate the cause and origins of the fire, how it spread, and how the building came to be in a condition that allowed this. Part 1 of the inquiry was published in October 2019 and included a number of recommendations.
- 3.10 The **UK Government** responded by introducing in England and Wales the Fire Safety Act 2021, which set out a series of obligations on building owners and managers. For RSLs, this included a requirement to inspect fire doors in communal parts of any building above 11m in height every three months and use their 'best endeavours' to check the fire doors of individual flats at least every 12 months. The Regulations also set out requirements relating to high-rise residential buildings (above 18m), such as including the structure and external wall system as part of a building's fire risk assessment.
- 3.11 The **Scottish Government** took a different approach in responding to some aspects of the Phase 1 report. It published the "Scottish Government response to the Grenfell inquiry Phase 1" in October 2020 following the work of its Ministerial Working Group, which introduced a range of measures including:
 - In October 2019, strengthened guidance in relation to combustible cladding, means of escape and measures to assist the Fire Service;
 - In March 2021, legislation to require the installation of automatic fire suppression systems in all new build flats and maisonettes, social housing dwellings and multi-occupied shared residential buildings;
 - From February 2022, a requirement for all residential dwellings in Scotland (including high rise flats) to have interlinked smoke and heat detectors;
 - Publication of 'Practical Fire Safety Guidance for Existing High Rise Domestic Buildings', last reviewed February 2022; and
 - In December 2022, revising the Scottish Advice Note on determining fire risk posed by external wall systems in existing multi-storey residential buildings.

- 3.12 Fire and Rescue have a "stay-put" policy for incidents in multi-storey blocks over 18m, which has remained central to the Scottish Government's legislation and guidance. In this context, full evacuation should not usually be required.
- 3.13 In the Phase 1 Inquiry report however, it was recommended that consideration should be given to measures that may be required in the event of a full evacuation of a building, and that the Responsible Person for the building should prepare Personal Emergency Evacuation Plans ("PEEPs") for every resident in a high-rise residential building who self-identifies as unable to self-evacuate. This recommendation has **not** however been adopted into law/ guidance in any part of the UK thus far, though this is subject to ongoing consultation in England and Wales.
- 3.14 Following consideration by its own Working Group, the Scottish Government did **not** support the general use of PEEPs in high rise domestic buildings, and stated in their 2020 response to this that in an evacuation scenario "SFRS would undertake a rescue of any person who is unable to self-evacuate, immaterial of whether there is a PEEP". In addition, subsequent formal Scottish Government MSF fire safety guidance issued in February 2022 stated:
 - 'It is likely that there will be residents with mobility difficulties, physical disability and mental health issues that impact on their ability to evacuate. It is **not** usually expected that those responsible for fire safety in the building need to plan or put special arrangements in place.'
- 3.15 Phase 2 of the Inquiry report was subsequently published in September 2024 and contained additional recommendations and updates from Part 1. This Board report summarises recommendations from Phases 1 and 2 which have direct implications for WH-Glasgow, together with other relevant findings from the Inquiry which relate to wider group activities.

4. Discussion

Current WH-Glasgow Fire Safety Measures and Performance

- 4.1 We have a well-established approach to Fire Safety, supported by a group-wide approach, which includes the following activities:
 - Recorded **daily check** of MSF fire safety elements by on-site Concierge;
 - 3 monthly Operational Assurance Visits ("OAVs") of MSFs by the Scottish Fire and Rescue Service ("SFRS");
 - Ongoing secondment of a qualified and experienced SFRS employee to our Fire Safety Team;
 - 5 yearly maintenance inspections of MSF domestic and common area electrical systems;
 - 6 monthly LOLER inspection and annual servicing of MSF lifts;
 - 3-yearly PAS 79 (assessment methodology for fire risk assessment) MSF Fire Risk Assessments (FRAs) by our Fire Safety Team;
 - Ongoing Person-Centred Fire Risk Assessments (PCFRAs) by our Fire Safety Team of vulnerable clients referred from various agencies; and
 - Follow up investigation of accidental dwelling fires by our Fire Safety Team in conjunction with SFRS.

- 4.2 In respect of WH-Glasgow, the following fire safety KPIs covering Q1/2 of 2024 are of particular relevance:
 - 41 FRA inspections took place and reports were issued;
 - 162 PCFRA visits took place and reports were issued;
 - 26 Accidental Dwelling Fires took place, of which 5 were significant; and
 - 196 SFRS OAV visits took place and reports were issued.
- 4.3 All FRA/ PCFRA actions allocated to WH-Glasgow falling in the 'mandatory' category in the period to 30 September 2024 have been completed.
- 4.4 Our PCFRA programme is based on referrals from Housing, Fire Service, Social Work and the Police, and is focused on our most vulnerable customers. As part of the 162 PCFRAs undertaken 877 actions were identified; these actions resulted in a number of interventions being carried out to support customers including:
 - Providing additional fire safety equipment such as stove guards and air fryers;
 - Arranging for fire detection system upgrades for highly vulnerable individuals;
 - Identifying any fire safety repairs or systems defects in tenant homes;
 - Providing guidance to tenants on fire safety in the home; and
 - Arranging for tenant referrals/ assistance e.g. in respect of hoarding.

Cladding

4.5 There are **132** occupied MSFs owned by Wheatley Homes Glasgow, with one at Ibroxholm Oval being leased to and managed by Lowther. A breakdown of the ownership and tenure of these properties is set out below:

Ownership	
WH-G (wholly owned)	64
Mixed ownership	68
Total number of occupied MSF blocks	132
Number of Tenants	9732
Number of Owner/Occupiers	441
Total properties in MSFs	10,173

- 4.6 None of the cladding within our MSFs is of the same type as Grenfell Tower.
- 4.7 The Scottish Government have issued a 'Technical Advice Note' to assist in determining the fire risk posed by external wall systems in multi-storey residential buildings. This includes an external wall appraisal to ensure residents are not placed at risk of harm from fire spread over or within the external wall system.
- 4.8 We have detailed records of the external wall insulation systems in our MSF blocks, and we hold this in our asset management system PIMSS in a format recommended by the SG Technical Advice Note. Following a review of this information we identified 9 blocks, 3 at Cranhill and 6 at Milton, where the information held did not meet the criteria required by the updated guidance.

- 4.9 We engaged qualified Building Surveyors and Fire Engineers to undertake intrusive surveys of 2 blocks at Milton and 1 block at Cranhill to supplement the information we hold for these buildings. These surveys have confirmed that the blocks at both locations are not high- risk and no immediate remedial measures were identified in either report.
- 4.10 We continue to liaise with the Scottish Government teams responsible for cladding and have commenced a desktop review of buildings between 11m 18m, which is planned to be complete in March 2025. This will be followed by buildings of a lower height.
- 4.11 We also undertake regular surveys of our MSF cladding systems, delivered by an external technical specialist, CAN Structures. These use rope access to visually inspect the cladding on all of our MSFs every 2 years. Our MSF blocks have also been extensively surveyed to assess all aspects of their structural condition, including cladding, in 2017 and more recently as part of our review of the potential use of RAAC and checks on Large Panel System ("LPS") blocks.

Phase 1 Inquiry Report Recommendations

4.12 Phase 1 of the Inquiry contained a number of recommendations for defined sectors, including Social Landlords. Within the wider report, there are also findings which are pertinent to our activities. A summary of the key recommendations alongside the Scottish Government ("SG") and SFRS position and our position in relation to each is set out in the table below:

Recommendation from Phase 1 (2019)	SG/SFRS response (2020/2022)	Group position
Owner/ RSL to provide info to Fire Service in respect of MSF external wall design	Owner to survey/ identify MSF external wall issues (cladding) & advise SFRS of any dangers	 No issues identified with MSF stock cladding No issues required to be communicated to SFRS
Owner/ RSL to provide information to Fire Service on floor plans and location of fire systems and place in info boxes	The existing practice of provision of wall plates/ diagrams in situ is deemed adequate by SFRS	 Wall plates/ diagrams provided at all MSF locations Daily checks by NETS Verified by 3 yearly FRA by Fire Team
Owner/ RSL to carry out monthly inspection of fire- fighting lifts and lift control mechanisms and advise SFRS as well as check annual maintenance	Agreed RSLs should do this; OAV visits by SFRS also check these standards	 Daily checks by on-site staff, including the functioning of lifts Annual maintenance by external contractor 3 yearly FRA review by our fire safety team Planned actions Audit of NETs checks by Fire Team
Owner/ RSL to put in place evacuation plans in understandable format	Confirmed continuation of 'stay put' policy is adequate for MSF	 Fire evacuation information is located adjacent to lifts and on each floor within our MSFs

Recommendation from Phase 1 (2019)	SG/SFRS response (2020/2022)	Group position
Owner/ RSL to create PEEPS for residents with impairments Owner/ RSL to provide	Confirmed only required for higher risk properties and not MSF properties Confirmed required	■ No PEEPs are required in WH-G stock ■ We provide the required
floor number signage at lobbies and floors	and incorporated into SG/ SFRS guidance. Clear floor number signage is required in lobbies and stairwells.	signage and this is checked by SFRS during their quarterly operational assurance visits Daily checks by NETS Verified at 3 yearly FRA visits by the fire safety team
Owner/ RSL to carry out urgent inspection of MSF internal fire doors/ self-closers and thereafter put in place a minimum 3 monthly check	The 2022 Scottish Government MSF guidance recommends 6- monthly checks of internal fire doors (including dwellings). Note the England and Wales requirement in that flat front doors within MSFs be checked annually, and internal doors in common parts quarterly.	■ We have been scaling up our fire door technical inspection programme, and plan to have carried out an inspection of all flat and common fire doors this financial year. Thereafter, we will move to a 6-monthly cycle. ■ If we do not obtain access we will organise 2 further appointments. Should we not receive access after the third appointment we propose to force access. ■ We will offer private owners a free door check, and undertake visual checks on all doors. If any are identified which do not appear to be fire doors, we will inform the owner of this and will offer assistance to allow this to be upgraded. ■ 3 yearly FRA door checks by the Fire Team including 10% of front doors. ■ Daily checks by on-site staff of common area fire doors Proposed action: ■ Liaison with SFRS regarding implementation approaches for front door checks ■ Audit of NETS daily checks of all other internal fire doors

Phase 2 Inquiry Report Recommendations

- 4.13 The findings of Phase 2 of the inquiry examined the underlying causes of the fire and how Grenfell Tower came to be in a condition which allowed the fire to spread. It also investigated the response of the authorities to the emergency. Given that the inquiry findings have just been released, the Scottish Government is still considering its findings and may, in due course, produce further guidance, amend existing guidance or introduce new legislation.
- 4.14 We have however identified a number of themes within the findings relevant to us and have set out our position in respect of these in more detail below.
 - Lack of Transparency to Kensington and Chelsea Borough Council (KCBC) Board on Fire Safety Matters
- 4.15 The Inquiry noted that fire safety information had not been properly communicated to the KCBC Board. As detailed in this report, fire safety is embedded within our governance and risk management arrangements.
 - Insufficient Business Continuity and Response Planning by KCBC
- 4.16 We have a business continuity and response event each year specifically relating to a fire event in an MSF within WH-Glasgow, attended by senior staff from WH-Glasgow, CFC, NETS, Building Compliance and the Communication Team, and led by the H&S Team.
- 4.17 This scenario event is detailed, testing staff understanding of roles and responsibilities, customer communications, planning for dealing with displaced tenants including accommodation, food and water and transport and engaging with Glasgow City Council. This covers both any fire event and the days and weeks following any such event.
- 4.18 A further review of written business continuity arrangements associated with this type of scenario, and ongoing communication and understanding of these within WH-Glasgow in particular, is now ongoing.
 - Competence of Staff/Contractors in Respect of Fire Safety
- 4.19 The Inquiry noted that the competence of individuals employed by KCBC to carry out FRAS, had not been verified/ checked.
- 4.20 We have an in- house Fire Safety Team with six Fire Safety Officers and one SFRS secondee, all of whom have completed certified/verified FRA training and are competent to carry out Fire Risk Assessments. We will continue to ensure that this competence is maintained, and also ensure that any new member of this team is suitably qualified.
 - Monitoring of standards and follow up action
- 4.21 The inquiry identified weaknesses in the way that fire safety standards were monitored and the way in which actions identified, as part of any FRA, were followed through and monitored to implementation.

- 4.22 We have a clear process in place for identifying, tracking and monitoring actions identified in FRAs, which has recently been refined to create priority categories. High risk actions are dealt with as an emergency repair and called through to the CFC immediately.
- 4.23 Lower risk actions, which are more commonplace, are now categorised as mandatory actions with an agreed timescale agreed by the Fire Safety Team. Our process relating to this is as follows:
 - All mandatory actions are monitored on a weekly basis by a report issued to all subsidiaries and services:
 - Any overdue actions are highlighted separately;
 - 4 weekly meetings chaired by the Group Director of Repairs and Assets to ensure any issues raised are addressed;
 - Monthly update on H&S/ Fire Safety to Executive Team and attendance by Director of Group Health and Fire Safety to discuss ongoing issues;
 - Audits of completed actions are undertaken by the H&S team; and
 - Regular updates are provided to appropriate Boards.
- 4.24 The performance of our FRA programme is part of our standard quarterly performance reports for all RSL Boards.
- 4.25 WH-Glasgow employees are also able to report fire safety concerns via our Group Whistleblowing Policy available on WE Connect. This is supported by videos explaining the content which are also available to staff through WE Connect, and the Group's Business Ethics e-learning module also contains links to the Policy.

Poor tenant engagement, communication and complaint handling

- 4.26 One of the themes in the findings of the inquiry was poor communication and engagement with tenants. This manifested particularly in a lack of engagement with tenants over issues they raised, work that was being undertaken and complaints not being handled appropriately or resolved. It was also found that multiple and/or recurring complaints about the same issue were not a trigger for escalation or urgent action.
- 4.27 The Group has a robust and thorough complaints process overseen by a central team to ensure we are engaging appropriately with our tenants. Analysis of our complaints confirms that we have not had a pattern of complaints from multiple tenants, for example in an MSF, in relation to fire safety.

Personal Emergency Evacuation Plans - PEEPs

4.28 As previously detailed, the Scottish Government, as part of its Building and Fire Safety Working Group, did not support the general use of PEEPs in high rise domestic buildings. However, we are currently in discussion with SFRS nationally regarding the issue of PEEPs together with other potential improvements, including Home Fire Safety Visits, signage and information boxes. We will continue these discussions and have offered to pilot any proposals in partnership with SFRS who are critical to any potential use of PEEPs, since it will be their officers making use of them in the event of a fire evacuation.

Gas Isolation valves

- 4.29 Scottish Gas Networks (SGN) were contacted during October 2024 and asked to carry out inspection of external gas isolation valves at 3 MSF blocks in Cranhill. These are the only 3 MSF blocks with gas risers owned by WH-Glasgow. It was confirmed during their subsequent site inspection that there is good access for SFRS, identifiable signage for the MSF gas isolation valves is present, they were free from any debris and available to operate, and that no obvious defects were identified.
- 4.30 We will continue to regularly contact Scottish Gas Networks for confirmation that isolation valves serving MSF locations continue to be accessible by SFRS should these require to be shut down in an emergency.

Ongoing Fire Safety Improvement and Monitoring

4.31 We have developed a new Group-wide Fire Safety Action Plan that will be progressed and monitored via the existing Fire Working Group, which is attended by WH-Glasgow management representatives. This plan encompasses all of the adopted recommendations within this report, as well as all other actions ongoing in respect of Fire Safety across the Group.

5. Customer Engagement

- 5.1 Our long-running "Stay Safe" annual campaign provides information to our customers on how to avoid fires and what to do in the event of a fire. This includes:
 - The offer of a home fire safety visit from our Fire Safety Team or SFRS;
 - Advice and tips on how to avoid kitchen fires;
 - Advice on what to do in the event of a fire;
 - Advice on electrical equipment safety;
 - Information on the importance of keeping closes, foyers and stairwells safe;
 - Specific information on MSF safety with the latest advice from SFRS; and
 - The importance of fire doors.
 - 5.2 Our PCFRA identifies those customers at the greatest risk of an accidental dwelling fire and provides a free visit to identify specific risks for individual customers. Additional supports include the offer of free air fryers, fire blankets and stove guards.
 - 5.3 Our Concierge Team are also on hand within MSF blocks to provide support to our customers, including any concerns that they may have relating to fire safety.
 - 5.4 Lastly, our Fire Safety Team carries out regular fire safety community engagement events. Five of these events took place within WH-Glasgow during this period.

6. Environmental and sustainability implications

6.1 There are no environmental and sustainability implications contained in this report.

7. Digital transformation alignment

- 7.1 Technology is used to support the storage of information through our PIMSS asset management system.
- 7.2 E-learning training is also being developed beyond our Health and Safety Awareness and Fire Awareness courses, to reflect our new operating model.

8. Financial and value for money implications

- 8.1 The Group Board approved our Group Asset Management Strategy in June 2024 and the WH-Glasgow Board approved its Strategic Asset Investment Plan in September 2024. Within these tenant safety and compliance, including fire safety, is stated as our top priority and is therefore always prioritised in our budget allocation process.
- 8.2 The measures set out in this report are fully funded in our business plan through our repairs and maintenance programme budget allocations.

9. Legal, regulatory and charitable implications

- 9.1 Our risk appetite relating to laws and regulations is "Averse" i.e., avoidance of risk and uncertainty is a key organisational objective. The risk tolerance of all subsidiaries relating to technical compliance (e.g., Health and safety, gas) is also "Averse."
- 9.2 Health and safety compliance risks and associated mitigations are included in the group strategic risk register and in the subsidiary risk registers.
- 9.3 Failing to comply with the statutory health and safety legislation and employers' general duties under the Health and Safety at Work Act and associated Regulations could lead to regulator intervention, enforcement action, prosecution, and adverse reputational risk.

10. Risk Appetite and assessment

- 10.1 This report most closely aligns with our strategic outcome of investing in existing homes and environments. Within this, our risk appetite for legal/regulatory compliance is minimal and we have a commitment to ensuring strong fire safety precautions throughout our homes.
- 10.2 Our approach, including the update report provided here, is in keeping with this risk appetite.

11. Equalities implications

11.1 Our approach to fire safety in high rise properties, and more broadly, has been aligned with Scottish Government legislation and guidance, which takes into account equalities implications. Our strong focus on personalised services includes a proactive approach to carrying out person-centred fire risk assessments (which are not a statutory requirement of social landlords). Our frontline staff are trained to make referrals to our fire safety team in the event that they assess a customer to be at a higher risk of fire, for example due to their personal circumstances or vulnerabilities.

12. Key issues and conclusions

- 12.1 As detailed within this report, we have a strong culture of fire safety and treat the issue as a top priority. Across the Group, fire safety and keeping our customers safe is a priority and a responsibility of all of our staff. Expert advice and support in pursuing this aim is provided by our dedicated Fire Safety Team. As the Board has noted in recent reports, the number of accidental dwelling fires in tenants' homes has significantly reduced since the Group Strategy was agreed in 2021.
- 12.2 We have reviewed the findings and recommendations from the Grenfell Inquiry Phase 2 report and have noted some further strengthening of our approach, as set out in the recommendations section below.

13. Recommendations

- 13.1 The Board is asked to:
 - 1) Note the contents of the report and our strong culture of fire safety;
 - 2) Note that inspections of flat front doors will move from once during 2024/25 to six-monthly from 1 April 2025;
 - 3) Note that we continue to apply Scottish Government guidance in respect of PEEPs in multi-storey flats, but that we will explore what further measures might be practicable in conjunction with SFRS; and
 - 4) Agree that, in the event of three no-access visits for flat door inspections in multi-storey flats, we will move to a forced access process.

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: 2025/26 Rent setting and service charges

Date of Meeting: 22 November 2024

1. Purpose

1.1 This report:

- seeks agreement from the Board for the 2025/26 rent and general service charge increases for initial focus group discussion; and
- sets out proposals for engagement and consultation with WH Glasgow tenants on rent increase options.

2. Authorising and strategic context

- 2.1 Under the Group Standing Orders, the Group Board is responsible for the Group rent setting framework. Subsidiary Boards approve their own rent increases within this framework.
- 2.2 The Group Board agreed that a base increase within the range of 6.9-7.9% should be the basis of our initial focus group discussion with each RSL's tenants. Alongside this, we would discuss an additional option of +1% on the base to fund additional activities as we have in previous years.

3. Background

Economic context

3.1 The UK has experienced a challenging economic period over the past two years as inflation rose steeply and the Bank of England responded with sustained interest rate rises, creating financial pressure to both businesses and households. Over the last year the monetary policy decisions by the Bank of England have helped reduce inflation from 6.7% to 1.7% and while there are now signs of economic recovery, and potential for interest rate reductions, challenges remain in keeping inflation close to the Bank of England 2% target and creating sustainable growth. Market predictions show inflation may increase slightly over the remaining months of this financial year but will remain close to the target. This prompted an interest rate cut to 4.75% on 7 November with commentary from the Bank of England that inflation may rise slightly after the measures announced in the UK Budget which would mean interest rates may take longer to fall.

3.2 While general Consumer Price Index (CPI) inflation has reduced, costs remain higher for key areas of housing expenditure such as repairs and insurance. Interest rate reductions are forecast but rates are unlikely to return to the low levels seen pre-2022. We have updated our business plan assumptions to reflect expectations for future inflation and interest rates. After managing our services through the recent period, the 7.5% rent increase implemented in April 2024 allowed us to begin rebuilding financial capacity in our business plan and, along with assumed future rent increases, provides for an appropriate level of funding for investment in lifecycle replacements and our legislative obligations in our homes. During the year, as part of our asset strategy discussions, we agreed that the investment priorities set out in our neighbourhood plans be reflected in our rent setting proposals together with the creation of a provision to fund energy efficiency improvements in our homes which will be required to meet the new Scottish Housing Net Zero Standard (SHNZS).

4. Discussion

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

Affordability

4.2 Our average rents for 2024/25 are shown in Table 1 below, alongside the Scottish average and Scottish RSL averages now published for the same year. To allow as "like for like" a comparison as possible these rates are based on the latest available information via the 2022/23 Annual Return on the [Scottish Social Housing] Charter ("the ARC") to the Scottish Housing Regulator ("SHR") with the 2023/24 rent increase (sourced from the SHR) applied.

Table 1: Average Weekly Rents – March 2024 ARC Return + 2024/25 rent increase

RSL	Average Weekly Rent					Total Lettable Units	Overall Average Weekly Rent
	1 Apt	2 Apt	3 Apt	4 Apt	5 Apt		
WH Glasgow	£82.68	£94.66	£101.66	£118.15	£129.62	41,886	£103.14
Scottish Average	£87.22	£93.19	£95.75	£104.25	£114.84		£97.36
Scottish RSL Average	£93.80	£102.26	£103.67	£114.08	£125.97		£105.85

- 4.3 The UK Government accepted the Low Pay Commission (LPC) recommendations and increased the national minimum wage by approximately 10% in April 2024 from £10.42 to £11.44. The minimum wage will increase, above initial estimates, by a further 6.7% to £12.21 for 2025. The UK state pension increased by 8.5% in 2024, the second highest increase ever applied, and will increase by a further 4.1% in April 2025 in line with wage increases under the "triple lock" guarantee. The Scottish Child Payment of £25 per week, per eligible child remains in place and applies to all eligible children (looked after by a guardian in receipt of a qualifying benefit) under 16.
- 4.4 We have used the joint Scottish Federation of Housing Associations ("SFHA")/Housemark Rent Affordability Tool to assess how affordable our rents are. This tool allows us to calculate the rent as a percentage of income for different customer groups most associated with different property sizes summarised in Table 2 below.

Table 2: Affordability analysis by property type and household composition

Customer Group	1 Apt	2 Apt	3 Apt	4 Apt
Single Person	23.6%	27.0%		
Couple 1PT 1FT/ Pensioner couple		18.0%		
Couple 2FT		13.5%		
Single parent (2 Children)			18.1%	21.1%
Small family (2 Children)			13.8%	16.1%

NB: The tool does not provide an appropriate customer group against which to assess 5 Apt rents

- 4.5 The table shows that consistent with previous years all relevant customer groups and property size combinations are below a 30% rent to income ratio relative to the national minimum (living) wage. Shelter (2015) cited in the recent Scottish Government literature review of rent affordability has quoted a figure of 35% of net household income¹ as an affordability threshold. A UK Affordable Housing Commission report from 2019 noted that if rent is higher than 40% of net income², then serious affordability issues may arise.
- 4.6 We continue to offer a wide range of wraparound services and wider support to our customers who are experiencing financial hardship including the Helping Hand Fund to assist tenants who are struggling with rent payments.

Comparability

4.7 Our rents are compared with the other local operators below. Table 3 below shows the most recent available comparison of RSL rents in Glasgow City from the Scottish Housing Regulator's Annual Return on the Charter ("ARC") published data with the 2024/25 increase applied. In the wider Scottish context, two Local Authorities have announced their consultations at the time of writing, with Aberdeen City Council proposing a 10% rent increase and the City of Edinburgh Council consulting on a 7% increase after an agreement to raise rent by that amount for five years starting in April 2024 to fund their 10 year capital investment programme.

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

²https://static1.squarespace.com/static/5b9675fc1137a618f278542d/t/5cf55923f41ae70001170311/15595830179 20/Defining+and+measuring+housing+affordability.pdf

4.8 More specifically for our 2,3 and 4 apt properties, the vast majority of our stock, when compared to other RSLs in the city, we sit broadly mid-table. This is within the context of a wider service offering and the prevalence of multi-story flats ("MSFs") with the associated expense for 24/7 on-site presence (around ¼ of stock).

Table 3: Glasgow RSL average rents + service charges as at March 2024 with

24/25 increase applied (Source ARC)

Glasgow >1000	Average weekly rent by House Size					
Social Landlord	1 Apt	2 Apt	3 Apt	4 Apt	5+ Apt	
Southside HA Ltd	£82.74	£99.52	£115.40	£126.64	£136.23	
Govanhill HA	£90.28	£104.86	£113.20	£130.11	£152.68	
Sanctuary Scotland HA	£75.33	£94.64	£108.85	£120.03	£129.13	
Whiteinch and Scotstoun	£94.89	£103.30	£108.69	£124.38	£133.65	
North Glasgow HA	£87.78	£98.88	£107.17	£117.13	£129.79	
New Gorbals HA	£69.79	£95.13	£106.16	£118.38	£135.19	
West of Scotland HA	-	£98.80	£104.29	£107.43	£113.21	
Thenue HA	£79.83	£95.20	£102.64	£116.80	£125.31	
Govan HA	£82.75	£88.49	£102.28	£113.60	£127.72	
Glen Oaks HA	-	£96.14	£101.88	£110.71	£136.68	
WH Glasgow	£82.68	£94.66	£101.66	£118.15	£129.62	
Queens Cross HA	£85.82	£96.57	£101.19	£112.23	£127.48	
Partick HA	£67.16	£89.40	£100.60	£121.25	£135.22	
Maryhill HA	£81.85	£94.34	£99.75	£103.78	£114.06	
Shettleston HA	£50.17	£88.12	£97.29	£108.98	£133.09	
Elderpark HA	£79.78	£85.69	£96.64	£113.98	£133.30	
Milnbank HA	£67.18	£93.93	£96.52	£105.08	£115.76	
Parkhead HA	£62.95	£77.91	£96.31	£106.39	£130.54	
Linthouse HA	£78.04	£83.92	£95.53	£108.95	£118.89	
Rosehill Housing Co-op	£68.74	£81.64	£92.57	£91.83	£97.66	
Tollcross HA	-	£78.30	£87.97	£106.45	£118.96	

Financial Viability

4.9 We form part of a borrowing group with other Wheatley RSLs. This means that we assess the key financial indicators of the RSLs aggregated together. Over recent years, the financial capacity within our RSL business plans has been subject to external pressures such as cost inflation, repairs inflation and interest rate increases. This has been coupled with a sustained increased demand for repairs and additional legislative compliance obligations.

- 4.10 All of these factors have consumed more headroom than previously existed in our financial projections. Our business plan requires us to balance keeping our rents affordable, maintaining the standard of our homes, investing in our services and ensuring the organisation remains financially viable.
- 4.11 Cost efficiencies and rent increases are key drivers in growing the financial capacity within the business. We have been able to keep rent increases low by driving overhead efficiencies from our Group structure; we have delivered over £1.3m of annual running cost savings in the last two years and a reduction of £5.5m in employee costs over the same period. Efficiencies achieved in WH Glasgow have provided real savings in staff and running costs of £16.4 m after adjusting for the effect of inflation over the first three years of our 2021-2026 strategy.
- 4.12 We have also recently agreed amendments to our financial covenants which provide financial capacity for specific investment capital projects relating to retrofit and improvements in the energy efficiency of our homes. Our rent increase in April 2024 allowed us to begin rebuilding the financial capacity in our business plan and, along with assumed future rent increases over the next three years, provide sufficient funding in our financial projections to meet investment in lifecycle replacements and our legislative obligations in our homes.
- 4.13 Our financial projections remain subject to notable cost pressures despite an easing in the rate of general CPI inflation. A large element of our annual expenditure is made up of repairs and maintenance costs and staff delivering housing and neighbourhood environmental service for our customers. Repairs inflation continues to run higher than general inflation with costs increasing by almost 5% in the year to September.
- 4.14 The recent budget announcement of an extra 1.2% on employers' national insurance and a lowering of the threshold at which contributions start being paid on employee salaries from £9,100 a year to £5,000. This change has a direct impact on our projections increasing our costs by £2.5m and the costs to provide services such as repairs, environmental services and housing management to tenants. This increase in national insurance contributions was not previously anticipated in our financial projections and the resulting direct increase to our cost base has been a factor in considering our rent proposals for 2025/26.
- 4.15 In considering the rent increase for 2025/26 our process has been informed through our ongoing engagement with tenants and their consistent message on how important the overall quality of their home and neighbourhood is to them. When developing our Asset Management Strategy, we engaged Customer Voice panels on the key themes and drivers and collated feedback on investment priorities through our network of staff who work with customers in their communities.
- 4.16 Our approach to energy efficiency investment is informed by customers too, with a clear theme in our Asset Management Strategy on the delivery of energy efficiency improvements to reduce heating costs, as well as meeting the proposed requirements of the Scottish Government's Social Housing Net Zero Standard (SHNZS).

- 4.17 This information has informed the prioritisation and approaches in our more detailed Strategic Asset Investment and Management Plans. In turn, this has informed our rent considerations and the level of funding required to increase investment in our homes and neighbourhoods beyond compliance and lifecycle replacements.
- 4.18 We have updated our financial projections for the most recent market predictions for future inflation and interest rates. Our inflation assumptions reflect a longer return towards the Bank of England's 2% inflation target and a stabilisation thereafter. Reductions in interest rates from the current level of 4.75% to 4.5% in 2025/26 and 2026/27 are assumed but with the longer-term rate assumption prudently held at 5.0%.
- 4.19 Taking all of these factors into account, our rent proposals for 2025/26 are based on an increase of 6.9%. This would allow us to:
 - Continue to grow the planned funding for our legislation and lifecycle replacement investment programme;
 - Create a funding provision to deliver our neighbourhood plans and a programme of environmental improvements which would see 300 blocks of flats benefit from a programme of external fabric and environment maintenance and improvements and a further 20 blocks receive more intensive fabric improvements each year;
 - Create capacity to build a programme of energy efficiency improvements to meet the zero targets in the new SHNZS; and
 - Cover the increase in our cost base from the additional 1.2% in employers' national insurance and the higher level of repairs and maintenance cost inflation.

Our key indicators of interest cover, which measures the extent to which our

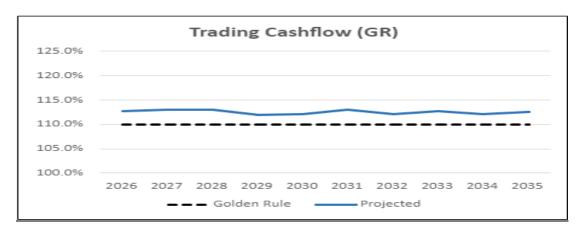
4.20 As part of our April 2025 rent proposals we will continue to assist our tenants who struggle to pay their rent and have assumed a provision of £680k in the Wheatley Foundation for a 2025/26 Helping Hand Fund.

operating surplus after deducting grant income on new build covers our interest costs, and debt per unit which relates to our borrowing capacity,

4.21



4.22 Our projected position against our trading cashflow golden rule is shown below. While this is not a covenant in our loan agreements it is set so that trading cashflow including investment in existing homes is sufficient to cover 110% of interest costs. This ensures that we do not borrow for day-to-day expenditure, interest costs or investment in existing homes. Following the change to interest cover covenant to remove capital investment spend in existing homes, the trading cashflow is our tightest measure with headroom of £1.7m to the golden rule target in 2028/29.



Consultation and approval - timing and approach

- 4.23 The consultation with tenants has in previous years set out the proposed increase. Last year we provided two options for the increase launched to initial focus groups followed by writing to all tenants.
- 4.24 It is proposed that the focus groups would again be independently facilitated discussions on:
 - Two options of 6.9% and 7.9% and why the base level is necessary;
 - The proposed approach to the options community investment with the additional money; and
 - The draft rent brochure and how well it explains the above.
- 4.25 The key outcomes we will be seeking from the focus groups would be:
 - Qualitative feedback on the proposed rent increase range;
 - Clear messaging in the final brochure on why the base level is what it is; and
 - Clear, specific proposals in the final brochure on how additional options would be deployed in practice.

- 4.26 It is intended that we will engage seven focus groups, with tenants drawn from across our communities in WH Glasgow. The focus groups will be a mix of in person (in North East, North West and South areas) and online, daytime and evening, to allow more opportunities to participate. The attendees will be drawn from our Customer Voices, with priority given to those who have not previously attended.
- 4.27 A draft rent consultation booklet is attached in Appendix 1. Based on feedback last year from our tenant focus groups we have continued to reduce the amount of text whilst retaining the key messages.
- 4.28 In terms of the formal consultation and when and how we agree where within the 6.9%-7.9% range we consult the proposed approach is as follows:

Key action	Timescale
Group Board approves rent increase range	Complete
Boards approves the rent increase range and delegate authority to the Chair to agree final level (between 6.9%-7.9%)	Today
Independently facilitated rent Focus Groups	23/11 to 5/12
Group Board approve final consultation levels – taking into account focus group feedback and available comparability data	18/12
Chairs confirm to RSL Boards consultation increase options	18/12
Consultation with tenants	13-27
(subject to mail drops but a minimum of 2 weeks)	January 25

- 4.29 As with previous years we will engage with Civica electoral services to independently administer the consultation process and verify the results. Following the high uptake levels last year, we will again offer the option to respond online or via text message as well as by post.
- 4.30 Again, as with last year, in order to allow us to ensure that the final notification to tenants on the rent increase arrives in time it is proposed that RSL Boards are delegated authority to approve the increase at their February meetings where it is within the agreed range i.e. the Group Board agreed range in December.
- 4.31 This will mitigate the risk that the letters are delayed awaiting Group Board approval and do not arrive in time to give sufficient, including a legal minimum of four weeks, notice to tenants. This will also allow us longer to engage with tenants once they receive the notification, particularly those who are required to update their Universal Credit portal with the 2025/26 rent levels.

5. Customer Engagement

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

6. Environmental and sustainability implications

6.1 No implications noted.

7. Digital transformation alignment

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

8. Financial and value for money implications

8.1 We consider a rent increase range of between 6.9% and 7.9% provides an appropriate balance between affordability for our tenants and the preservation of appropriate levels of investment in our homes and neighbourhoods. It also starts to build capacity for the investment required to meet proposed SHNZS energy efficiency targets. This is within the context of our financial projections which already included the identification of cost efficiencies.

9. Legal, regulatory and charitable implications

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

10. Risk Appetite and assessment

- 10.1 The Group's risk appetite in relation to business planning assumptions such as rent increases is open. This is defined as "willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward".
- 10.2 In relation to the statutory requirement in consulting and engaging tenants on any rent increase, our risk appetite is averse, that is "avoidance of risk and uncertainty is a key organisational objective".
- 10.3 The proposed approach to consultation includes writing to all tenants and this mitigates the risk that we do not meet our statutory obligation in relation to consultation.

11. Equalities implications

11.1 As part of both the tenant focus groups and the consultation process, we will take into account tenant communication preferences and needs as appropriate. This includes, for example, where we need to provide the consultation documentation in a different way for tenants who may be blind, deaf or not read English.

12. Key issues and conclusions

- 12.1 As we set out rents for 2025/26, we must balance the economic climate and associated cost pressures, our ongoing and future obligations in relation to building compliance and what will be necessary to deliver the increased investment in their homes tenants continue to tell us they want.
- 12.2 Taking this into account it is proposed that we agree on a range for the rent increase, delegating authority to the Chair to finalise where within this range we will consult in December. This will allow us to consult based on the most up-to-date information on the economic climate, the initial feedback from the tenant focus groups and the conditions of our wider operating environment.

12.3 Our analysis shows that our average rents are currently well within the range of affordability and that they are not amongst the highest within the relevant comparator groups.

13. Recommendations

- 13.1 The Board is asked to:
 - 1) Agree that we undertake an initial consultation with rent focus groups on a 6.9% increase with an additional option of 7.9% for the 2025/26 rent and service charge increase;
 - 2) Note that the final approval of the rent increase within the range will be presented for approval at the Group Board December 2024 meeting following the completion of the tenant focus groups and delegate authority to the Chair to agree the final level (between 6.9% 7.9%);
 - 3) Subject to the approval of the above, note that the Board will be updated on the decision on the proposed increase on 18 December 2024; and
 - 4) Note that this Board has delegated authority to agree the 2025/26 rent and service charge increase where it is within the agreed range.

LIST OF APPENDICES:
Appendix 1 –



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: 22 November 2024

1. Purpose

1.1 The purpose of this report is to provide an update on:

- Sector comparisons for Annual Return on the Charter ("ARC") indicators following the publication of 2023/24 sector-wide data by the Scottish Housing Regulator ("SHR"); and
- Performance against targets and strategic projects for 2024/25 to the end of quarter two.

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 2023/24 at its meeting in April 2024. Our Board subsequently agreed its specific performance measures and targets at its meeting on 17 May 2024.

3. Background

3.1 This report outlines our performance against targets and strategic projects for 2024/25. 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 2024/25.

4. Discussion

Charter 2023/24 Sector Comparison

4.1 The SHR published the national report including Scottish averages for 2023/24 in late August 2024. The comparison with our performance provides a very positive picture of our 2023/24 performance, with 89% (24) of the total number of tenant-related indicators considered (27) better than the Scottish average. This includes all tenant satisfaction figures sourced from our independent satisfaction surveys undertaken by Research Resource during 2023/24.

Table 1

Number of ARC indicators above 2023/24 Scottish average	% above Scottish average
24	89%

- 4.2 Several of these Scottish average 2023/24 comparisons are referenced through this paper for the relevant Charter indicators, alongside an update to quarter two.
- 4.3 The following sections present a summary of key measures and strategic projects. Strategic measures can be found in Appendix 1 and strategic projects are found in Appendix 2. SPSO and ARC complaints can be found in Appendix 3.



Delivering Exceptional Customer Experience

Customer First Centre

4.4 Year-to-date results as of the end of quarter two for our core CFC measures are presented in Table 1:

Table 2

Measure	2024/25		
inicasui c	Value YTD	Target	Status
WHG - CSAT score (customer satisfaction)	4.4	4.5	
WHG - Call abandonment rate	4.50%	5%	
WHG - Call abandonment rate - those waited over 30secs and abandoned	2.87%	4%	
Group - % of contacts to CFC resolved within CFC	88.88%	93%	

- 4.5 Customer satisfaction with the CFC (known as "CFC CSAT") remains the key measure, ensuring we place our customers' voices at the heart of performance management. Our overall CFC CSAT score was 4.4 at the end of quarter two, an improvement on the score of 4.3 at the end of quarter one. Overall, customers tell us that they value the service they receive and report that staff are friendly, helpful and polite.
- 4.6 The call abandonment rate for our customers has improved during quarter two to 4.50%, from 5.14% in quarter one, and is now achieving the 5% target. The call abandonment rate after 30 seconds, whereby our customers waited over 30 seconds and then abandoned their call, better represents the aspect of the service that may be in the CFC's control. This improved to 2.87%.
- 4.7 The percentage of contacts to the CFC resolved within the CFC, without the need to be passed to either Housing Teams or MyRepairs, was 87.68% at the end of quarter one and by quarter two had improved to 88.88%. This includes resolution on the phone, with specialist teams and via digital contact.

4.8 Since September we now have a geographical team approach at the CFC, established to better respond to demand and ensure that customers speak to a CFC advisor who is upskilled to support them and, wherever possible, to resolve the enquiry.

Complaints

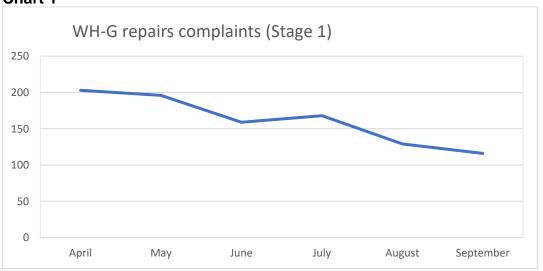
4.9 We continue to be very responsive to complaints, exceeding our Stage 1 and Stage 2 targets of 5 and 20 days respectively, as set out in the table below. Further results are presented in Appendix 3.

Table 3

Charter - average time for a full response to complaints (working days) Stage 1 - 5-day, Stage 2 - 20-day target					
Subsidiary	2023/24		2024/25 – YTD		
	Stage 1	Stage 2	Stage 1	Stage 2	
WHG	3.98	16.47	3.62	14.34	

4.10 We are now seeing a downward trend in the number of Stage 1 complaints received in relation to repairs as set out in the chart below. The downward trend indicates that the service improvements and introduction of new ways of working from April this year, which were influenced by lessons learned from repair complaints in areas such as ensuring the right operative for the right task and delivering the repair right first time, are having a positive impact.

Chart 1



- 4.11 We have focused on identifying the root cause of complaints, as well as from negative real time feedback and engagement discussions, and taking appropriate action to address this. Key action comprise:
 - Continuing to improve the number of **repairs completed first time** in the customer's view;
 - Ensuring **consistency** in our approach to Band A applications and that appropriate information is available to help applicants **understand** the properties/areas that may be available to them;
 - Responding to the need for reasonable adjustments to support customers with particular needs; and
 - Improving our mutual exchange process.

- 4.12 We have already acknowledged and acted through the new point of delivery service which focuses on providing a one and done repairs service. This is believed to have already contributed to the reduction in complaints this quarter. This is achieved through ensuring that our vans are better equipped to resolve likely repairs, the option of getting parts delivered by courier to a customer's home and the reallocation of later appointments to allow operatives to complete repairs on the first visit.
- 4.13 Despite this there is still room for further improvement and the next phase of improvement work includes:
 - Ensuring our planners are highly skilled in communicating with customers where appointments need to be rearranged;
 - Reducing the number of repairs where Inspectors are sent as the first visit;
 - Reviewing outstanding and ongoing repairs to identify any blockages; and
 - Reviewing options to make it easier for staff to identify multiple requests for the same issue.
- 4.14 We receive a relatively small number of complaints about the consistency of our allocations, and most are not upheld. However, combined with real time feedback, we have identified that we need to ensure that our approach to Band A (exceptional housing need, management transfers etc) applications is as consistent as possible. To respond to this, we are rolling out additional training on this to our Housing Officers.
- 4.15 Customers also tell us that they are unhappy that we have **been unable to** allocate the type of property needed in the area they want. This is generally because no homes have been available or where they have been available that they have been allocated to Band A or Band B cases. Our MyHousing system already provides some information on supply and demand, but we are reviewing this information to strengthen it wherever possible.
- 4.16 Increasingly our customers ask for adjustments to be made to our services to meet their personal needs, both when they complain and when requesting other services. We also see cases where we want to make these adjustments, even where this has not been requested, to be proactive in supporting customers. A large part of the response to this issue will be addressed through our personalised services approach. As an initial step, we have drafted staff guidance on reasonable adjustments to help ensure that they can consider the full range of potential adjustments and what is reasonable in the context.
- 4.17 We have had a very small number of complaints about **mutual exchanges**. These are often complex and often relate to the condition of the property, with customers sometimes unclear about their responsibilities. Again, these are often not upheld. We have drafted procedural guidance to help ensure customers and staff are clear on the processes that are to be followed, and this is currently being consulted on. Once in place, this guidance should help to clarity on property condition requirements for all parties prior to exchange.
- 4.18 There is also work underway to support our complaint handling. This includes:
 - Reviewing our staff support, guidance and training, taking into account feedback from customer focus groups which highlighted communication and delivering commitments as a key priority;

- Increasing the level of quality assurance of both written responses and CFC calls;
- Updating our data classification of repairs to allow better analysis of the root cause of the complaint; and
- Increasing the frequency and profile of complaints reporting within operational performance meetings as well as senior staff meetings (e.g. Executive Team).

Tenancy Sustainment

- 4.19 Tenancy sustainment is a measure of new tenancies commenced in the previous reporting year where the customer remains in their home for more than a year. As well as new customers benefiting from remaining in their tenancy for longer, improvement in this measure reduces lost rent and resources required for re-letting.
- 4.20 We continue to support our new customers to sustain their tenancies and to exceed targets in both the Charter measure and our revised indicator (which excludes deaths and transfers to other homes in the Group).
- 4.21 Our Charter tenancy sustainment at 92.68% remains high and surpasses the Scottish ARC average of 91.2% for 2023/24.

Table 4

Tenancy Sustainment	Charter – All lets		Charter – Homeless Lets	Revised	2024/25 Target - Revised
WHG	92.68%	90%	92.89%	94.28%	91%

Allocations CSAT

- 4.22 Our Allocations MyVoice survey commenced on 1 August 2023 to measure our customer satisfaction with the process of getting their new home. Satisfaction for the rolling year is 4.1.
- 4.23 Shaped by our customers' feedback, the City Building Glasgow ("CBG") void delivery teams are in the process of being restructured to streamline the delivery of our voids. WH-G has held update sessions in the local hubs with the void trades, ensuring they understand the role they play in the delivery of homes through our re-let and allocations process.
- 4.24 A full launch of the new structure will take place during November. The void standard, quality of work and standard of cleans will feature heavily in the launch, enhancing the standards for our incoming customers. As outlined in the complaints section of this report, we are also reviewing the information for customers and enhancing our training for Band A categorisation to help respond to customer insight.

Table 5

Allocations CSAT	2024/25 – Rolling year	2024/25 Target
WHG	4.1	4.5

Making the Most of Our Homes and Assets



Development Programme

- 4.25 Our target is to deliver a total of 235 new social rent homes in 2024/25, including 65 market acquisitions.
- 4.26 Year-to-date to the end of quarter two we have acquired four new homes at Cleddans Grove for social rent against a quarter two target of 40, below the target expected for quarter two.

Table 6

Sites	Handovers (YTD)	Target (YTD)	Difference in handovers to 30 September
Cleddans Grove (SR Acquisition)	4	0	+4
Calton Village Ph 1 (Social)	0	40	-40
Totals	4	40	-36

- 4.27 We have flipped 32 homes at Calton Village, originally intended for Mid-Market Rent, to Social Rent in support of the homelessness crisis. We have now commenced allocation of these new homes.
- 4.28 Preparations for the building contract for King's View continue with the contract now signed.

Rate It

- 4.29 'Book It, Track It, Rate It' aims to improve visibility and communication during the repair journey. For quarter two, our Rate It score is 4.5/5.
- 4.30 Local teams have full access to overall scores from Rate It as well as the breakdown by trade/operative/work type to ensure feedback is used to continually review and improve performance.

Volume of Emergency Repairs

- 4.31 The table below shows our position against the strategic result to reduce the volume of emergency repairs by 10% by 2026 compared to the updated baseline year of 2022/23. The target for 2024/25 is a reduction of 3.5%.
- 4.32 Emergency repair numbers are 190 less than the same point in 2023/24, a variance of -0.6%, below target. To put this into context, 31,227 emergency repairs in 2024/25 is 28.94% of all responsive repairs completed and compares to 30.18% at the same point last year.
- 4.33 Emergency repairs volumes are a consequence of customer reports and are affected by external factors such as weather conditions. 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 7

Completed emergency repairs	YTD 23/24	YTD 24/25	Variance
WHG	31,417	31,227	-0.60%

Repairs Timescales and Right First Time

- 4.34 Our average time taken for emergency repairs is 2.74 hours at the end of quarter two, within the 3-hour target. This is a slight improvement on 2.84 hours last quarter and 2.88 hours in 2023/24 and is better than the Scottish average of 4 hours.
- 4.35 The average time taken for non-emergency repairs was 8.19 days at the end of quarter two, an improvement on 9.16 days last quarter and compares favourably to the 2023/24 Scottish average of 9 days. WH-G achieved 7.5 days or less each month of quarter two (July to September). This improvement in performance over the quarter has been alongside the positive customer satisfaction indicators of reducing numbers of complaints and high 'rate it' levels (equivalent of 90%) set out earlier in the report.

Table 8

Repairs completion	Emergency (hours)	Non-emergency	/ (days)
timescales (Charter)	Target	Value	Target	Value
WHG	3.00	2.74	7.5	8.19

4.36 Right first-time performance to the end of quarter two is better than the 90% target at 90.69%, an improvement on 88.93% last quarter and better than the 2023/24 Scottish average of 88.4%. As acknowledged at the complaints section, we know that for some customers it does not feel to them that we get it "right first time". This is often to do with the repair requiring a number of visits with actions to address this outlined earlier in this report.

Responsive repairs: Damp and mould

- 4.37 We continue to monitor repairs related to mould, with updates provided to help facilitate greater scrutiny over these types of repairs. The CFC raises every job related to damp, mould, condensation or rot as a mould inspection line.
- 4.38 We have attended 71.31% of mould inspections within two working days up to the end of quarter two. We are now able to report that over half (51%) of inspections that took more than two days related to customer choice of the appointment time. The table below details the inspections with category. Remedial work for the severe cases has been completed.

Table 9

Inspections	Category				
completed	No Mould Found	3 (mild)	2 (moderate)	1 (severe)	
4,153	830	3,249	71	3	

4.39 To the end of quarter two, 75.6% of remedial mould repairs were completed within 15 working days. In future, as with inspections, we will report what proportion of those outwith 15 working days related to customer requests. In September, the in-month average time was only 8.2 days.

- 4.40 We have continued to strengthen our internal processes and capability in relation to responding to and resolving occurrences of damp and mould. We recently undertook a comprehensive review of how our process is operating based on a sample of over 80 cases. The review confirmed that the core elements of the process, such as inspections, categorisation, taking photographs and remedial repairs are operating as designed.
- 4.41 We have strengthened the technical skills of staff, including within CBG, through specialist training. We are also exploring training which would be specifically tailored to the CFC which would, also include a diagnostic questioning set which will allow better diagnosis of the issue when it is first reported.
- 4.42 In addition to this we are developing the sophistication of how we approach remedial work. This includes the development of data driven diagnosis based on archetype, standard remediation by archetype, and detailed analysis of case data to better match the work required with the skillset of the tradesperson. This will also support our improvements in response to the issues customers raise through repairs complaints.
- 4.43 We are also taking several actions to support our response to damp and mould reports over the winter months, including:
 - Contacting customers who have reported issues with damp and mould on two or more occasions this year to identify and put in place any individual support that is needed to mitigate reoccurrence;
 - Running our 'See it, Report It' campaign to the frontline delivery teams, reiterating our messaging around the seriousness of damp and mould in tenants' homes and their responsibility when in tenants' homes to identify and report immediately any issues relating to damp or mould to ensure we respond timeously; and
 - Increasing the level of resources within our My Repairs team for follow-ups with customers to ensure issues have been resolved to their satisfaction.

Medical Adaptations

4.44 Time to complete medical adaptations remains well within the 25-day target year-to-date, with the average days to complete at 16.1 compared to 16.67 last quarter. We have completed 643 adaptations and there are 77 households currently waiting, seven fewer than at the same point last year.

Table 102

Medical Adaptations	Current Households	Number Completed	Average Days to Complete	Target	
(Charter)	Waiting	YTD	YTD		
WHG	77	643	16.10	25	

Gas Safety

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

Compliance

We have made good progress with our compliance programmes in quarter two. All of our 230 relevant properties are compliant with Legionella assessment requirements.

- 4.46 We carried out safety inspections on all passenger lifts and all but one domestic lift where access to the customer's house is required. Arrangements are being made by housing staff for access following previous customer refusal.
- 4.47 At the end of quarter two, there remained 46 properties without a valid EICR. This has now reduced to 43 and work continues to gain access and complete the necessary checks, and any work as required. Meantime, we are making excellent progress with the inspection of electrical installation certificates due to expire before the end of 2024/25, with 56.38% already complete.

Health and Safety

- 4.48 We continue with the positive position of no reportable RIDDOR incidents in 2024/25. We have not lost any days this year due to work-related accidents.
- 4.49 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.
- 4.50 We have received no new employee liability claims during quarter two, and none during 2024/25. Across the Group there are currently eight open employee liability claims.
- 4.51 For quarter two, Group has eight open liability claims, a reduction from the nine that were open at the end of quarter one. Of these eight open claims, none are attributed to WHG.

Workplace Fires

4.52 We have not had any workplace fires to the end of quarter two and have not recorded any since the measure started in 2021.



Changing Lives and Communities

Peaceful Neighbourhoods

- 4.53 Since 2021 we have had in place a strategic measure on the number of tenancies categorised as Peaceful. This is based on the Police Scotland Safe, Calm and Peaceful methodology and the definitions are as follows:
 - Peaceful datazones assessed to be minimal to low priority with a recommendation of regular service delivery;
 - Calm datazones assessed as moderate to high priority and carry a recommendation of regular service delivery or monitoring; and
 - Safe datazones assessed to be very high to extremely high priority with a recommendation for a prioritisation for enforcement measures.

- 4.54 The Safe, Calm and Peaceful ratings are calculated by Police Scotland using the Police Scotland Business Intelligence Toolkit (BIT). This tool considers each SIMD datazone, the SIMD deprivation score for the datazone and public reported incidents of ASB which occurred within or near to Wheatley RSL properties (within 25 meters) within the datazone.
- 4.55 The SIMD score is only updated every three or four years and was last updated in 2020. As such, it generally remains static each period and the only variable element is the monthly reports of ASB incidents to Police Scotland.
- 4.56 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 two, the Group-wide percentage of tenancies categorised as Peaceful decreased slightly from 76.92% in quarter one to 75.87%. We are, however, still performing better than this year's target of 75%. It should be noted that we also monitor our own repeat ASB cases measure by RSL, reported later in this section, which is improving.

Anti-Social Behaviour ("ASB") Resolved

- 4.57 By the end of quarter two, the resolution rate for our ASB cases was 88.13%, an increase on last quarter yet remaining below the target of 100%. The September in-month result improved to 91.61%, within 10% of target.
- 4.58 This recent improvement follows a focus we placed on meeting the training needs of staff on the new Safer Communities system, raising awareness of the importance of accurate and timely recording on this system and the importance of ASB alongside other competing priorities.

Table 113

ASB Resolution Rate	YTD	2024/25 Target
WHG	88.13%	100%

4.59 We will continue to have a strong focus on ensuring high visibility of unresolved cases within each locality to help support oversight and continuous improvement. We are committed to our aim to resolve 100% of our ASB cases each year to help create thriving neighbourhoods where customers feel safe and secure. The national average resolution rate recorded by the Scottish Housing Regulator for ASB cases resolved in 2023/2024 was 94.3%.

Repeat Anti-Social Behaviour cases – number of repeat addresses

- 4.60 To the end of quarter two, ASB was recorded at 323 repeat addresses within WHG, a 10% decrease compared to the baseline performance of September 2022 (where the year-to-date figure was 359 repeat addresses). Less than 0.8% of our properties have issues with repeat incidences of ASB.
- 4.61 The CIP team meet monthly to discuss Prevention and Solutions activity as well as conduct analysis and make observations to facilitate further discussion around targeted activity. This helps to identify areas of concern around increased and/or persistent offending, allowing for a more proactive approach.

Accidental Dwelling Fires

4.62 This year we have had 26 accidental dwelling fires ("ADFs") this year to the end of quarter two, compared to 50 for the same period last year. This is a significant reduction from our recorded 152 ADFs in 2020/21.

Table 124

Number of recorded accidental dwelling fires	2024/25 YTD	2023/24 full year
WHG	26	98

- 4.63 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 to 2023/24 and to the end of quarter two across the group we have had 47 accidental dwelling fires.
- 4.64 Our strategy measure aims to ensure that 100% of applicable properties have a current fire risk assessment in place. This continues to be achieved.

Table 13

Fire Risk Assessments	2024/25 YTD	2023/24
The percentage of relevant premises - HMOs that have a current fire risk assessment in place	100%	100%

4.65 As of the end of September, we had two outstanding overdue mandatory actions arising from 41 FRA visits that took place during quarter one and two. These actions related to provision of new fire safety signage at two different locations and have since been completed.

Reducing Homelessness

- 4.66 Our contribution to reducing homelessness remains significant across the sector and in terms of both numbers and the proportion of lets. The SHR's published ARC results for 2023/24 show that 137 RSLs made 10,141 lets to homeless applicants last year. We provided 16% (1,640) of these and demonstrates our continued effort and significant contribution to reducing homelessness across Scotland.
- 4.67 We have provided a further 937 homes to homeless households in the first half of this year. Our percentage of relevant lets made to homeless applicants is 66.62% (relevant lets exclude mutual exchanges, transfers and LivingWell lets for which we are limited to let to homeless applicants). We continue to work closely with Glasgow City Council to maximise our contribution to reducing homelessness.

Table 14

Reducing Homelessness	2024/25 Number of lets to homeless applicants (ARC) - YTD	2023/24 Number of lets to homeless applicants (ARC) – full year
WHG	937	1,640

Neighbourhood environmental customer satisfaction (Ad-hoc)

4.68 A MyVoice survey commenced in October 2023 to measure our customers' satisfaction with an ad-hoc service they requested, such as bulk uplift, tree work or weeding from our Neighbourhood Environmental Teams ("NETs"). Satisfaction for the rolling year remains at 4.1 against a 4.3 target.

Table 155

NETs CSAT (Ad-hoc)	2024/25 – Rolling year	2024/25 Target
WHG	4.1	4.3

- 4.69 We are in the process of exploring and agreeing the future NETs survey question set to focus on core services such as close cleaning. This will be informed by the Group Scrutiny Panel's recent thematic review of environmental services, in which customers decided to focus on NETs and waste management.
- 4.70 This review involved a range of fieldwork including scrutiny of processes, performance and customer insight sources, onsite visits such as to our stock at Halley Place, and engagement with local environmental staff and a Keep Scotland Beautiful representative.
- 4.71 The thematic group developed a customer survey to better understand priorities around environmental services which informed four focus groups, facilitated by TPAS and observed by the thematic group. This customer engagement from the thematic emphasised that customers place high value on the environmental service, reinforcing themes from other sources of customer insight such as our most recent satisfaction surveys.
- 4.72 The Scrutiny Panel members have finalised their thematic report with recommendations focused on key themes that emerged from the review. This includes increasing communication and clarity of information about environmental services to ensure customers are kept informed about upcoming NETs services and engagement, and that responsibilities are clear.
- 4.73 We have worked with the Panel members to agree actions to address the recommendations from their review and will meet again with them in April 2025 to review progress. In the meantime, the report will be published and promoted both internally and externally including through video content to hear directly from the customers involved. An update will be brought to Boards early in 2025.

Jobs and Opportunities

- 4.74 Over 950 children and young people from our homes and communities have been supported in the first half of this year. This has included young people attending youth access sessions delivered as part of the John Wheatley Learning Network, where young people can improve their digital skills in areas such as coding, website creating and STEM.
- 4.75 To the end of September, the Wheatley Works staff have supported just over 250 jobs, training and apprenticeship opportunities within our households and communities. Opportunities have included our internal Environmental Roots and Changing Lives, as well as external opportunities including Apex Scotland's Construction Academy, Generation UK's Digital IT Technical Support and Cyber Security (ITTC) Web Design Academy and iCloud Engineering Academy, Floor laying apprenticeship, Forklift Training and Child Minding.

4.76 Over 3800 people from our homes and communities accessed support to alleviate the impacts of poverty. This has included support through Welfare Benefits Advice, Starter Packs and our My Great Start service which we relaunched this year to provide a more personalised tenancy sustainment service for new tenants.

Table 166

Indicator	Target (YTD)	(YTD)	2023/24
Number of children and young people benefiting from targeted Foundation programmes in Wheatley Communities	511	967	1,577
Total number of jobs, training places or apprenticeships created for customers and communities	245	257	533
Number of people accessing services which help alleviate poverty in Wheatley Communities	3,020	3,835	8,043

- 4.77 Just over 68% of planned jobs, training places or apprenticeships have been secured by customers across the Group this quarter an increase from 51% last quarter. Delivery and support for Wheatley customers remains on track against the full-year forecast.
- 4.78 70% of Community Benefit jobs and training opportunities arising through the spend associated with new home construction and our investment programme that have been secured by Wheatley customers. This is significantly higher than the target of 30%.



Developing our Shared Capability

Sickness Absence

4.79 Our sickness rate for the end of quarter two was 3.39% year-to-date, a slight improvement from 3.54% last quarter. Sickness absence in August and September has been high at in-month 3.54% and 3.71% respectively.

Table 17

Sickness Rate	Target	2024/25 YTD	2023/24
WHG	3%	3.39%	2.39%

- 4.80 Stress/Anxiety was the dominant reason for absence in quarter two accounting for 41% of total absence. Analysis of Stress/Anxiety cases shows that Stress (Bereavement) accounted for 35% of all Stress/Anxiety absences. Support for Stress (Bereavement) absence cases is provided via our Employee Assistance Provider, PAM Assist, with additional support for more complex cases provided by our pool of specialist counsellors.
- 4.81 Employee Relations ("ER") are continuing to audit short-term sickness to check that all available support is being offered and that, where appropriate, formal sickness absence management processes are being applied. This will be supported by refresher training for managers. The ER team has also been realigned and a dedicated team focusing on absence has been created.

4.82 The Supporting Staff Through Bereavement, Financial Wellbeing and Stress & Anxiety workshops will continue to run throughout 2024 and will complement existing support services for stress and anxiety offered through our Employee Assistance Provider, our bespoke counselling services and through e-learning modules.

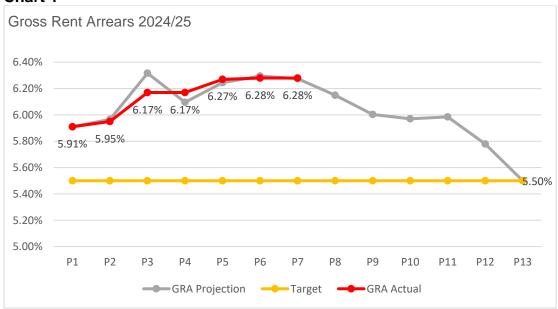


Enabling our Ambitions

Gross Rent Arrears (GRA)

- 4.83 We ended quarter two in line with projection at 6.28%. The Scottish average for 2023/24 was 6.7%, which we continue to outperform.
- 4.84 Early results in quarter three are encouraging, with WH-G A Period 8 (which ended on 20 October) showing improvement from 6.33% to 6.19%, a reduction of £214k.

Chart 1



- 4.85 Senior staff continue to regularly focus their team on rent performance, discussing the Rent Action Plan and their performance. Our annual Rent Campaign has commenced and will only heighten this attention.
- 4.86 This year's message is "Pay your rent. It keeps the roof over your head". Over 10 weeks, the campaign focuses on ways we can support customers, including Universal Credit, employability, Welfare Benefits and paying by Direct Debit.
- 4.87 As well as visits and phone calls, we also write to customers with arrears to encourage them to get in touch if they are struggling. This is supported by a social media campaign to remind customers of the importance of paying their rent, while highlighting the ways we can help make their money go further.

Average Days to Re-Let (Charter and revised)

4.88 Our average time to re-let is now 19.46 days, an improvement from 19.73 reported at the end of quarter one.

4.89 The Scottish average increased from 55.6 days in 2022/23 to 56.7 days in 2023/24, indicating that the sector continues to face letting issues when compared to the 31.5-day average in 2019/20.

Table 187

Average days to re-let (Charter)	2024/25 YTD		Result	Charter revised YTD (no meter amendments)
WHG	19.46	16	15.81	34.32

- 4.90 Our Charter performance in quarter two continues to take into account days lost to health and safety related meter issues where we consider the property unsafe/unfit to occupy. These amendments include, for example, where a tampered meter means there is no power to the property or where the supply has been cut off and we are awaiting reconnection (which energy companies do not prioritise as they are void), both of which mean we cannot undertake crucial safety checks prior to letting the property.
- 4.91 The table above now also includes re-letting times with no meter amendments, shown as Charter revised. Our revised result shows the impact that meter issues are having on letting times. We continue to surpass the benchmark including when we include days lost to meter issues.

Invoice Payments

4.92 93.07% of invoices were paid in 30 days or fewer in quarter one, a slight improvement from 92.94% at quarter one. Teams are being reminded weekly to action any outstanding invoices.

Procurement

4.93 By the end of quarter one, 98.74% of contracted expenditure was compliant with procurement rules, similar to quarter one (98.25%).



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

Table 19

Complete	On track	Slippage	Overdue
17	7	0	0

- 4.95 One project completed during quarter two:
 - Customer insight driven services.

- 4.96 The Group Board discussed the personalised services strategic project at its meeting in September. Following this, we have clarified that the focus in the remaining period of our current strategy will be on the following activities:
 - 1) Developing and delivering refreshed training on how staff (including City Building staff) recognise and respond to potential indicators of customer vulnerability (for example, hoarding or suicidal ideation) for relevant staff groups, by 31 March 2026. This will include how to refer to partner organisations such as local authority social work teams; and
 - 2) Developing an updated approach to Reasonable Adjustments for customers, by April 2025.
- 4.97 As we develop our new strategy for 2026-31, personalised service delivery will continue to be an important theme. Boards will be fully engaged in the development of the strategy and associated strategic projects.
- 4.98 All remaining projects are currently on track.

5. Customer engagement

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

6. Environmental and sustainability implications

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

7. Digital transformation alignment

7.1 Our strategy is underpinned by digital transformation. The strategic projects for 2024/25 have been developed and prioritised with IT, digital and data interdependencies a key factor.

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

- 9.1 The Scottish Housing Regulator requires an Annual Return on the Charter from each RSL. Key indicators within this return are also included in quarterly performance reporting. 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 we have.
- 9.2 The Group Scrutiny Panel considered our draft Report to Tenants and in advance of being published we took on board their feedback to:
 - Include that alternative versions/formats and translations into different languages are available upon request; and
 - Signpost to support available.

10. Risk appetite and assessment

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

11. Equalities implications

11.1 Project monitoring and evaluations consider equalities information and Equalities Impact Assessments are undertaken at the outset of new programmes to ensure compliance with equality legislation, where applicable.

12. Key issues and conclusions

12.1 We have strong performance against our targets for quarter two 2024/25 in several key areas including tenancy sustainment, emergency repair completion times, 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. Arrears, average days to re-let, non-emergency repair timescales and sickness absence remain key areas of focus.

13. Recommendations

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

LIST OF APPENDICES:

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

Appendix 1 - WHG Board - Delivery Plan 24/25 - Strategic Measures

1. Delivering Exceptional Customer Experience

	2023/24	YTD 2024/25		
Measure	2023	2024		
ivieasure	Value	Value	Target	Status
% new tenancies sustained for more than a year - overall	92%	92.68%	90%	
% new tenancies sustained for more than a year - homeless	91.38%	92.87%		
% new tenancies sustained for more than a year - revised	93.81%	94.52%	91%	
Group - % of contacts to CFC resolved within CFC		88.88%	93%	
CFC CSAT	4.3	4.4	4.5	
Allocations CSAT	4.2	4.1	4.5	
Abandonment Rate	5.33%	4.5%	5%	Ø
Call abandonment rate after 30 secs		2.87%	4%	Ø

2. Making the Most of Our Homes and Assets

	2023/24	YTD 2024/25		
Measure	2023	2024		
ivieasure	Value	Value	Target	Status
Reduce the volume of emergency repairs by 10% by 2025/26 (target -3.5% for 2024/25)	Apr to Sep 23/24 – 31,417	31,227	-0.60%	
Average time taken to complete emergency repairs (hours) – make safe	2.88	2.74	3	②
Average time taken to complete non-emergency repairs (working days)	8.04	8.19	7.5	

	2023/24	2023/24 YTD 2024/25		
Measure	2023			
ivieasure	Value	Value	Target	Status
% reactive repairs completed right first time	91.62%	90.69%	90%	
Number of gas safety checks not met	0	0	0	
Average time to complete approved applications for medical adaptations (calendar days)	17.73	16.1	25	②
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	100%	56.38%	100%	
Percentage of properties with an EICR certificate up to 5 years old	99.86%	99.89%	100%	
Percentage of domestic stair and through floor lifts with a valid safety inspection	90.91%	99.64%	100%	
Percentage of passenger lifts with a valid safety inspection	100%	100%	100%	Ø
New build completions - Social Housing	0	4	40	
New build completions - Mid-market	71	0	0	Ø
Number of RIDDOR	0	0		26
Number of HSE or LA environmental team interventions	0	0	0	Ø
Number of accidental fires in workplace	0	0	0	Ø
Number of accidental dwelling fires recorded by Scottish Fire and Rescue	98	26		
Number of new employee liability claims received	1	0		20
Group - Number of open employee liability claims	13	8		20
Number of days lost due to work related accidents	NEW	0		2/

3. Changing Lives and Communities

	2023/24		YTD 2024/25	
Measure	2023	2024		
ivieasure	Value	Value	Target	Status
% ASB resolved	100%	88.13%	100%	
% Lets Homeless Applicants - overall	60.58%	64.8%		
% Relevant lets to Homeless Applicants	62%	66.62%		
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	45.58%	70%	30%	>
Group - % planned jobs, training places or apprenticeships created which are secured by our customers	72.57%	68.1%	60%	Ø
Total number of jobs, training places or apprenticeships created for customers and communities	533	257	245	Ø
Number of children and young people benefiting from targeted Foundation programmes in Wheatley Communities	1,577	967	511	②
Number of people accessing services which help alleviate poverty in Wheatley Communities	8,043	3,835	3,020	Ø
Group - Repeat antisocial behaviour cases in period – number of repeat addresses	952	498	475	
NETS Adhoc CSAT	4.1	4.1	4.3	
Group - % of our customers live in neighbourhoods categorised as peaceful	76.16%	75.87%	75%	Ø
Group - The percentage of HMOs that have a current fire risk assessment in place	100%	100%	100%	②
Group RSLs - Number of accidental dwelling fires (reduce by 10% by 2025/26) (Upper limit 195 for 2024/25)	120	47	195	Ø

4. Developing Our Shared Capacity

	2023/24	YTD 2024/25
Measure	2023	2024

	Value	Value	Target	Status
% Sickness rate	2.39%	3.39%	3%	

5. Enabling Our Ambitions

	2023/24	YTD 2024/25			
Measure	2023		2024		
ivieasure	Value	Value	Target	Status	
% lettable houses that became vacant	6.91%	7.09%	8%		
Average time to re-let properties	15.81	19.46	16		
WHG C - Gross rent arrears (all tenants) as a % of rent due	5.86%	6.28%	5.5%		
WHG A - Gross rent arrears (all tenants) as a % of rent due	5.86%	6.33%			
WHG B - Gross rent arrears (all tenants) as a % of rent due	5.84%	5.39%		27	
% of payments made within the reporting period which were paid in 30 days or fewer (from the date the business receives a valid invoice)	93.72%	93.07%	96%	_	
% of contracted expenditure compliant with procurement rules	98.23%	98.74%	99%		

Appendix 2 - WHG Board - Delivery Plan 24/25 - Strategic Projects

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note					
				01. Vulnerability strategy and plan developed	30-Jun-2024	Yes						
				02. Customer engagement concluded	31-Aug-2024	Yes						
Defining and agreeing our approach to vulnerability	31-Mar-2025		66%	03. Board approval of strategy and implementation plan	30-Sep-2024	Yes	Update provided in cover					
and personalised services (b)	31-Wai-2023		0070	04. Implementation plan commenced	31-Oct-2024	Yes	paper					
				05. Update to Board on implementation	31-Mar-2025	No						
				06. Review and refine plan phase 2	31-Mar-2025	No						
				01. Agree the top 3 priority areas for customer journey mapping based on analysis of customer insight on key satisfaction drivers	31-May-2024	Yes	The findings of three customer journey mapping priorities have been					
Customer insight drives										02. Agree our pulse and thematic survey programme	31-May-2024	Yes
Customer insight driven services (b) 30-Sep-2024		100%	03. Undertake customer journey mapping, including through direct engagement with customers	31-Aug-2024	Yes	The agreed actions and reflection of wider learning from the strategic project is now shaping service						
				04. Group Executive team agree service, process and technology changes required to improve the customer	30-Sep-2024	Yes	improvement activity.					

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note						
				journey and respond to the pulse survey findings									
				01. Asset strategy featured as a key theme in Group partner Board strategy workshops	31-May-2024	Yes							
				02. Customer and staff engagement session	31-May-2024	Yes							
				03. Internal review and sign-off	31-May-2024	Yes							
Asset strategy (b)	Asset strategy (b) 28-Feb-2025	28-Feb-2025	Asset strategy (b) 28-Feb-2025	28-Feb-2025	5			71%	04. Group Board approval of Group Asset Management strategy	30-Jun-2024	Yes	RSL Boards approved their respective strategic asset investment plans at their	
				05. Group partner asset management plans approved	30-Sep-2024	Yes	respective meetings in September 2024						
				06. Staff launch of group asset management strategy and group partner asset management plans	31-Oct-2024	No							
											07. Agreed approach through strategy informs 2025 investment plans	28-Feb-2025	No
				01. Contractor Procurement completion	30-Dec-2024	No	Progress continues to be monitored and updated,						
Wyndford regeneration (b)	31-Mar-2025		0%	02. Land Transfer completion	31-Mar-2025	No	taking into account the external						
vvyridioid regeneration (b) 31-iviai-2023		D 70	03. Planning Application Submission	31-Mar-2025	No	interdependencies.							
TC:G Strategy (b)	31-Mar-2025		25%	01. TC:G Board strategy workshop to consider key strategic priorities	30-Aug-2024	Yes	While the TCG Board Strategy day was delayed to 29 October 2024 to						

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note				
				02. TC:G strategy refreshed to reflect feedback from Board strategy workshop	31-Dec-2024	No	accommodate Board members availability, this does not affect future				
				03. TC:G Board agree updated strategy	28-Feb-2025	No	milestones.				
				04. WHG Board updated on key strategic priorities for 2024/25	31-Mar-2025	No					
				01. Identify the potential options and draft options appraisal	31-Jul-2024	Yes					
Explore options to support private garden	28-Feb-2025					5	50%	02. Shortlisted options agreed by the Executive Team for market testing	31-Aug-2024	Yes	Proposal has been completed. Executive Team and Board update
maintenance (b)							03. Market testing, including offer and charging model	30-Nov-2024	No	expected early 2025.	
							04. Options report taken to Wheatley Homes Glasgow Board	28-Feb-2025	No		
Develop a data and	nnology enabled roach to managing monitoring building			01. Review our existing compliance cycles, data management, integration and management information arrangements	31-Jul-2024	Yes	Work is progressing to plan. Existing cycles, integration and MI has been reviewed across key compliances areas for				
technology enabled approach to managing and monitoring building compliance (b)		25%	02. Build our future building compliance model including desired compliance cycles, key data, data flows, degree of integration, required management information and desired customer touchpoints and functionality	31-Oct-2024	No	each group partner. Work will now continue to summarise and present findings, which will support development of our desired future compliance model.					

Delivery Plan Project	Delivery Date	Status	% Progress	Milestone	Due Date	Completed	Progress Note			
				03. Undertake a gap analysis and options appraisal including costs and benefits of the change between current arrangement and desired future model	30-Nov-2024	No				
				04. Develop detailed implementation proposal and plan and update Executive Team including on timescales and anticipated benefits	31-Dec-2024	No				
			40%	01. Customer Engagement on service improvement opportunities via Stronger Voices team	30-Jun-2024	Yes	Geographic teams are now			
	our multi-channel 28-Feb-2025						02. Agree approach and workplan for geographical subsidiary service delivery	31-Jul-2024	Yes	in place from September across group for all subsidiaries after
Improving and evolving our multi-channel customer first centre (b)				03. Pilot customer call transcription and automated quality assurance	31-Dec-2024	No	Executive team approval. Discussion is ongoing with Content Guru to agree			
oustomer mat centre (b)			04. Scope and develop an approach for automation of identification and verification (IDV)	31-Dec-2024	No	proof of concept dates for four distinct enhancements/ trials. Business cases have been				
			05. Year 1 update of the Executive Team including customer feedback and Year 2 enhancement plan	28-Feb-2025	No	devised for these.				

Appendix 3 – Q2 2024/25 - ARC and SPSO measures

- 1.1 This appendix provides ARC and SPSO measures up to Q2 2024/25.
- 1.2 For Group RSLs, ARC measures include complaints received from all customers who receive a service provided by the Group RSL or on their behalf. This includes factoring services delivered by Lowther Homes on behalf of 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 Charter number of complaints received:

Charter – complaints received							
	* exc	cluding con	nplaints car	ried over			
	*2023/24			2024/25 YTD			
	Stage 1 Stage 2 All			Stage 1	Stage 2	All	
WHG	5,264	602	5,866	2,484	331	2,815	

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 exceeds the 2023/24 SHR Scottish average of 5.1 days for S1 complaints and the Scottish average of 17.5 days for S2 complaints. Performance is for the RSL, including Lowther Factored homeowners who receive a factoring service from Lowther on behalf of that RSL.

Charter - average time for a full response to complaints (working days)					
Subsidiary	target, Stag	ge 1 - 5-day e 2 – 20-day get	2024/25 – YTD Stage 1 - 5-day target, Stage 2 – 20-day target		
	Stage 1	Stage 2	Stage 1	Stage 2	
WHG	3.98	16.47	3.62	14.34	

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.

Charter - average time for a full response to complaints (working days)						
Subsidiary	2023/24Target – not targeted	YTD 2024/25 – not Targeted				
WHG	5.28	5.07				

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 Complaints numbers have increased slightly from 2023/24. At the end of Q2 2023/24 WHG had received 2,354 Stage 1 and 26 direct Stage 2 complaints. In Q2 2024/25 WHG had received 2,484 Stage 1 and 16 direct Stage 2 complaints. Performance is for the RSL, including Lowther Factored homeowners who receive a factoring service from Lowther on behalf of that RSL.

1.12

SPSO Indicator 1 - total number of complaints received - YTD						
Subsidiary	Stage 1 (this includes escalated complaints as they were first received at Stage 1)	Stage 2 (directly received as Stage 2, i.e. not escalated from Stage 1)				
WHG	2,484	16				

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. Extensions of time to a complaint will be included in the total count and will be considered "late".

1.13 WHG are achieving target of 95% for stage 1 and 100% for stage 2 for quarter 2.

SPSO Indicator 2 - number and % of complaints at each stage that were fully closed within timescales of 5 and 20 working days						
Subsidiary	Subsidiary Stage 1 - responded to within 5 working days Stage 2 - responded to within 20 working - responded to within 20 working days				d to within	
	2023/24	YTD 2024/25	2023/24	YTD 2024/25	2023/24	YTD 2024/25
WHG	92.54%	96.29%	91.67%	100.00%	98.40%	100.00%

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

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

SPSO Indicator 3 - the average time in working days for a full response to the complaints at each stage – YTD 2024/25				
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	3.78	14.69	14.32	

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

SPSO Indicator 4 - the outcome of complaints as a % of overall complaints					
Subsidiary	Stage 1 - upheld	Stage 1 - partially upheld	Stage 1 - not upheld	Stage 1 - resolved	
WHG	36.31%	12.76%	31.05%	19.88%	
	Stage 2 - upheld	Stage 2 - partially upheld	Stage 2 - not upheld	Stage 2 - resolved	
WHG	12.50%	37.50%	43.75%	6.25%	
	Escalated complaints - upheld	Escalated complaints - partially upheld	Escalated complaints - not upheld	Escalated complaints - resolved	
WHG	44.06%	23.13%	30.63%	2.19%	



Report

To: Wheatley Homes Glasgow Board

By: Frank McCafferty, Group Director of Repairs and Assets

Approved by: Steven Henderson, Group Chief Executive

Subject: Health and Safety Performance Update

Date of Meeting: 20 November 2024

1. Purpose

1.1 The purpose of this report is to provide the Board with an update on health and safety performance across the first two quarters of 2024/25.

2. Authorising and Strategic Context

- 2.1 Under the Group Standing Orders the Group Board is responsible for approving Group Policies and their designation as applicable to all Group partners. The Group Health and Safety Policy was approved by the Board and designated as a Group Policy.
- 2.2 Under our Terms of Reference, our Board has the responsibility for monitoring our performance and corporate risks. This report supports us with those responsibilities.
- 2.3 Health and safety management arrangements and their contribution to enhancing our health and safety culture are clearly aligned with our Group Strategy for developing our capability that provides a platform for delivering excellent customer service.

3. Background

- 3.1 The current Group H&S Policy was approved by the Board in August 2018, and last reviewed in January 2023. This provides the foundations for our H&S Management system and a positive health and safety culture.
- 3.2 Our Group H&S Policy is part of our overall safety architecture as shown below, along with our Group H&S Management System, H&S Management Arrangements and Operational Safety Manuals.
- 3.3 Monitoring arrangements are in place to maintain the validity and accuracy of the documents described, based on feedback from operational activities, changes to the legislative environment and advances in best practice.



4. Discussion

Group Health and Safety Policy

4.1 The Group H&S Policy was last reviewed in January 2023 and is due for review in December 2024. This review will reflect updates to our approach to H&S during the preceding 12 months, and will include consultation with relevant parties across our Group include Trade Unions. The existing Policy is available to all members of staff and located on WE Connect in digital format. It has been uploaded as a mandatory read for all Managers, Supervisors and Team Leaders.

Group Health and Safety Management System

4.2 Organisations have a legal duty to put in place suitable arrangements to manage for health and safety. Our Group H&S Management System continues to be based on Health and Safety Executive (HSE) Guidance document HSG 65 'Managing for Health and Safety'.

Group Health and Safety Management Arrangements (HSMAs)

- 4.3 We are progressing with the integration of H&S procedures across all group subsidiaries in the form of new H&S Management Arrangement (HSMA) guidance documents. These documents allow us to share best practice and maintain consistency of approach to H&S management across the Group. They are further supported by a legal register of applicable H&S legislation. Documents that have been completed to date include:
 - Asbestos:
 - Construction Design and Management;
 - Electrical Safety:
 - Fire Safety;
 - Gas Safety;
 - Control of Legionella;
 - Administration of Medication;
 - Control of Vibration;
 - First Aid at Work;
 - Personal Safety; and
 - Safe Driving.
- 4.4 Our schedule for the development and implementation of additional documents is listed in Appendix 1, with a planned completion date of March 2025.

Operational Safety Manuals (OSMs)

4.5 Operational Safety Manuals have been established for staff and are reviewed every 2 years, or more frequently where a significant change in legislation, best practice or safe systems of work are identified.

Health and Safety Training

4.6 Progress with mandatory e-learning for our employees during this period is noted below.

Course	Complete	In Progress	Not Started	
Fire Safety Awareness	95%	1%	4%	
H&S Awareness	98%	0%	2%	
Intro to First Aid	97%	1%	1%	
Loneworking	98%	0%	2%	
Personal Safety Awareness	97%	0%	2%	

4.7 These figures include staff who are currently on maternity leave or long-term absent

Home Working Self- Assessment

4.8 190 of 216 listed homeworking WH-Glasgow employees have completed their annual Home Working Self-Assessments. Follow on discussions are underway through managers to ensure all applicable assessments are completed.

New Audit Programme

- 4.9 During this period a new Management Arrangement on Audit and Inspection was drafted and issued for consultation, which outlines our approach to carrying out a programme of H&S Audits.
- 4.10 The commencement of this new audit programme reflects HSE guidance and industry best practice for achieving the highest possible safety standards, and will be similar to the existing programme of Fire Risk Assessment visits already in place.
- 4.11 Progress with the programme and with any issues identified for action as a result will be included in future reports to WH-Glasgow Board.

Accident, Incident, Near Miss Reporting & WE Notify

- 4.12 We have had no RIDDOR accidents within WH-Glasgow during the first half of 2024, nor has any working time been lost from accidents of all types, including minor accidents.
- 4.13 Our new Notify Incident Reporting System went live on 01 April 2024 following a process of consultation, engagement, and training with staff. Notify is an online system which allows rapid completion and reporting of incidents, self-completion of reports by employees, and more effective record keeping by the H&S Team. Going forward, this will allow additional reporting with our intention being to report data on minor accidents, violent incidents and near misses to the Board.

4.14 The new system appears to have been effectively adopted by WH-Glasgow employees/ managers with additional support and briefings in respect of its use provided by our union representatives.

Employers Liability Claims Experience

4.15 There are currently no open Employers Liability (EL) Claims for WH-Glasgow employees and no new EL Claims have been received during the first half of this year.

5. Customer Engagement

- 5.1 All Group Health and Safety Policy, Management Arrangement and OSM documents are subject to ongoing consultation with recognised Trade Unions in line with our statutory obligations.
- 5.2 The Group H&S Committee structure ensures that we comply with the requirements for consultation and more specifically, our legal obligation under the Safety Representatives and Safety Committee Regulations and the Health and Safety (Consultation with Employees) Regulations.
- 5.3 During this period a new Operational H&S Meeting structure was put in place to create separate forums for functional areas including Housing. The first meeting under this new structure for Housing staff took place on 23 October 2024. It is anticipated that this new approach will enable greater focus and attention to be given to Housing specific safety issues. The agenda of this meeting will in addition be guided and informed by the creation of a new Housing H&S Action Plan which will follow the requirements of HSG 65 'Managing for Health and Safety'.

6. Environmental and Sustainability Implications

- 6.1 Our revised H&S Policy is a necessary and key part of ensuring the success of our new operating model. This operating model, which includes agile home working as highlighted above, will have positive environmental and sustainability implications including through:
 - Reducing unnecessary travel to an office location.
 - Encouraging staff to meet, when necessary, in our new hub locations that include measures to reduce our carbon footprint such as solar PV; and
 - Piloting the use of electric vehicles and power tools, and encouraging active travel, where appropriate

7. Digital Transformation Alignment

- 7.1 Technology, including the recently introduced WE Notify system, is used where appropriate to support safe working arrangements.
- 7.2 E-Learning training is also being developed beyond our existing H&S Awareness and Fire Awareness courses.

8. Financial and Value for Money Implications

8.1 There are no financial implications associated with this report.

9. Legal, Regulatory and Charitable Implications

- 9.1 The Group's risk appetite relating to laws and regulations is 'averse' i.e., avoidance of risk and uncertainty is a key organisational objective.
- 9.2 Health and safety compliance risks and associated mitigations are included in the Group strategic risk register and in the subsidiary risk registers.
- 9.3 Failing to comply with statutory health and safety legislation and employers' general duties under the Health and Safety at Work Act and associated Regulations could lead to regulator intervention, enforcement action, prosecution and adverse reputational risk.

10. Risk Appetite and Assessment

10.1 The Group and subsidiary risk appetite relating to issues of technical compliance is 'averse', defined as avoidance of risk and uncertainty, and this is a key organisational objective.

11. Equalities implications

11.1 There are no implications for Equalities associated with this report.

12. Key Issues and Conclusions

- 12.1 Key H&S developments during Q1/2 have included:
 - The deployment of our Notify incident reporting system;
 - Continuing high completion levels for H&S E-Learning courses and, where applicable, Home Working Self-Assessments by WH-Glasgow employees;
 - A new schedule of Management Arrangements listed at Appendix 1;
 - A planned new H&S Audit programme commencing during Q3; and
 - New Operational H&S meeting for Housing.
- 12.2 These developments build on our already well-established and robust to health and safety.

13. Recommendations

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

LIST OF APPENDICES:

Appendix 1: H&S Management Arrangements Development Schedule

H&S Management Arrangements Development Schedule 2024/25

Document Title	Planned Date of Completion	Progress
Audit and Inspection	Q3	Completed
Communication and Consultation	Q3	Drafted for consultation
Confined Space	Q4	
Control of Contractors	Q3	
Contractor Vetting	Q3	
COSHH / Pesticides	Q3	
Digging and Services	Q4	
DSE	Q4	Drafted for consultation
DSEAR	Q4	
Event Management	Q4	
Hot Works	Q3	
Incident Investigation & Reporting	Q3	Drafted for consultation
Infection Prevention and Control	Q3	Drafted for consultation
Manual Handling	Q3	Drafted for consultation
Moving and Assisting	Q4	
New and Expectant Mothers	Q4	
Noise at Work	Q4	
Occupational Health and Wellbeing	Q3	
OSM	Q4	
Passenger Assistance	Q4	
Personal Protective Equipment & RPE	Q4	
Personal Safety (Violence at work)	Q3	
Risk Assessment	Q3	Drafted for consultation
Safety Reps	Q3	Drafted for consultation
Security Threats	Q3	
Severe Weather	Q3	
Shift Work	Q3	Drafted for consultation
Smoking	Q3	
Stress	Q3	
Training	Q3	
Work Equipment / PUWER	Q4	
Work Experience and Volunteers	Q3	
Working at Height	Q3	
Workplace Welfare	Q4	
Young People	Q3	



Report

To: Wheatley Homes Glasgow Board

By: Pauline Turnock, Group Director of Finance

Approved by: Steven Henderson, Group Chief Executive

Subject: Finance Report

Date of Meeting: 22 November 2024

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 30 September 2024 and Q2 forecast; and
- An update on the Group's funding and security arrangements.

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 on-going monitoring of performance against agreed targets. This includes the performance of its finances.

3. Background

3.1 Financial performance

The results for the period to 30 September are summarised below.

	Year	Year to Date (Period 6)				
	Actual £000	Budget £000	Variance £000			
Turnover	119,444	123,137	(3,693)			
Operating expenditure	(110,612)	(111,608)	996			
Operating surplus	8,832	11,529	(2,697)			
Operating margin	7.4%	9.4%				
Net interest payable	(24,504)	(24,490)	(14)			
Deficit	(15,672)	(12,961)	(2,711)			
Net Capital Expenditure	43,585	42,945	(640)			

4. Discussion

4.1 Period to 30 September 2024

A statutory deficit of £15,672k has been reported for the period to 30 September 2024, which is £2,711k unfavourable to budget. The unfavourable year to date position relates to a delay in the timing of new build completions compared to the budgeted profile offset by the majority of other income and expenditure lines reporting favourable variances to budget.

Key points to note:

- Net rental income is £199k favourable to budget, mainly related to the timing of a small number of 'cease to let' Livingwell properties;
- Other income is £231k higher than budget, linked to commercial void performance being favourable to budget and higher Wayleave and Solar Panel income, reflecting the prudent budget set;
- Total employee costs (direct and group services) are £20k unfavourable to budget with a small amount of additional spend from Wheatley Solutions for group employee costs;
- Direct and group services running costs are £342k favourable due to efficiency savings achieved in IT running costs and several other departments reporting lower costs across Wheatley Solutions;
- ■Bad debts are £529k lower than budget, reflecting the prudent budget set; and
- Net capital expenditure is £640k higher than budget. Within this:
 - investment in our existing homes is £191k lower than budget. The variance relates to lower void spend, partly offset by increased capitalised repairs, capitalised staff and core programme spend;
 - new build spend is £12,056k lower than budget. A delay in the works at Sighthill Phase 2 and Kelvin Wynd, a delayed site start at North Toryglen as well as lower spend at Calton Phase 2 is contributing to the variance. There has also been accelerated spend at Shawbridge Arcade; and
 - new build grant funding is £12,943k lower than budget linked to the lower new build expenditure.

4.2 Q2 Forecast out-turn

	F	FY Forecast (Q2)			
	Actual £000	Budget £000	Variance £000		
Turnover	266,674	265,990	684		
Operating expenditure	219,057	218,114	(943)		
Operating surplus	47,617	47,876	(259)		
Operating margin	17.9%	18.0%	(0.1%)		
Net interest payable	(54,123)	(54,332)	209		
Deficit	(6,506)	(6,456)	(50)		
Net Capital Expenditure	100,650	97,115	(3,535)		

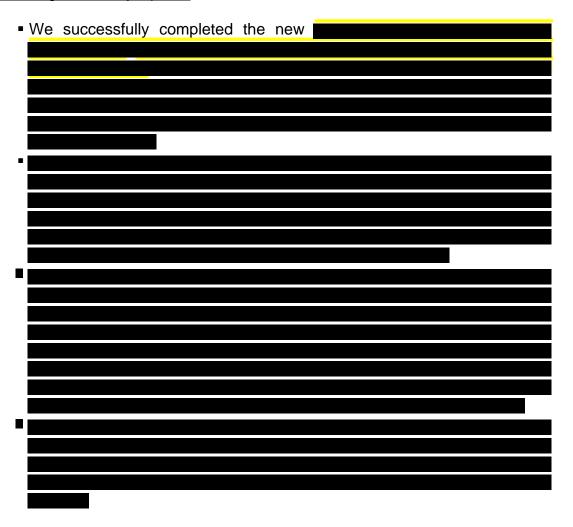
The forecast reports a statutory deficit of £6,506k for the full year out-turn to March 2025, which is £50k unfavourable to budget.

Key points to note:

- New build grant income is £1,450k higher due to GCC providing additional grant funding for the Calton development, linked to the tenure change (32 MMR units to SR);
- Other grant income is forecast to increase by £500k following the award of Social Housing Net Zero (SHNZ) grant by the Scottish Government to fund work on pre 1919 tenements. There is a corresponding increase in investment spend;
- Other income is £1,266k lower than budget due to a reduction in the intra group gift aid income from Wheatley Developments Scotland, linked to the lower forecast new build spend. This is an intra group item only and as such does not impact the overall financial performance at a group level.
- The new Neighbourhood Environmental Improvement Team is reflected in the forecast with additional employee and running costs of £262k in 2024/25. This forms part of our Strategic Asset Investment plan, with particular focus on neighbourhood priorities;
- Additional revenue repairs costs of £850k in Glasgow for 2024/25 for the acceleration of our MSF fire door inspection programme in line with Scottish Government guidance, and in keeping with our commitment to effective fire prevention and mitigation;
- Group services employee costs are forecast to be £108k higher than budget linked to planned changes in the staffing structure in Wheatley Solutions, noting that this is offset by the forecast reduction in group services running costs of £277k due to value for money savings realised in IT contracts in Wheatley Solutions.
- Interest is forecast to be £209k lower than budget with the earlier than budgeted receipt and lower interest rate for the fixed rate £125m private placement, timing of the drawdowns and a lower base rate charged on the variable loans than budgeted.
- Investment programme is forecast to be £2,717k higher than budget with the RSL borrower group interest cover covenant change creating additional capacity for £2,150k of works as agreed by the Board to be delivered in WH Glasgow. This additional financial capacity will be used to deliver specific improvement projects across the city including fabric and environmental improvements in Cranhill and Govan, high rise fabric improvements at Townhead, Sandyhills and Helenvale sites amongst other projects. The forecast includes a further £500k of unbudgeted SHNZ grant funded works on pre-1919 sandstone tenements.
- New build expenditure is forecast to be £25,880k lower than budget and new build grant income £27,198k lower. The development programme has been reprofiled to reflect the impact of the 26% reduction in Scottish Government housing budget for 2024/25 and the timing of spend at other projects already on site. Two projects, Shawbridge Arcade and North Toryglen, will proceed with £10,896k grant claimed in 2025/26. Other key movements compared to budget are the timing of site starts at Sighthill Ph2, Calton Ph3 and Kelvin Wynd.

 The forecast variations to budget are managed within the overall parameters of the RSL Borrower Group budget for 2024/25 of which Glasgow is part. The RSL borrower group continues to remain compliant with covenants.

4.3 Funding & Security Update



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 from this report.

7. Digital transformation alignment

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

8. Financial and value for money implications

8.1 The statutory deficit for the period to 30 September 2024 is £2,711k unfavourable to budget due to the timing of grant recognition on new build completions. The majority of other budget lines are reporting favourable positions compared to budget.

- 8.2 Our cost efficiency targets are built into the budget and delivery of these is a key element of continuing to demonstrate value for money. After adjusting the net operating surplus for new build grant income, depreciation, one off payments not related to underlying surplus and including capital expenditure in our properties, an underlying deficit of £252k is reported which is £1,689k favourable to budget.
- 8.3 The forecast underlying statutory deficit for the year to 31 March 2025 is £2,951k unfavourable to budget. This is due to the agreement to increase expenditure on the investment programme following the change to the interest cover covenant in line with our objective to provide high quality housing and invest to improve the energy efficiency of our homes, in conjunction with additional revenue repairs spend on fire safety measures.
- 8.4 While this additional investment spend creates an underlying deficit in WH Glasgow, this can be accommodated within the context of the RSL Borrower Group where an overall underlying surplus is reported for the financial year. Financial performance continues to be managed within the overall budget parameters and covenants for the RSL Borrowers.

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 presents the financial performance for the period to 30 September 2024 and the Q2 forecast for 2024/25.

13. Recommendations

- 13.1 The Board is requested to:
 - 1) Note the Finance Report for the period ended 30 September 2024 and Q2 forecast at Appendix 1.
 - 2) Note the funding and security update.

LIST OF APPENDICES:

Appendix 1: Period 6 – 30 September 2024 Finance Report



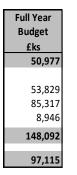
Period to 30 September 2024 Finance Report



Operating statement – Period to 30 September 2024

	Period 1	r 2024	Full Year	
	Actual	Budget	Variance	Budget
	£ks	£ks	£ks	£ks
INCOME				
Rental Income	113,063	112,897	166	225,333
Void Losses	(1,314)	(1,347)	33	(2,693)
Net Rental Income	111,749	111,550	199	222,640
Grant Income New Build	0	4,209	(4,209)	20,527
Grant Income Other	1,952	1,866	86	8,000
Other Income	5,743	5,512	231	14,823
Total Income	119,444	123,137	(3,693)	265,990
EXPENDITURE				
Employee Costs - Direct	16,419	16,433	14	32,504
Employee Costs - Group Services	8,228	8,194	(34)	15,922
ER / VR	108	108	0	840
Direct Running Costs	7,067	7,066	(1)	14,292
Running Costs - Group Services	4,234	4,576	342	9,564
Revenue Repairs and Maintenance	31,628	31,780	152	58,089
Bad debts	782	1,311	529	2,622
Depreciation	42,140	42,140	0	84,281
Demolition	6	0	(6)	0
TOTAL EXPENDITURE	110,612	111,608	996	218,114
NET OPERATING SURPLUS / (DEFICIT)	8,832	11,529	(2,697)	47,876
Net operating margin	7.4%	9.4%	-2.0%	18%
Interest payable & similar charges	(24,504)	(24,490)	(14)	(54,332)
STATUTORY SURPLUS / (DEFICIT)	(15,672)	(12,961)	(2,711)	(6,456)

INVESTMENT	Period T	o Septembe	r 2024	Full Year
	Actual	Budget	Variance	Budget
	£ks	£ks	£ks	£ks
Total Capital Investment Income	10,402	23,345	(12,943)	50,9
Investment Programme Expenditure	26,720	26,911	191	53,8
New Build Programme	22,672	34,728	12,056	85,3
Other Capital Expenditure	4,595	4,651	56	8,9
TOTAL CAPITAL EXPENDITURE	53,987	66,290	12,303	148,0
NET CAPITAL EXPENDITURE	43,585	42,945	(640)	97,1





Key highlights period to date:

Net operating surplus of £8,832k, is £2,697k unfavourable to budget. Statutory deficit of £15,672k for the period is £2,711k unfavourable to budget. The key driver relates to the timing of new build completions compared to the budgeted profile. Trading performance is favourable with additional other income and a favourable expenditure position compared to budget.

- Net Rental income is £199k favourable to budget. Gross rental income includes £130k additional income from Livingwell properties. A "cease to let" was approved by the Board in September 2022, however the properties have cleared slower than anticipated.
 - New build grant income reports an unfavourable variance of £4,209k, with completion of 40 units at Calton phase 1 budgeted for August now expected to complete in November.
- Other grant income includes £86k of unbudgeted SHNZ grant income with corresponding costs in Investment programme expenditure.
- Other income is £231k favourable to budget linked to commercial void performance being favourable to budget and higher Wayleave and Solar Panel income, reflecting the prudent budget set.
- Total employee costs (direct and group services) are £20k unfavourable to budget with additional costs from Wheatley Solutions for group employee costs contributing to the variance.
- Total running costs (direct and group services) are £341k favourable to budget. Group recharges are £342k favourable to budget due to savings in IT running costs and several other departments reporting lower costs across Wheatley Solutions.
- Revenue repairs and maintenance spend is £152k favourable to budget. Responsive repairs are £42k lower than budget. Compliance spend reports £173k favourable variance due to the timing of the programme.
- Bad debts are £529k favourable to budget. A prudent approach was taken when setting the budget.
- Net Interest payable is £14k unfavourable to budget linked to the timing of loan drawdowns compared to budget at P6.

Net capital expenditure of £43,585k is £640k higher than budget.

- Capital investment income (grants) is £12,943k lower than budget mainly due to the timing of spend at Calton Phase 2 and Sighthill Phase 2, and at North Toryglen where the grant will be claimed in 2025/26.
- Investment programme spend is £191k favourable to budget with lower spend in capitalised voids, partly offset by additional capitalised repairs spend.
- New build spend is £12,056k lower than budget, following a delay in the works at Sighthill Phase 2 and Kelvin Wynd, a delayed site start at North Toryglen as well as lower spend at Calton Phase 2. There has also been accelerated spend at Shawbridge Arcade with the grant funding being confirmed as claimable in 2025/26.
- Other capital expenditure of £4,595k is £56k lower than budget with higher spend on the concierge office refurbishment programme offset by the timing of IT project spend.

2 Better homes, better lives

1b. 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 2014).
- However, the inclusion of grant income on new build developments creates volatility in the results and does not reflect the underlying cash surplus/deficit on our letting activity.
- The chart below therefore shows a measure of underlying surplus which adjusts our net operating surplus by excluding the accounting adjustments for the recognition of grant income and depreciation but including capital expenditure on our existing properties.
- At September, the underlying deficit is £252k, £1,689k favourable to budget. The variance to budget is primarily driven by an improved net operating surplus position due a higher net rental income, lower operating expenditure and lower capitalised void spend.

WHG Underlying (Deficit)/Surplus September 2024					
	Actual	Budget	Variance	FY Budget	
	£ks	£ks	£ks	£ks	
Net operating surplus	8,832	11,529	(2,697)	47,876	
add back:					
Depreciation	42,140	42,140	0	84,281	
less:					
Grant income	0	(4,209)	4,209	(20,527)	
WDS gift aid income	0	0	0	(3,175)	
Net interest payable	(24,504)	(24,490)	(14)	(54,332)	
Total expenditure on Investment	(26,720)	(26,911)	191	(53,829)	
Programme					
Underlying (deficit)/surplus	(252)	(1,941)	1,689	294	

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2a. Repairs & Investment Programme



		YTD P6			
	Actual	Actual Budget Variance			
Repairs	£ks	£ks	£ks	£ks	
Responsive Repairs	15,994	16,036	42	32,072	
Cyclical (local)	263	263	0	912	
Compliance/Overhead	15,371	15,481	110	32,270	
Total Repairs	31,628	31,780	152	58,089	

Repairs & maintenance:

- Responsive repairs are lower than budget by £42k, noting that completed job numbers are broadly in line with our budget expectation.
- Overall compliance expenditure is £110k favourable to budget, due to a combination of the timing of the programme at this point in the year, noting that all legislative requirements are met within the required timescale.

	YTD P6			
Investment Programme Grant Income	Actual £ks	Budget £ks	Variance £ks	FY budget £ks
SHNZ	86	0	86	0
Medical adaptations	900	900	0	1,575
Total	986	900	86	1,575
Investment Programme	Actual	Budget	Variance	FY Budget
Expenditure	£ks	£ks	£ks	£ks
Core programme (excl SHNZ)	7,583	7,451	(132)	15,854
SHNZ	86	0	(86)	0
Capitalised Voids	4,831	5,467	636	10,119
Adaptations	1,433	1,485	52	2,857
Capitalised staff	3,023	2,931	(92)	5,846
City Building ovh allocated	5,367	5,367	0	10,734
Capitalised Repairs	4,397	4,210	(187)	8,419
Total	26,720	26,911	191	53,829

Net Investment Spend 25,734 26,011 277 52,254

Investment programme:

- Net investment in our existing homes was £25,734k which was £277k lower than budget. The variance relates to lower void spend, partly offset by increased capitalised repairs, capitalised staff and core programme spend.
- Core programme expenditure of £7,583k is £132k unfavourable to budget due to £190k of spend linked to the additional capacity agreed for investment facilitated by the borrower group covenant change.
- SHNZ spend relates to energy efficiency pre-1919 tenements works and is fully grant funded.
- Void costs, which include the cost of the Nets void squad, are capitalised in line with Group policy. At P6 there is £636k under spend which is partly offset by higher than budgeted capitalised repairs. Significant capitalised repair work types include doors, windows, fencing, showers and damp and mould remediation

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2b. New Build Programme Spend



			YTD P6			Full Year
	*Status	Contractor	Actual	Budget	Variance	Budget
Springfield Rd	Feasibility	-	0	0	0	104
Abbotshall Avenue	Feasibility	MCTAGGART	36	27	(9)	1,978
Lochend Road Ph 1	Feasibility	TBC	148	0	(148)	7
Caledonia Rd	Feasibility	TBC	0	106	106	1,890
Calton Village Ph 3	Feasibility	MCTAGGART	21	147	126	2,176
Church St	Feasibility	TBC	0	72	72	1,044
Lochend Road Ph 2	Feasibility	TBC	0	131	131	1,386
North Toryglen	Approved	CRUDEN	0	4,261	4,261	8,163
Spoutmouth	In Development	CCG	51	36	(15)	1,206
Sighthill Ph2	On Site	KEEPMOAT	8	4,858	4,850	11,550
Shandwick St	On site	CCG	4,528	4,520	(8)	6,118
Kelvin Wynd	On site	-	2,332	5,477	3,145	8,828
Feasibility	Feasibility	-	49	0	(49)	124
Total Social Rent			7,173	19,634	12,462	44,574

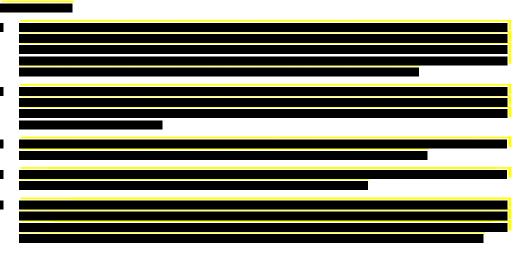
Charchist	1 Cusibility	TDC	U	, _	, _	1,044
Lochend Road Ph 2	Feasibility	TBC	0	131	131	1,386
North Toryglen	Approved	CRUDEN	0	4,261	4,261	8,163
Spoutmouth	In Development	CCG	51	36	(15)	1,206
Sighthill Ph2	On Site	KEEPMOAT	8	4,858	4,850	11,550
Shandwick St	On site	CCG	4,528	4,520	(8)	6,118
Kelvin Wynd	On site	-	2,332	5,477	3,145	8,828
Feasibility	Feasibility	-	49	0	(49)	124
Total Social Rent			7,173	19,634	12,462	44,574
			ı			
Development Fund	-	-	0	0	0	200
Property Acquisitions	-	-	1,359	1,359		10,850
Capitalised Insurance	-	-	12	17	5	34

Total New Build Investment		22,672	34,728	12,056	85,317	
Grant Income		8,556	21,585	(13,029)	43,188	
Other Grant Income		860	860	0	6,174	
Net New Build Cost		13,256	12,283	(977)	35,955	
Grant Income Completions New Build		0	4,209	(4,209)	20,527	l

Net spend on new build properties of £13.3m has been incurred by end of September. This is £1.0m higher than budget.

Social Rent

- Abbotshall Avenue (SR/67): Site start will be delayed to 2025/26, however feasibility work has commenced and a planning application is under consideration.
- North Toryglen (SR and MMR): Budgeted to start on site in April 2024 but this was delayed due to ongoing discussions on grant availability. This has now been agreed with grant to be claimed in 2025/26 and the site start is planned for November 2024.
- Spoutmouth (SR/34): Planning approval anticipated during Q3 2024/25 and contract for significant archaeological works resolved and costed. Project now anticipated to start in Q1 2025/26.
- Sighthill Phase 2 (SR/41): Phase 2 is under negotiation with Keepmoat. This phase has a potential site start during Q4 2024/25, later than budgeted, however remediation works may delay this further. Ringfenced grant funding of £4.4m is available in 2024/25 to support the development of 41 units.
- Shandwick St (SR/47): Works commenced on site in September 2023 and are progressing well, including 6 prototype units built to achieve different enhanced energy efficiency standards. All grant fully claimed by July 2024.
- Kelvin Wynd: The demolition tender was approved by Board and works commenced in August 2023. The contractor is continuing the soft strip of all four blocks however blowdown of the three blocks has been delayed resulting in a reduction in spend in the current year.



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995

3,255

6,174

Grant Income Completions Acquisitions

Capitalised Interest Capitalised Staff

3. Balance Sheet

	30 September 2024	31 March 2024
	£ks	£ks
Fixed Assets	LKS	LKS
Social Housing Properties	1,795,246	1,784,173
Other tangible fixed assets	65,496	64,810
Investment properties	88,008	87,944
Investments - other	12,073	12,073
Fixed Assets	1,960,823	1,949,000
Debtors Due More Than One Year		
Inter Company Loan	21,004	18,504
Current Assets		
Trade debtors	1,017	1,035
Rent & Service charge arrears	11,214	15,166
less: Provision for rent arrears	(7,728)	(7 <i>,</i> 445)
Prepayments and accrued income	6,496	4,622
Intercompany debtors	12,949	8,536
Other debtors	2,332	7,311
	26,280	29,225
Bank & Cash	9,591	3,427
Current Assets	35,871	32,652
Current Liabilities		
Trade liabilities	(7,513)	(4,969)
Accruals	(16,579)	(24,273)
Deferred income	(29,697)	(23,811)
Rents & service charges in advance		(20,544)
Intercompany creditors	(34,816)	(35,455)
Other creditors	(12,951)	(12,145)
	(113,509)	(121,197)
Net Current Liabilities	(77,638)	(88,545)
Long Term Liabilities		
Contingent efficiencies grant	(46,280)	(46,280)
Bank finance	(1,060,116)	(1,025,117)
Deferred income	(16,348)	(10,422)
Provisions	(2,110)	(2,133)
Pension liability Long Term Liabilities	(2,035)	(2,035) (1,085,987)
	(1,126,889)	. , ,
Net Assets	777,300	792,972
Capital & Reserves		
Retained Income b/fwd	165,997	165,997
Income & Expenditure	(15,672)	0
Revaluation Reserves	626,975	626,975
Funding Employed	777,300	792,972



Key Commentary:

The balance sheet as at 31 March reflects the audited position.

- **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. £2.5m of the additional facility of £15m was advanced to Lowther in the month.
- Current Assets (excluding cash) are £2.9m lower than the March 2024 position, due to lower net rent arrears, linked to timing of HB payments.
- Bank and cash of £9.6m includes £6.8m of Housing Benefits received on 30 September.
- Short-Term Creditors: Amounts due within one year are £7.7m lower than the March 2024 position mainly due to a decrease in prepaid rents linked to a HB receipt in March 2024 that related to periods beginning on or after 1 April 2024, increasing the value at year end.
- Long term bank finance loans net of amortised fees are £1,060.1m and relate to funding drawn down from WFL1.

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4. Q2 Forecast 2024/25



	Full Year 2024/25			
	Forecast	Budget	Variance	
	£k	£k	£k	
INCOME				
Rental Income	225,333	225,333	0	
Void Losses	(2,693)	(2,693)	0	
Net Rental Income	222,640	222,640	0	
Grant Income New Build	21,977	20,527	1,450	
Grant Income Other	8,500	8,000	500	
Other Income	13,557	14,823	(1,266)	
Total Income	266,674	265,990	684	
EXPENDITURE				
Employee Costs - Direct	32,716	32,504	(212)	
Employee Costs - Group Services	16,030	15,922	(108)	
ER / VR	840	840	0	
Direct Running Costs	14,342	14,292	(50)	
Running Costs - Group Services	9,287	9,564	277	
Revenue Repairs and Maintenance	58,939	58,089	(850)	
Bad debts	2,622	2,622	0	
Depreciation	84,281	84,281	0	
Demolition	0	0	0	
TOTAL EXPENDITURE	219,057	218,114	(943)	
OPERATING SURPLUS / (DEFICIT)	47,617	47,876	(259)	
Net operating margin	17.9%	18.0%	-0.1%	
Interest Payable	(54,123)	(54,332)	209	
STATUTORY SURPLUS / (DEFICIT)	(6,506)	(6,456)	(50)	

	Full Year 2024/25				
	Forecast	Budget	Variance		
	£k	£k	£k		
INVESTMENT					
Total Capital Investment Income	24,279	50,977	(26,698)		
Investment Programme	56,546	53,829	(2,717)		
New Build	59,437	85,317	25,880		
Other Capital Expenditure	8,946	8,946	0		
TOTAL CAPITAL EXPENDITURE	124,929	148,092	23,163		
NET CAPITAL EXPENDITURE	100,650	97,115	(3,535)		

Key Commentary:

The forecast operating surplus of £47,617k is £259k unfavourable to budget. After taking account of financing costs, the statutory deficit of £6,506k is £50k unfavourable to budget.

- Rental income is forecast to be in line with budget taking a prudent position on rental income from future acquisitions.
- New build grant income is £1,450k higher due GCC awarding additional grant funding for the Calton development, linked to the tenure change of MMR to SR.
- Other grant income is forecast to increase by £500k following the award of Social Housing Net Zero (SHNZ) grant by the Scottish Government to fund work on pre 1919 tenements. There is a corresponding increase in investment spend.
- Other income is £1,266k lower than budget due a reduction in the intra group gift aid income from Wheatley Developments Scotland, linked to the lower forecast new build spend.
- Direct employee and running costs higher than budget, reflecting the implementation of the new Neighbourhood Environmental Improvement Team to undertake projects set out in our neighbourhood plans linking through to the neighbourhood theme in Strategic Asset Investment Plan.
- Group services employee costs are forecast to be £108k higher than budget linked to planned changes in the staffing structure in Wheatley Solutions, noting that this is offset by the forecast reduction in group services running costs of £277k due to value for money savings realised in IT contracts in Wheatley Solutions.
- Revenue repairs and maintenance budget uplift of £850k relates to the acceleration of our MSF fire door
 inspection programme in line with Scottish Government guidance, and in keeping with our commitment to
 effective fire prevention and mitigation. Underlying repairs and maintenance expenditure remains forecast in
 line with budget.
- Interest is forecast to be £209k lower than budget with the earlier than budgeted receipt of the fixed rate £125m private placement at a lower interest rate than budgeted, timing of the drawdowns and a lower base rate charged on the variable loans than budgeted.

Net capital expenditure is forecast at £100,650k and is £3,535k higher than budget.

- Capital investment income is forecast £26,698k lower than budget due to the timing of spend at Calton Phase 2 and Sighthill Phase 2, with a delay in the related grant claims for each site, and the £10,896k front funding of North Toryglen and Shawbridge Arcade developments. The unbudgeted SHNZ grant funding of £500k is also included in the forecast.
- Investment programme is forecast to be £2,717k higher than budget with the RSL borrower group interest
 cover covenant change creating additional capacity for works to be delivered in WH Glasgow as agreed by
 the Board and unbudgeted SHNZ grant funded works contributing to the additional spend.
- New build expenditure is forecast to be £25,880k lower than budget due to site starts being delayed as
 result of the reduction in grant funding available in 2024/25, in particular at North Toryglen, in addition to the
 timing of spend at Sighthill Phase 2 (due to a delayed site start), Kelvin Wynd and Calton Phase 2.

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4b. Q2 Forecast underlying surplus



- As with the year to date results to 30 September 2024, the Q2 Forecast full year out-turn Operating Statement (Income and Expenditure Account) on page 8 is prepared in accordance with the requirements of accounting standards (Financial Reporting Standard 102 and the social housing Statement of Recommended Practice 2014).
- An underlying deficit of £2,669k is expected for the full year as shown in the chart below after adjusting to exclude the accounting adjustments
 for the recognition of grant income and depreciation, but including capital expenditure on our existing properties to reflect the underlying cash
 surplus/deficit on our letting activity.
- The forecast underlying deficit is £2,951k lower than the budgeted full year surplus. The variance is due to the additional investment spend agreed over and above the budgeted investment programme in recognition of our objective to provide high quality housing and investing to improve the energy efficiency of our homes. The movement in underlying surplus in Glasgow can be accommodated within the context of the RSL Borrower Group where an overall underlying surplus is reported for the financial year. Financial performance continues to be managed within the overall budget parameters and covenants for the RSL Borrowers.

WH Glasgow (Deficit)/Surplus - Q2 forecast 24/25									
Forecast Budget Varianc									
	£k	£k	£k						
Net operating surplus	47,617	47,876	(259)						
add back: Depreciation	84,281	84,281	О						
less:									
Grant income	(21,977)	(20,527)	(1,450)						
WDS gift aid income	(1,909)	(3,175)	1,266						
Net interest payable	(54,123)	(54,332)	209						
Total expenditure on Investment Programme	(56,546)	(53,829)	(2,717)						
Underlying (deficit)/surplus	(2,657)	294	(2,951)						

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Report

To: Wheatley Homes Glasgow Board

By: Aisling Mylrea, Managing Director of Wheatley Homes Glasgow

Approved By: Steven Henderson, Group Chief Executive

Subject: Risk Register

Date of Meeting: 22 November 2024

1. Purpose

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

2. Authorising and strategic context

2.1 Under its Terms of Reference the Board is responsible for managing and monitoring its Risk Register and Risk Appetite. The Group Board is responsible for managing and monitoring the Group Risk Management Framework.

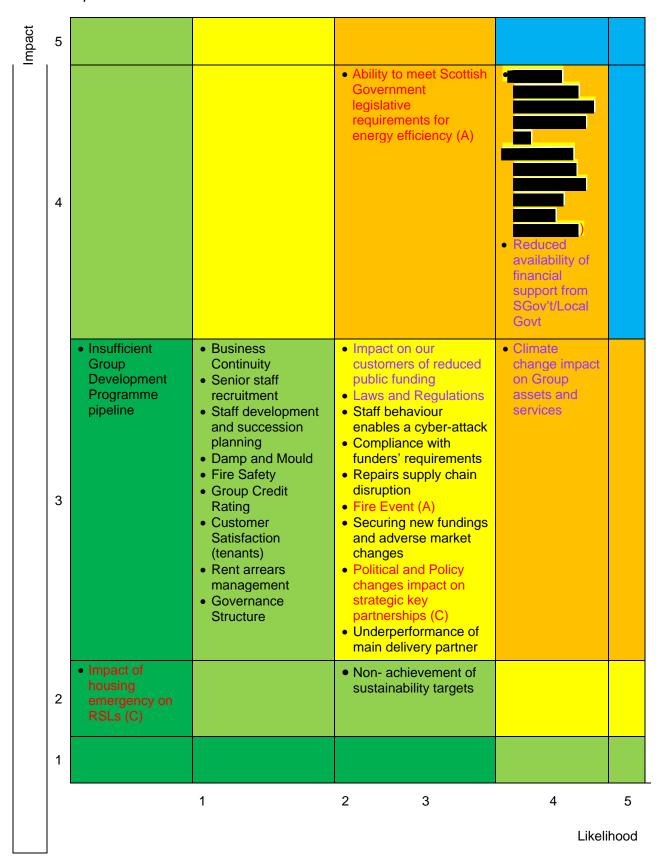
3. Background

- 3.1 This report gives an overview of our current risk position for consideration by the Board. As set out in the Group Risk Management approach, this update focuses on risks we wish to bring to the attention of the Board. This includes risks in the following categories:
 - A. Risks outwith risk appetite;
 - B. Risks with a residual risk score of 12 of more or an inherent risk score of 20 or more, for which the Board has not received an update on the operation of the controls in the last 6 months; and
 - C. Risks highlighted for consideration. This will include new risks, risks to be removed from the Risk Register, or risks with a significant change in scoring. It also includes brief details of any significant changes to the external environment that may impact on the Board's risk profile ("horizonscanning").

4. Discussion

4.1 The chart below shows all risks within the Risk Register. These are colour-coded as follows:

- Red font risks highlighted for Member consideration and discussed further below;
- Purple font risks with a high residual risk or inherent risk score where Boards have received an update on the operation of the controls in the last 6 months; and
- Black font lower scoring risks that have remained stable within the current period.



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

Section A - Risks outwith risk appetite

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

Risk	Residual Risk Score	Risk Appetite Level	Commentary
RISK 019.2: Delayed recovery in the event of a cyber attack	Likelihood	Cautious	
RISK 019.3: Disruption following a cyber attack on a key system provider	Likelihood	Cautious	
RISK 004: Ability to meet Scottish Government legislative requirements for energy efficiency	Likelihood	Cautious	The description of this risk has been amended slightly to clarify it is about the financial capacity needed to fund the required investment. The Scottish Government is currently consulting on energy efficiency targets for social housing with a view to updating requirements for social landlords. While our assets remain in good condition and deliver a high level of customer satisfaction, there

Risk	Residual Risk Score	Risk Appetite Level	Commentary
			is a risk that the level of grant funding available will be insufficient to meet the Standard in line with timelines set out by the Government. To address this, we are taking steps to increase available resources for asset investment through business planning with a focus on investment in areas that matter most for customers and our business, including energy efficiency, through the development of our asset management strategy and related asset investment plans. We are also continuing to work with the Government and others to identify the additional funding that will be needed in the longer term to meet decarbonisation ambitions.
RISK 089 – Fire Event	Likelihood	Minimal	This is focused on the risk of a fire event within a customer property. It is out with risk appetite due to the limited control the Group has over the actions of third parties to minimise fire risk. Despite best efforts we cannot eliminate all risk of accidental dwelling fires. We have reduced these year-on-year, through proactive engagement with our customers and rigorous fire safety inspections of our assets on a rolling programme basis and mitigating measures, but we will continue to experience accidental dwelling fires due to the actions of customers.

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

<u>Section B – High scoring risks with controls due for review.</u>

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

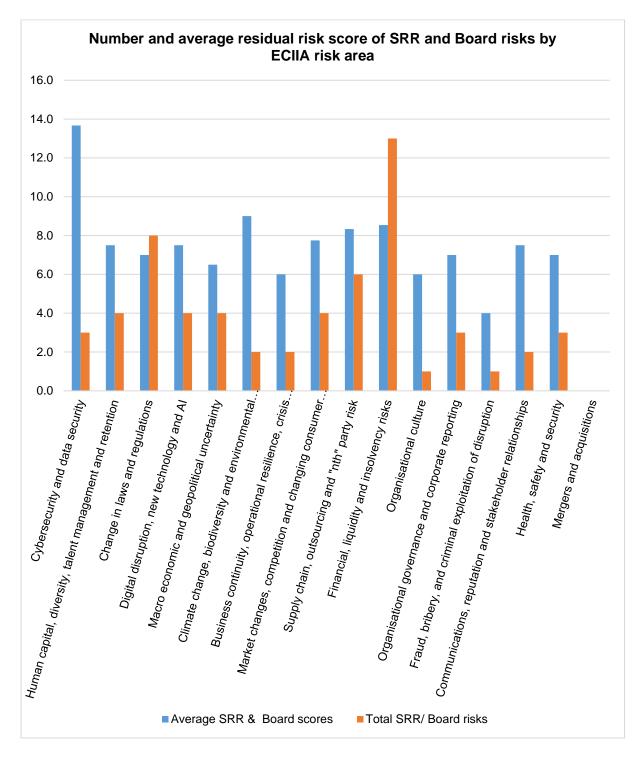
Section C- Horizon Scanning

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

Risk	Residual Risk Score	Risk Appetite Level	Commentary
AMENDED RISK: RISK014 Political and Policy changes impact on strategic partnerships	Likelihood	Open	The original Political and Policy changes risk has been updated to reflect the impact that any such changes may have on the effectiveness of the Group's working relationships with key strategic partners.
PROPOSED FOR REMOVAL: RISK249 Impact of housing emergency on RSLs	Likelihood	Open	Given the low residual score, it is proposed that this risk is removed from the Risk Register and monitored at a local level.

Risk in Focus 2025

- 4.7 In addition to the information presented in relation to existing risks, the Internal Audit team has also reviewed the Group's Strategic Risk Register and Subsidiary Board Risk Registers against the European Confederation of Institutes of Internal Auditing's (ECIIA's) annual publication "Risk in Focus". This publication summarises the results of a survey of Chief Audit Executives (CAEs) in which they are asked to rank the risks that are of most concern to their organisation.
- 4.8 The chart below shows the ECIIA's 16 risk categories in order of descending risk when read from left to right. The chart also shows the total number of risks within either the Strategic Risk Register or Subsidiary Board Risk Registers (in orange) and the average residual risk score of those risks (blue).



- 4.9 This demonstrates that the Group has risks in all categories assessed by the ECIIA, except for mergers and acquisitions this reflects the lack of recent activity in this area, with the risk "Implementation of Partnership Promises" being removed from the Group Risk Profile in 2024.
- 4.10 The chart also shows that there are only 3 cybersecurity risks within the combined Strategic and Board Risk Registers, but these 3 have the highest residual risk scores. The greatest number of risks (13) is in the Financial, liquidity and insolvency risk category, but the average residual risk score for these risks is 8.5.
- 4.11 The Board is asked to consider whether any matters discussed elsewhere during the Board meeting result in additional risks to be captured in the Risk Register.

5. Customer Engagement

5.1 No customer engagement implications arise directly from this report.

6. Environmental and sustainability implications

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

7. Digital transformation alignment

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

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

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

10. Risk Appetite and assessment

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

11. Equalities implications

11.1 This report does not require an equalities impact assessment.

12. Key issues and conclusions

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

13. Recommendations

- 13.1 The Board is asked to:
 - 1) Approve the updates in this report; and
 - 2) Identify any further changes required to the Risk Register.

LIST OF APPENDICES:

Appendix 1: Summary status of Wheatley Homes Glasgow Risk Register

Appendix 2: Wheatley Homes Glasgow Detailed Highlighted Risks

Appendix 1 – Summary status of Wheatley Homes Glasgow Risk Profile

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
		Likelihood		Likelihood			
		Likelihood		Likelihood			
RISK 021	Reduced availability of financial support from Scottish Government and / or local government	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Finance	Raising the funding to support our ambitions	N/A
RISK 004	Ability to meet Scottish Government legislative requirements for energy efficiency	Likelihood	Risk Appetite is CAUTIOUS (Yellow)	Likelihood	Group Director of Repairs and Assets	Investing in existing homes and environments	P14 A – outwith risk appetite
RISK 023	Climate change impact on Group customers, assets and services	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Repairs and Assets	Setting the benchmark for sustainability and reducing carbon footprint	N/A
RISK 001	Impact on our customers of reduced public funding	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Communities	Supporting economic resilience in our communities	N/A

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 016	Laws and Regulations	Likelihood	Risk Appetite is CAUTIOUS (Yellow)	Likelihood	Group Director of Governance and Business Solutions	Progressing from Excellent to Outstanding	N/A
RISK 019.1 F	Staff behaviour enables a cyber-attack	Likelihood	Risk Appetite is CAUTIOUS (Yellow)	Likelihood	Group Director of Governance and Business Solutions	Maintaining a strong credit rating and managing financial risk	N/A
RISK 008	Compliance with funders' requirements	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Finance	Raising the funding to support our ambitions	N/A
RISK 018	Repairs supply chain disruption	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Governance and Business Solutions	Investing in existing homes and environments	N/A
RISK 089	Fire Event	Likelihood	Risk Appetite is MINIMAL (Light Green)	Likelihood	Group Director of Repairs and Assets	Developing peaceful and connected neighbourhoods	P15 A – outwith risk appetite
RISK 011	Securing new funding and adverse market changes	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Finance	Raising the funding to support our ambitions	N/A
RISK 014	Political and Policy changes impact on strategic key partnerships	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Governance and Business Solutions; Group CEO	Influencing locally and nationally to benefit our communities	P16 C- Amended risk

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 100	Underperformance of main delivery partner	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Repairs and Assets	Investing in existing homes and environments	N/A
RISK 012	Business Continuity	Likelihood	Risk Appetite is OPEN (Orange)	Likelihood	Group Director of Repairs and Assets	Progressing from Excellent to Outstanding	N/A
RISK 031	Senior staff recruitment	Likelihood	Risk Appetite is HUNGRY (Blue)	Likelihood	Group Director of Finance	W.E. Work - strengthening the skills and agility of our staff	N/A
RISK 032	Staff development and succession planning	Likelihood	Risk Appetite is HUNGRY (Blue)	Likelihood	Group Director of Finance	W.E. Work - strengthening the skills and agility of our staff	N/A
RISK 053	Damp and Mould	Likelihood	Risk appetite is MINIMAL (Light Green)	Likelihood	Group Director of Repairs and Assets	Investing in existing homes and environments	N/A
RISK 003	Fire Safety	Likelihood	Risk Appetite is MINIMAL (Light Green)	Likelihood	Group Director of Repairs and Assets	Investing in existing homes and environments	N/A
RISK 010	Group Credit Rating	Likelihood	Risk Appetite is MINIMAL (Light Green)	Likelihood	Group Director of Finance	Maintaining a strong credit rating and managing financial risks	N/A

Code	Title	Original Score	Risk Appetite	Current Risk Score	Owner	Strategic Outcome	Ref to Appendix 2
RISK 006	Customer Satisfaction (tenants)	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Managing Director of RSLs	Enabling customers to lead	N/A
RISK 007	Rent Arrears management	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)		Group Managing Director of RSLs	Enabling Customers to Lead	N/A
RISK 009	Governance Structure	Likelihood	Risk Appetite is CAUTIOUS (Yellow)	Likelihood	Group Director of Governance and Business Solutions; Group CEO	W.E. Work- strengthening the skills and agility of our staff	N/A
RISK 137	Non-achievement of sustainability targets	Likelihood	Risk Appetite is <u>OPEN</u> (Orange)	Likelihood	Group Director of Repairs and Assets	Setting the benchmark for sustainability and reducing carbon footprint	
RISK 172	Insufficient Group Development Programme pipeline	Likelihood	Risk Appetite is MINIMAL (Light Green)	tr edu	Group Director of Repairs and Assets	Increasing the supply of new homes	N/A
RISK 249	Impact of housing emergency on RSLs	Likelihood	Risk Appetite is OPEN (Orange)	Likelihood	Group Managing Director of RSLs	Increasing the supply of new homes	P17 C- Proposed for removal from Board Risk Register

Appendix 2 – Detailed risks highlighted for Board consideration



RISK 019.3 F Disruption following a cyber attack on a key system provider (Above risk appetite)



RISK 004 Ability to meet Scottish Government legislative requirements for energy efficiency (Above risk appetite)

Strategic Outcome	Investing in existi	ng homes and environments	Risk type	Financial/VFM	Risk owner	Group Director of Repairs and Assets
Description			Controls			
inflation and increasing results in assets which	ng regulatory / statut h require significant nd expectations with	pact of several years of high ory compliance requirements investment in order to meet out sufficient financial capacity to	5-year business plan is reviewed annually 6 months in advance. Plan is developed through consultation with LHDs and after consideration of external regulations and environment. Group Asset strategy has been developed and subsidiary strategic asset investment plans are being developed to clearly articulate investment need and priorities. Having this will help ensure that our available investment is focused where it has greatest impact. The Group has developed a flexible approach to the rent consultation informed through our Stronger Voices group so that customers can provide their views in a way that is easiest for them. The Finance team has reviewed financial plans against a variety of assumptions and will continue to review business plans as additional information becomes available. Group Board approves the Business Plan, including key assumptions.			
Inherent risk	Residual risk	Risk Appetite level:	Previous / Ne	xt detailed Board update on operati	on of controls	listed above:
Likelihood	Likelihood	Risk Appetite is <u>CAUTIOUS</u> (Yellow)	Group Board asset strategy approved (June 2024). RSL Boards strategic asset investment plans in Autumn 2024. 5 year investment plans refreshed each year and considered by Boards in February. All Boards receive an update on financial performance at each meeting.			

RISK 089 Fire Event (Above risk appetite)

Strategic Outcome	Developing peace neighbourhoods	ful and connected	Risk type	Compliance: Legal/Regulatory	Risk owner	Group Director of Repairs and Assets	
Description			Controls				
Actions and behaviours of customers or third parties which are outwith the Group's control lead to a fire within our buildings, resulting in the injury or fatality of individuals, damage to Group property, and reputational damage.			Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell. Fire Risk Assessments are completed on a rolling cycle and include assessment of Wilful Fire Raising. Person Centred Risk Assessments (Home Fire Safety Visits) undertaken by Fire Safety Officers where vulnerable customers identified. Daily, weekly and monthly inspections of high rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed. Statutory maintenance of Domestic Properties undertaken to include Gas Safety Installations, Electrical Installations and the provision of Heat and Smoke Detection. New Build properties are built with Water Suppression Systems as per new Building Standards requirements. Flats are designed to prevent the spread of fire. Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance. Fire Working Group attended by Snr Mgt Teams every 2 months that feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Leadership Directors to review performance, emerging issues and escalate matters as required. Compliance Steering Group established to monitor and review compliance events that could contribute to risk of fire e.g. Gas Safety, Electrical Safety etc.				
Inherent risk	Residual risk	Risk Appetite level:	Previous / Nex	kt detailed Board update on operat	ion of controls l	listed above:	
Likelihood	Likelihood	Risk Appetite is MINIMAL (Light Green)	Annual report t Group, RSL an part of standing Board updates Weekly report	at Group Audit Committee meetings. o RSL Boards on Fire Prevention and Lowther Boards - Fire safety perforg performance updates. (Ongoing) (6 Monthly in April/Oct) of PCRA Outstanding Actions issued Heads of Housing for Action.	d Mitigation Fram mance related K	Pls (ADFs and FRAs) as	

RISK 014 Political and Policy changes impact on strategic key partnerships (Proposed amendments)

Strategic Outcome	Influencing locall communities	y and nationally to benefit our	Risk type	Reputation and Credibility	Risk owner	Group Director of Governance and Business Solutions; Group CEO		
Description	Description			Controls				
The risk that political and policy changes (within Scotland and the UK) lead to less effective working relationships with key strategic partners and affect the ability of the Wheatley Housing Group to deliver its strategic objectives, resulting in significant adverse reputational impact.			The Group has an established approach to stakeholder management led by the Communications Team. We have ongoing engagement with senior officials and policy leads within the Scottish Government and key local Authority partners. We are also part of national policy working groups. Strategic Agreements in place with GCC and DGC. Partnership agreements in place with WLC (in respect of a shared understanding amongst WLC and other RSLs in relation to new build housing development) and work closely with CEC. We hold Board workshops on key policy areas, including annual strategy workshops and standalone Board/CPD events where required. The Group's policy of not building homes for sale also mitigates potential property market risk.					
Inherent risk	Residual risk	Risk Appetite level:	Previous / Ne	ext detailed Board update on ope	ration of controls	listed above:		
Likelihood	Likelihood	Risk Appetite is OPEN (Orange)	engagements	pdate to group Board as standing it . (Ongoing) al presence at all WH-G Board mee	•	·		

RISK 249 Impact of housing emergency on RSLs (Proposed for removal from Board Risk Register)

Strategic Outcome	Increasing the su	pply of new homes	Risk type	Operational Delivery	Risk owner	Group Managing Director of RSLs	
Description			Controls				
The impact of the housing emergency (significantly increased allocation of lets to homeless) leaves the Group unable to effectively manage its housing and transfer lists as it has limited options to rehome customers living in unsuitable accommodation. This could result in operational pressures, customer dissatisfaction and reputational damage, as well as increased costs of paying for emergency accommodation for existing tenants.			We control the percentage of lets to homeless and can reduce this if necessary. Active engagement with Local Authorities, with senior representation at Housing Emergency meetings and workshops. Monthly performance monitoring of housing demand, voids and letting activity. New Build Programme in place to increase stock numbers. Planned Controls: Exploring options to incentivise downsizing (WH-Glasgow only)				
Inherent risk	Residual risk	Risk Appetite level:	Previous / Ne	ext detailed Board update on operat	tion of controls	listed above:	
Likelihood	Likelihood	Risk Appetite is OPEN (Orange)					