



LORETTO HOUSING ASSOCIATION

BOARD MEETING

Monday 16 August 2021

Lipton House

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minute of meeting on 24 May 2021 and matters arising

Main Business Items

4. Business and Remobilisation update
5. Stronger Voices, Stronger Communities – an update on our engagement activity
6. Year Five review of City Building (Glasgow) LLP
7. Group ASB Framework 2021-2026
8. a) 2020/21 Financial Statements
b) Internal Audit Annual Report and Opinion 2020/21

Other Business Items

9. Finance Report
10. Quarter 1 Performance Report and Delivery Plan update
11. Governance update
12. [redacted]
13. AOCB

Report

To: Loretto Housing Association Board

By: Hazel Young, Managing Director

Approved by: Olga Clayton, Group Director of Housing and Care

Subject: Business and Remobilisation update

Date of Meeting: 16 August 2021

1. Purpose

- 1.1 To provide the Board with a business update and an update on the current remobilisation position and to seek Board approval to consult with our customers for proposed changes to the new operating model.

2. Authorising and strategic context

- 2.1 The Group Chief Executive has overall responsibility for business operations, including across Loretto. The pandemic has had a significant effect on these operations and to reflect this the Board previously agreed the principles of our approach for how we might continue to develop our service. This approach remained subject to the rate at which Scotland moved through the phases of Scottish Government's route map. The Board are being asked to approve consultation with customers regarding changes to the way we deliver services.
- 2.2 Under the group Authorise / Manage / Monitor matrix the Board has responsibility for authorising new operating /service delivery models in its area.

3. Risk appetite and assessment

- 3.1 Our risk appetite relating to laws and regulations is "averse"; defined as avoidance of risk and uncertainty is a key organisational objective. The strategic risk register identifies the particular risk associated with non-compliance with health and safety requirements.
- 3.2 Our priority throughout the pandemic has been protecting the health and safety of our customers, our staff and the other people they come into contact with. We continue to mitigate this risk by undertaking rigorous health and safety risk assessments as part of our remobilisation, including compliance with all relevant Scottish Government guidance.

4. Background

- 4.1 The Scottish Government has continued to progress through its strategic route map to ease restrictions. All of Scotland is now at level zero and we have been able to remobilise services safely in line with Government advice.

5. Customer engagement

- 5.1 Our strategy has a very clear focus on enhancing our customer engagement and a significant element of co-development and co-design with our customers. As we have remobilised services we have been able to increase the levels of engagement. As part of the remobilisation we have been able to carry out neighbourhood walkabouts, home visits by Housing Officers, and provide a full repairs and Neighbourhood Environmental Team (NETs) service.
- 5.2 The Board has previously agreed the principles that set out our approach to deliver services in a way that takes the positive learning from the pandemic and delivers a much more agile and flexible service model that aims to give customers more choice and control of their services. This report is seeking approval to consult with our customers, including our new Cube customers, on the new operating model. The consultation will seek customers views over a six-week period and will be reported back to the Board in November.

6. Discussion

- 6.1 In recent months we have continued to remobilise services where possible. We have largely been able to undertake the remobilisation plans previously outlined to Board (see table below). Our aim is still to fully remobilise by September but we have slightly flexed our plans to allow the phased reintroduction to continue to the end of September if necessary. This is due to the current situation which is more fragile than anticipated with rising numbers across much of the country. We will therefore need to continue our regular review of remobilisation plans and adapt these as required. It is possible that the situation will change relatively rapidly.

	End April	End May	June-August	September onwards
Repairs	Fully remobilised Customer comms plan launched		End August – lockdown backlog cleared	Fully remobilised
Investment	Non-complex internal investment commences		Internal investment scales up to full remobilisation	Fully remobilised
Compliance		Standalone electrical inspections, TMV maintenance and M&E works recommenced	Fully remobilised	Fully remobilised
Housing Officer	Increased patch-based activity	Increased visibility in patches and increasing visits	Fully remobilised	Fully remobilised
Income collection	Increased Doorstep visits	Increased home visits	Fully remobilised	Fully remobilised
Allocations/ Homelessness	Mutual exchanges resumed		Fully remobilised	Fully remobilised
Stair cleaning		Phased reintroduction	Fully remobilised	Fully remobilised
Environmental	Fully remobilised			
Anti-social Behaviour, Group Protection	Doorstep visits	Increased visibility in patches and increasing visits	Fully remobilised	Fully remobilised
Fire Safety Visits	Fully remobilised			
Care / support			Services remobilised with blended model for some outreach services	Fully remobilised
New Build	Fully remobilised			
Foundation	Emergency response Fund closed	Bursary programme launched Environmental apprentice recruitment	Fully remobilised	Fully remobilised

6.2 Our initial plans to complete the backlog of repairs noted during lockdown restrictions early in 2021 has progressed with the backlog of 166 repairs now fully completed. We have also experienced an increase in pent up demand for repairs reported since 26 April. This has meant that customers are having to wait slightly longer for an appointment but through very proactive resource management we have been able to keep this close to our target timescales.

6.3 A more detailed update on the current position and future remobilisation of our services is set out below.

Housing Services

6.4 During the pandemic we have continued to operate the vast majority of our services with staff largely home based. The gradual easing of restrictions by the Scottish Government has now allowed us to be much more active and present in local communities. Housing officers are now carrying out daily patch visits and meeting customers in their neighbourhood.

Housing Officer role

- 6.5 For most of 2020 and all of 2021 housing officers have been based at home. We have provided invaluable support and contact to customers, primarily through the use of telephone and digital means. In line with restrictions, we have visited customers only where there has been an exceptional need.
- 6.6 As part of the phased move to our new operating model we have commenced neighbourhood walkabouts with customers to increase our visibility and to identify issues that would normally have been picked up by housing officers on their patch. These walkabouts are co-ordinated by the community engagement officer and generally include the housing officer for the patch, relevant NETs team leader and an investment officer. They consider the external condition of buildings, stairs and other communal areas and the neighbourhood environment. It also provides an informal opportunity for customers to meet our team in their local community to have a general discussion about issues that matter to them.
- 6.7 In line with our strategy and our community-based approach, our new model will mean that customers do not need to come to an office. In most circumstances they will either use digital contact, or housing officers can come to them and meet them at their home. Under Level zero, housing officers have been able to undertake essential visits in customer homes. PPE and social distancing requirements are still very much in place in line with operating safety manuals already used by our repairs staff.
- 6.8 With the Cube customers joining us on the 28th July 2021, we have taken the opportunity to send a 'Welcome to Loretto' letter to all our new customers and remind them of the services and benefits they will receive. In addition, we have also sent a 'Meet your Housing Officer' flyer to all residents to introduce their Housing Officer and how to contact them, for all our customers and we are having a targeted approach to engage with all our customers across our communities in August.

Income collection

- 6.9 Maintaining our rental income to fund our services and supporting our customers to pay their rent have been key priorities through the pandemic. As a result, we have maintained a sector leading arrears position and have achieved the target after further reducing our Gross rent arrears further to 2.67% in the first quarter of the financial year. This is the lowest Gross Arrears position we have had and is a 1.52% reduction from 4.19% in Quarter 1 2019/20.
- 6.10 Whilst much of our contact with customers in arrears remains via telephone and digital contacts we have been able to start visits for customers in their homes in relation to rent and associated support.

- 6.11 The 6-month notice period for Notice of Proceedings and evictions has been extended by the Scottish Government until 30 September 2021. The new escalation processes which we have developed to take account of this are now well embedded. This includes the potential to escalate to Notice of Proceedings where we are satisfied that the household 'won't pay' rather than 'can't pay'. This will only be done following a review of individual cases, including an assessment of any Covid-19 impact and any potential vulnerabilities.
- 6.12 As we have remobilised, we will continue to build on the innovation we have undertaken throughout the year. Our housing officers now have access to bespoke reporting through our PowerBI dashboards which distils complex information into easily readable visuals and data.

Allocations and Homelessness

- 6.13 Allocations have been remobilised since August 2020 and are operating in a business-as-usual mode with additional safe working procedures. Providing homes for homeless households and other priority households continues to be the priority and we have:
- Continued to focus on improving our void turnaround performance. As at end of quarter 1 our average relet time is 12.85 days; and
 - Let 26 homes since April, with 15 of these to homeless customers.

Wraparound support

- 6.14 In Quarter 1 the Wheatley Foundation have supported nearly 120 Loretto households.
- 6.15 Eat Well continues to support our customers who are going through periods of financial difficulty. Supermarket vouchers are sent to customers phones or emails and allows them to choose items for their weekly shop. The value of the voucher provided depends on the number of people living in the household. This quarter, 39 of our households have been provided with vouchers to purchase food, to the value of £1680. 59% of our tenants supported by Eat Well in have been for single person households and 38% have been households with children.
- 6.16 The Wheatley Works team have also continued to support tenants get back into training and employment. There have been 5 opportunities created in quarter one for people living in our homes. Opportunities include former trainees moving into employment and external jobs secured through support from Wheatley Works advisors and our delivery partners.
- 6.17 Applications for Bursaries opened in April. With 50 awards being made each year by the Foundation to tenants across Group, providing them with financial support as they study. This year, the Foundation received a total of 108 applications including 1 from one of our customers. Applications will be assessed in Q2 and awards made shortly after.

- 6.18 The Emergency Response Fund, that was a significant support to customers across group throughout the pandemic, ended in quarter one. 11 of our tenants were supported before the fund closed in May. This takes the total to over 200 of our tenants supported by the fund, since it was created in March 2020 in response to the Pandemic.
- 6.19 The new Barony Support Fund was also launched in June to support tenants in financial difficulty with one-off purchases. Items purchased in the 4 weeks of operation in quarter 1 include household items, mobile phones and white goods. This fund is available to all our Customers.
- 6.20 Our My Great Start service has supported 36 of our tenants in Q1 with financial advice including support with benefits applications. 11 households have been supported by Home Comforts to access furniture and white goods.
- 6.21 Through Dolly Parton's Imagination Library, we delivered 75 books to 25 children under five in living in our homes quarter one, continuing to support early-years literacy and children's introduction to books.
- 6.22 A £50k Creative Scotland grant is funding a **Youth Arts Small Grants** programme involving 150 young people in Wheatley communities. The Foundation ran the grant application process and distributed small grants to independent artists to deliver engaging projects to young people in Q1, supporting new local activity, community partnerships and securing employment opportunities for artists. Projects have now begun including one for us including:
- A Drama workshop: the rubble of the pandemic and finding a new normal. Based in Paisley, the project will support young people from 12-18 years old.

Fire safety, Anti-social Behaviour, Group Protection

- 6.23 As we started to see a rise in small kitchen fires with our customers spending more time at home, Fire safety visits for vulnerable households were recommenced last summer and continued through the second lockdown.
- 6.24 Our Home Safety, ASB and the Group Protection Teams are now well established in their new model. Contact with relevant agencies is almost entirely digital and has worked well throughout the pandemic. Officers will be able to undertake home visits from July onwards.
- 6.25 There continues to be particular concern for the victims of domestic abuse during this period who may have had less opportunity to seek out support. It is possible that there will be increased reporting of abuse as restrictions ease. Our staff are well trained on domestic abuse and this provides them with the knowledge, skills and experience to best support victims, connecting them to our services or to bespoke domestic abuse support. The Group Protection Team provide specialist knowledge and can guide staff dealing with complex cases.

- 6.26 In Quarter 1 we dealt with 38 incidents of Anti-Social behaviour. A report on the new Anti-Social Behaviour Framework will be presented later on the agenda at this Board meeting.

NETs Service

- 6.27 Our Environmental NETs team have resumed and have been carrying out grass cutting and stair cleaning as part of their remobilisation. In addition to this, our Housing Officers have carried out joint visits with their NETS team leaders as well as meeting customers in our communities. We have identified areas that may need some additional attention following the restrictions that were in place in the winter months.

Customer engagement

- 6.28 Our new customer engagement framework was approved by the Board in February 2021. It provides the basis for delivering our strategic aim of increased customer control. An update on our engagement activity is provided as a later agenda item at this Board meeting.

Repairs, Investment and Compliance

Repairs

- 6.29 During Quarter 1 of 2021/22 1,503 repairs have been completed to our customer homes. Emergency repairs continued to be delivered on average in 2.92 hours. The volume and nature of the repairs carried out have varied in line with changing government restrictions on undertaking works in and around homes and we are now carrying out higher number of non-emergency repairs which has resulted in these are being completed within 5.8 days in Quarter 1.

Handyperson service

- 6.30 The handyperson service has been suspended throughout the pandemic. With the effective roll out of vaccines to the initial priority groups and the Government's easing of restrictions we were able to re-introduce this service from May 2021.

Investment

- 6.31 The external investment workstreams which continued throughout the lockdown since January are progressing well. Internal workstreams previously suspended at the beginning of January have been remobilised in stages depending on the nature of the work to ensure the safety of our customers, contractors and staff.
- 6.32 We have now remobilised our internal investment programme. As at the end of July we are delivering new boilers, bathrooms and a programme of new windows.
- 6.33 Our customer engagement process for investment works has been implemented to support this and provide enhanced assurance to customers around our robust approach to health & safety when delivering improvement works in their homes.

- 6.34 Aids and Adaptations works have been prioritised based on both need and risk of our customer referrals. In 2021/22 28 adaptations have been carried out. We continue to prioritise customer needs and we have been able to complete the backlog of adaptations. There is detailed engagement with customers to ensure that they understand the process for the adaptation installation and the procedures we will follow to keep them safe.

Compliance

- 6.35 Our compliance works include programs to meet our legal and regulatory obligations, as well as works we undertake as part of keeping our customers and assets safe. All programs to meet our legal and regulatory obligations are operational despite current restrictions including gas safety, legionella prevention and smoke and heat detector installations. The current status of each is as follows:
- 6.36 **Gas safety** – we remain 100% compliant in this area.
- 6.37 **Legionella testing/water management** – work is continuing as planned and all required works have been carried out.
- 6.38 **Smoke and Heat Detector Installation** –work in this area is continuing as it is considered essential under the guidelines for the restrictions introduced since January. Good progress has been made with 46% of installations carried out. We are on track to complete by the deadline of February 2022 set by Scottish Government.
- 6.39 **Periodic electrical inspections** – Good progress has been made with 80% of inspections carried out. We are on track to complete this by the deadline of March 2022.

Development

- 6.40 The Scottish Government has committed £3.5bn in the five-year period from 2021/22 to the delivery of affordable housing. This was one of the main pillars within the Scottish Government Housing to 2040 strategy launch.
- 6.41 Linked to this we have been participating, as one of the Scottish Federation of Housing Association representatives, as members in the Scottish Government's Affordable Housing Investment working group. We are represented by the Director of Development. This working group is tasked with bringing back recommendations to both the Cabinet Secretary for Social Justice, Housing and Local Government and to the COSLA Leadership on affordable housing Grant benchmarks for 2021/22 and beyond.
- 6.42 All developments are on track including our 3 new builds which have started on site at Hallrule Drive, Cobblebrae Farm and Dargavel as well as our Cube new build at Queens Quay in West Dunbartonshire.

Staffing

- 6.43 We currently have no staff remaining on furlough and we are experiencing higher levels of absence linked to a few cases of Covid in our staff and one long term absence, however the staff member has now returned to work. Our sickness level at the end of Q1 is 4.67%.

New Operating Model

- 6.44 The Board previously supported the principles for a new operating model. The pandemic has accelerated changes to the way we deliver services and the way customers access services. Our new 2021-26 strategy, ***Your Home, Your Community, Your Future*** sets out an exciting new way of delivering services that gives more control and power to customers and uses a much more agile delivery model that increases access to services 24/7 through the use of technology whilst also ensuring we deliver face-to-face services in local communities.
- 6.45 We are yet to engage with customers in the implementation of model. The model has four key components:

Customer First Centre – Our customers already have access to 24/7 service through the Customer Service Centre (CSC). However, we have ambitions to further improve the CSC where we anticipate resolving up to 95% of customer queries at the point of contact by basing housing experts in a new Customer First Centre. This will free up Housing Officers to spend more time out on their patches to deal with complex cases, support the most vulnerable customers and engage with their communities.

More services in your home - Enhancing the presence of Housing Officers in communities – the message is you do not need to come to us, we will come to you.

Do more online - Improved online self-service options to allow customers to do more for themselves at a time and place to suit them.

Centres of Excellence - If customers don't want to see us at their home, they can still choose to meet us at a convenient location, including our new Centre of Excellence at Wheatley House. The Centre of Excellence in Glasgow will also be available for customers to use the internet, for wider community activities and as learning centres.

- 6.46 Consultation

Under the Housing (Scotland) Act 2001 we have a statutory duty to formally consult all tenants on our new operating model and tenant participation strategy. An omni-channel approach to consultation will be the hallmark of this approach, using face-to-face, phone and digital methods. We have also produced a traditional printed booklet to be sent to all customers. We will utilise email, GIFs through WhatsApp and social media to promote this consultation and encourage customers to provide feedback.

- 6.47 The proposal is to consult with all of our customers on this innovative blended operating model. A copy of the proposed consultation document is included at Appendix 1.
- 6.48 Key dates in proposed consultation launch are:
- Proposal to Board at this meeting - 16 August 2021;
 - Consultation runs from 30 August - 8 October;
 - Initiated through digital channels on 20 August;
 - Letter and consultation pack mailed to all tenants by end of August;
 - Dedicated website area and promotion via Online Services;
 - Sustained promotion through digital channels throughout consultation period;
 - Proactive calls to customers via the Customer First Centre and local housing staff; and
 - Consultation results presented to Board on 25 November 2021.

Key issues and conclusions

- 6.49 The Scottish Government's current roadmap out of lockdown now provides more definitive timescales for changes. This has provided us with greater certainty in terms of our remobilisation plans than at any previous stage.
- 6.50 As indicated in the report, a key focus is how we clearly communicate our remobilisation of services to customers. An equally important element will include internal communication to staff, including ensuring our health and safety protocols and procedures continue to be well understood.
- 6.51 As we move towards implementation of our proposed new operating model it is important we engage with customers to get their views. This report sets out the proposed consultation with customers as we develop our new blended approach to service delivery. A copy of the proposed consultation document is included in Appendix 1.

7. Digital transformation alignment

- 7.1 The remobilisation of services is aligned with the use of new digital communications, rent payment methods and service delivery as part of our new agile operating model.

8. Financial and value for money implications

- 8.1 Our remobilisation plans are reflected in the 2021/22 budgets.

9. Legal, regulatory and charitable implications

- 9.1 A key focus will continue to be complying with the prevailing legal and regulatory restrictions at all stages of our remobilisation. We continue to update the Scottish Housing Regulator as appropriate on our remobilisation activities.

10. Equalities implications

- 10.1 We will continue to take special account of those who have underlying health conditions. We have undertaken an initial Equalities Impact Assessment ("EIA") in relation to tenants for our new operating model and engagement approach. The assessment did not identify any adverse implications for our tenants. Rather, the approach to enhancing our accessibility is expected to have a positive impact. In terms of diversity, the widening of our engagement structure will have a positive impact and broaden the range of customers segments who engage with us.

11. Environmental and sustainability implications

- 11.1 There are no environmental or sustainability implications arising from this report.

12. Recommendations

- 12.1 The Board is asked to:
- 1) Note the progress made towards fully remobilising services across the business; and
 - 2) Approve consultation with customers for the new blended operating model.

List of Appendices

Appendix 1 – [redacted]

Report

To: Loretto Housing Association Board

By: Hazel Young, Managing Director

Approved by: Olga Clayton, Group Director of Housing and Care

Subject: Stronger Voices, Stronger Communities – an update on our engagement activity

Date of Meeting: 16 August 2021

1. Purpose

- 1.1. This report presents an update on our implementation of the Wheatley Group engagement framework, which supports the ambition in ***Your Home, Your Community, Your Future*** to transform our engagement approach and shift the balance of power towards our customers.

2. Authorising and strategic context

- 2.1. The Group Board has responsibility for setting the overall Group frameworks within which each partner organisation will operate. The engagement framework is a new approach which supports the delivery of the 2021-26 strategy. The Loretto Board is responsible for deciding and monitoring how this will be operationalised in the context of Loretto.

3. Risk appetite and assessment

- 3.1. Our risk appetite for service improvement is “open”. This means we are prepared to take the risk of adopting the approach that is most likely to result in successful delivery of our service objectives.
- 3.2. Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. Creating an engagement plan to take this forward for our customers and ensuring this aligns with our strategic delivery plan to manage this transformation will help to mitigate any risks.

4. Background

- 4.1. Our 2021-26 strategy - ***Your Home, Your Community, Your Future*** – sets a clear ambition that *“customers will have increased control over their services, their communities, and their lives, with new opportunities for building skills and resilience”*.

- 4.2. Our engagement framework – ***Stronger Voices, Stronger Communities*** – has been developed to help support the delivery of this ambition, and this was discussed at the Board meeting in February this year. As we deploy this framework, we seek to ensure that our customers and communities will feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential.
- 4.3. We have developed a ***Stronger Voices Engagement Plan*** to help us implement the new framework. This is attached at Appendix 1. Initially we had hoped that by this time we would have been able to attend or hold some face-to-face events for customers, particularly the summer gala and pop-up events which our customers and their families enjoy. Due to the slower release of Covid restrictions this has not been possible but will certainly be included in the plans for next year.
- 4.4. We were however very keen to re-establish our visible presence in our communities as soon as we were able to. Throughout May and June we focused our engagement activity on neighbourhood walkabouts in our communities with Housing Officers and our NETs team leaders meeting customers to assess the neighbourhood and identify any issues and improvements which can either be resolved or taken forward in an improvement programme. These continue to be part of the engagement plan throughout the year. In February the Board identified an annual allowance in the business plan which would enable us to take forward a customer focused investment programme informed through our engagement programme. For the 2021/22 budget this was set at £66,000.
- 4.5. Whilst ensuring that face-to-face engagement remains an important part of our engagement and our service provision, a key theme in the Stronger Voices engagement framework was to take advantage of the opportunities that a more digital environment can bring to our engagement approach in terms of accessibility and flexibility. In July a Group Stronger Voices Manager was appointed to lead on developing this digital engagement approach as well as ensuring that across Group our customers are involved in shaping the strategic agenda.
- 4.6. During August a group of customers drawn from the different subsidiaries in Group will be working in a co-creation group with officers to test and improve our repairs Web Self Service (WSS) customer journey. Repairs WSS was switched off at the beginning of the pandemic in March 2020 as we moved to an emergency repairs service. As we prepare to re-introduce this we want to ensure that our customer voice is influential in ensuring this service provides an excellent experience for our customers.
- 4.7. Customers will also be involved in a number of other strategic projects from the 2021/22 Group delivery plan in the next few months. These include:

- working with us to co-design what a Wheatley MyCommunity app would look like – this initially involves customers in communities in the South East of Glasgow;
- customer journey mapping for rental income management;
- customer journey mapping for allocations;
- customer research on review of Choice Based lettings systems; and
- customers will also be involved in an independent review of our repairs service – we have commissioned TPAS to carry this out.

5. Customer engagement

- 5.1. Our 2021/26 strategy ***Your Home, Your Community, Your Future*** has a very clear focus on enhancing our customer engagement and a significant element of co-development and co-design with our customers. This report discusses some of the activities underway to take forward the ***Stronger Voices, Stronger Communities*** framework which supports this.

6. Discussion

- 6.1. The engagement framework consists of 4 pillars which support our engagement with customers, as illustrated in Figure 1 below.

Figure 1 – The Stronger Voices, Stronger Communities framework



- 6.2. Since remobilisation at the beginning of May we have been able to increase our engagement activity. The ***Stronger Voices Engagement Plan*** at Appendix 1 gives more detail on both completed and planned engagement. Key activities from the plan are discussed further below grouped under the different pillars of engagement.

We Listen

- 6.3. *Repairs focus groups* – whilst our customers will be involved in some Group-wide activity around repairs such as the developing the online customer journey, we would also like to discuss with our customers the experience they have of the repairs service delivered by City Building. This service is directly delivered to our customers, but also to GHA and Lowther customers. This would include exploring customer experience of the repairs service delivery including the quality of work undertaken and professionalism of the staff involved; our communication with customers on repairs; whether we are able to resolve issues at first visit; and anything they would want to see improved.
- 6.4. We plan to capture our customers views directly through focus groups held by TPAS later in the autumn once customers have had some months to experience our fully mobilised repairs service. The findings will allow us to inform the approach that City Building take to enhance our customers repairs experience.
- 6.5. With our Cube customers recently joining us, we have shared a ‘welcome to Loretto’ letter to all our new customers to share some of the great service they receive from the move. We have also shared a ‘meet your Housing Officer’ leaflet to all our customers to remind them that we are here to help and how to contact us. Throughout August all Housing Officers will be visiting their communities and customers to gain feedback on how we can work together to ensure that any improvements are carried out.
- 6.6. With our over 55 and supported customer base we will be engaging with our customers in our amenity and retirement services throughout February 2022. This will be to gain their views on anything different they would like to see and how to further shape the service to enhance what they currently receive. We will work with our colleagues in Wheatley Care on this project.

We Co-create

- 6.7. *Neighbourhood walkabouts* - we have carried these out across 13 of our neighbourhoods to date and customers have been delighted to join us on these neighbourhood explorations. We have a further 39 scheduled for the remainder of 2021/22. Issues are wide ranging, but themes are that customers are happy with our communal stair cleaning service and our grass cutting has restarted following restrictions on services during lockdown. They have also shared that they would like to see additional focus on the weeding in some areas as a result of the reduced service during lockdown in the winter months. This is part of the purpose of these walkabouts for customer to identify issues that they would like resolved and for us to work closely with our Environmental NETS Team to resolve these matters.
- 6.8. *Livingwell Engagement* – Across our 2 Livingwell sites at Lourdes Court and Patrickhill Road in Glasgow, we have made sure that our customers in these services are a key area of focus. We will be initially gaining feedback from our Livingwell customers in August on our proposed virtual patches. In addition, Livingwell advisors and our Housing Officer will be meeting with our customers to gain their feedback and opinions on the services they receive and what improvements we could make throughout September.

- 6.9. *Customer journey mapping* – 9 of our customers are involved in the Group-wide exercise during August to assess and improve the Repairs Web Self Service journey. We will also have customers involved in customer journey mapping for both rental income and allocations later in the year.
- 6.10. *Recruitment campaign for Customer Voices* – we are engaging with customers on an ongoing basis but in October we intend to create a recruitment drive which will focus on the strategic objective of improving diversity in the customer base we work with. We will work with members previously on our Community Action Group to look at ways to encourage our customers to get involved and to illustrate the impact a strong customer voice can make and help to motivate others to become involved.

We Give Power

- 6.11. *Customer focused investment* – this budget has been identified to give customers control over parts of the investment programme which are not driven by lifecycle replacements or health and safety or structural issues. Requests and projects identified by our customers are being costed at the moment but we anticipate with the budget available we should be able to deliver on these. A variety of themes have been identified, these include:
- External painting;
 - Improving bin stores;
 - Seating areas in communal garden space;
 - Improving wooden fences;
 - Upgrading door entry systems; and
 - Internal painting and flooring (communal stairs).
- 6.12. In addition to our customer focused investment, for our Cube transferred customers we have committed to £7 million of investment works that will be invested to modernise and improve properties over the next 5 years. The projects were identified from feedback gained from customers during the ballot at the beginning of 2021 and included works such as new windows and doors, bin store and bike shed upgrades, close painting and improvements to car park areas.
- 6.13. *You Choose Challenge* – We are working with the Wheatley Foundation to carry out an ‘You Choose Challenge’ in March 2022 for our Westfcliff customers. We will be looking at how best we can use our allocated community budget of £5,000 to improve their local community. We will use a methodology which uses digital as well as face-to-face engagement and co-creation methods with our customers and employs an online voting mechanism to find consensus on priorities. At a recent You Choose Challenge in Whitburn in Dunedin Canmore, customers voted to develop a community garden area.

We Support

- 6.14. *Development Programme for Customer and Community Voices* – much of the work we do in our day to operations, and the activities of Wheatley Care and Wheatley Foundation, support this pillar which aims to develop capacity and resilience in our communities. Specifically, around engagement however, we intend to support the recruitment plan for Customer and Community Voices with a learning and development support programme. This will cover aspects such as providing Keep Scotland Beautiful assessment training for customers, but also support which will help break down the barriers which prevent some of our customers becoming involved such as language, disability, or confidence levels.
- 6.15. *Wheatley Care services* – many of our customers are supported directly by our Wheatley Care colleagues. This person-centred approach helps them in building capacity and resilience, ensuring that each individual is very much in control of their own journey in this respect.

Key issues and conclusions

- 6.16. The new engagement framework *Stronger Voices, Stronger Communities* is designed to support the delivery of the ambition in *Your Home, Your Community, Your Future* and shift the balance of power and control towards our customers, empowering them to make their own choices about the services they want. Over the past few months we have been delivering a number of engagement activities which support the implementation of this framework.
- 6.17. The link between the engagement framework, budget setting and our strategic delivery plan will ensure that the voice of the customer is fully embedded in our plans and priorities, driving change and innovation throughout Wheatley. Through strong engagement with our customers, we will support them to develop potential and build stronger communities. Our engagement plan at Appendix 1 helps us to structure this.

7. Digital transformation alignment

- 7.1. Proposals such as the MyCommunity app and the introduction of a digital tool to improve customer feedback on services are included in the Digital Transformation Programme.

8. Financial and value for money implications

- 8.1. The 2021/22 financial projections for Loretto including the Cube transfer include a provision of £1.1m over the five-year period for customer directed investment. Within the Wheatley Foundation, £0.8m of funding has been set aside to support the You Choose Challenge project across the Group's RSLs.
- 8.2. Ensuring that the customer voice is at the heart of our activities and our strategic planning will help to drive increased value for money.

9. Legal, regulatory and charitable implications

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

10. Equalities impact

10.1. The **Stronger Voices, Stronger Communities** framework seeks to expand the opportunities available to customers to engage with us. By adopting a blended digital/off-line approach and increasing accessibility and flexibility it is intended to increase the diversity of customers who are involved in providing feedback and shaping our services.

11. Environmental and sustainability implications

11.1. This report has no specific environmental or sustainability implications.

12. Recommendation

12.1. The Board is asked to note and make any comment on the programme of planned and completed engagement activity to date in 2021/22.

List of Appendices

Appendix 1 – Loretto Housing *Stronger Voices, Stronger Communities* Engagement Plan 2021/22

Appendix 1

Loretto Housing Stronger Voices, Stronger Communities Engagement Plan 2021/22

Month	Activity	Outcome	Supporting pillar
April	Re-commencement of neighbourhood walkabouts programme. Involving Customers, Investment, Repairs, NETs, Housing & Community Engagement	New opportunities for Customer involvement. Estate management and environmental issues are jointly identified and resolved. Customer focused investment priorities are identified by customers.	You influence and co-design You decide
May	Neighbourhood walkabouts	New opportunities for Customer involvement. Possible way to recruit Customer and Community Voices.	You influence and co-design
June	Neighbourhood walkabouts	New opportunities for Customer involvement. Possible way to recruit Customer and Community Voices.	You influence and co-design
July	Neighbourhood walkabouts	New opportunities for Customer involvement. Possible way to recruit Customer and Community Voices.	You influence and co-design
July/August	Programme for Customer and Community Voices is developed based on the Group's strategic delivery plan	New opportunities for Customer involvement	You influence and co-design
August	Welcome letter to all Cube customers and introduction to new Housing Officers	Provide an overview of the services customers can take advantage of and how to access their Housing Officers.	You are heard
August	Housing Officers to carry out neighbourhood walkabouts in their new patches. Meeting with their new Customers to discuss Customer Priorities, Investment, Repairs, NETs, Housing & Community Engagement	New opportunities for Customer involvement with their new Housing Officer. Estate management and environmental issues are jointly identified and resolved.	You influence and co-design

August	Customers assess and improve the user experience for Repairs Web Self Service	Customers are involved in design	You influence and co-design
August	Customer feedback analysis to scope LivingWell virtual patches	Delivering Exceptional Customer Experience	We Listen
September	Late summer gala days/outdoor events (if possible)	Publicise services, publicise feedback loop, community consultation, local investment priorities, apprenticeship programme	You are heard
September	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
September	Livingwell engagement in all sites	Re-engaging with customers. Hearing views and opinions on how to improve services	You are heard
October	Recruitment drive for Customer and Community Voices launches.	New opportunities for Customer involvement	You influence and co-design
October	Focus groups with customers the repairs service through the Joint Venture repairs service – what do they like/not like?	Customers are involved in scrutiny and improvement ideas	You influence and co-design
October	Learning and development programme to support the Customer and Community Voices	Customers are supported to develop knowledge and skills	Your voice is stronger
October	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
November	Rent consultation Face-to-face focus groups (balanced for age/gender) Interactive email and Website feedback	Consultation informs budget setting	You are heard

November	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
November	6 monthly performance is published online and customer scrutiny invited	Customers are involved in scrutiny and improvement ideas	You are heard
November	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
December	Customer research to support CHR/CBL review	Consultation informs service review	You are heard
December	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
January	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
February	Engage with customers for feedback on our amenity/retirement service	Changing Lives and Communities	We Co-Create
February	Neighbourhood walkabouts	New opportunities for Customer involvement	You influence and co-design
March	You Choose Challenge (Westcliff)	Customers decide on Community Benefit Project	You decide

March	Neighbourhood walkabouts	New opportunities for Customer Involvement	You influence and co-design
April	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement – design which helps develop the Customer and Community Voice programme for 2022/23	You influence and co-design
April	Customer and Community Voices annual Group conference – presenting their findings to senior staff, Boards and other stakeholders, including interested customers	Confidence building and skills development – showcasing achievement	Your voice is stronger

Report

To:- Loretto Housing Association Board

By:- Stephen Devine, Director of Assets and Sustainability

Approved by:- Tom Barclay, Group Director of Property and Development

Subject:- Year Five review of City Building (Glasgow) LLP

Date of Meeting:- 16 August 2021

1. Purpose

- 1.1 This report asks the Board to note the findings from a Year Five review of City Building (Glasgow) LLP (CBG).

2. Authorising and strategic context

- 2.1 Under the Group Authorising Framework (GAF) and Intra-Group Agreement (IGA) the Wheatley Board is responsible for agreeing matters of strategic significance. The CBG 5 year review was considered by the Wheatley Board at its June 2021 meeting and approved. The review report is being provided to the Loretto Board for information.

3. Risk appetite and assessment

- 3.1 The Group's risk appetite relating to Repairs and Maintenance is "Minimal" i.e. preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward. The risk tolerance of individual subsidiaries relating to Repairs and Maintenance is "Minimal".

4. Background

- 4.1 Wheatley became an equal member of CBG, along with Glasgow City Council (GCC), in April 2017. As part of the legal agreements that created CBG and to ensure that it was delivering value for Wheatley and our customers, it was agreed that a review would take place on or around the fifth anniversary of the joint venture. The legal agreements also indicated that, amongst other things, the review should:
- be carried out jointly with GCC; and
 - cover the extent to which CBG is meeting the strategic objectives set for it by Wheatley and GCC, and the priorities in its business plan.

- 4.2 The proposed Terms of Reference for the Year Five review were agreed by the Wheatley Group Board at its meeting in September 2020. Campbell Tickell was appointed, in discussion with GCC, to carry out the review. Campbell Tickell's unique understanding of the drivers for forming the CBG joint venture, gained through supporting Wheatley's options appraisal before entering the joint venture and the year 1 review of CBG, was the key factor in determining its suitability for the work.
- 4.3 The Year Five review took place between November 2020 and March 2021, to ensure there was sufficient time to take any action in advance of the break point in the joint venture agreement with GCC in April 2022. Structured interviews and focus groups were a key part of the review. These involved staff in Wheatley partners, GCC and CBG. Staff from all Group partners – Loretto, Cube, GHA, and Lowther – that CBG serves took part in the review, as did senior leaders and those involved in the strategic and operational management of CBG in our repairs investment and compliance team. Campbell Tickell also analysed various sources of information including performance reports, delivery plans, and board reports, and drew on the experience of its team from considering repairs services elsewhere in the UK in conducting the review.

5. Customer engagement

- 5.1 Tenant Participation Advisory Service (TPAS) Scotland have been commissioned to undertake an independent review of the repairs service provided by CBG from our customers' perspective. This review is on-going and will capture customer views directly through focus groups. Findings from this review will help inform the approach to CBG service development discussed later in this report.

6. Discussion

- 6.1 Campbell Tickell's review report is provided at Appendix 1 for information. Two main aspects to the review are drawn out in summary below. These are:
- 1) the extent to which the CBG joint venture is delivering on Wheatley's stated objectives as set out in the Terms of Reference for the review; and
 - 2) areas that Campbell Tickell have identified where improvement action might be considered.
- 6.2 Campbell Tickell's overall conclusion is that the joint venture with GCC is working well and that CBG delivers, in the main a high quality repairs service. The review also highlights that the objectives that Wheatley and GCC had when establishing our CBG joint venture are being met. From considering what Campbell Tickell have identified in its review particular strengths can be noted including:
- the effectiveness of communications and collaboration between Wheatley and CBG staff including as demonstrated by the relative ease with which the repairs and investment service has been able to flex in response to guidance during the on-going pandemic;
 - the increasing alignment in CBG with our key service objectives of providing a high quality repairs service, that delivers right first time, with a strong customer service ethos;

- CBG's on-going ability, except last year due to operating limitations during the pandemic, to deliver the financial performance set through its business plan;
 - the level of confidence the joint venture arrangement provides of service continuity at times of change and for the future; and
 - the direct insight into CBG's operations that comes through the close working relationship and CBG Board structure that includes three Wheatley representatives.
- 6.3 Campbell Tickell's work also provides insight on areas where there is some room for improvement in the service provided by CBG. Most notable of these are in planning and delivering follow on repairs and CBG's willingness and ability to flex its service to the increasingly diverse needs of group partners, and their customer especially Lowther Homes and RSLs outside Glasgow. These are areas where we are actively looking for CBG to develop.
- 6.4 As part of its review, Campbell Tickell has also set out recommendations on areas that should be developed. These are set out in full in the attached report and amongst other things look to address the areas for improvement identified above and ensure that the joint venture continues to deliver the value we seek for our business and customers. Illustrations, in summary form, of the recommendations presented include:
- CBG should keep its service model under review to make sure it aligns with the needs of Wheatley partners and their customers;
 - CBG should ensure its workforce has skills for emerging areas of work such as sustainability;
 - CBG should develop a business strategy that aligns with Wheatley's stated strategic direction;
 - Modern methods for gathering robust customer insight should be put in place;
 - Strong relationships should be developed with the Loretto Managing Director, and others in group, where CBG service delivery has a direct impact; and
 - There should be greater collaboration on IT development.
- 6.5 All the recommendations in the review have been assessed and are considered valuable and worth taking forward. The review has been discussed with CBG's Managing Director and there is agreement that these will inform a delivery plan, alongside other priorities for improving repairs and investment delivery that will be taken forward jointly between CBG and Wheatley. The CBG Board will be asked to agree this delivery plan and will also be provided with a copy of the Campbell Tickell review for information.

7. Digital transformation alignment

- 7.1 Enhancing use of online and digital are essential in developing our repairs service, and are key features of our IT roadmap. Our repairs service delivery model spans Wheatley and CBG and as such changes to improve value for the customer and our business, through use of digital working, require close collaboration. The Year Five review highlights the importance of this close collaboration in IT as one of its recommendations.

8. Financial and value for money implications

- 8.1 The Year Five review does not identify any financial implications, and highlights CBG's track record, the pandemic notwithstanding, in delivering on its business plan including the return to members.

9. Legal, regulatory and charitable implications

- 9.1 Legal, regulatory and charitable implications were considered in detail in establishing the CBG joint venture, and there are no factors identified in the review that would change assessments made previously. There are also no legislative changes that would impact these earlier assessments since the joint venture was established.

10. Equalities implications

- 10.1 There are no equalities implications associated with this report.

11. Environmental and sustainability implications

- 11.1 There are no environment or sustainability implications associated with this report, although the Year Five review highlights the importance of CBG ensuring that its workforce has the skills needed to support Wheatley and GCC in meeting their sustainability objectives.

12. Recommendation

- 12.1 The Board is asked to note the Year Five review of City Building Glasgow at Appendix 1, and that a delivery plan will be developed to take forward the recommendations with CBG.

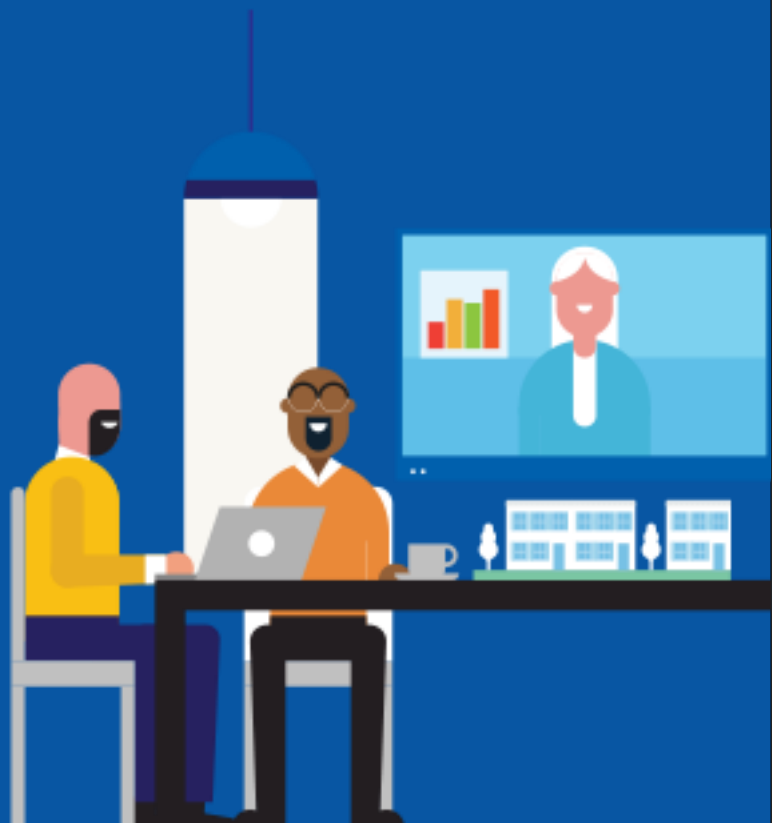
List of Appendices

Appendix 1: Year-5 review of City Building (Glasgow) LLP, Campbell Tickell Report

Year five review of City Building (Glasgow) LLP

Draft report

March 2021



Contents

<u>1.</u>	<u>Introduction</u>	<u>2</u>
<u>2.</u>	<u>Review brief</u>	<u>2</u>
<u>3.</u>	<u>Executive summary and recommendations</u>	<u>3</u>
<u>4.</u>	<u>Key achievements</u>	<u>5</u>
<u>5.</u>	<u>Strategic questions arising from the five year review</u>	<u>6</u>
<u>6.</u>	<u>Background</u>	<u>9</u>
<u>7.</u>	<u>Year Five review findings</u>	<u>10</u>
	<u>Appendix 1 - WHG</u>	<u>19</u>

1. Introduction

- 1.1 The legal agreement for joint ownership of City Building (Glasgow) LLP (CBG) between Wheatley Housing Group (Wheatley) and Glasgow City Council (GCC) requires a review at year five to assess the extent to which CBG is meeting the strategic objectives. The 5-year review is seen as an important milestone for assessing the effectiveness of the joint venture and the opportunity to consider the future direction of CBG to meet aspirations to deliver excellence.
- 1.2 Campbell Tickell undertook the Year 1 review and is delighted to be commissioned to review the progress made in the interim and the growing strengths of the partnership. This report sets out findings from a high-level review of the '5-year review'.

2. Review brief

- 2.1 The brief for the Year 5 review was to examine the following:
- a. The performance of CBG in meeting the strategic objectives agreed between Wheatley and GCC as set out in the Collaboration and Contribution Agreement.
 - b. The extent to which CBG has met its objectives as set out in the Approved Business Plan applicable to the financial year immediately preceding the Review Period.
 - c. CBG's adherence to the Approved Business Plan and any material failure to deliver the Approved Business Plan.
 - d. Effectiveness of CBG as a provider of repairs, maintenance and investment works to Wheatley Group subsidiaries and their customers in West-central Scotland.
 - e. Effectiveness of CBG as a provider of repairs and maintenance to GCC and its ALEOs in Glasgow.
 - f. Extent to which being a member of CBG delivers value for Wheatley and GCC.
- 2.2 In the light of the continuing Covid-19 pandemic, the methodology was adjusted to align with the practicalities of remote working. The review focused on 'high level' issues. Detailed consideration of the business plan, strategic and operational performance and the 'value review' aspects concentrated on identifying any significant issues that affect the joint venture.
- 2.3 CT acknowledges and thanks Wheatley, Glasgow City Council and CBG staff for their assistance and openness in making this work. In addition, the methodology mostly consisted of desk research of relevant strategies, policies, performance reports and other relevant information such as complaints and customer satisfaction data. We carried out this work between December 2020 and January 2021.

3. Executive summary and recommendations

- 3.1 It is very pleasing to be asked to return to carry out this 5-year review. It is even more pleasing to note that many of the strengths identified in the Year 1 review are continuing. These include good communication and collaboration between the separate organisations to the point where several people comment *'there is no them and us – we're one team working towards one goal'*. The shared vision of completing repairs 'right first time' is evident from all teams we met. The response to the challenges posed by the continuing Covid-19 pandemic was described by many as exemplar, demonstrating strong and effective leadership and the excellent partnering relationship.
- 3.2 It is to the credit of Glasgow City Council, Wheatley Housing Group and the joint venture governing group that the key priorities set out in the respective organisations' strategic plans are being realised through CBG. The strategic outcomes being delivered for Glasgow Council are:
- a. More Glaswegians being in work or training.
 - b. Increasing the opportunities for vocational training
 - c. Maximising what the council can do to support its "Thriving Economy" theme from its strategic plan in its aspirations to secure jobs and training opportunities for Glaswegians and small businesses and looking at ways that these aspirations can be extended.
 - d. Use initiatives and procurement to ensure that fair employment practices including the living wage and targeted recruitment to promote opportunities through social mobility are built into all work the Council does across Glasgow and beyond.
- 3.3 For Wheatley Housing Group, the joint venture is delivering:
- a. control of service development for the benefit of customers.
 - b. development of the future strategic direction of the service.
 - c. shape to the culture of service delivery.
 - d. financial benefits each year at least equivalent to the VAT.
 - e. savings that would have been required if the service had been brought inhouse.
 - f. minimum disruption to the service.
 - g. an equal role in governance.
 - h. a strong relationship with CBG to allow Wheatley to evolve services.
- 3.4 **Joint venture** - The joint venture is working well with GCC, Wheatley Group and CBG benefiting from it. The objectives of each are being met and overall customer focus and service is continuing to improve. The impact of the joint venture is being ably demonstrated by the response to the pandemic and continuing to deliver primary services to customers.

- 3.5 **Employment & Training** - CBG continues to provide significant employment and training opportunities and makes a positive contribution to Glasgow's economy. RSBi is operating successfully and continues to provide quality product and social value. The expansion of the client base with the inclusion of Dumfries and Galloway Housing Partnership further underpins the work volumes and employment opportunities.
- 3.6 **Service Culture & Evolution** - Wheatley has been able to influence the culture of the CBG service by enhancing its customer focus. The CBG culture has increased its customer focus and continues to improve its levels of customer satisfaction. There are further measures being developed, such as MyRepairs, and CBG's enhancement of Servitor. This should further improve the understanding of service delivery and the customer experience, to enable additional measures to be implemented.
- 3.7 **Improving customer satisfaction** - Customer satisfaction is continuing to improve, from a high benchmark. The Covid pandemic has hindered the impact of MyRepairs as it has limited its initial application. Better use of IT for feedback and to increase immediacy and volume of responses will increase awareness of customer perceptions and improve validation of performance information. This will improve credibility and enable more responsive changes where feedback promotes the need for changes in service and /or processes.
- 3.8 **Second-fix** - CBG's first time fix rate is remarkably good. There were however various comments on issues if the first fix fails. Again, MyRepairs will improve communication around second fix activities. Also, the roll out of second trades for some operatives will further improve first time fix and reduce the need for second fixes. There also needs to be better management of repair reporting that avoids a failed first visit being cancelled and 'dismissed', and a new repair order being raised.
- 3.9 **Needs of non-RSL tenants** - The basic service works very well for the majority of customers, particularly housing tenants. Options for offering a different service for other service users (corporate clients and factored owners) should be explored as the current service does not meet some key requirements. This may include offering a different pricing mechanism for any new alternative service offer that ensure that costs are covered.
- 3.10 **Service Delivery outside Glasgow** - Delivering services to a wider geographic area will benefit from a more dispersed work force. Outlying clients query the service cost of operative travel time and operatives are less productive.
- 3.11 **Financial Benefits, Cost, Value and efficiency**- CBG has continued to return a surplus to the partners. It was intended to increase the target by £1m (16.6%) to reflect the efficiencies being achieved. The pandemic has frustrated this with the reduction in overall volume and short-term disruption to delivery. The cost of operating CBG and the benefits clients derive from its health & safety, quality and training regime and the delivery of the discount are well understood at a strategic level although not always recognised by mid level client managers. This may be an area which the partnership may wish to disseminate the value it brings more widely to ensure it is apparent.

- 3.12 ***In essence***– The joint venture is working well for the mutual benefit of the parties and is meeting the stated objectives of GCC and Wheatley. CBG has continued to improve its customer focus and customer satisfaction. The roll out of MyRepairs and other IT changes will provide opportunities to further enhance these improvements. This should put CBG in a healthy position for a successful future and continue to meet the aspirations of Wheatley and GCC.

4. Key achievements

- 4.1 The strategic objectives agreed between Wheatley and GCC are being met. The partnership between Wheatley and GCC has been highly successful in delivering the overall objective of providing good quality services to tenants, residents and corporate clients. The collective partnership working has worked very well to ensure that the repairs service has continued to successfully operate during the recent and continuing pandemic disruption.
- 4.2 There is an unparalleled level of social value input via RSBi and Apprentice Schemes. Apprenticeships and training via the GCC Training College build, renew and refresh craft skills needed for repairs, maintenance and related fields.
- 4.3 The partnership has demonstrated the delivery of commitment to living wage, the Strathclyde Pension Fund and wider benefits and opportunities for Glasgow residents.
- 4.4 There is widespread recognition of contributions via the Wheatley Foundation, the GCC Training College and, in particular the overall response to support vulnerable customers during the pandemic.
- 4.5 CBG generally met its objectives in the Approved Business Plan in 2019/20. Service performance continued to improve. It delivered a £5.5m return to GCC and Wheatley Group in 2019/20. The impact of the pandemic has significantly affected its operating margins in 2020/21 and prevented delivery of the enhanced target of £7m.
- 4.6 All officers in Wheatley Group subsidiaries and GCC that CT interviewed commented on the high quality and improving customer focus of the repairs and maintenance service. Customer satisfaction rates reported to the Scottish Housing Regular are top quartile. CBG performed very well to maintain essential services throughout the pandemic. Again, clients commented favourably on the partnership working that enabled a seamless move to non-essential services and delivery of compliance works.
- 4.7 Wheatley and GCC both appear to be gaining value from membership of CBG. Wheatley benefits from the improving customer experience and the ability to influence the focus of delivery. This has been evident during the pandemic where the partnership worked to increase CBG's agility to maintain key repairs services and gas safety compliance.

- 4.8 The focus on improving the customer experience, including MyRepairs, ThinkYes and W.E.Excel, has begun to shape service delivery, improving customer focus and is contributing to greater sharing of values and service culture ethos across different teams. There needs to be further development of these to sustain improvements, assisted by operational changes such as the introduction of local hubs and continuing IT investment.
- 4.9 As CBG moves to an enhanced version of Servitor, already in place at Wheatley, there will be further opportunity to improve customer service, reporting, performance management and the transparency of delivery. These should enable further opportunities to enhance the customer experience.

5. Strategic questions arising from the five year review

CBG delivering its Business Plan objectives

- 5.1 CGB's current business model is based on clients that were in the 'family' when the joint venture was initiated. The business has grown both in terms of investment spend by Wheatley and expansion into wider geographical regions to meet the needs of new Wheatley partners, especially DGHP. CBG is now operating and recruiting outside Glasgow. There needs to be further development of delivery plans to ensure CBG operations in Dumfries & Galloway deliver Wheatley priorities such as high quality, costs effective services and local employability opportunities.
- 5.2 The current model works very well for the primary focus of CBG, to deliver an excellent repair and maintenance service. The subsidiary managers interviewed all acknowledge that this service has continued to improve and that tenants get a very good and very responsive customer focused service.
- 5.3 A key reason for this is that CBG does not provide contract services outside of its members which ensures focus on providing an excellent service for Wheatley customers and users of GCC buildings. This decision in establishing the joint venture remains applicable today and provides certainty on work for CBG that should encourage it to innovate and invest in service and operational development. Expansion into Dumfries and Galloway is a current requirement in this area, as is the decision to restructure Cube through combining it with GHA in Glasgow and Loretto outside the city.
- 5.4 Going forward, significant investment will be needed by Wheatley to meet obligations such as the EESSH2 (energy efficiency in social housing) requirements. This provides both an opportunity and challenge for CBG to ensure it can contribute innovative approaches and solutions, and has the workforce skills and capabilities that will be needed to undertake work to meet sustainability objectives.

RECOMMENDATION 1a: CBG service model should be reviewed regularly to ensure it aligns effectively and efficiently with its client base and their service requirements.

Recommendation 1b: CBG should work with Wheatley, as part of its plan for addressing changing statutory requirements, to make that its workforce has the necessary skills and training to undertake a wider scope of future works.

Recommendation 1c: CBG should work with GCC to ensure its staff have the skills and training needed to meet future maintenance requirements particularly in its ambition to create a Sustainable and Low Carbon City.

Effectiveness of CBG as a Repairs Provider

- 5.5 CT is aware that customers sometimes experience issues where the repair is not resolved at the first visit and better communication on subsequent actions is required. It is expected that the extension of the use of Servitor at CBG will assist in tracking these issues and improving resolution. The widening digital service and joint use of Servitor should enable increasing transparency of the service and the customer experience, identifying further potential improvements. This should also increase understanding of clients and customers with different service needs and if and how these can be met.
- 5.6 The current operating model stresses skilled, single trade operatives rather than multi skilled labour. This ensures skilled operatives attend and contributes to a quality solution in most cases. For some repair situations, requiring two trade skills, it works against a first-time fix. There is some movement towards second skilling operatives, and this should be extended to achieve more first-time fixes.

Customer satisfaction

- 5.7 Tenants generally get a very good quality of responsive repairs service. Emergency repairs are completed within 3 hours and non-emergency works are done within 5 days. Overall customer satisfaction is exceptionally good when everything works smoothly. If a repair is not fixed first time, the current system does not always provide good communication on the timing and progress of a return visit and second fix. Also, with very good satisfaction there is still scope to improve further, and no basis for complacency. One area highlighted was factoring customers where the complexity of this type of work sometimes leads to a mismatch between customer expectations and service performance.

RECOMMENDATION 2a: Continue the focus, including developing specific plans, on ensuring exceptional customer experience and maximizing first visit resolution. In doing this, attention should also be paid to ensuring rapid rectification on occasions when customer needs are not met first time.

Recommendation 2b The needs of particular customers, and customer groups such as factored owners or tenants in more remote locations, should be understood in detail to ensure that CBG service models meet the diverse needs of the customers it serves.

- 5.8 Methods for gathering customer satisfaction are somewhat outdated, inefficient and ineffective with a reliance on feedback by post. Customer feedback including complaints and the views of dissatisfied customers make a valuable contribution to a learning culture and getting the overall customer insight. As such, opportunities for feedback should be expanded through use of more real –time, digital means.

RECOMMENDATION 3 Develop arrangements to assess customer satisfaction from a range of perspectives and measures to more fully obtain the overall customer insight and systematically use out comes for service improvement and development.

Delivering value for GCC and Wheatley

- 5.9 The current Schedule of Rates (SoR) cost model is effective and works for the partnership. CBG costs reflect its focus on quality trade delivery, staff training and health and safety, and is consistent with the service requirements of Wheatley and CBG. Costs are analysed and shared at high levels, assessed to ensure value and in terms of achieving joint venture outcomes. This is consistent with the nature and structure of the joint venture although provides less clarity of cost and value for middle and lower tier managers, than they might have if procuring services individually. Discussions highlighted some dissatisfaction among these staff due to their different perspective on the service model.
- 5.10 CBG cost model - The cost model is derived from the successful tender submission in 2016. Costs have been adjusted by annual increases, but the basic price framework is still used. It is acknowledged that the model has some benefit in ensuring value for money although elements of a model developed in a competitively tendered client contractor environment, such as performance payments should be no longer applicable in a joint venture environment with aligned shared strategic objectives. In addition, the business volume and turnover has increased. CT is not aware of the cost base being reviewed to determine the impact on costs from sharing of overhead over a greater level of activity.

- 5.11 There should also be efficiencies from an increasing digital self-serve opportunity and improved operational processes. Unique opportunities exist for CBG to benchmark its costs and approaches with the in house providers in Wheatley Group, as well as more with comparable organisations nationally. Doing this will drive innovation and identify possibilities for delivering even better value.

RECOMMENDATION 4a: Continue to review service costs to ensure value, and build understanding of pricing and value so that clients and customers know the service they can get, when, to what quality and at what price.

Recommendation 4b: Ensure pricing and payment structures are applicable in a joint venture, rather than a client contractor context, and undertake regular benchmarking.

- 5.12 Currently, there is an estimated £6m VAT bill paid to the UK HMRC. While this has been considered before and no acceptable solution found in terms of the company structure to overcome this payment, the size of the payment and potential benefit for the money to be reinvested in Glasgow, suggests a further analysis of options may be worthwhile.
- 5.13 Areas for consideration - Section 5 provides CT's views on a range of areas for consideration based on its observations and analysis in undertaking this review. These areas look to ensure the platform provided by the successful joint venture in its first five years are used to fully realise future potential and long term success and sustainability.

RECOMMENDATION 5a: The 'Areas for consideration' is section 7.4 should, along with the findings from the review, and GCC and Wheatley strategic priorities, be used to inform an action plan developed by CBG, for approval and oversight by its members, to guide future improvement of the joint venture.

RECOMMENDATION 5b: CBG should develop a business strategy reflecting the direction that Wheatley and CBG have in their current strategies, how CBG will contribute to this direction, any area that CBG intends to develop beyond the strategic priorities of its owners and future skills of its work force to meet emerging priorities.

6. Background

- 6.1 Wheatley owns or manages nearly 98,000 affordable, mid-market and full-market rented homes and delivers services to 29,000 homeowners across 19 local authorities. The majority of properties are in and around Glasgow, Edinburgh, Dumfries and Scotland's central belt. The organisation employs over 2,700 staff and is also Scotland's largest builder of homes for social rent. Information about Wheatley's partners is set out at Appendix 1.

- 6.2 CBG is a Limited Liability Partnership company established in March 2017 and jointly owned (50:50) between Wheatley and Glasgow City Council (GCC). CBG employs over 2,000 staff to deliver repairs, maintenance and investment works to WHG subsidiaries and GCC (including its ALEOs)
- 6.3 Royal Strathclyde Blindcraft Industries (RSBi) is a business unit within CBG and is a registered supported business. It employs over 250 people manufacturing furniture, 50% of whom are people with disabilities for homes, storage, education services and adapted furniture for people with disabilities. It has a wider remit and is mandated to provide services beyond GCC/WHG to other public, private and third sector.
- 6.4 CBG carries out around 200k repairs each year and carries out investment work for Wheatley. The latter includes capital renewals and upgrades, planned maintenance and health and safety compliance projects. In 2018/19 Wheatley spent £65m on repairs and maintenance services. In addition, approximately £30m repairs and maintenance work is carried out each year for Glasgow City Council for the City's prestigious buildings, education and social work services properties, Glasgow Life assets and other council properties.
- 6.5 Campbell Tickell carried out a review in March 2018 to assess progress in the first year of CBG. We concluded that the joint venture had broadly delivered most and indeed exceeded, the objectives set by Wheatley and GCC. Achievements included financial and productivity gains and a planned approach to developing a new 5-year business plan. Positive changes had resulted from operational changes resulting from a new operating model with decentralization to local hubs, an integrated call handling service, improvements to supply chain and service reviews based on 'lean principles'.
- 6.6 CBG was also effective in responding to the new demands arising for landlords as a result of the tragic Grenfell Fire. Our recommendations for improvement related to an improved focus on service delivery, cost reductions and delivery efficiencies together with attention on IT integration.

7. Year five review findings

- 7.1 The Collaboration and Contribution Agreement dated March 2017 between GCC and Wheatley in relation to CBG includes the following objectives:

GCC objectives:

- a. Improve service delivery through partnership with Wheatley.
- b. Commitment to fair working practices including a living wage, Strathclyde Pension Fund and wider benefits and opportunities for Glasgow residents.
- c. Explore opportunities for long-term apprenticeship/RSBi plan to support repairs and maintenance service.
- d. Align CGB's development and operations with a Transformation Programme with a focus on the Council Family Review.

- e. Maximise the impact of spend and efficiencies and continue to deliver best value.
- f. Enhance the prospects of maintaining job security against downward trends in investment and capital spend programmes from Wheatley and CGG.

Wheatley objectives:

- a. Have control of service development for the benefit of customers.
- b. Develop the future strategic direction of the service.
- c. Shaping the culture of service delivery.
- d. Achieve financial benefits each year at least equivalent to the VAT.
- e. Savings that would have been required if the service had been brought inhouse.
- f. Minimum disruption to the service.
- g. Equal role in governance.
- h. A strong relationship with CBG to allow Wheatley to evolve services

GCC Objectives

- 7.2 **Improved service delivery** – The collaboration with Wheatley has emphasised the need for greater customer focus among CBG staff in delivering repairs. All clients commented that this has improved and should be further enhanced by the use of MyRepairs. CBG has consistently maintained high compliance levels for its clients. GCC and its customers have clearly benefited from the service improvements and this is covered in more detail in 5.3. 4 and 5.3.5 below.
- 7.3 **CBG terms of employment** - These have been maintained and there appears to be no contention on this continuing. CBG is still a major employer and continues to recruit locally and provide training and employment opportunities for Glasgow residents. Sample vacancies advertised by CBG show that the terms and conditions offered include a contribution to a pension scheme. CBG is committed to paying the living wage.
- 7.4 This supports people to stay in work and also helps communities that are often traditionally found in low-paid work. For example, the October 2020 apprentice intake included 3.3% of the 60 trade apprentices are Black and Minority Ethnic compared with 2.3% as found by Skills Development in 2018/19. 7% of all new starters are women.
- 7.5 The annual accounts for 31 March 2020 show that Glasgow City Council continues to guarantee any shortfall to the Pension Scheme if CBG fails to meet all its obligations. The partnership currently meets all annual contributions as required. The audited accounts state that the LLP will be able to, for the short and medium term, continue to meet the annual contributions.

- 7.6 There is recognition that CBG has high pension costs that contribute to a high-cost base. CBG maintained its workforce during the pandemic, albeit that 504 employees were furloughed. The opportunities to deliver training have inevitably been curtailed as its focus at this time concentrated on PPE and health and safety specifically for Covid wardens and first aiders.
- 7.7 As the geographical area covered by CBG spreads with the addition of new clients, such as Dumfries and Galloway Housing Partnership, CBG will need to consider how best to deliver services in these areas. Currently, operatives frequently travel from Glasgow. While this maintains employment for Glaswegians, it is not an efficient delivery method. CBG needs to consider how it can provide employment and training opportunities for these communities.
- 7.8 **Long term apprenticeships** – The impact of its apprenticeship programme is widely acknowledged. This is supported by both GCC and WHG’s contributions to the CBG apprenticeship programme.
- 7.9 In 2019, CBG was awarded the top national award for the ‘Outstanding Contribution to Scottish HR award’. Normally, the award is reserved for individuals but CBG made history as the first company to win the accolade. The judges said that CBG had changed the lives of many people within the communities it serves and for inspiring others.
- 7.10 RSBi, the manufacturing division of CBG, continues to thrive. It employs 220 people, of whom 154 have disabilities. RSBi provides a range of products, including bespoke items such as kitchen doors for obsolete designs and fittings, special parts for repairing in listed buildings and furniture for education buildings. Any cost overruns of the RSBi operation are underwritten by GCC.
- 7.11 **Continue to deliver best value** - The service has continued to be delivered within its budget parameters and providing a return for GCC and Wheatley. There has been some reduction in the number of employees with 90 employees taking voluntary redundancy. It is understood that this has also reduced the overall age of the workforce and created the opportunity for apprentices to be retained. Prior to the intervention of the pandemic, CBG was confident that its efficiency gains would lead to an increase in the return to the partners, targeted at £7m, rather than the previous target of £6m.
- 7.12 **Maintaining job security** - There have been voluntary redundancies but the overall increase in workload, as a result of growth by Wheatley, means there should be ongoing opportunities and no pressing need to reduce the workforce, whilst improving overall efficiency. Wheatley has invested £66m on capital improvements to existing homes in 2019/20, resulting in significant work for CBG. It plans to invest a further £360m to improve, modernize and maintain properties across the Group. This coupled with the widening customer base should provide significant opportunity for CBG and ensure employment levels can be maintained and potentially increased, while increasing operational efficiency and value for members.

Wheatley Objectives

- 7.13 **Control of service development** - Wheatley has been keen to improve the focus on customer service. This has been achieved through several cultural change initiatives to ensure that operatives put the customer first. Emphasising a change in culture, establishing local hubs and the move towards digital and are producing a more transparent service.
- 7.14 The 'MyRepairs' initiative is helping to capture data more accurately, provide more transparency of service delivery, improve assessment of overall performance and resolve complaints more speedily. Frontline staff reported that the formal complaints process has undergone a review as part of the journey mapping exercises.
- 7.15 There is a shared understanding across the business and partnership about what 'right first time' should look like. A key aspect of this is to minimise the inconvenience for customers by having a 'one and done' approach. CBG has implemented the 'Enhanced National Progression Award' to facilitate multi-trade knowledge. For example, new craft apprentices are trained in tasks related to their core area of training. Increasingly, some repairs operatives can do 'more than' their primary trade task to assist first time fix.
- 7.16 Examples include plumbers removing and refitting bath panels, plasterers completing ceramic tiling, glaziers completing minor joinery works and joiners removing and refitting carpets and removing graffiti. While this development is encouraging CBG should actively explore approaches taken by others including Wheatley's in-house providers and look to develop and implement further innovation in this area.
- 7.17 **Developing the future strategic direction of the service** – All officers interviewed, from wherever they operate in the businesses, commented on the significant improvement in service delivery and the customer experience. The customer focus that Wheatley requires is being delivered through more customer choice and a move towards digital options. There is now a wider selection of appointments, a more flexible service to suit vulnerable customers and good quality of cyclical and investment works. Residential customers can set up online accounts and request non-emergency repairs digitally. People spoke positively about the improved working relationships between Wheatley and CGB, enhanced by locality working via hubs and their ability to sort out minor issues without the need to go through unnecessary bureaucratic procedures. Customer journey mapping exercises have helped to clarify and improve processes and should continue to be used to improve customer experience.
- 7.18 **Shaping the culture** – As is indicated above Wheatley has been able to influence service development to increase satisfaction. Across the Wheatley Group, overall customer satisfaction with services is 90%. The social housing clients are benefitting from an improving service, which is reflected in satisfaction levels.
- 7.19 Overall, the customer satisfaction metrics indicate that these measures set out in the original agreement have been achieved, a local service is in place and overall, the service is a demonstrable success.

- 7.20 There are anecdotal comments that the first time fix indicator is flawed as jobs get cancelled and a second appointment booked if the wrong operative is mobilised, rather than acknowledging that this is not a first-time fix. Anecdotally, the second booking is a key area of dissatisfaction and complaint. Similarly, CT has not seen evidence of the increase in 'very satisfied' customers.
- 7.21 CT is aware of and welcomes CBG's commitment to skilled operatives with a primary trade. CBG is increasing its number of operatives with a second trade. CT believes this will assist with first time fix. CBG should monitor the impact of the extension of workforce with multiple trades on first time fix.
- 7.22 **Achieving financial benefits and savings** – Wheatley has benefited from CBG delivering target surpluses, shared with GCC. The recent re shaping of the workforce has enabled CBG to predict an increasing return in future years. This is currently being offset by the impact of the pandemic on work volumes.
- 7.23 The customer base has increased. CBG has been carrying out void works for Dumfries and Galloway Housing, which owns over 10,000 homes and is now part of Wheatley. Savings from the recent staff reduction initiative are expected to result in increased surpluses. These will not be realised until return to normal business as the impact of Covid 19 and the necessary responses has disrupted the cost model for 2020/21.
- 7.24 The current partnership arrangement has a 50:50 share split. This prevents Wheatley reclaiming approximately £6m of VAT paid each year to the government. CT appreciates the complexity and the importance to GCC that overall control does not sit elsewhere. However, this is a significant financial cost and loss to the city. As such all partners should attempt to develop appropriate solutions.
- 7.25 **Minimising disruption** – The service changes, culture, increasing customer choice and digital offer, have been achieved against increasing customer satisfaction (7.3.5). The continuity of service has been maintained. The response to the pandemic has been exemplary. The partnership has again performed very well in maintaining compliance levels. It has altered its delivery model, with greater use of IT to assist with access and has commendably retained 100% gas servicing compliance. There is no evidence of any reduction in resident safety due to the pandemic which is commendable.
- 7.26 **Equal role in governance** - The CBG Board has three members each from GCC and Wheatley. GCC Councilors are also on the Board of City Building Contracts, a position from which they can see synergies between the two 'sister' bodies. They bring significant experience of a diverse range of subjects and customer, ranging from digital inclusion, neighbourhoods, housing and public realm, workforce and pension matters, and community planning.
- 7.27 All three Wheatley members are Wheatley representatives on the Group Board and subsidiary governing bodies, giving them a clear line of sight across the diverse spectrum of residents. Their collective expertise and experience is relevant and ranges from working at senior levels in the public sector, local Government, construction and development, surveying and investment in residential and commercial property.

- 7.28 Demonstrable improvements are evident from the the strategic direction and leadership of the CGB Board and senior executives. The CGB Board is well aware of strategic and operational risks of multi-faceted operations.
- 7.29 **Strong relationship with CBG** - Wheatley, GCC and CBG responded extremely well to the pandemic and there was unanimous acknowledgment of the value of the partnership in enabling a managed and focused response to ensure key services continued to be delivered.

Key areas for consideration

- 7.30 **CBG operating model** - It is acknowledged that the operating model delivers consistently good services to diverse customers across the geographical operations. The model fits well with the strategic objectives. It is also delivering improving services for the majority of customers. However, the service is focused on repairs delivery for the rented residential market. The service offer is broadly 'the same for everyone'.
- 7.31 This does not meet the needs and aspirations of a minority of CGB's clients. Factored residents and corporate clients, such as those occupying commercial properties, have different service requirements and would benefit from a more flexible approach in terms of service offer and costs. It is acknowledged that these are a minority of customers, but there is the option to consider the cost benefits to CBG of offering alternative delivery solutions with a different price structure.
- 7.32 **Service Level Agreement** - There is a single service level agreement that applies across all customers and performance indicators that are rightly focused on RSL housing management. This makes the system simple to apply but may benefit from differentiation by customer type, and the introduction of measures that allow comparison of CBGs operational effectiveness with others including Wheatley's inhouse providers.
- 7.33 **Geographic focus** - CBG is a Glasgow-based company. It provides work principally for Glaswegians, which is part of its ethos. Although much of its work is within a 30-mile radius, the service is geographically expanding. i.e. to Dumfries and Galloway customers is around 80 miles away. Some work that cannot be done by inhouse operatives due to skills and labour shortage, and some because of long distances, is passed to sub-contractors. It is unlikely to be efficient and economic, to service these customers from a Glasgow based workforce.
- 7.34 There are also conceptual issues that indicate that the client would welcome use of local labour. The replacement of local sub-contractors with directly employed local staff will improve control, quality and cost management. This should enable CBG to demonstrate it can deliver an equally good level of service to customers, using local labour and to evidence value for money. It also potentially expands the number of direct employees CBG will have.

- 7.35 It is acknowledged that the surplus payment is to be increased by £1m to reflect efficiencies. This is indicative of a more efficient delivery model. Redundancies have happened which is indicative of productivity improvement. CT was not made aware of specific recent analysis of operative productivity, and this something that should be undertaken in driving future efficiencies.
- 7.36 **Client cost awareness** - The CBG model offers a strategic rather than local view of value, which is appropriate for the size of organization, the joint venture and the service provided. This provides significant peace of mind for clients with the benefits from the close management of health & safety considerations, operative skills and quality delivery and associated training. There is also the annual surplus returned to the partners. Some client managers typically appeared to ignore the fact and impact of these when considering value in discussions with CT.
- 7.37 This leads to the perception of a 'high cost' service from CBG, which previous value analysis has not borne out. We heard several examples where corporate clients felt that the CBG service is expensive compared to trades people they could source from the internet and 'yellow pages', although this is not a valid comparison due to the very different operational approaches. As such, CBG should articulate the value the joint venture provides including through benchmarking with peers on a like for like basis.
- 7.38 Elsewhere in the sector, CT typically sees client managers quoting average job costs and volumes as indicators of value and comparative cost. Client managers do not appear to be aware of these. There is also limited acknowledgement of the peace of mind benefits and surplus payment. Generally, there appears to be a culture of 'cost acceptance' because costs are managed at senior corporate level and managers cannot influence them.
- 7.39 **Client relationship management** – The close working relationship between CBG and both GCC and Wheatley has been evident throughout this review, and in the progress and successes reported here. There is scope to build on this through widening these strong relationships to senior leaders in Wheatley and GCC responsible for direct service delivery, such as the MDs of GHA, Loretto, DGHP and Lowther. This will build on the successful practice through which senior CBG staff regularly update the Boards of Wheatley Group partners
- 7.40 **Minority clients** - The majority of Wheatley tenants will not be affected by the cost of the repairs and maintenance service as their rent will be 'all inclusive'. Others, such as leaseholders for commercial properties, factored tenants and corporate clients, are more cost sensitive and may benefit from an alternative service offer with a different cost base. Currently, this demand is anecdotal, but exists elsewhere in the sector.
- 7.41 Factored owners - There is less satisfaction among factored residents with feedback suggesting lack of certainty around appointments for and completion of communal repairs. This could be overcome by defined slots to give greater certainty of delivery. More generally, factoring on occasions requires a different service to reflect particular customer and business requirements, and CBG could potentially do more in adapting its service.

- 7.42 While It is acknowledged that this is a minority of the overall client group and there may be cost in adapting the service, there are also opportunities given Lowther Homes position as one of the largest property factors in the country with over 30,000 customers. Further analysis is required to assess the practicality and economics of an additional service offer. CBG and Lowther Homes should consider the opportunity of developing different service and delivery options for an alternative price for specific client groups it serves.
- 7.43 **Non complete jobs** - A number of frontline staff reported that jobs are sometimes cancelled, for example where there was no access or jobs could not be completed at the initial visit. While it is appreciated that the number of jobs cancelled is a small percentage of the overall volume, it still alters the perception of performance. Non-completion issues usually came to light when raised by tenants and are informally resolved to deal with the repairs as speedily as possible, often resulting in the same repair being raised as a new repair. Better customer communication around canceled jobs is an area to explore in term of potential improvement, as is in-depth analysis of the reason for cancelation.
- 7.44 Clients commented on lack of certainty and transparency around appointments for and completion of communal repairs. Consequently, customers are generally unaware when communal repairs will be undertaken. This could be overcome by giving day slots to give greater certainty of delivery and easier management of performance.
- 7.45 **Collaborative IT developments** - It is understood that CBG is upgrading its Servitor system. Wheatley already uses an upgraded version. This should give opportunities to develop improved reporting, facilitate greater transparency of delivery and improve customer experience through better communications and increased flexibility. Joint working and sharing of expertise, including that gained by Wheatley in implementing and making the most of Servitor will be key in getting the most out of respective investment in technology to improve customer experience, and in support of increasing moves to digital and online. Also, there will be advantages from simplifying the way data is held between CBG and Wheatley, to ensure maximum flexibility and transparency for customers (and staff) in areas like making or changing an appointment, getting updates on repairs status and improving the customer journey.
- 7.46 **Robust customer insight** - Current measurement of satisfaction with the repairs service is paper lead and outdated. Satisfaction results are not considered in the light of 'big data' that brings together information from different sources. Wheatley is not yet able to demonstrate the ambition that customer insight informs and creates a menu of differential products and services for key customer groups.
- 7.47 Based on the small sample of complaints reports we have seen, there is an opportunity to interrogate the data and obtain more meaningful insight and sharing this with frontline staff to develop service improvements. Examples include a review of categories such as 'incomplete repairs' and 'work required' and reasons for the significant proportion of complaints made by factored homeowners. This would help staff who routinely deal with dissatisfied customers and therefore perceive the service in that light.

- 7.48 There has been significant improvement in the customer focus culture of CBG with continuing improvements on an already high level of customer satisfaction. There is still a lack of flexibility around the delivery model to meet non-standard requirements. Lowther's requests for an amended service model for its factor residents, potentially with an alternative payment arrangement, does not appear to be under consideration at this stage.
-

APPENDIX 1 - WHG

1 WHEATLEY HOUSING GROUP

- 1.1 Wheatley Housing Group is one of UK's largest builder of social rented homes. Collectively, as the parent, Wheatley Solutions employ over 500 staff to provide support services to the following subsidiaries:
- **GHA:** Scotland's largest social landlord, with 40,000 affordable homes in Glasgow.
 - **Dumfries and Galloway Housing Partnership (DGHP):** with over 10,000 homes across the region.
 - **Dunedin Canmore:** owning and managing 5800 homes in Edinburgh, the Lothians and Fife.
 - **Cube Housing Association:** with more than 3500 homes across the west of Scotland;
 - **Loretto Housing:** with 1300 affordable homes in central Scotland.
 - **West Lothian Housing Partnership:** with over 700 affordable homes.
 - **Lowther Homes and Your Place Property Management:** which provides services to over 29,000 homeowners across the central belt and lets over 2,000 mid-market and full-market homes in Glasgow, Edinburgh and other areas.
 - **Wheatley Solutions:** where 500 staff provide support services to the Group subsidiaries;
 - **Wheatley Foundation:** which invests over £5million annually supporting disadvantaged and vulnerable people in Wheatley's communities.

CAMPBELL TICKELL

Telephone +44 (0)20 8830 6777
Recruitment +44 (0)20 3434 0990

info@campbelltickell.com
www.campbelltickell.com
[@CampbellTickel1](https://twitter.com/CampbellTickel1)



Report

To: Loretto Housing Association Board

By: Hazel Young, Managing Director

Approved by: Olga Clayton, Group Director of Housing and Care

Subject: Group ASB Framework 2021-2026

Date of Meeting: 16 August 2021

1 Purpose

- 1.1 This report seeks to adopt our new Anti-Social Behaviour Framework, which supports the ambition in ***Your Home, Your Community, Your Future*** to create calm and peaceful communities where people are proud to live.

2 Authorising and strategic context

- 2.1 Our work on Anti-Social Behaviour ("ASB") is a key part of our Strategy "Your Home, Your Community, Your Future". It expands across all housing, care and foundation activities. Our approach to ASB and the broad services we deliver are strategic decisions.
- 2.2 Under the Group Authorising Framework, the approval of any Group wide frameworks is reserved to the Group Board. The Loretto Board is responsible for overseeing the implementation of the framework within Loretto.
- 2.3 The ASB Framework is a strategic commitment directly linked to our '*Delivering peaceful and connected neighbourhoods*' strategic outcome in our 2021-2026 strategy. Adoption of the framework will mark an element of this strategic outcome having been achieved. It is also linked to the delivery of a number of strategic results. This strategic context is set out in more detail within this report.

3 Risk appetite and assessment

- 3.1 Our risk appetite for service improvement is "open". This means we are prepared to take the risk of adopting the approach that is most likely to result in the successful delivery of our service objectives.
- 3.2 Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. A robust framework within which we can support customers and use our strategic delivery plan to manage this transformation will help to mitigate any risks.

4 Background

- 4.1 Our Strategy highlights some key commitments which relate to ASB. The primary action is to utilise our Community Improvement Partnership approach to take communities from being merely safe to ones that are improving, peaceful and with high levels of satisfaction.
- 4.2 This will be based on building a confidence cycle with and for our communities. The cycle will support communities to become more resilient through increased confidence to report crimes and other issues. In turn, this information will help Loretto and our community partners to support those living there to make their communities stronger and more peaceful.
- 4.3 The ASB Framework sets out how we will deliver this and also supports a number of other key commitments in the strategy including:
- Customers should have control over their own lives and be able to direct the design of services;
 - Tenants should be helped to sustain their home including receiving understanding of trauma, adverse childhood experiences, substance abuse, mental health issues and the impacts of homelessness;
 - Work will be undertaken with Loretto communities to co-create a 'Wheatley Place Measure' that reflects the criteria our customers identify as crucial to a successful and resilient community;
 - Creation of a new community entrepreneurship and resilience programme, demonstrating our faith in people and our willingness to create opportunities for them to thrive;
 - Establishing a virtual network and leveraging our physical assets and spaces within communities, such as commercial units and corporate office footprint, empowering communities to come together in creative ways;
 - Putting the 'Neighbour' back into our neighbourhoods, creating a modern version of 'Neighbourliness' as a hallmark of our communities by 2026; and
 - Creating digital neighbourhoods where our customers can connect virtually to further support each other and co-create local solutions to improve their community.
- 4.4 We know from our customers that anti-social behaviour plays a major part in whether they are happy in their home and neighbourhood, whether they feel safe as well as how satisfied they are with us as a landlord. We have found this to be true throughout the pandemic, whether it has been high level crime such as aggressive or threatening behaviour or issues relating to factors such as noise. Our priority will therefore always be to resolve and reduce anti-social behaviour so that our customers can live safe and peacefully. We will use enforcement wherever necessary to achieve that aim. Our customers will be at the centre of helping us to identify the issues that matter to them and telling us when we have resolved them.
- 4.5 We already have a reputation for leading the sector and creating innovative approaches to anti-social behaviour. In the last few years, we have developed our Community Improvement Partnership which brings together our staff with colleagues in Police and Fire in each of our key geographic areas to provide a co-ordinated approach to issues.
- 4.6 Our "confidence cycle" approach encourages customers to become involved in resolving ASB and strengthening communities. This is based on strong data

analytics which shows us the key issues and priority areas. We then work with customers to develop targeted plans to deal with the issues in their neighbourhoods.

4.7 Our innovation has led to a range of new policies and approaches which have already been approved by the Board including:

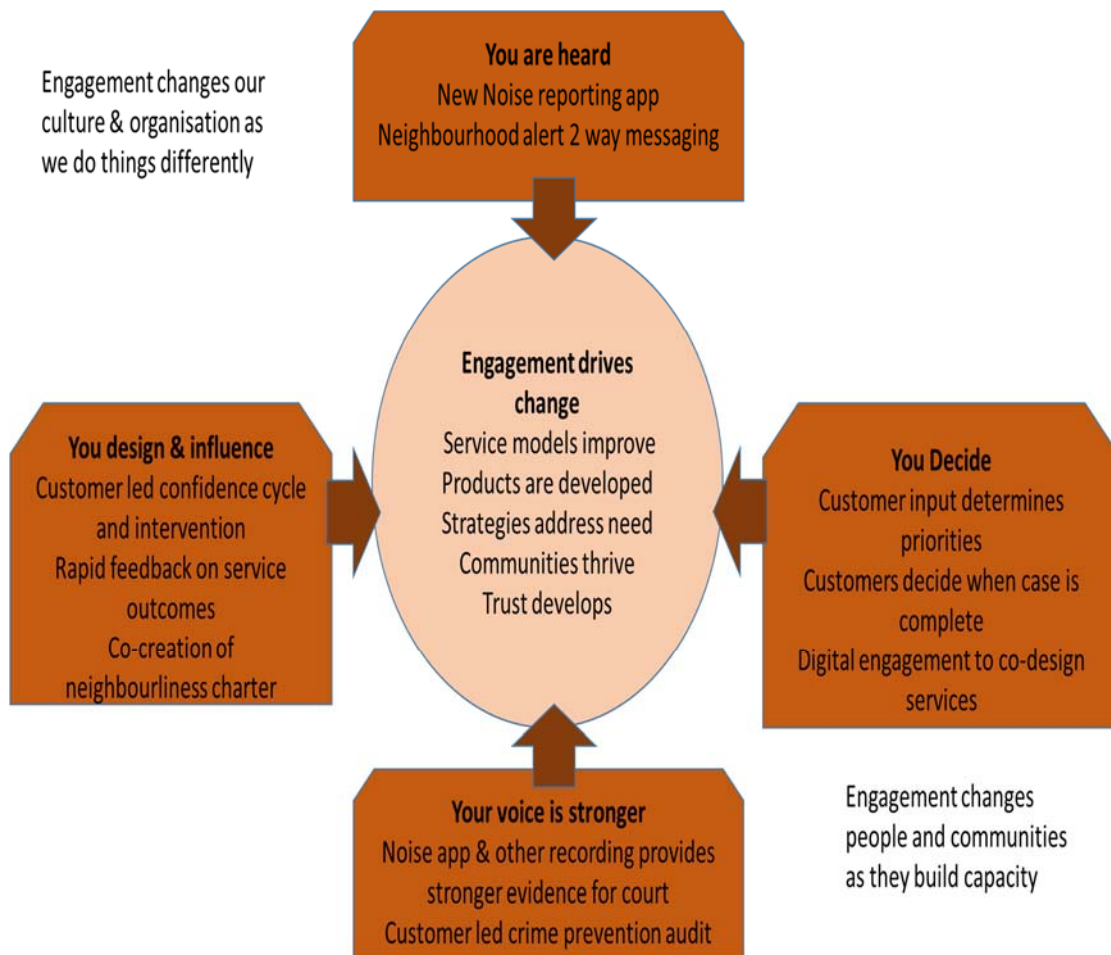
- Protecting People Policy;
- MAPPA policy;
- Child protection policy;
- Adult support and protection policy; and
- Domestic Abuse Policy.

4.8 Our approaches have been widely recognised across the Country. This includes the Scottish Government's Divert & Deter, Serious and Organised Taskforce recognising the CIP operating model as best practice – resulting in a delegation from the Home Office visiting Wheatley.

4.9 Police Scotland's Partnerships Prevention & Wellbeing Division have recognised the CIP Operating Model and promote our approach to their other partners. They regularly bring visiting forces from across the world to showcase the work they do in partnership with Wheatley. Two recent examples are the visit of the Deputy Chief Officer from Toronto and of 20 Senior Officers from Beijing.

5 Customer engagement

5.1 Customer engagement and control is at the heart of this Framework. The diagram below shows how some of the key actions in this Framework also support our strategic priorities for customer control.



6 Discussion

Vision and Aims

6.1 In addition to supporting our strategic vision:

Customers have increased control over their services, their communities and their lives, with new opportunities for building skills and resilience.

6.2 The ASB Framework sets out a vision and aims for this area of work:

Vision:

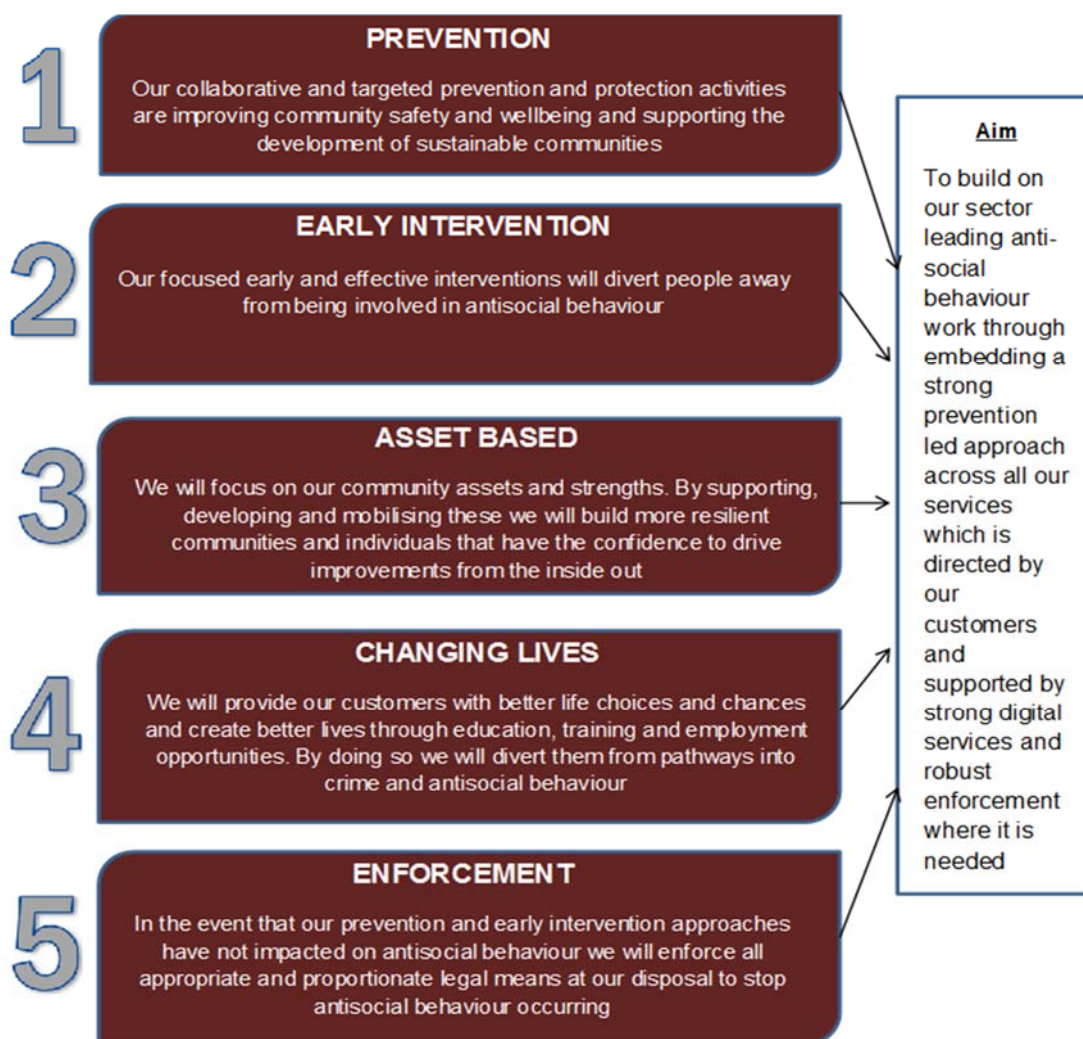
Our Antisocial Behaviour Prevention and Mitigation Framework will create calm, peaceful and sustainable communities where people are proud to live.

Aim:

To build on our sector leading anti-social behaviour work through embedding a strong prevention led approach across all our services which is directed by our customers and which is supported by strong digital services and robust enforcement where it is needed.

Our approach

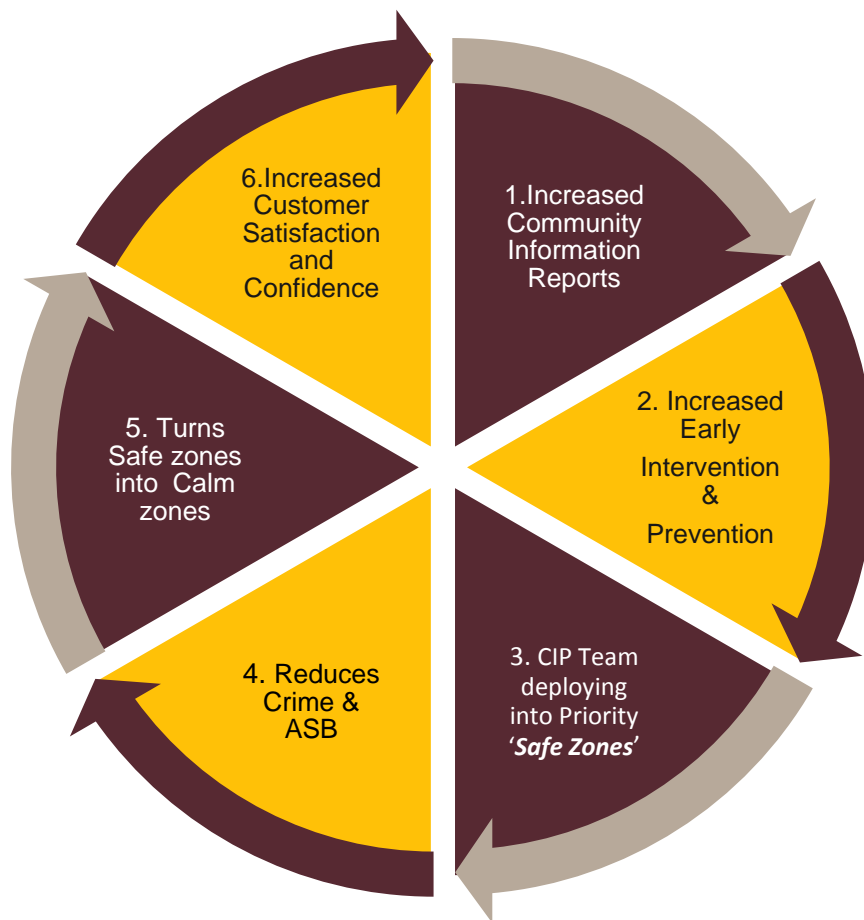
6.3 There are five key strands to our approach going forward:



6.4 This structured approach to anti-social behaviour focuses on ensuring that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. It will support digital provision of services where these are appropriate, recognising that it is important that “no-one is left behind”. In particular, we recognise that those who are living in socially deprived communities may have particular challenges in gaining access to or using digital services.

6.5 As seen through the close relationships we have developed with our customers throughout lockdown, success will be dependent on maintaining these relationships with our customers and communities. They must feel confident to report issues and information to us and our partners. Our ability to provide quality resolutions to issues and to respond to customer feedback will be vital to this.

- 6.6 Our “confidence cycle” will be an important element of this approach. This helps increase people’s willingness to provide information and report issues. In turn, the information we receive can be used to target crime, reducing incidence and creating a more peaceful community. This then further encourages the community to have confidence in sharing information with housing officers and police to create further benefit.



- 6.7 This Framework recognises that preventing ASB requires a partnership of many organisations. We will continue to support Police Scotland and Local Authorities in their statutory role to prevent anti-social behaviour similarly to the fortnightly ASB RSL forum that we attend with West Dunbartonshire Council. Our people are supported and trained to think innovatively, to think yes together with their customers and to provide leadership in digital transformation. We will use this innovative style to help provide thinking which challenges and encourages a new approach to services. We will work with partners across the country to share innovation and best practice to deliver our aims.
- 6.8 Excellence is embedded in our DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different and more stretching ways, looking to further improve the aspects of service which matter most to customers.

6.9 The actions within the Framework are aligned with our strategic themes. Some of the key actions are outlined in the diagram below:



Measuring Success

6.10 Our key strategic target for this Framework is that **70% of our customers live in neighbourhoods categorised as peaceful**. However, the Framework also supports a number of other strategic targets:

Delivering exceptional customer experience:
<ul style="list-style-type: none"> ▪ Overall customer satisfaction is above 90% ▪ RSL tenant satisfaction with value for money is increased to 85% ▪ Overall satisfaction amongst households with children is improved to 90% ▪ 90% of customers feel they can participate in the landlord's decision making ▪ 95% of customers actively engaged in shaping services feel they participate in decision making
Changing lives and communities
<ul style="list-style-type: none"> ▪ 4,000 jobs, training and apprenticeships delivered ▪ 250 customers have been supported to attend higher education and university through Wheatley bursaries ▪ 10,000 vulnerable children benefit from targeted Foundation programmes
Enabling our ambitions
<ul style="list-style-type: none"> ▪ Over 50% of customers actively use their online account to make transactions with us

Context

- 6.11 Our extensive experience in dealing with anti-social behaviour, backed up by research in Scotland and elsewhere, has given us a greater understanding of underlying causes. This has shown that the prevalence and type of ASB are often directly linked to issues such as childhood adversity, poverty and vulnerability.
- 6.12 We will use this knowledge to deliver our early intervention and prevention approach. While this will reduce anti-social behaviour, we will still use appropriate and proportionate enforcement action where it is needed. This will be the case where the issues are so severe that they need to be dealt with immediately or where other action is having no effect.
- 6.13 In some cases, we may need to move the perpetrator to protect the community. This Framework sets out how we will seek to do this through planned pathways wherever possible. Working with our partners, we plan to establish alternative accommodation routes to break a cycle of anti-social behaviour and eviction.
- 6.14 Drug and alcohol misuse is a major issue across Scotland. We also know that drug and alcohol dependencies can increase the likelihood of anti-social behavior which we are starting to see in our North Lanarkshire communities. Being able to support and treat customers to help them overcome or reduce use should be a key part of reducing ASB. Our employability and training options will also help to provide hope and purpose which can often help stabilise misuse or prevent a spiral of decline.
- 6.15 Including the newly joined Cube customers, Loretto continues to have a large amount of elderly customers or customers with high support needs. With 38% of our overall customers being over 55, these customers may be more exposed to being taken advantage of due to their age, health or disability. In addition, we have a number of younger customers with high support needs and there may be occasions where they experience discrimination due to this. Our approaches set out in this framework will help to support them in such instances.
- 6.16 Mental health issues are also growing in prevalence in society. It is likely that the Covid-19 pandemic will only increase this trend with our customers spending more time at home. Our experience is that issues can often arise where our customers have low level mental health issues.
- 6.17 These are often not sufficient for them to meet the criteria for specialist support. Despite this, our customers can struggle to live safely in a home and some will also behave in an anti-social way as a result. Using our expertise and strong partnerships, we will seek to find ways to increase the support to these customers to keep them safe.

- 6.18 The nature of ASB is changing. Technology increasingly enables people to commit and hide crime. Fraud and organised crime are growing and often targeted at those who are vulnerable or poor. Child sexual abuse and exploitation remains at significant levels while reports of adult concern have risen in recent years. Stalking and harassment continue to be an issue and now often involves an element of online activity. In addition, “outing” of sex offenders has become much more prevalent, often using online forums. While the crime element of this trend is dealt with by the Police we increasingly have to support our communities and deal with the outcomes.

7 Digital transformation alignment

- 7.1 The digital element of work in this Framework aligns with two themes in the transformation plan: Providing better online services for our customers and transformation of our housing service delivery. The Framework commits us to providing digital delivery where that is appropriate to the service, while ensuring that no-one is left behind.
- 7.2 The key aspects of this will be the introduction of a new noise app which allows recording and digital reporting of noise and the rapport messaging system which provides 2-way communication for our customers. This has been considered for Loretto as a tool to resolve some of the increasing numbers of noise nuisance we have seen through the pandemic. In addition, we will use the new digital customer engagement tools that are in development to ensure customers are able to co-create and refine our services.
- 7.3 This work is already built into our transformation plan over the next two financial years.

8 Financial and value for money implications

- 8.1 There will be costs associated with a number of the proposals. As they are developed, they will be considered via business case assessment and reported to Board as appropriate. Most costs will be incorporated within the existing budgets.

9 Legal, regulatory, and charitable implications

- 9.1 The Antisocial Behaviour etc (Scotland) Act 2004 is the primary legislation for dealing with antisocial behaviour in Scotland. The Act sets out a range of responses made available to Local Authorities and Police Scotland. The legislative framework that governs how all Group RSLs currently interpret and manage antisocial behaviour is contained within *the Housing (Scotland) Act 2014* and *the Antisocial Behaviour etc. (Scotland) Act 2004*. The 2004 Act states that a person is engaging in antisocial behaviour if they:
- Act in a manner that causes or is likely to cause alarm and distress; or
 - Pursue a course of conduct that causes or is likely to cause alarm or to distress to at least one person not of the same household as them.

9.2 The *Housing (Scotland) Act 2014* further enhanced the powers available to social landlords for the management of antisocial behaviour. This includes:

- Social landlords will have the power to convert an existing tenant's Scottish Secure Tenancy (SST) to a Short SST (SSST) or to grant a SSST to a new tenant in cases where there is evidence that the tenant, a member of their household, or a visitor, has been involved in antisocial behaviour in or near their home within the last three years;
- Simplifying the eviction process in cases involving serious antisocial behaviour by allowing social landlords to make use of an existing conviction as grounds for possession. The tenant must have been convicted within the last 12 months; and
- Clarifying that a social landlord can suspend an application for social housing under certain prescribed circumstances.

9.3 The Scottish Social Housing Charter was introduced by the Scottish Government to help improve the quality and value of the services that social landlords provide, and support the Government's long term aim of creating a safer and stronger Scotland.

Outcome 6 of the Scottish Social Housing Charter states that:

"Social landlords, working in partnership with other agencies, help to ensure that:

Tenants and other customers live in well-maintained neighbourhoods where they feel safe."

9.4 This outcome covers a range of actions that social landlords can take on their own and in partnership with others. It covers action to enforce tenancy conditions on estate management and neighbour nuisance, to resolve neighbour disputes, and to arrange or provide tenancy support where it is needed. It also covers the role of landlords in working with others to tackle antisocial behaviour.

9.5 The Scottish Housing Regulator have developed the following indicators to assess how well housing associations and the Group are managing complaints of antisocial behaviour and our wider estates:

- **Indicator 13:** Percentage of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in; and
- **Indicator 15:** Percentage of antisocial behaviour cases in the last year which were resolved.

10 Equalities implications

10.1 A full Equality Impact Assessment has been carried out for this Policy. The assessment has reviewed the impact of actions against the protected characteristics identified in equalities legislation. This shows that the Framework will have a positive or neutral impact on all characteristics because it will reduce levels of anti-social behaviour, increase community resilience and provide support to vulnerable households.

11 Environmental and sustainability implications

- 11.1 The review has no direct environmental or sustainability implications. However, the aim to provide digital service wherever possible will limit unnecessary journeys and use of offices.

12 Recommendation

- 12.1 The Board is asked to adopt the Group Anti-Social Behaviour Framework.

List of Appendices

Appendix 1 - Group Anti-Social Behaviour Framework

Our Antisocial Behaviour Prevention Framework - Peaceful Places in Thriving Spaces 2021 - 2026

P REVENTION

E ARLY & EFFECTIVE INTERVENTION

A SSET BASED APPROACH

C HANGING LIVES

E NFORCEMENT

Our Journey from Excellent to Outstanding

CONTENTS

- 1. Introduction and background**
- 2. Our Organisation**
- 3. Building on Our Success**
- 4. Our Vision to end Anti-social behaviour**
- 5. Voice of the customer**
- 6. National and Group context**
- 7. Our Strategic and Operational Response**
- 8. Our Approach**
- 9. Investigating incidents and using our powers**
- 10. Legislation, planning and guidance**
- 11. Complaints**
- 12. Responsibilities**
- 13. Review**

Introduction and background

The Wheatley Group (The Group) is Scotland's leading housing, care and property management organisation. It comprises of five Registered Social Landlords (RSLs), one care organisation and one commercial organisation. In addition to these organisations, the Group also entered into a joint venture in April 2017 with City Building Glasgow.

As the largest and most diverse landlord in Scotland, we recognise the crucially important role we have in ensuring our communities are calm and peaceful places to live. ***Your Home, Your Community, Your Future***, our 2021-26 five-year strategy, identifies that feeling safe and secure in their home and community is one of the most important priorities for our customers. All parts of the Group have a shared commitment to improving not just homes but the lives of those in our communities.

As a Group we are nationally and internationally recognised for defining excellence and have an outstanding track record in delivering sector leading standards of service and innovating in all fields in which we operate.

We are already regarded as sector leading in our approach to anti-social behaviour. Our Community Improvement Partnership (CIP) in Glasgow broke new ground in close and effective working between Wheatley staff, police and the fire service. The CIP has now been developed into a true Group wide resource that influences partner priorities and facilitates joint working and the sharing of data across the different organisations resulting in improved services for our communities. It covers a range of inter-related areas including homelessness, allocations and group protection as well as anti-social behaviour.

We have established a holistic approach to key services that our customers need through the creation of our Wheatley 360 service. It brings together housing, environmental and support staff with police to deliver a seamless personalised approach across a comprehensive range of 'wrap-around' services that provide a life-line for our customers.

We know from our customers that anti-social behaviour plays a major part in whether they are happy in their home and neighbourhood, whether they feel safe as well as how satisfied they are with us as a landlord. This can be true whether it is serious, high level crime or issues relating to factors such as noise. Our priority will therefore always be to resolve and reduce anti-social behaviour so that our customers can live peacefully. We will use enforcement wherever necessary to achieve that aim. Our customers will be at the centre of helping us to identify the issues that matter to them and telling us when we have resolved them.

Our experience shows us that there is a great deal of benefit to tackling some of the root causes of anti-social behaviour while continuing to use enforcement as required. This means working towards prevention wherever possible. This can be done in a variety of ways including early intervention before matters escalate, helping neighbours to understand one another and through an empathetic approach to the vulnerabilities and trauma many victims and perpetrators have already experienced in their lives. Developments we have already put in place include new and ground breaking policies

around domestic abuse, sex offenders, hate crime together with child and adult protection.

This approach helps us to avoid a repeat cycle of enforcement and intervention which does not resolve the problem. It provides a firm basis for robust enforcement action where our efforts to change behaviour do not work. Enforcement will continue to be a key resource, for example where the nature of the behaviour is very serious and having a significant impact on the community, where the perpetrator shows no inclination to engage with help or where that help does not succeed and the community is being detrimentally affected.

Our new Framework will take these developments to the next level, accelerating the creation of calm and peaceful communities where people are proud to live. We have set a challenging target that **by 2026 over 70% of our customers live in neighbourhoods we classify as peaceful**. It will also support many of the other key aims in the strategy. These include the increase in the number of homeless households we house – many of these are likely to be vulnerable or have suffered trauma so our approach will help ensure that these households settle while maintaining stable communities. It will also help support the increasing focus on preventing homelessness from occurring in the first place by supporting vulnerable households who might otherwise have become homeless as a result of either perpetrating or being impacted by ASB.

Customers will co-create our approaches and priorities using our new customer engagement framework “**Stronger voices, stronger communities**”. Our new operating model, developed to support our Group Strategy, is based on highly skilled staff who can empower customers to get the services and support they require. We will increasingly look to digital and easy access approaches so that people can quickly tell us what they want us to hear. In turn we can then respond effectively and quickly while ensuring that no-one is left behind where they don’t have digital skills.

This Framework will embed our approach to anti-social behaviour across all areas of the Group. Our aim is that all our staff will have an understanding of anti-social behaviour and the skills to help customers take the first steps to resolution. We will work with our customer facing staff to ensure that they have the training they need to deliver this aim. Training will apply across all services including the customer service centre, housing officers, concierge and care staff so that they can respond well to anti-social behaviour and can understand underlying issues which may be relevant.

Our approach is laid out within this Framework under five distinct themes. These are:

Prevention;
Early and Effective Intervention;
Asset Based Approach;
Changing Lives and
Enforcement.

Our Organisation

Wheatley Group has a unique integrated Group value proposition that gives our customers unrivalled access to expertise and resources across housing, homelessness, care, support, advice, training, volunteering and employment. Our Subsidiaries are:



Glasgow Housing Association, Scotland's largest social landlord, has more than 42,000 affordable homes in Glasgow. GHA works closely with Glasgow Police Division and the Glasgow City Council Multi Agency Tasking & Coordinating Group to tackle anti-social behaviour. Wheatley Group are also represented on Glasgow's Strategic Community Planning and Safe Glasgow Groups.

Glasgow, as Scotland's largest city, has the highest proportion of our anti-social behaviour. The proportion of ASB incidents reported to us in GHA is broadly in line with its proportion of stock and accounts for almost 80% of our cases. This is often concentrated in areas of high deprivation – in 2019 nearly half of Glasgow's population lived in areas identified as amongst the 20% of most deprived communities in Scotland. Almost a quarter of the most deprived zones in Scotland are to be found in Glasgow.



Loretto Housing Association has more than 2,500 affordable homes across the central belt and works closely with a number of local authorities and police divisions to tackle anti-social behaviour. Our Loretto housing has a higher proportion of customers in supported or specialist accommodation where we work closely with care colleagues.



DGHP joined Wheatley Group in December 2019 with 10,300 affordable homes spread from Dumfries to Stranraer. It provides the majority of the social rented stock in the area. DGHP have well established links with their local police division to ensure a joined up and effective response is provided to all reports of anti-social behaviour. Outside Dumfries the area is largely rural with long distances between communities. One third of the population live in communities with less than 500 people. Approximately 10% of data zones in Dumfries and Galloway are amongst the 20% most deprived in Scotland. The nature of deprivation in such a rural area means that these areas tend to be highly concentrated and also suffer from poor connections – both physical and digital.



Dunedin Canmore provides over 5,000 homes in Edinburgh, the Lothians and Fife. DC works with 3 Police Scotland divisions (Edinburgh City, Lothian & Borders & Fife Division). Wheatley have 2 seconded police officers working with frontline staff in the east of Scotland to tackle antisocial behaviour. Edinburgh has just under 15% of its datazones in the most deprived 20%, while Fife has 20%.

West Lothian Housing Partnership, with over 700 affordable homes works closely with West Lothian Council and Police Division to tackle anti-social behaviour. Just over 15% of West Lothian's datazones are in the most deprived in the country.

Wheatley 360 is our wraparound support division changing lives from every angle. Its role is at the heart of making our communities safer and helping people to settle in their homes. It encompasses the Community Improvement Partnership who work with seconded officers from Police Scotland. This has demonstrated the effectiveness of joint working and knowledge sharing across housing, care and police. Our anti-social behaviour team work closely with communities and households impacted by or perpetrating anti-social behaviour to provide advice, support and resolution. Concierges and neighbourhood environmental teams provide a local and visible service. They keep our communities clean, tidy and provide a friendly face. Our Think Yes approach allows them to do much more – helping our customers where they most need assistance. W360 also includes the homelessness and allocations teams which will create an important synergy as we help people to settle in resilient neighbourhoods.

Wheatley Care provides services to approximately 7,000 customers each year. Wheatley Care's innovative Tenancy Support Service is integral to supporting vulnerable customers and works closely with Wheatley 360 resources to prevent, and respond effectively to, antisocial behaviour. Our wider care services provide support to customers in a whole range of areas including homelessness, alcohol abuse and other vulnerabilities. Some of our vulnerable customers will receive support from Wheatley Care. While the majority will receive care from other providers our expertise means we work to ensure our customers receive the services they need.

Wheatley Foundation invests over £3million annually on improving the life opportunities of disadvantaged people in Wheatley's communities which includes funding our Home Comforts and Eat Well services to customers experiencing poverty. It provides jobs, training and apprenticeship opportunities to many of our customers. These opportunities have given customers with some of the most challenging histories opportunities, optimism and better life chances.

Building on Our Success

Investing in our Futures, the Wheatley Group's first five-year strategy, delivered outstanding customer satisfaction and raised the bar in Scotland and beyond for performance results and business efficiency in housing, care and property management. Over the last five years we have worked with our customers and communities to ensure our neighbourhoods are places customer are proud to live.

The Community Improvement Partnership (CIP) was first established in 2010 by Glasgow Housing Association, Strathclyde Police and Strathclyde Fire and Rescue. In 2017 we undertook a strategic review of our CIP and created a brand new operating model.

As the CIP has developed the benefits of closer links with a range of services became clearer. It became apparent that there were overlaps in the knowledge and services required for some customers who were homeless, for those suffering from or perpetrating ASB and in relation to protection and safety issues such as domestic abuse and vulnerable adults.

As a result, in 2018 the Scottish Justice Secretary, Humza Yousaf, launched our new holistic approach - Wheatley 360. Its focus is to deliver a more seamless, personalised approach across a comprehensive range of 'wrap-around' services that provide a life-line for our customers whilst improving their safety, wellbeing and resilience. The CIP sits at the centre of this service providing core services and insight in relation to safety and vulnerability.

As part of the development of Wheatley 360 we have brought together housing, environmental and support staff from the Wheatley Group with our CIP police and fire officers to tackle everything from antisocial behaviour and fire safety to fly-tipping, graffiti and food and fuel poverty. Services are co-designed by our staff and our customers to address the underlying causal issues to ensure that vulnerable tenants are provided with sustainable solutions that enable them to live safely, whilst enjoying their homes and creating thriving and sustainable communities.

The following unique examples are just some of the ways we are currently tackling and preventing anti-social behaviour across the Group:

Dedicated Specialist Resources

We reviewed the way we deployed our seconded policing team using detailed analytics and feedback from our customers and staff. This led to the creation of a two shift police team increasing our coverage at critical times by almost 300%. This included the provision of 2 dedicated officers to support our customers and staff in DC & WLHP.

A new Police Information and Intelligence Support Unit was created to support the new two team operating model and to ensure our frontline staff received the most up to date police information that was critical to resolving their antisocial behaviour investigations. In the last twelve months this new team have managed more than 2,600 information

requests from front line staff, proactively disclosed over 600 incidents of ASB and have processed more than 1,300 community information and intelligence reports. In the past it could take up to four weeks to get disclosure information from local policing.

The CIP's high profile position within Police Scotland ensures that we are always in the fortunate position to recruit the most experienced and best qualified officers from across the country. For example, our current team of officers has the following skill sets: a hate crime champion, crime prevention & architectural liaison officer, community information and intelligence gathering specialists, community and youth engagement champions, domestic abuse investigators, public order specialists and behavioural detection trained officers. In addition, all our supervisors are trained police incident officers who are able to lead and manage serious incidents and complex investigations.

Our police officers' specialist knowledge is used every day across the Group to support both our customers and staff whether a crime prevention officer is assisting our new build CoE or our hate crime champion is advising our Group Protection Team. Our ability to deploy this specialist resource anywhere in the Group is a unique ability and has brought many successes including the arrest of 2 fire starters in Glasgow.

Partnership Links

The CIP have a unique relationship with Police Scotland through our seconded police team. The CIP Management Team meet monthly with Police Scotland's Partnership Development Manager who is part of the newly created Partnerships, Prevention & Community Well Being Division. This provides unparalleled access to additional support services and national resources. A recent example of this is the support the division are providing to develop a public health approach to drug deaths in DGHP. Dundee City are the sector leaders in this approach and are sharing their experiences and expertise through Police Scotland to the CIP who will tailor this approach for DGHP.

Innovation & New Technology

Our CIP Team are empowered to develop, test and deliver innovative and collaborative changes to suit emerging threats and provide the right mix of services to meet our customer's needs. A recent example of this was the Group's decision to purchase the Noise App, an innovative digital way for our customers to record and report noisy neighbours in a safe way that is compliant with data protection regulations. This will have a particularly positive impact on an issue that now represents more than 50% of customer complaints to our RSLs.

We are also at the forefront of working with a major software company to develop the optimum antisocial behaviour, domestic abuse and vulnerability case management platform that will revolutionise the way we record, report and resolve complex cases relating to antisocial behaviour and vulnerability.

The Group is collaborating with Police Scotland and the Scottish Community Safety Network to bring to Scotland for the first time an innovative, secure, digital platform 'Community View', This will enable the us to gain a real-time understanding of opinions

from customers about our deployments and the wrap around services we are providing. Local engagement has been critical to the success of the CIP and this and other similar developments will take our digital partnership with our customers to the next level.

Anti-social behaviour

Our Antisocial Behaviour Interventions & Preventions Team (ASBIP Team) consists of 15 members of staff who are all highly skilled and trained in effectively investigating and managing the groups most serious/complex and persistent types of antisocial behaviour across Group. The team utilise their skills in adopting a collaborative, problem solving approach to tackling antisocial behaviour, whilst engaging fully with all parties to understand and provide the most appropriate support and guidance.

The teams' primary focus is to work with colleagues and partners to deliver effective intervention and prevention focussed services that seek to support and address the causal factors of ASB, whilst also support those affected by it. The ASBIP Team also provide invaluable support to the Groups front-line teams, specifically our Housing Officers, in offering guidance and support to assist them in their day-to-day role in managing ASB.

Our ASBIP Officers are all highly skilled in preparing cases to be lodged into court where cases cannot be resolved and enforcement is required. They will lead evidence on behalf of the organisation, whilst representing our customers and communities.

Unique Approach to CIP Deployments

The creation of our CIP Operating Model (Customer REASSURES) has ensured that we have continued to develop our understanding of the issues that negatively impact on the safety and well-being of our customers and communities. We have adapted our approach in line with changes across the world and locally in our communities. This meant that, during the pandemic, we continued to be visible and accessible to our customers.

Our new approach involves operating in both the physical and virtual environments increasingly extending our presence into the digital world. It makes strong use of data analytics to inform priorities. For example, the data we now collect has shown us that the majority of complaints are around noise related issues and that this has been exacerbated during the Covid-19 restrictions. These complaints are a low priority for police but have a major impact on our customers. Our interventions are now designed to have a focus on noise issues, alongside other issues identified by our customers. In addition, our data shows us where there is high incidence of ASB, and the nature of it. This enables us to target intervention at communities suffering the most, or seeing a sudden increase in incidents, working with residents to tackle the issues that matter most to them. Our early work in this area has shown the major positive impact that can be achieved within our communities

Our approach to tackling and preventing antisocial behaviour has delivered sustained change and improvements in a number of communities across the Group as can be seen from some of the results achieved since the introduction of our new operating model:

- During a CIP deployment to a community in Dunedin Canmore our approach resulted in a 12.5% reduction in customer reported antisocial behaviour which increased to a 14% reduction after six months. The turn around and sustained improvements in this community led to very positive coverage in the Edinburgh Evening News and a walkabout and photo shoot with our Director of Housing and local MSP
- In Blairdardie, GHA a CIP deployment led to a 44% reduction in customer reported antisocial behaviour including a 51% reduction in noise, 62% reduction in violence and a 13% in disorder. Our 6-month review post deployment highlighted a further improved and sustained reduction of 32% in customer reported antisocial behaviour.
- Whilst in Govan a CIP deployment achieved similar overall results but also a particularly striking 60% reduction in youth related antisocial behaviour. This was one of our communities' top priorities. This performance resulted in the Govan Ward being removed from the City's, Multi Agency, Tasking and Coordinating Groups top priorities for the first time in three years. Our approach also received praise from the Scottish Justice Secretary Humza Yousaf and was subsequently awarded Cash Back for Communities funding which has been used to support much needed youth outreach work.
- Our most recent deployment to Wyndford achieved a 26% reduction in customer reported incidents of antisocial behaviour, a 30% reduction in disorder and a 54% reduction in violence. A focus on the customer priority of drug dealing led to 14 drug dealers being arrested with over 6kg of drugs in total recovered after 5 house searches. This is the first ever deployment that was based on our Group Strategic priority of creating '**Peaceful**' communities. The deployment continued until all five data zones incorporating our 1,500 homes had moved from being merely safe to calm and peaceful communities. The comments below were made by local customers and partners:

"It is this level of joined up working that will inspire and nurture connections within the community" - Head of Wyndford Nursery following CIP actions in relation to threats and ASB.

“The increased police presence can be felt, you can see the difference, it’s like back to when we first moved in and had community police officers” - Elderly Cube resident to Housing Officer.

“I now appreciate that my actions are unacceptable and I am trying my best to change my behaviour” – Anonymous perpetrator of noise, following package based CIP police interactions and warnings (no further calls to date)

“This is an excellent partnership which is having a great impact on the Wyndford area” - Local Councillor and Cube Resident, Chair of Safe Glasgow Group

“In what has been a challenging time, our colleagues at CIP have been an invaluable resource to the team. It’s great to see the benefits this partnership has brought to Wyndford.” - Head of Housing, Wheatley Housing Group

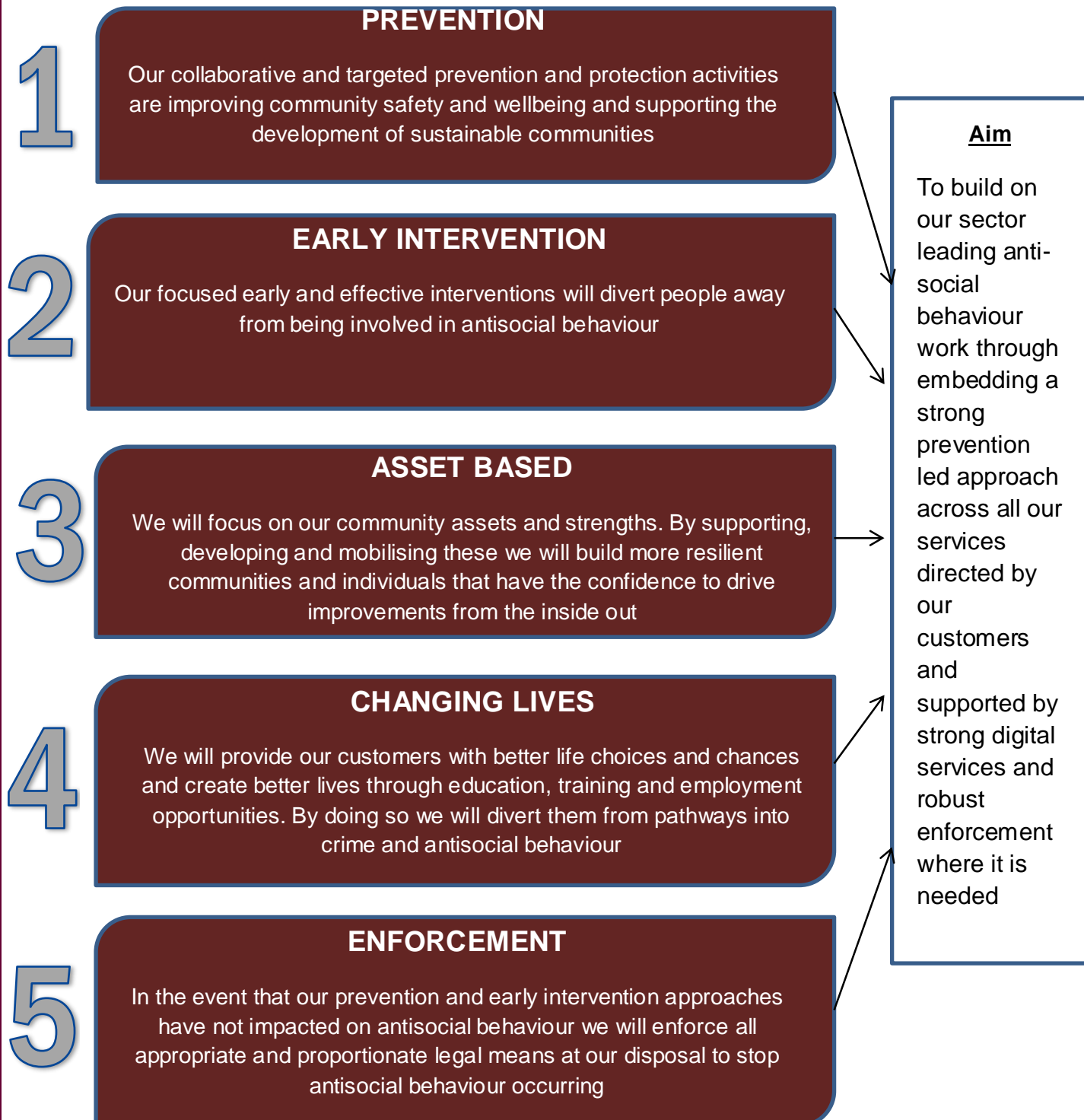
Our approaches to tackling crime and antisocial behaviour have been widely recognised across the Country. This includes the Scottish Government’s Divert & Deter, Serious and Organised Taskforce recognising the CIP operating model as best practice – resulting in a delegation from the Home Office visiting Wheatley. Police Scotland’s Partnerships Prevention & Wellbeing Division have recognised the CIP Operating Model and promote our approach to their other partners. They regularly bring visiting forces from across the world to showcase the work they do in partnership with Wheatley. Two recent examples are the visit of the Deputy Chief Officer from Toronto and of 20 Senior Officers from Beijing.

Our Vision to End Antisocial Behaviour

Strategic vision: Our Antisocial Behaviour Prevention and Mitigation Framework will create calm, peaceful and sustainable communities where people are proud to live.

Our aim: To build on our sector leading anti-social behaviour work through embedding a strong prevention led approach across all our services, directed by our customers and supported by strong digital services and robust enforcement where it is needed.

We will deliver this aim by successfully achieving the following five key outcomes:



This structured approach to anti-social behaviour focuses on ensuring that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. It will support digital provision of services where these are appropriate, recognising that it is important that “no-one is left behind”. In particular, we recognise that those who are living in socially deprived communities may have particular challenges in gaining access to or using digital services.

Success will be dependent on strong relationships with our customers and communities. They must feel confident to report issues and information to us and our partners, knowing we will use it effectively for prevention and enforcement. Our ability to provide quality resolutions to issues and to respond to customer feedback will be vital to this.

Our “confidence cycle” will be an important element of this approach. This helps increase people’s willingness to provide information and report issues. In turn, the information we receive can be used to target crime, reducing incidence and creating a more peaceful community. This then further encourages the community to have confidence in sharing information with housing officers and police to create further benefit.



We have created a model to define communities as safe, calm and aiming to have 70% of our communities meeting the definition of “peaceful” as shown in the matrix below.

		Public Reported Incidents of ASB					
		→					
		Low Volume and Stable/Improving	Low Volume yet Emerging Deterioration	Low Volume yet Sustained/Progressive deterioration	High Volume yet Stable/Improving	High Volume yet Emerging Deterioration	High Volume yet Emerging Deterioration
Deprivation (SIMD)	Levels of affluence and Improving	Peaceful	Peaceful	Peaceful	Peaceful	Calm	Calm
	Levels of affluence yet Worsening	Peaceful	Peaceful	Peaceful	Calm	Calm	Safe
	Levels of deprivation yet Improving	Peaceful	Peaceful	Calm	Calm	Safe	Safe
	Levels of deprivation and Worsening	Peaceful	Peaceful	Calm	Calm	Safe	Safe

This Framework recognises that preventing antisocial behaviour requires a partnership of many organisations. We will continue to support local authorities and Police Scotland in their statutory role to prevent anti-social behaviour. Our people are supported and trained to think innovatively, to think yes together with their customers and to provide leadership in digital transformation. We will use this innovative style to help provide thinking which challenges and encourages a new approach to services. We will work with partners across the country to share innovation and best practice to deliver our aims.

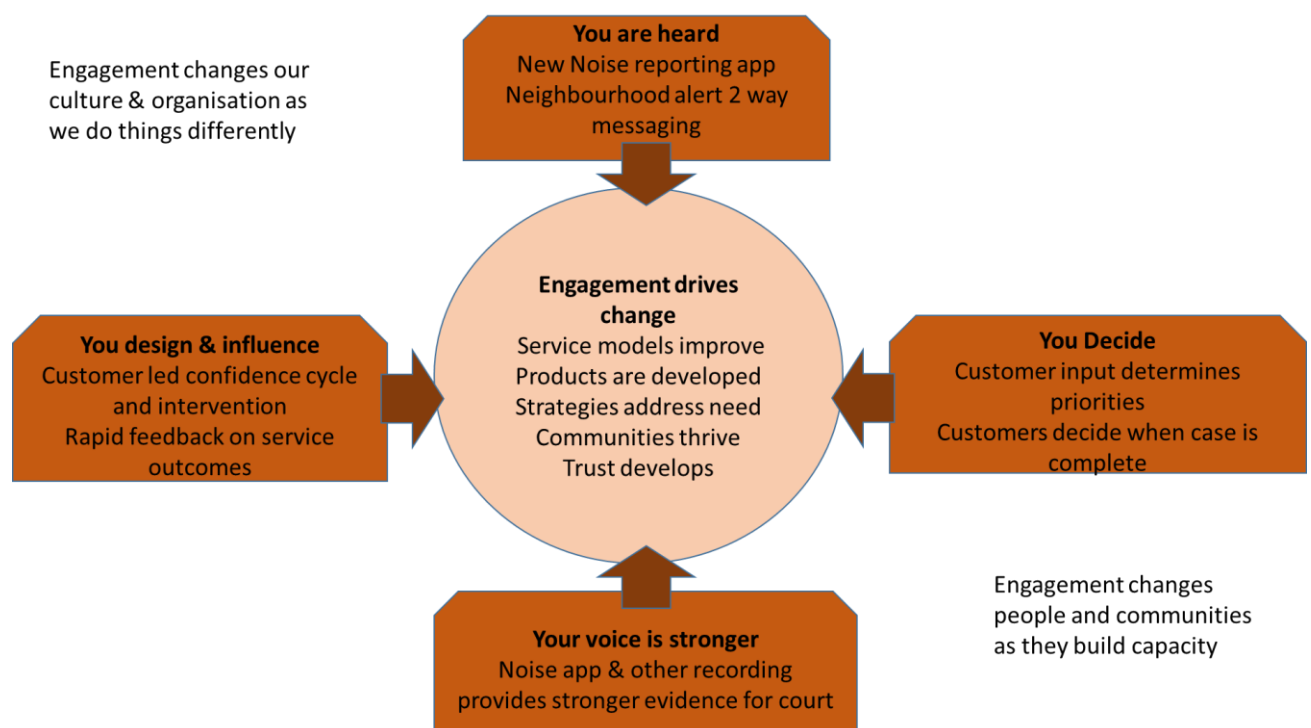
Excellence is embedded in the Wheatley DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different and more stretching ways, looking to further improve the aspects of service which matter most to customers.

Voice of the customer

In line with our Group Strategy, the process of refining and developing our services in relation to anti-social behaviour will be led by our customers. Wheatley customers already influence services through a wide range of engagement processes. Our new Engagement Framework “Stronger Voices, Stronger Communities” puts customers at the heart of decision making. This is particularly important for customers and communities experiencing anti-social behaviour where a sense of powerlessness to effect change can exacerbate the situation.

Our new approach ensures customers are at the heart of planning and decision making. This will help to replace that sense of powerlessness with confidence that change can be achieved. We know that this engagement will also have a powerful effect in building resilience in our communities.

The diagram below shows some examples of how this will work in relation to our anti-social behaviour services.



This Framework will take engagement to a new level for those customers who have experienced or are experiencing the impacts of anti-social behaviour. We recognise that our customers may have many issues in their lives and will ensure that our engagement approach makes it as easy as possible for people to talk to us and to become involved in directing service decisions. Our partners will also be working to engage with customers so we will work with them to ensure maximum joint benefit from each engagement. The diagram below sets out the key pillars of our approach.

We listen You are heard	<ul style="list-style-type: none"> • You tell us if we are doing well or if we are getting it wrong
We consult and co-create You influence and design with us	<ul style="list-style-type: none"> • You help us improve services • You work with us to design new services or products
We give power to... You decide	<ul style="list-style-type: none"> • You direct spending and resources • You set policy priorities
We support Your voice is stronger and people listen to you	<ul style="list-style-type: none"> • We help you to build capacity in your communities

Our engagement approach will mean that customers direct our approach across a range of areas. It will include:

- Identifying the priority issues in their own community;
- Develop the best ways to strengthen neighbourliness in their areas;
- Help empower their community and others around them to take control of situations and build capacity
- Engaging with us on the when, how and where of our anti-social behaviour work; and
- Directing support received from us so that it works best for the customer.

National & Group Context

In terms of national policy, the 'Promoting Positive Outcomes: Working Together to Prevent Antisocial Behaviour in Scotland' framework (published in 2009) remains the Scottish Government's most recent antisocial behaviour policy document. When developing antisocial behaviour strategies, and looking at new approaches to service design and interventions, it still provides the strategic direction for Local Authorities, Housing Associations and other statutory partners to follow.

Its' principal aim is to prevent antisocial behaviour from happening in the first place by:

- Encouraging agencies to work together more effectively;
- Involving communities more closely in developing local solutions; and
- By communicating positive, evidence-based messages about our people and places.

These aims are still relevant today and both our Group Strategy and this Framework are committed to prevention, community involvement, positive messaging and joint working. Our Framework builds on these by taking the next steps. These include developing customer control and real co-creation of services, not just consultation processes and seeking to influence our partner agencies to adopt a similar approach.

The Scottish Government recently commissioned the Scottish Community Safety Network to undertake some up to date research. This research, which was published in July 2020, aimed to provide an updated picture of antisocial behaviour in Scotland. Some of the key findings were:

- Levels of ASB have decreased over the past 10 years and the public have noticed this decline in their areas. 29% of adults in 2017/18 thought ASB was common in their area which is down from 46% in 2009/10;
- Those living in the most deprived areas, in socially rented housing and in large urban areas, as well as younger people, are more likely to perceive ASB issues in their area;
- While it is an improving picture, there is still a strong link between ASB and deprivation, possibly as a result of more densely populated communities and a lack of community facilities;
- Perceptions of ASB and who engages in it are often inaccurate and influenced by stereotypes;
- Court action for ASB has decreased over the last 10 years, reflecting a shift from treating ASB as an issue of law and order that requires sanctions to one of addressing perpetrator vulnerability to prevent ASB.

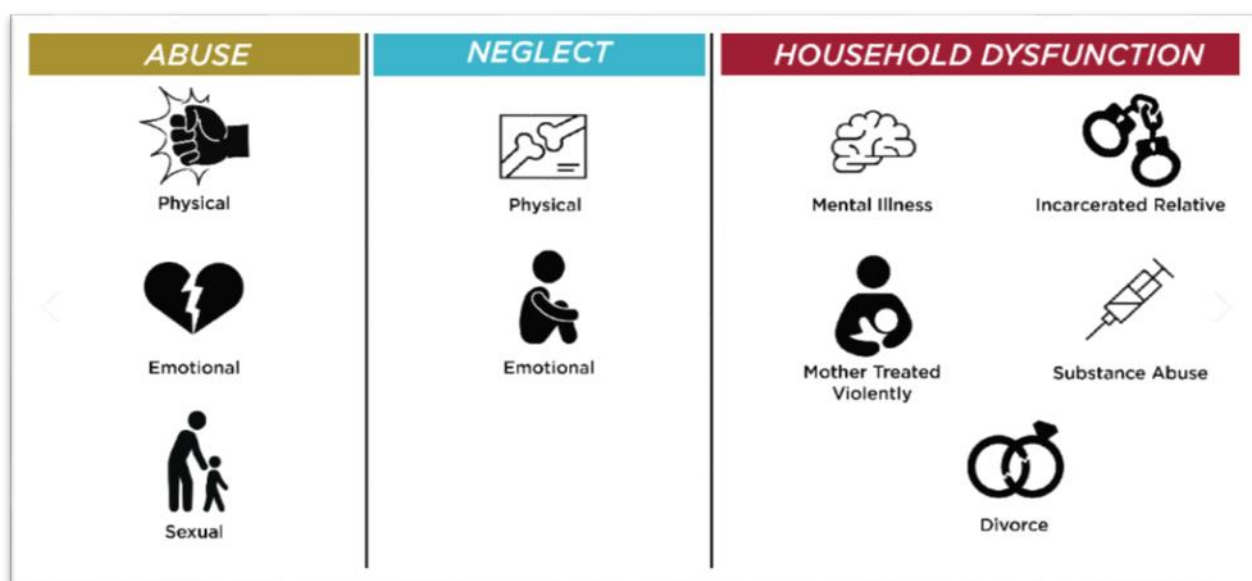
In recent years a growing body of research has directly linked the prevalence and type of antisocial behaviour in our communities to issues such as childhood adversity/victimisation and poverty.

International research has shown that a significant number of adult perpetrators of certain crimes and antisocial behaviour have experienced high levels of childhood trauma and

maltreatment. These are commonly known as Adverse Childhood Experiences or ACEs. This body of evidence is also reflected within Scottish statistics where we know that:

- 45% of adult prisoner survey respondents reported that they had been physically abused in their homes as a child;
- 61% of adult prisoner survey respondents had been bullied at school or somewhere else; and
- 56% of young people in custody said they had been sworn at, humiliated or put down by an adult in their own home.

The ten most commonly measured ACEs are categorized as follows:



Drug and alcohol misuse is a major issue across Scotland. Levels of misuse tend to be higher in areas of social deprivation but it is an issue in all our RSLs. We know that drug and alcohol dependencies can increase the likelihood of anti-social behaviour. Evidence suggests that in many cases the root cause of people becoming addicted to drugs and alcohol can be traced back to traumatic experiences in their childhood. Being able to support and treat customers to help them overcome or reduce use should be a key part of limiting ASB.

To do this we will need our customers to have quick and easy access to the support services they need, delivered by our partners in health and local authorities. We will help ensure that our customers' voices are heard by the organisations responsible for providing specialist support and we will work in partnership with those organisations to ensure that services are as seamless as possible. Our training and employability options form a key part of supporting customers with substance misuse issues. Providing hope and a purpose in life can help avoid a spiral of decline in misuse and help those recovering from addiction.

We have seen the impact that embedding specialists within our teams has delivered in areas such as domestic abuse and suicide prevention. We will expand this approach to

work with our local authority and health and social care partnership colleagues in relation to addictions. In addition, we will look to bring learning from substance abuse professionals into the training that we will give our staff.

Mental health issues are growing in prevalence in society. It is likely that the covid-19 pandemic will only increase this trend. Our experience is that issues can often arise where our customers have low level mental health issues. These are often not sufficient for them to meet the criteria for specialist support. Despite this, our customers can struggle to live safely in a home and some will also behave in an anti-social way as a result. Using our care expertise and strong partnerships, we will seek to find ways to increase the support to these customers.

Increasingly our partners are developing a similar approach and our joint objectives will support the achievement of the best results for customers. A key outcome for Police Scotland is “To protect people effectively, Police Scotland will evolve, sharpening its focus on keeping people safe from harm, whilst embracing innovative technologies and partnerships. Police Scotland will continue to be a key contributor to local joint planning and delivery, as well as to national cross-sectoral partnerships, helping drive a shift to prevention and early intervention across services.”

Similarly, the Scottish Fire and Rescue Service has a strategic outcome to “work in partnership with communities and others in the public, private and third sectors, on prevention, protection and response, to improve the safety and well-being of people throughout Scotland”.

Prevalence of crime and anti-social behaviour

For much of the last 10 years there has been a general decline in the number of recorded crimes in Scotland. Between 2018-19 and 2019-20, crimes recorded by the police in Scotland remained almost unchanged, increasing by less than 1% from 246,480 to 246,516. The 2019-20 figures include 1,681 new crimes recorded under the Domestic Abuse (Scotland) Act 2018, following its enactment on the 1st April 2019. The recording of crime remains at one of the lowest levels seen since 1974.

We know that ASB levels have increased significantly during the pandemic. The Police have recorded an increase in ASB issues of approximately 35% in Glasgow City. Across the Group, we have seen a slightly lower increase at 27%. Most of the increase has been related to noise and the impact of people being at home far more.

Our CIP has a well-established information sharing approach that provides us with detailed intelligence on all antisocial and violent behaviour in or around Wheatley properties. This information can be broken down by Subsidiary and then Local Housing Office or ‘patch’.

The data we now have has already allowed us to develop services which target key issues. For example, our increased understanding of domestic abuse issues has allowed us to create the Group Protection Framework with a range of increased supports for victims and actions against perpetrators. Our data has shown that noise

issues are the cause of the majority of complaints. These tend not to be a major focus for police work but do have a significant impact on our customers' wellbeing. We have developed a number of strategies to deal with noise issues which will be expanded during the course of this Framework.

The changing nature of crime

Serious and organised crime (SOC) affects more UK citizens, more often, than any other national security threat. It has a daily impact on citizens, public services, businesses, institutions, national reputation and infrastructure. SOC is estimated to cost the UK economy at least £37 billion a year, with this cost increasing year on year. This figure is highly likely to be a significant underestimate, particularly in relation to areas such as fraud.

The shifting demographic in Scotland has a major influence on how public services must work together to protect the most vulnerable people in our communities. Adult concern calls to Police Scotland have risen by 13.7% in the last two years, with a significant proportion of calls relating to vulnerability.

Advancing technology gives offenders new tools to commit and hide their crimes. Today's criminals can sell drugs, share indecent images of children, or hack into national infrastructure from anywhere in the world, communicating covertly through encrypted services and moving illicit finances at speed. Notable trends in the past year have related to the criminal use of encryption tools, the dark web and virtual currencies.

Advances in technology have also led to an increased threat of cybercrime, the use of technology in recorded cases of fraud has increased significantly in the past year, and 67% of stalking / harassment crimes now have an element of digital enablement.

Child sexual abuse and exploitation (CSAE) remains a high-volume offence, with recorded instances increasing across Scotland. It covers a range of crimes, from offending in the family context, to generation of indecent images, online grooming, blackmail and extortion.

These changes in digital and online behaviour have a significant effect on our communities. Disputes between neighbours can often be rapidly escalated via social media making it harder to resolve. The advent of social media has also vastly increased the incidence of outings of sexual offenders (accurately or otherwise), again causing disruption in our communities. While the crime element of this trend is dealt with by the Police we increasingly have to support our communities and deal with the outcomes.

Our approach will take account of these changing trends. It will seek to ensure that our communities are alert to new forms of crime and new methods of committing crime so that they can protect themselves from these. Our approaches will ensure that we take a whole community view, seeking to minimise the disruptive impact on our customers.

Our Strategic & Operational Response

Prevention

Our Aim:

Our collaborative and targeted prevention and protection activities are improving community safety and wellbeing and supporting the development of sustainable communities.

We know that feeling safe and secure in their home, and community, is extremely important to our customers and this in turn directly affects local demand and community stability. To successfully deliver this goal, customers must be at the centre of our work so that we are clear about what their concerns are and what they need. We must also build on our existing good relationships to work collaboratively with local authorities and other key partner organisations, such as Police Scotland, to develop sector leading antisocial behaviour prevention services. These services will protect, develop and support our communities to reach their full potential and become peaceful places where customers are proud to live. In addition to tackling and preventing crime and anti-social behaviour we will develop new and innovative ways to prevent, disrupt and respond to ever more challenging and complex problems by enhancing our use of digital tools and tactics.

Our four pillars of prevention are:

Community Prevention

We will focus on the causal factors of antisocial behaviour at a community level and introduce prevention focussed services designed to change the conditions that influence antisocial behaviour in our communities

Developmental Prevention

We will focus on interventions designed to inhibit the development of antisocial behaviour in individuals by targeting risk. Our support and other interventions will be designed to lower risks and provide life chances which increase a sense of community

Situational Prevention

We will focus on physical crime prevention and interventions designed to reduce the opportunities for antisocial behaviour and to increase the risk and difficulty of committing antisocial acts in the first place

Criminal Justice Prevention

If our prevention and early intervention approaches don't have the desired effect or where there is an imminent and serious risk to the community, we will use all legal measures to prevent individuals continuing to commit antisocial acts

Prevention – Our key measures

- Create a baseline for reporting in Streetwise post- covid to allow us to set informed targets for levels of reporting in each year.
- 100% of customers who request home safety and security consultations receive these
- 20% of priority neighbourhoods have a Wheatley community advocate by the end of the pilot process
- % of customers satisfied with the digital reporting system (baseline to be determined)

Prevention – case study

Our Home Safety Team work very closely with our CIP Police Team Crime Prevention Officer to improve the safety and security of some of our most vulnerable customers and their homes. A recent example involved a customer who was deaf and mute and lived in a street where there had been an increase in youth related antisocial behaviour. The customer's housing officer contacted the CIP for help. The next day the CIP were able to visit the customer and carry out a home/fire safety visit with an interpreter. During the visit the customer was provided with a range of home and personal safety products including the latest video doorbell. The customer was delighted with the service and has let their housing officer know how much safer they now feel. This approach to home safety and security has been provided to 170 customers this year alone. The demand for the service continues to grow.

Early Intervention

Our Aim:

Our focussed early and effective interventions will divert people away from being involved in antisocial behaviour.

We know that early and effective intervention has an important role to play in preventing crime and anti-social behaviour occurring in the first place.

The early identification of the characteristics that may lead to a customer or community becoming anti-social enables us to provide bespoke wrap around services. These can dovetail with our Wheatley Foundation work to reduce social exclusion and improve outcomes for disadvantaged communities. Characteristics we will particularly focus on include childhood trauma, vulnerability and current or previous drug and alcohol abuse.

We are developing predictive analytical approaches to identify communities that are susceptible to increased levels of crime and anti-social behaviour. Artificial intelligence will mine our rich data to support our frontline teams, spot trends and empower us to deliver personalised customer services where they are most needed. We will draw on our care expertise to mainstream effective tenancy support approaches into the skill sets of our customer facing staff, to help our tenants sustain their homes and lead their own lives, this will include experiential learning around the impacts of substance misuse, Adverse Childhood Experiences and mental health. We will work closely with our strategic

partners acknowledging that keeping people safe and promoting community wellbeing is a shared responsibility.

Our early intervention key measures

- Reduce the number of repeat complaints of ASB by 20%
- Reduce the number of noise nuisance calls customers make to Police by 25%
- 100% of customer facing staff are trauma informed and easily able to identify the characteristics associated with vulnerability
- Our Prosocial Behaviour media campaign is recognised as helpful by staff and customers across the Group

Early intervention – case study

An elderly couple in the North of Glasgow had lived peacefully for years in their end terraced house until the school at the rear of their home was closed. A path ran adjacent to their garden which formerly accessed the school. Over time, the path was not maintained and shrubs and trees began to grow over the path providing a canopy that could not be seen from the road. A group of youths began to congregate, drinking and playing loud music. This led to vandalism and broken bottles being thrown at the gable of our customer's home. After many calls to local police our CIP Team identified the pattern during their analysis of Group antisocial behaviour incidents.

Our customers were visited by the CIP who took time to listen to the concerns of the elderly customers before providing the reassurance that things would start to improve. Over the next few weeks visits and crime prevention surveys were carried out and partners engaged including the police and local authority. The CIP's recommendations were all progressed including removing the shrubbery, replacing broken street lighting, upgrading and repairing the customers fence, engaging with the local youths and providing positive alternatives. The CIP monitored police systems for any incidents at the property and called the couple once a week regardless. Our approach to antisocial behaviour prevention resulted in a heart-warming letter being received from the couple simply stating ***"Thank you! You have given us our lives back."***

Asset Based Approach

Our Aim:

We will focus on our customer and community assets and strengths in order to build more resilient individuals and communities, driving improvements from the inside out

Our Assets based approach is an integral part of our vision of creating calm and peaceful communities. It will encourage people and communities to come together to achieve positive change using their own knowledge, skills and lived experience of the issues they encounter in their own lives. The most important resource in dealing with anti-social behaviour will be our communities and the people in them. The focus will be on building people's skills and expertise to strengthen the sense of neighbourliness. Physical and

virtual locations that we and our partners have in our communities will help to support this.

We recognise that positive health and social outcomes will not be achieved by maintaining a 'doing to' culture and respect that meaningful social change will only occur when customers and communities have the opportunities and agency to control and manage their own futures. Our assets based approach recognises and builds on a combination of the human, social and physical capital that exists within our local communities.

We will take our award winning Think Yes culture to the next level to introduce Thinking Yes Together, improving the self-reliance of our customers and enhancing digital connectivity. Customers will be able to draw down many of our services easily and reliably at a time and place of their choosing.

Our Asset key measures

- 95% of customers actively engaged in shaping ASB services feel they have played a part in informing decision making
- Increase the number of customers who sign up for our neighbourhood alert system by 25%

Asset based approach – case study

During a recent CIP deployment in the South of Glasgow youth related antisocial behaviour and drunkenness was identified as a top customer priority. The CIP recruited some youth leaders to work with and engage with the local youths. The main focus was to establish what would divert them away from hanging about and causing antisocial behaviour.

The youths unanimously stated that a place to gather that was warm and safe and where they could play online games would be great. The CIP identified an abandoned shop that was still owned by the Group and applied for community pay back funding to upgrade the shop into a youth club. The local youths were brought into assist with the work.

Late night basketball was also requested. A local youth was trained up as an organiser, flood lights were borrowed from another Wheatley community and a local court was identified. These two projects had a significant positive impact on the local community. Youth related antisocial behaviour reduced by 60%.

Changing Lives

Our Aim:

We will provide our customers with better life choices and chances, creating better lives through education, training and employment opportunities.

By doing this we will build resilience and the ability to support their own communities. These life chances will also help to divert those who have committed or are at most risk of committing crime and antisocial behaviour into more positive pathways.

Almost half of Scotland's most deprived communities are within our neighbourhoods. Deprivation reduces life chances and makes life more difficult for households. At Wheatley, our mission is to make homes and lives better. We will make lives better through a comprehensive range of services. These include specific services such as tenancy support, fuel advice or money advice which help our customers manage in their homes. It also includes a range of opportunities that are uniquely available to Wheatley customers. As part of this Framework our customers will be given access to a range of training through Wheatley Academies. They can also be given additional help and support to ensure that they can get the most out of these opportunities.

Changing lives is not only about individuals but about communities. Our Group Strategy and this Framework set out our ambition to make communities stronger. The impact of the Covid-19 pandemic has shown just how much neighbours can help and support each other. We will work to develop this further by helping people to understand the issues that some members of the community face – whether as refugees, through mental health issues, addictions, homelessness or trauma.

Our ideal is that individuals and communities can take the lead in identifying issues and in developing local solutions. We will work to identify local community advocates who will help to support effective communities. The approach will be underpinned by a commitment to support people's ability to live life to the fullest as part of a strong, thriving sustainable community. Our customers will be at the forefront of the development of our services throughout the lifetime of this Framework. These actions will help to develop community resilience and voice, in turn creating neighbourhoods which work together to create strong communities.

Our Changing Lives key measures

- % of vulnerable customers who have tenancy star in place
- % of Wheatley Foundation opportunities taken up by those who have been referred as a result of being impacted by or perpetrating anti-social behaviour
- We will also develop a measure around the uptake of wraparound services

Changing Lives – case study

A young male who was part of a local gang and involved in drunkenness and antisocial behaviour was identified by one of our Environmental Team Leaders. The male was initially encouraged to get involved with the local five a side football game the Group organised.

This in turn led to an opportunity to enrol in our “Changing Lives” programme which provided him with training and ultimately a job. The male turned his life around and was even able to put down roots when he was offered a local house.

The young man is now providing W360 services in the very area where he was once a member of a youth gang.

Another great example of what Team Wheatley can deliver in changing chaotic lives into resilient, peaceful ones.

Enforcement

Our Aim:

In the event that our prevention and early intervention approaches have not impacted on antisocial behaviour we will enforce all appropriate and proportionate legal means at our disposal to stop antisocial behaviour occurring

We know that feeling safe and secure in their home, and community, is extremely important to our customers and this, in turn, directly affects community stability and the desire to live in an area. To successfully deliver this goal for our customers we need to work collaboratively with local authorities and other key partner organisations, such as Police Scotland, to develop sector leading antisocial behaviour services. These services will protect, develop and support our communities to reach their full potential and become great places to live.

Instances of antisocial or criminal behaviour, particularly where they become repeated or entrenched, can adversely affect our tenants’ feeling of safety, the quality of the environment and their ability to peacefully enjoy their homes.

We are committed to tackling all reports and forms of antisocial behaviour in an effective manner. Our early intervention and prevention approach, aligned to our Community Improvement Partnership confidence cycle will reduce anti-social behaviour but we will use appropriate and proportionate enforcement action where it is needed. This will be the case where the issues are so severe that they need to be dealt with immediately or where other action is having no effect.

In some cases, we may need to move the perpetrator in order to protect the community. This Framework sets out how we will seek to do this through planned pathways wherever possible. Working with partners, we plan to establish alternative accommodation routes to break a cycle of anti-social behaviour and eviction. This may involve the use of alternative supported or other specialist accommodation or it may simply require a

change of location to somewhere where there is more family support or where a fresh start can be made.

Our Enforcement key measures

- 50% increase in submission of community information and intelligence direct to our Police Information and Intelligence Unit

Enforcement – case study

Drug abuse and drug dealing are regularly in our customers' top priorities the CIP were recently asked to support a local housing office to gather information/intelligence that would support an application to evict a tenant who was a well-known drug dealer.

Our CIP Police & ASBIP Team worked tirelessly to try and find a customer willing to speak up to what was going on in their community. The drug dealer had convinced the courts that they had turned their life around and was now a model citizen.

The drug dealing customer was due to be moved into a brand new home.

The CIP Team were able to gather enough information and intelligence to secure three drug search warrants for houses related to the drug dealer.

The subsequent police operation involved over 60 specialist police officers and search dogs. The operation was a huge success with drugs, monies and stolen property being recovered and the drug dealer and associates arrested. The drug dealer was subsequently evicted.

The community leaders were hugely complimentary of the CIP's involvement in ridding their community of the Drug Dealer.

Our approach

Moving forward we aim to future proof and build on the outstanding achievements delivered to date through our new Framework. The Framework is also a key element in the delivery of our Group wide strategy. It sets a very clear benchmark for the standard of service our customers should expect over the next 5 years and beyond.

The Framework supports the Strategy in some of the following key ways:

- Creating the detailed approach to delivering peaceful neighbourhoods;
- Improving customer satisfaction with home and neighbourhood through reduced anti-social behaviour and increased resilience within communities;
- Creating the digital platforms for anti-social behaviour which allow customers to self-serve, to engage with us when and where they want and which help us work more efficiently;
- Working across the Group to ensure our programmes to build community resilience and increase neighbourliness reach out to those most vulnerable and most excluded; and
- Preventing homelessness by reducing the number of people who need to leave their home either because they perpetrate ASB or because of the impact of such behaviour.

Our approach will require effective partnership working at local community and subsidiary level. No one agency or organisation can tackle antisocial behaviour alone. We will work together with our customers, colleagues in Police Scotland, Scottish Fire and Rescue Service, Local Authorities, Health Authorities, Community Justice, Social Work and Education. Together we must develop shared outcomes based on joint priorities, local intelligence and customer insight.

The table below shows where the Antisocial Behaviour Framework has significant importance for the delivery of our strategic themes.

Strategic Themes				
Delivering Exceptional Customer Experience	Making the Most of our Homes and Assets	Changing Lives and Communities	Developing our Shared Capacity	Enabling our Ambitions
Key Outcomes				
<ul style="list-style-type: none"> • Enabling customers to Lead • Progressing from Excellent to Outstanding 	<ul style="list-style-type: none"> • Investing in existing homes and environments • Building community voice, engagement and resilience 	<ul style="list-style-type: none"> • Developing peaceful and connected neighbourhoods 	<ul style="list-style-type: none"> • W.E. Create - driving innovation • W.E. Work – strengthening the skills and agility of our staff 	<ul style="list-style-type: none"> • Influencing locally and nationally to benefit our communities

The following sections summarise the key actions we will undertake through this Framework.

Delivering exceptional customer experience

Progressing from excellent to outstanding

- Embedding our approach to ASB across all our services and staff so that customers receive a consistent and supportive response wherever they contact us
- Improving our customers' experience through:
 - Creation of a new Community Safety Solutions & Prevention Hub to enhance our dynamic response to anti-social behaviour
 - Using our sector leading approach to customer involvement and data analysis to influence our priorities and those of our partners in line with our customers' objectives (including our data analysis partnership with Brainnwave)
- Develop the skills of our frontline staff including those in the CSC, housing officers, environmental staff and care staff, so that they can:
 - provide a first line response to ASB;
 - deliver a supportive space for customers to report or discuss concerns;
 - understand the traumas and vulnerabilities that may be relevant;
 - link customers to community networks;
 - understand some early resolution approaches and when they may be considered.
- Deliver customer informed digital approaches which make it easy to communicate with us and to receive information from us.
- Create a Group definition of vulnerability in relation to fire and anti-social behaviour to help support early intervention, prevention and understanding of our customers
- Develop the ability to record vulnerability characteristics, where appropriate and agreed by the customer, in order to provide pioneering products and services tailored to customers reducing the likelihood of them becoming a victim or perpetrator of anti-social behaviour in the future

Enabling customers to lead

- Support our customers to co-create a "Neighbourliness Charter" which defines what it means to be a good neighbour
- Conduct joint customer- led crime prevention audits in all of our communities currently categorised as safe in order to identify priorities
- Create new digital engagement processes which allow customers to co-create services with us
- Provide new, digital systems to allow customers to direct and engage with services including:
 - 24/7 digital reporting methods;
 - Increased use of "Rapport" messaging which provides 2-way communication for our most vulnerable customers; and
 - Development of crime and anti-social behaviour toolkits for customers with expert advice and guidance on spotting the early signs of crime & ASB, including what to do and expect if they become a victim of crime or ASB

- Develop integrated case management which ensures the customer can draw down the most appropriate resource to deal with their case at a time of their choosing.
- Extend the use of our innovative tenancy star for tenants with vulnerabilities. This will enable customers to direct their services to meet their priorities
- Develop learning from the fire safety “stay safe” campaign to develop communication campaigns in relation to ASB

Making the most of our homes and assets

Increasing the supply of new homes

- Use our expertise in anti-social behaviour and Community Improvement Partnerships to provide skills in 'Designing out Crime' to our Asset Team and New Build CoE

Investing in existing homes and environments

- Work with customers to develop home safety and security products which best meet their needs

Building community voice, engagement and resilience:

- Review the options to build community resilience and connectedness through volunteer community advocates/navigators, building on the experience of others in the community who may once have faced trauma or other issues, supporting communities and individuals to have a stronger voice and to create a greater sense of neighbourliness
- Co-create a '**Wheatley Place Measure**' that reflects the criteria our customers identify as the hallmarks of a successful and resilient community
- Ensure pathways into our new community entrepreneurship and resilience programme for our vulnerable customers
- Work with our customers to co-create community networks for those customers who do not receive additional support

Changing lives and communities

Shaping care services for the future

- Reshape our Tenancy Support Service to provide:
 - early assessment and support for at risk customers, particularly those who have been homeless or have vulnerabilities;
 - a focused approach to managing ASB;
 - Building resilience to cope with ASB; and
 - Effectively identifying pathways of specialist support where these are needed.
- Mainstream our effective tenancy support approaches into the skill set of all relevant customer facing staff to help our tenants sustain their homes
- Work with partners to develop clear pathways for care services, specialist services, risk management strategies, and protection plans for our customers, including services for low level mental health issues
- Work with partners to identify new pathways of support for those at risk of repeated homelessness through anti-social behaviour
- Ensure that our volunteering offer can have maximum benefit for customers with vulnerabilities, those experiencing and perpetrating ASB, wherever appropriate
- Develop new partnership approaches to tackle the harm caused by drug and alcohol abuse

Developing peaceful and connected neighbourhoods:

- Expand and develop our customer confidence cycle so that customers are at the heart of directing services and strengthening their communities
- Use our better lives focus to connect households to their neighbourhoods through support which encourages engagement including group activities, volunteering and other actions.
- Use our virtual spaces to create room for community discussion to help grow the understanding and support for newcomers but also to address the impacts or concerns existing tenants may have.
- Support work to use our facilities for the benefit of communities and creating neighbourliness
- Ensure our enforcement process builds on our understanding of root causes and is used rapidly and effectively where it has to be implemented
- Influence our strategic partners and the Scottish Community Safety Network with our unique and sector leading approach to reinventing neighbourliness and pro-social Behaviour
- Improve our strategic links with our approach to Group Protection for vulnerable people

- Work with Scottish Fire & Rescues' Prevent and Protect Team to change the behaviours of those customers involved in setting deliberate fires

Supporting economic resilience in our communities:

- Review our Wheatley Foundation and other wider services to maximise the employment, training and skill building opportunities available to customers who are vulnerable, have had adverse childhood experiences or who are at higher risk of being impacted by or perpetrating anti-social behaviour
- Use our proposed participatory budget events in our priority communities to increase confidence and resilience
- Further develop our sports for change programme to encourage young people to get active and involved.
- Work closely with Police Scotland's Cyber Crime 'Centre of Excellence' ensuring our customer receive the best possible advice and guidance on preventing them from becoming a victim of online exploitation or fraud

Developing our shared capability

W.E. Think – creating our “Thinking Yes Together” culture

- New, digital apps will be used to allow customers to direct and engage with services

W.E. Create – driving innovation

- Work with our partners to examine options for integrated commissioning of support across homelessness, addictions, mental health, criminal justice and general health budgets in order to achieve a comprehensive and effective service for our customers
- Enable customers to access online learning to build up Wheatley Credits for housing, care and property management that will be a recognised part of Wheatley’s Pathways into Work programme

W.E. Work – strengthening the skills and agility of our staff

- Train all customer facing staff in our approach to understanding trauma, preventing ASB and building community resilience, linking to the THRIVE model used by our Police Scotland colleagues
- Ensure all our staff are trained in our approach to ASB and knowledgeable about key factors which are relevant including trauma, vulnerability, addictions and mental health issues.
- Increase the skills of our frontline staff, including the customer service centre and housing officer teams to receive and respond to reports of ASB
- Increase our understanding of substance abuse issues through integrating the experience of our partners in drug and alcohol services into our training and processes
- Provide training for staff in negotiation and mediation skills to allow early intervention to de-escalate issues between neighbours quickly
- Customer facing staff trained in supporting community connections across all our services.
- Create a specialist digital qualification for frontline housing, care and other staff which develops an empowering approach to support and the skills to support customers through trauma and disruption. This will be complementary to the Scottish Government’s national trauma training programme led by NHS Education for Scotland.

Enabling our ambitions

Influencing locally and nationally to benefit our communities

- Work with Police Scotland’s “Partnership, Prevention and Community Wellbeing division” co-creating innovative services to keep our customers safe and secure in their homes
- Gather and share information with Police Scotland and Scottish Fire & Rescue Service on anti-social behaviour to highlight emerging issues and target preventative measures
- Influence our neighbourhood organisations to support new residents

The key strategic measures

The key Group strategic target for this Framework is that **70% of our customers live in neighbourhoods categorised as peaceful**. However, the Framework also supports a number of other strategic targets:

Delivering exceptional customer experience:

- Overall customer satisfaction is above 90%
- RSL tenant satisfaction with value for money is increased to 85%
- Overall satisfaction amongst households with children is improved to 90%
- 90% of customers feel they can participate in the landlord's decision making
- 95% of customers actively engaged in shaping services feel they participate in decision making

Changing lives and communities

- 4,000 jobs, training and apprenticeships delivered
- 250 customers have been supported to attend higher education and university through Wheatley bursaries
- 10,000 vulnerable children benefit from targeted Foundation programmes

Enabling our ambitions

- Over 50% of customers actively use their online account to make transactions with us

Investigating incidents and using our powers

Customers can report antisocial behaviour by phone, e-mail, in writing or in person and will be advised, in all instances, to report criminal behaviour to Police Scotland. As part of this Framework reporting by digital methods will also be available. Whilst recognising that enforcement action needs to be appropriate, proportionate and timely the wellbeing and protection of our tenants and communities will always be at the forefront of our decision making process.

Our approach to the use of enforcement action will be informed by the type and severity of antisocial behaviour that has been reported. In the majority of cases this will have been when a preventative and supportive approach has failed to address the problem but we will move straight to enforcement action if it is deemed necessary for the protection of our tenants and communities.

When required our staff will utilise the various types of legislative powers available to RSLs within the Antisocial Behaviour etc. (Scotland) Act 2004, the Housing (Scotland) Act 2001 and the Housing (Scotland) Act 2014 to manage antisocial behaviour, and the perpetrators of such. This will include the use of:-

- Referrals for support;
- Acceptable Behaviour Contracts (ABC);
- Unacceptable Behaviour Notices (UBN);
- Mediation (non-legislative);
- Warning Letters (non-legislative);
- Interim Antisocial Behaviour Orders (Interim ASBO);
- Antisocial Behaviour Orders (ASBO);
- Notice of Proceeding for Recovery of Possession (NPRP);
- Eviction Orders; and
- Short Scottish Secure Tenancy.

When investigating cases of antisocial behaviour we will be fair and firm, remaining impartial and observing confidentiality at all times. We will take a customer focused approach to tackling antisocial behaviour, working with the complainer and the alleged perpetrator with a view to reaching agreed actions, timescales and ultimately closure. An antisocial behaviour toolkit has been developed for staff to refer to. The toolkit provides detailed guidance on how to manage the five key stages of an antisocial behaviour complaint, ensuring staff manage cases in a consistent and informed manner. These are:



The guiding principles of the toolkit are noted below:

- Listen to complaints and give complainers advice as to what they can do and what they can expect from us;
- Assess and monitor any risk;
- Keep to specified target response times for acknowledging and responding to reports of antisocial behaviour;

- Ensure the emergency and statutory services have been notified where there has been/is a risk to life or safety;
- Discuss the forward process with the complainant, being clear and realistic about potential outcomes and timescales involved;
- Choose from a range of different actions and take action proportionate to the type of antisocial behaviour reported;
- Refer customers to external agencies for support and advice as appropriate;
- Use the Streetwise system to note all reports of antisocial behaviour and manage the case in accordance with good practice and Scottish Social Housing Charter (SSHC) requirements; and
- Keep in regular contact with the complainant and advise how they can record any future incidents, for example using diary sheets.

Tenant Agreed Categories & Timescales

Following consultation with our tenants we have defined, categorised and grouped the different types of antisocial behaviour according to their level of seriousness. We have also agreed the following timescales for actioning and resolving complaints of antisocial behaviour.

Category	Definition	Timescales
A	<ul style="list-style-type: none"> • A conviction or criminal charges of drug dealing (supply or intent to supply) or production of a controlled drug. • Criminal charges relating to firearms. • Criminal behaviour involving serious incidents of violence or threats of violence towards any members of the public. • Serious assault. • Serious harassment. • Hate crimes (racial, sectarian, homophobic, religious, disability etc.). • Serious damage to property including wilful fire-raising. 	Action within 1 working day
		Resolve within 10 working days
B	<ul style="list-style-type: none"> • Aggressive / Abusive behaviour. • Drug / Solvent / Alcohol abuse. • Verbal / Written harassment. • Noise nuisance / Disturbances. • Vandalism. • Dog fouling • Graffiti. • Non-accidental Bin fires / Grass fires. 	Action within 3 working days
		Resolve within 10 working days

Legislation Planning and Guidance

National and Legal Context

As well as enabling our Group's strategic outcomes, our Antisocial Behaviour Prevention and Mitigation Framework also demonstrates and strengthens our contribution towards a number of the national outcomes contained within the Scottish Government's National Performance Framework. These include national outcomes such as:

- **Outcome 2** - We respect, protect and fulfil human rights and live free from discrimination
- **Outcome 5** - We live in communities that are inclusive, empowered, resilient and safe
- **Outcome 6** - We grow up loved, safe and respected so that we realise our full potential

The Legal Framework

The Antisocial Behaviour etc (Scotland) Act 2004 is the primary legislation for dealing with antisocial behaviour in Scotland. The Act sets out a range of responses made available to Local Authorities and Police Scotland ranging from the requirement of Local Authorities to jointly prepare and produce an antisocial behaviour strategy, to the dispersal of groups, closure of premises, dealing with noise nuisance and the environment as well as the application of Antisocial Behaviour Orders.

This Antisocial Behaviour Prevention and Mitigation Framework has been developed to ensure that we are not only meeting all the legislation and guidance that is pertinent to antisocial behaviour reduction and prevention but exceeding it and setting best practice approaches nationally.

There are a number of additional pieces of legislation which support responses to antisocial behaviour such as:

- Human Rights Act 1998;
- Regulation of Investigatory Powers (Scotland) Act 2000;
- Housing (Scotland) Act 2001;
- Equality Act 2010;
- Housing (Scotland) Act 2010;
- Housing (Scotland) Act 2014; and
- Data Protection Act 2018.

Registered Social Landlord Subsidiaries

The legislative framework that governs how all Group RSLs currently interpret and manage antisocial behaviour is contained within *the Housing (Scotland) Act 2014* and *the Antisocial Behaviour etc. (Scotland) Act 2004*. The 2004 Act states that a person is engaging in antisocial behaviour if they:

- Act in a manner that causes or is likely to cause alarm and distress.
- Pursue a course of conduct that causes or is likely to cause alarm or to distress to at least one person not of the same household as them.

The *Housing (Scotland) Act 2014* further enhanced the powers available to social landlords for the management of antisocial behaviour. This includes:

- Social landlords will have the power to convert an existing tenant's Scottish Secure Tenancy (SST) to a Short SST (SSST) or to grant a SSST to a new tenant in cases where there is evidence that the tenant, a member of their household, or a visitor, has been involved in antisocial behaviour in or near their home within the last three years;
- Simplifying the eviction process in cases involving serious antisocial behaviour by allowing social landlords to make use of an existing conviction as grounds for possession. The tenant must have been convicted within the last 12 months; and
- Clarifying that a social landlord can suspend an application for social housing under certain prescribed circumstances.

Scottish Social Housing Charter

The Scottish Social Housing Charter was introduced by the Scottish Government to help improve the quality and value of the services that social landlords provide, and support the Government's long term aim of creating a safer and stronger Scotland.

Outcome 6 of the Scottish Social Housing Charter states that:

"Social landlords, working in partnership with other agencies, help to ensure that:

- *Tenants and other customers live in well-maintained neighbourhoods where they feel safe."*

This outcome covers a range of actions that social landlords can take on their own and in partnership with others. It covers action to enforce tenancy conditions on estate management and neighbour nuisance, to resolve neighbour disputes, and to arrange or provide tenancy support where it is needed. It also covers the role of landlords in working with others to tackle antisocial behaviour.

The Scottish Housing Regulator have developed the following indicators to assess how well housing associations and the Group are managing complaints of antisocial behaviour and our wider estates:

- **Indicator 13:** Percentage of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in; and
- **Indicator 15:** Percentage of antisocial behaviour cases in the last year which were resolved.

Complaints

Our aim is to get it right first time, however, where there is dissatisfaction with this Framework or its operation, customers can make a complaint. A summary of our Complaints Policy and Procedure is available on our website and in local offices.

Responsibilities

The Group Director of Housing and Care will have overall strategic responsibility and will oversee the successful implementation of the work plan.

Review and Consultation

Our framework will be reviewed regularly to ensure that it continues to be relevant and appropriate in achieving our aims. Partners remain committed to working together to critically review performance, to maintain or improve our current high standards of service delivery. Partners will also seek to develop services that are focused on early intervention and prevention and meet the differing needs of the various communities across Group.

Report

To:- Loretto Housing Association Board

By:- Pauline Turnock, Director of Financial and Legal Services

Approved by:- Steven Henderson, Group Director of Finance

Subject:- 2020/21 Financial Statements

Date of Meeting:- 16 August 2021

1. Purpose

- 1.1 The purpose of this report is to provide the Loretto Board with an overview of the 2020/21 financial statements.
- 1.2 The Board should note that the financial statements have been reviewed by the Wheatley Group Audit Committee and recommended for approval at its meeting which was held on 4 August 2021.

2. Authorising and strategic context

- 2.1 Under the terms of the Intra-Group Agreement between Loretto and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the Loretto Board is responsible for the on-going monitoring of performance against agreed targets. This includes the on-going performance of its finances and the approval of the statutory financial statements.
- 2.2 This report provides the Board with the final statutory financial statements following the completion of the external audit by KPMG and a reconciliation of the final out-turn to period 12 management accounts.

3. Risk appetite and assessment

- 3.1 Our agreed risk appetite for governance is “cautious”. This level of risk tolerance is defined as “preference for safe delivery options that have a low degree of inherent risk and have only limited potential for reward”.

4. Background

- 4.1 This report outlines the 2020/21 performance as reported in the statutory accounts for Loretto and highlights any issues noted by the external auditors, KPMG.

5. Customer engagement

5.1 No implications.

6. Discussion

Financial performance to 31 March 2021

6.1 The financial statements reflect the requirements of the 2014 Statement of Recommended Practice ("SORP 2014") for Social Housing Providers. The audited financial results of the Association are summarised below:

	Year ended 31.03.21 £'000	Year ended 31.03.20 £'000
Turnover	8,015	13,700
Operating Expenditure	(6,904)	(8,153)
Other gains and losses	(19)	149
Operating Surplus	1,092	5,696
Finance costs	(2,763)	(1,733)
Social housing property revaluation	4,361	(1,524)
Office property revaluation	37	27
Surplus for the year	2,727	2,466
Actuarial loss in respect of pension schemes	(2,091)	779
Total comprehensive income for the year	636	3,245

6.2 The finance reports submitted to the Board during the year formed the basis of these financial statements, and were updated to include a number of year end statutory adjustments.

Adjustments from 31 March management accounts

6.3 The adjustments made between the 31 March 2021 management accounts and the final audited accounts are summarised below:

	I&E £'000	Net Assets £'000
March management accounts	(2,312)	21,016
Revaluation of Housing Properties	4,361	4,361
Revaluation of Investment Properties	(19)	(19)
Revaluation of Office Properties	37	37
SHAPS defined benefit pension valuation	(1,592)	(2,091)
Other	161	161
LHA statutory accounts	636	23,962

- 6.4 Revaluation of Properties: Housing, investment and office properties have been revalued at the year-end by Jones Lang Lasalle. This resulted in an increase of £4,361k in the valuation of social housing properties, a decrease of £19k for mid-market rent (investment) properties and an increase of £37k for office properties. In the prior year Loretto reported a downward revaluation of social housing properties due to the requirements of the accounting rules for the recognition of new build grant. With no new build properties completing in 2020/21, a strong upwards valuation has been reported.
- 6.5 SHAPS defined benefit pension valuation: The SHAPS defined benefit pension scheme is revalued on an annual basis by independent actuaries. The 2020/21 valuation resulted in a credit to operating costs, relating to employer contributions, of £537k, £15k administration costs, £8k interest costs, and an actuarial loss of £2,091k.
- 6.6 Other: These adjustments are for other adjustments finalised after the preparation of the management accounts such as a review of accruals made following the receipt of the invoices post year end and update of the depreciation charge for component accounting.

Audit summary

- 6.7 The external auditors, KPMG have completed their audit of the financial statements and have issued an unqualified audit opinion.
- 6.8 No audit adjustments were identified during the course of the audit with respect to Loretto HA.
- 6.9 As a standard part of the standard audit process, and in line with previous years, KPMG require the Board of each organisation in the Wheatley Group to sign a “letter of representation” in which the Board confirms certain matters in terms of disclosure and record-keeping. As in previous years, a letter from the Chief Executive has been provided to each Board to provide comfort that the officers have complied with the matters stated in this letter. Both these documents are provided along with this paper (Appendix 2 and 3 respectively).
- 6.10 The Board are asked to confirm in the letter of representation that the financial statements are prepared on a going concern basis. The assessment that the Association continues in business is based on the preparation and approval of the Association’s 30-year business plan which includes cashflow forecasts, the certainty of revenue streams from rental income and the assessment of the availability of funding provided to Loretto HA through the RSL borrower relationship with WFL1.
- 6.11 The accounts and letter of representation will be signed following the approval of the Wheatley Group accounts at the Group Board meeting on 26 August 2021.

7. Digital transformation alignment

- 7.1 No implications

8. Financial and value for money implications

8.1 The business plan will be updated to reflect the 2020/21 statutory accounts.

9. Legal, regulatory and charitable implications

9.1 No implications.

10. Equalities impact

10.1 Not applicable.

11. Environmental and sustainability implications

11.1 Not applicable.

12. Recommendations

12.1 The Board is asked to:

- 1) Approve the 2020/21 financial statements;
- 2) Confirm the preparation of the financial statements using the going concern basis;
- 3) Delegate authority to the Chair and Group Director of Finance to approve any non-material changes to the accounts; and
- 4) Approve the letter of representation from the auditors, and note the related letter of comfort from the Chief Executive.

List of Appendices

Appendix 1: [redacted] available here https://www.wheatley-group.com/data/assets/pdf_file/0016/131416/Loretto-Annual-Accounts-2021.pdf

Appendix 2: [redacted]

Appendix 2: [redacted]

Report

To: Loretto Housing Association Board

By: Ranald Brown, Director of Assurance

Subject: Internal Audit Annual Report and Opinion 2020/21

Date of Meeting: 16 August 2021

1. Purpose

- 1.1 This paper provides the Loretto Housing Board (the Board) with an update for noting on the following matters:
- the Internal Audit Annual Report and Opinion 2020/21;
 - the results of assurance work completed in Q4 2020/21; and
 - the rolling 3-month Internal Audit Plan for 2021/22.
- 1.2 As the Internal Audit Annual Report and Opinion supports the 2020/21 year-end financial statements, we present this paper at the Board meeting as part of the overall Annual Accounts.

2. Authorising and strategic context

- 2.1 Under the Group Authorising Framework, the Board is responsible for managing and monitoring its compliance arrangements and operational performance. The activities undertaken by the Assurance Team provide the Board with independent assurance to support the Board in this role.
- 2.2 The Group Audit Committee is responsible for monitoring the Group's assurance activities. The Group Audit Committee has responsibility for instructing and keeping under review the long-term plan for internal audit within the Group, to approve the annual Group Assurance Plan and monitor results as presented in the annual internal audit report and assurance statement. The 2020/21 Annual Internal Audit Report and Assurance Statement was approved by the Group Audit Committee on 5 May 2021, as was the Internal Audit Plan 2021/22.

3. Risk appetite and assessment

- 3.1 The Board's risk appetite in relation to Governance is deemed "cautious" meaning that tolerance for risk taking is limited to events where there is little chance of any significant repercussion should there be a failure.
- 3.2 This report is designed to inform the Board members of specific risks arising from internal audit reviews, in order that members can make informed governance decisions.

4. Background

- 4.1 The Group's Internal Audit team operates in accordance with the Chartered Institute of Internal Auditors' International Professional Practices Framework (IPPF), which includes the International Standards for the Professional Practice of Internal Auditing (the Standards).
- 4.2 In line with the requirements of the Standards, Internal Audit provides the Group Audit Committee with an Annual Report and Opinion, which summarises the results of the Internal Audit team's work during the financial year and provides an opinion on the Group's internal control, governance, and risk management framework.
- 4.3 The Internal Audit Annual Report and Opinion 2020/21 was approved by the Group Audit Committee at its meeting on 5 May 2021. The Group's established position is that it only operates Committees at Group level. The Group Audit Committee's role and responsibilities are contained within its Terms of Reference. **Annex 3 of Appendix 1** sets out the core areas and further explanation of the respective roles and responsibilities of the Group Audit Committee and partner Boards. The Annual Report and Opinion is then reported to each partner Board alongside the annual accounts. The Statement on Internal Financial Control included within the statutory accounts sets out our conclusions.
- 4.4 The Annual Report refers to the results of work reported to the Group Audit Committee in May 2021, which has not previously been reported to the Board. A summary of the Internal Audit Plan for 2021-22 is set out in **Appendix 2 – Group Assurance Update**, along with key findings for the following reviews:
- Allocations;
 - Business Continuity Planning;
 - DGHP Transformation Programme;
 - Digital Strategy Interim report;
 - Wheatley Care self-assurance consultancy review;
 - Payroll Data Analytics; and
 - Follow-Up of Management Actions.

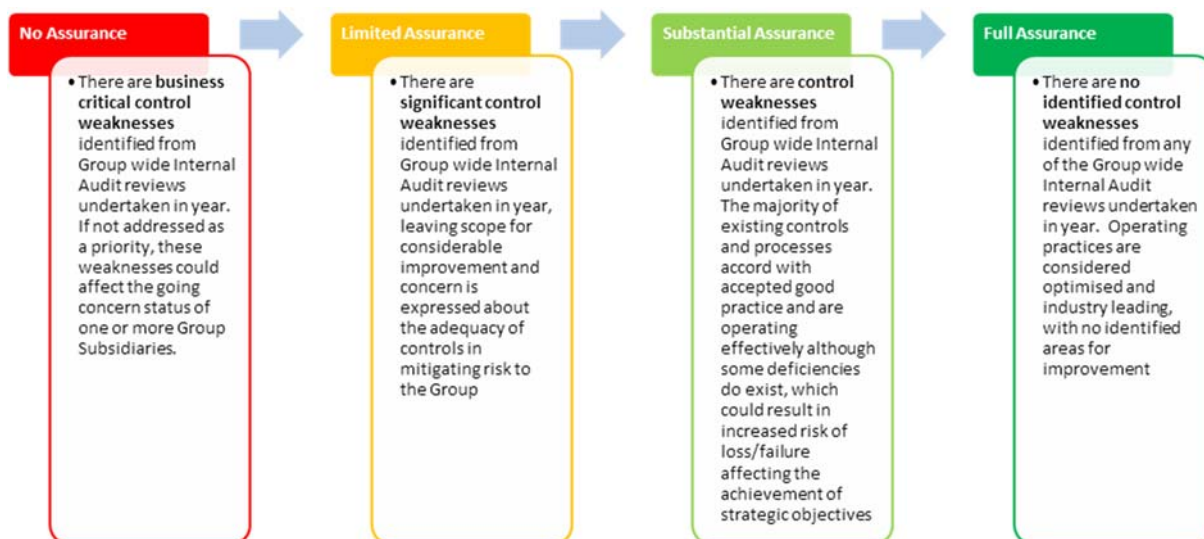
5. Customer engagement

- 5.1 There are no customer engagement implications arising directly from this report.

6. Discussion

Internal Audit Annual Report and Opinion 2020-21

- 6.1 A copy of the Annual Report and Opinion has been included at **Appendix 1**. The table below shows the different types of Internal Audit Opinion which may be given:



- 6.2 Following completion of our approved Internal Audit Plan, we can confirm that sufficient work has been undertaken to enable us to provide an opinion on the adequacy and effectiveness of the internal control environment in operation during 2020/21. In giving this opinion, it should be noted that assurance can never be absolute.
- 6.3 During the course of our work, we identified no critical weaknesses in the governance, risk management, or internal control environments that would put the achievement of subsidiary or Group strategic objectives at risk. Management has acted to address the findings we reported during the year, and thereby strengthen the control environment. The status of all audit actions will continue to be reported regularly to the Group Audit Committee. In addition, we gave a mid-year Assurance update to Partner Boards to highlight relevant audit findings.

Internal Audit Opinion 2020/21

Based on our Group-wide work undertaken in 2020/21 a substantial level of assurance can be given that there is a sound system of internal control, designed to support achievement of relevant organisational objectives. However, some weaknesses in the design and or consistent application of controls exist. Management has agreed to the improvements to the control environment and the progress of implementing these additional controls will be reported to the Group Audit Committee.

- 6.4 The table below summarises the results of 2020/21 Annual Plan work reported to the Group Audit Committee in May 2021.

Review	Control objectives
Allocations	Green Green Yellow Green Green
Business Continuity Planning	Yellow Yellow Yellow Yellow
DGHP Transformation Programme	Green Green Green Green
Digital Strategy interim report	Not applicable for this review
Payroll analytics	Not applicable for this review

- 6.5 More detail on the key findings for each review are set out in the *Group Assurance Update* at **Appendix 2**. Full reports are available to all Board members upon request. In addition, we have provided consultancy support to Wheatley Care for the design and implementation of a self-assessment process to demonstrate compliance with the Care Inspectorate's Care Quality Framework.
- 6.6 The paper at **Appendix 2** also sets out identified areas for internal audit focus for 2021/22, which have been identified through review of Group and Subsidiary Board Strategies and Risk Registers, discussion with senior managers and consideration of the Assurance map. These areas of focus will be updated on a rolling basis throughout the financial year and will be used to identify the reviews to be prioritised each quarter. This plan was approved by the Group Audit Committee at its meeting on 5 May 2021.

7. Digital transformation alignment

- 7.1 The agreed actions within the Digital Strategy interim review will assist management to achieve the digital transformation required in order to successfully deliver the Group's strategic aims.
- 7.2 The good practice highlighted within the DGHP Transformation Programme would, if applied to the Digital Transformation Programme, provide management and the Group Audit Committee with additional assurance about whether the programme is delivering in line with expectations.

8. Financial and value for money implications

- 8.1 There are no financial or value for money implications arising directly from this report.

9. Legal, regulatory and charitable implications

- 9.1 There are no legal, regulatory or charitable implications arising directly from this report.

10. Equalities implications

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

11. Environmental and sustainability implications

- 11.1 There are no environmental or sustainability implications arising directly from this report.

12. Recommendation

- 12.1 The Board is asked to note the contents of this report, including the Annual Internal Audit opinion detailed in Section 6 above.

List of Appendices

Appendix 1 – Internal Audit Annual Report and Opinion 2020-21

Appendix 2 – Group Assurance Update August 2021

Internal Audit Annual Report and Opinion 2020/21

Ranald Brown
Director of Assurance
5 May 2021

1. Introduction



The purpose of this report is to provide our view on the adequacy and effectiveness of the Wheatley Group's ('the Group') system of governance, risk management and internal control, as assessed through delivery of our 2020/21 Annual Assurance Plan.

The 2020/21 Annual Assurance Approach and Plan was approved by the Group Audit Committee and progress against this plan has been reported to the Group Audit Committee throughout the financial year.

Our detailed findings from specific reviews have been reported to Management during the year, with a summary of these findings reported to the Group Audit Committee throughout 2020/21. Reporting to Subsidiary Boards and the Group Board has taken place where appropriate.

This Annual Report summarises the Internal Audit activity and therefore does not include all matters which came to our attention during the year. Such matters have been included within our detailed reports to Management and the Group Audit Committee during the year.

"Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

- *Section 3 – Definition of Auditing; Chartered Institute of Internal Auditors' International Professional Practices Framework*

Group Assurance Mission Statement

To enhance and protect the Wheatley Group by providing independent, risk based and objective, assurance, advice and insight

2. Annual Internal Audit Opinion

Scope

In line with the International Standards for the Professional Practice of Internal Auditing ("the Standards"), Internal Audit provides the Group Board, Audit Committee and Subsidiary Boards with an Annual Internal Audit Opinion, as a result of the work completed during 2020/21.

Our opinion is subject to the inherent limitations of Internal Audit (covering both the control environment and the assurance over controls) as set out in Appendix 1 (Limitations and Responsibilities).

In arriving at our Annual Internal Audit Opinion, we have taken the following matters into account:

- the results of all Internal Audit work undertaken (including any upheld instances of fraud or whistleblowing) during the year ended 31 March 2021;
- in accordance with the Wheatley Group City Building Glasgow Assurance approach, we have placed reliance on the internal audit work done by the Glasgow City Council's Chief Internal Auditor in relation to City Building Glasgow;
- due to the COVID-19 pandemic, the Group followed UK Government advice and implemented virtual working arrangements while moving to an emergency service delivery model;
- the effects of any material changes in the Group's objectives, activities or regulatory environment; and
- whether there have been any resource constraints imposed upon us which may have impinged on our ability to meet the Group's Internal Audit needs.

Basis of Opinion

Sufficient work has been undertaken to enable us to provide an opinion on the adequacy and effectiveness of the internal control environment in operation during 2020/21. In giving this opinion, it should be noted that assurance can never be absolute.

During the delivery of our Internal Audit plan, we identified no critical weaknesses in the governance, risk management, or internal control arrangements which would put the achievement of Group objectives at risk.

As reported to the Group Audit Committee, Management has acted promptly to address the findings we reported during the year and thereby strengthen the controls in place. Implementing agreed actions is a priority and progress is regularly reported to the Directorate Management Teams, Executive Team, Subsidiary Boards, City Building Glasgow, Group Board and the Group Audit Committee.

Internal Audit Opinion 2020/21

Based on our Group-wide work undertaken in 2020/21 a **substantial level of assurance** can be given that there is a sound system of internal control, designed to support achievement of relevant organisational objectives. However, some weaknesses in the design and or consistent application of controls exist (See **Annex 2** for Assurance Opinion Definitions). Management has agreed to the improvements to the control environment and the progress of implementing these additional controls will be reported to the Group Audit Committee.

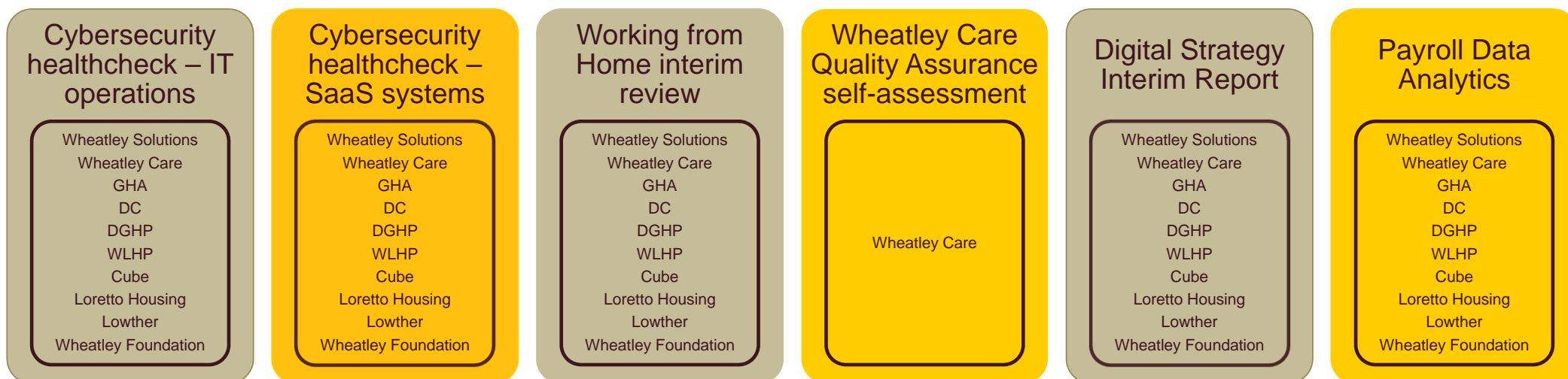
3. Summary of Findings

This section summarises the results of Internal Audit advisory reviews completed during 2020/21. Each of these reviews included an assessment of the extent to which the control objectives set out in the Terms of Reference were achieved, as reflected in the charts below.



4. Summary of other work performed

The Internal Audit team has also completed the following advisory and consultancy reviews, which did not include an assessment of the achievement of control objectives, due to the nature of the work performed.



Summaries of the findings of all the reviews conducted during 2020/21 have previously been reported to the Group Audit Committee and to Subsidiary Boards.

5. Follow Up of Management Actions

Internal Audit completes follow up activity to verify that management have implemented actions as agreed in our internal audit reports. During 2020/21, the Group Audit Committee approved a decision to pause routine follow up activity during 2020/21.

In order to resume follow up activity for 2021/22, we have completed an annual assessment of the status of all open actions.

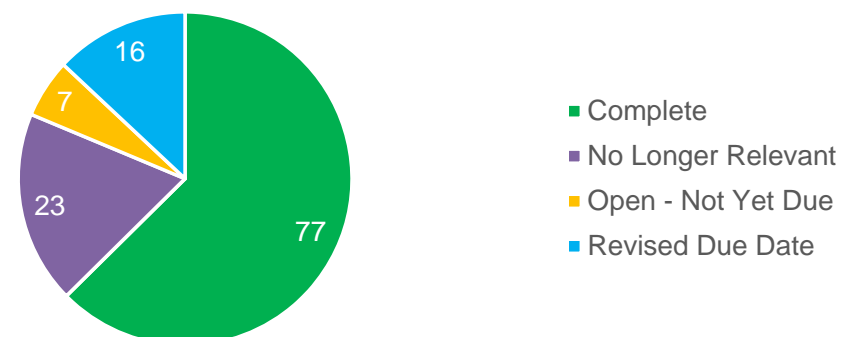
These comprise Wheatley Group actions brought forward from 2019/20, DGHP actions brought forward from 2019/20, and actions reported during 2020/21. Our assessment has included review of each action to determine whether:

- a) The action has been completed during 2020/21; or
- b) The action is no longer relevant or has been superseded by revised plans for the Group's new operating model.
- c) For those actions that remain open and relevant, we have discussed the current status with management and identified revised timescales for completion of the original actions.

Status	Actions
Actions brought forward from 29 Feb 2020	22
Q4 2019/20 actions added	16
Legacy DGHP actions added	52
New actions agreed during 2020/21	33
Total Actions followed up	123

The chart below summarises our assessment of the status of the 123 actions carried forward to 2021/22.

Status of Actions at 31 March 2021



6. IA Key Performance Indicators

The Internal Audit team's performance against its agreed KPIs for 2020/21 is set out below:



Notes:

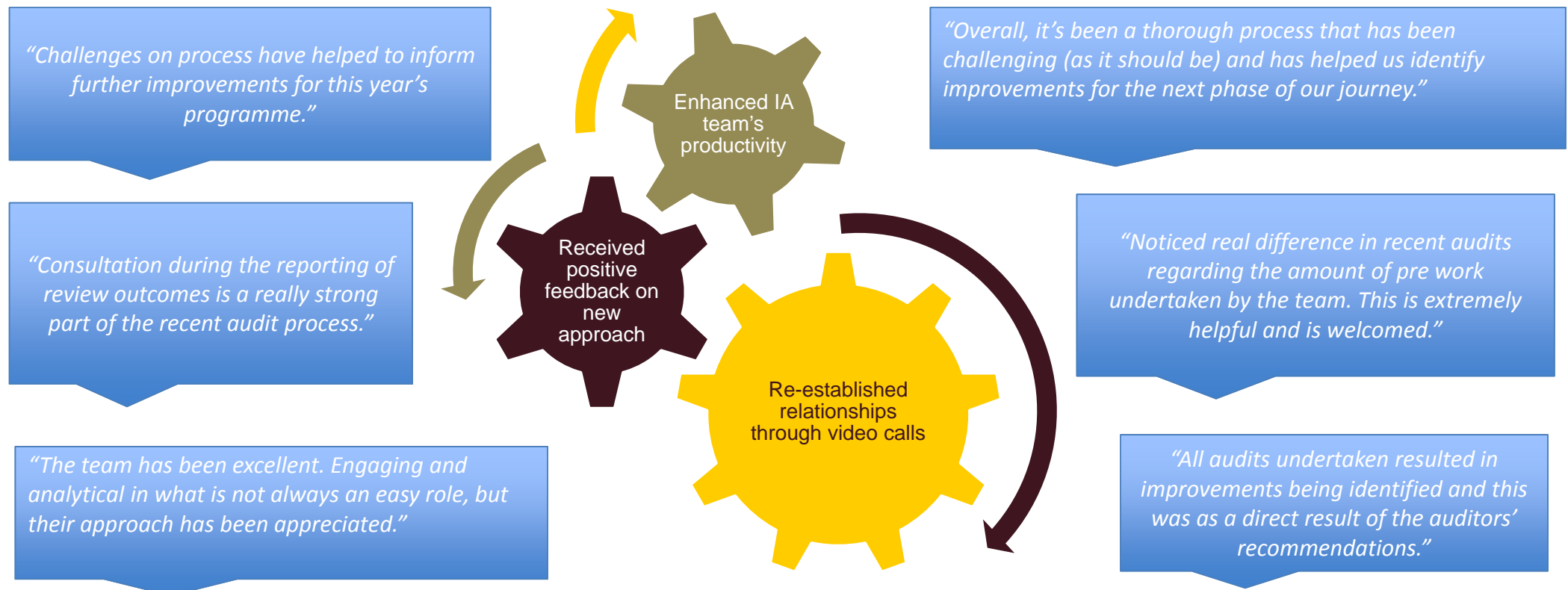
1. The 2020/21 Annual Plan was superseded following lockdown. The revised plan has been approved by the Group Audit Committee on a quarterly basis and delivered in line with proposed timescales.
2. The Internal Audit team was furloughed between April 2020 and September 2020. The team's utilisation has therefore been measured based on 100 days for 2020/21, reflecting the period they were working.

Key:

Red	More than 15% away from target
Amber	Within 15% of target
Green	Target met / on track for year

7. IA 2020/21 Feedback

The Internal Audit team has received the following feedback since returning from furlough in September 2020/21 and changing the audit approach. The quotes are taken from 2020/21 review feedback forms received from Subsidiary Directors.



8. IA Compliance with Standards



Internal Audit compliance with professional standards

The Internal Audit team employs a risk-based approach to determine the audit needs of the Group at the start of each year, which is reviewed on a rolling three-month basis throughout the year. The team uses a risk-based methodology to plan and conduct our work, and all Internal Audit activity is performed in line with the International Standards for the Professional Practice of Internal Auditing and the Code of Professional Conduct (including Code of Ethics) promoted by the Chartered Institute of Internal Auditors.

Internal Audit independence

Each member of the Internal Audit team is required to confirm their independence annually. The Independence Statements were last collected in September 2020 and the exercise will be repeated in September 2021.

Conflicts of Interest

The Internal Audit team is led by the Director of Assurance, who reports directly to the Group Chief Executive and meets regularly with the Chair of the Group Audit Committee.

The Director of Assurance has other operational responsibilities. Consequently, the Group Audit Committee assesses the controls in place to maintain the Director's independence on an annual basis.

There have been no conflicts of interest during the year which have impacted on our independence or our ability to report our findings.

9. IA Quality Assurance and Improvement Programme

As part of the IA Team's Quality Assurance and Improvement Programme, we completed our internal quality assurance during 2020/21, comprising:

Ongoing monitoring

- Day-to-day supervision and review of IA team's work
- Key Performance Indicators (KPIs) monitoring and reporting

Annual CPE Completion

- Each IA team member completes training to meet the annual CPE requirement of their professional institute.

Annual self-assessment

- Completed using guidance issued by the CIIA
- Results reported within the Annual Report and Opinion

Annual Self-Assessment

The Internal Audit team completed the quality assessment template produced by the Chartered Institute of Internal Auditors (CIIA) and rated performance as:

Generally Conforms

- The evaluator has concluded that the relevant structures, policies, and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of the individual Standard or element of the Code of Ethics in all material respects.

The results of the assessment, including identified improvement opportunities were reported separately to the Group Audit Committee.

Annex 1: Limitations and responsibilities



Limitations Inherent to the Internal Auditor's Work

We have prepared the Internal Audit Annual Report and undertaken the agreed programme of work as set out in the Annual Assurance Plan, subject to the limitations outlined below.

Opinion

The Annual Internal Audit Statement is based solely on the work undertaken as part of the agreed Annual Assurance Plan. The work addressed the control objectives agreed for each individual assignment as set out in our individual Terms of Reference. The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

There might be weaknesses in the system of internal control that we are not aware of because they did not form part of our programme of work, were excluded from the scope of the individual review, or were not brought to our attention. Our audit plan is based on risk to capture the higher risk areas within the Group. As a consequence, Management and the Group Audit Committee should be aware that our opinion may have differed if our programme of work or scope for individual reviews was extended or other relevant matters were brought to our attention.

Internal Control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Responsibilities of Management and Internal Audit

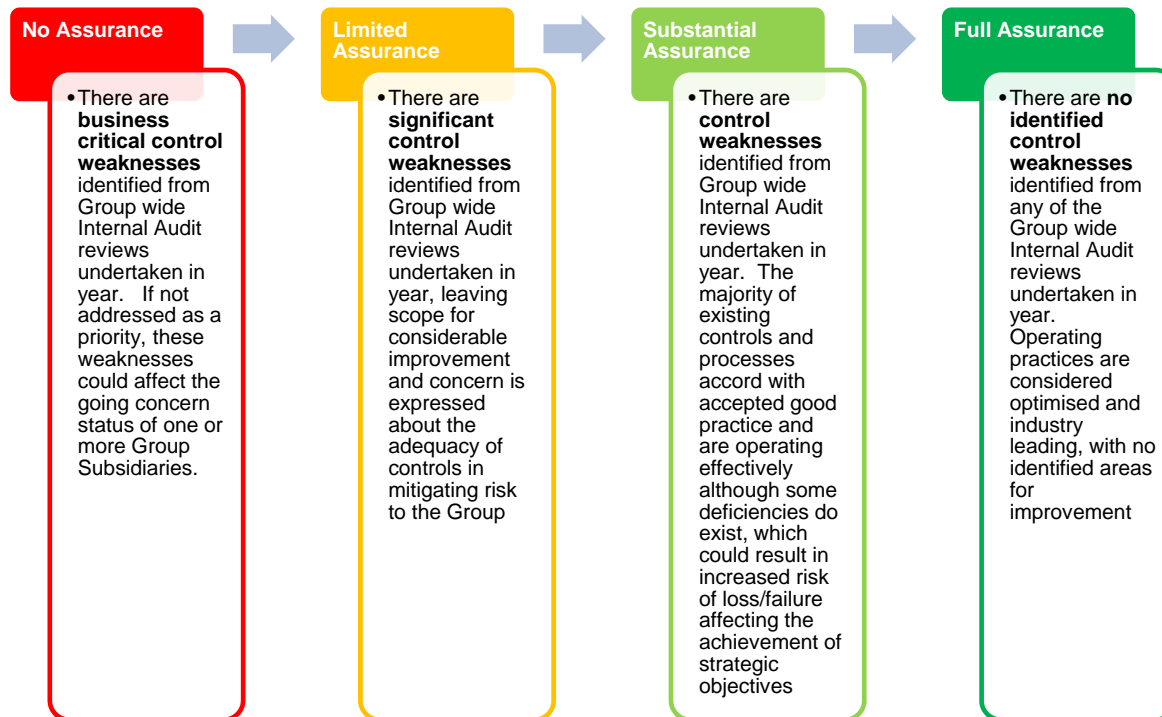
It is Management's responsibility to develop and maintain sound systems of risk management, internal control and governance to ensure the prevention and detection of irregularities and fraud. Internal Audit work should not be seen as a substitute for Management's responsibilities for the design and operation of these systems.

Internal Audit endeavour to plan work so that we have a reasonable expectation of detecting significant control weaknesses and if detected, we shall carry out additional work directed towards the identification of consequent fraud or other irregularities. Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected, and our examinations as Internal Auditors should not be relied upon to disclose all fraud, defalcations or other irregularities which may exist.

Annex 2: Assurance Opinion definitions

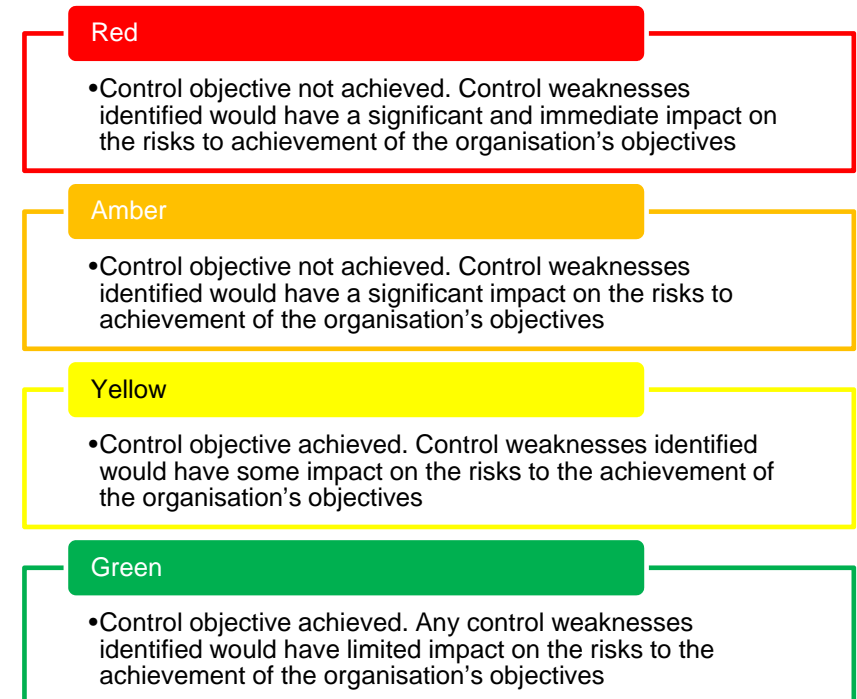
Annual Assurance Opinion Definitions

The table below details the different types of Internal Audit opinion which may be given:



Control Objective Classification

Each control objective is assigned a classification based on an assessment of the impact of individual findings within the report, as follows:



Annex 3: Respective roles of Group Audit Committee and Partner Boards



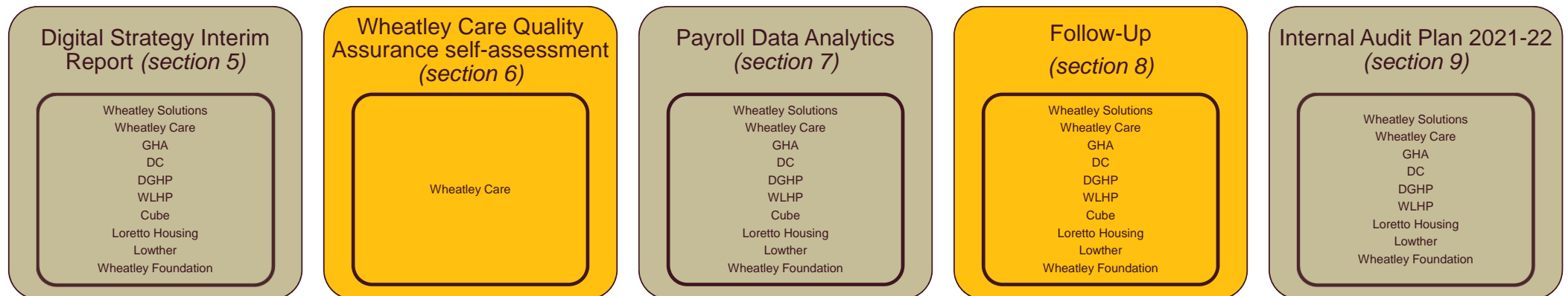
Core area	Group Audit Committee roles and responsibilities	Partner Board roles and responsibilities
Internal Audit	<ul style="list-style-type: none"> ▪ Approve annual assurance plan (all planned Internal Audit work for the year). ▪ Consider feedback from Group wide audits and inspections and monitor progress in implementing recommendations. ▪ Consider annual report and opinion for Group. ▪ Monitor effectiveness of Internal Audit. 	<ul style="list-style-type: none"> ▪ Note the Annual Plan and identify any potential areas to recommend to the Group Audit Committee for inclusion. ▪ Note feedback from Partner specific audits and inspections and monitor progress in implementing recommendations. ▪ Receive updates on Group-wide audits as part of bi-annual assurance update. ▪ Note Group annual report and opinion. ▪ Provide feedback, as appropriate, on Internal Audit to Group Audit Committee.
Risk, Fraud and Whistleblowing	<ul style="list-style-type: none"> ▪ Review and make recommendations to the Group Board on the Group's risk management framework and Corporate risk register (Subsidiaries and Joint Ventures). ▪ Group Audit Committee approves 'Fraud, Corruption and Bribery' and 'Whistleblowing' policies. 	<ul style="list-style-type: none"> ▪ Approve Subsidiaries risk appetite level and risk register. ▪ Partner Boards to monitor compliance with 'Fraud, Corruption and Bribery' and 'Whistleblowing' policies.
Financial Statements	<ul style="list-style-type: none"> ▪ Review the Group's accounting policies. ▪ Review financial statements of all group members. 	<ul style="list-style-type: none"> ▪ Approve individual financial statements and letters of representation.
External Audit	<ul style="list-style-type: none"> ▪ Approve annual audit plan. ▪ Recommend appointment/re-appointment of external auditors to Group Board. ▪ Set policy for award of non-audit work to external auditors. 	<ul style="list-style-type: none"> ▪ As required under individual constitution.
Policy	<ul style="list-style-type: none"> ▪ Recommend to Group Board and/or approve assurance related policies. 	<ul style="list-style-type: none"> ▪ Provide feedback on and implement Group assurance policies.

Appendix 2 - Group Assurance Update August 2021

Ranald Brown
Director of Assurance

1. IA Plan 2020/21 Status

Status of Reviews : This section summarises the results of Internal Audit activity completed during this period. We have completed the reviews approved by the Group Audit Committee at its February 2021 meeting.



1. IA Plan 2020/21 Status

Control Objective Classification:

Each control objective is assigned a classification based on an assessment of the impact of individual findings within the report, as follows:

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

2. Allocations

Report Conclusion

The Group suspended allocations across its housing stock from the end of March 2020 in line with the Scottish Government's COVID-19 response. Management put temporary processes in place to manage customer expectations and ensure that staff could work safely once letting activity could resume. We reviewed the Allocations process developed during the COVID-19 lockdown and assessed plans for development of a post-COVID process for the new operating model. This included consideration of variations to Allocations processes followed across the MyHousing, EdIndex and Orchard systems.

We tested a sample of 25 allocations across all three systems and found that interim processes were applied correctly. We also reviewed all complaints received in the year to date and found no trends or cases that indicate any issues with the processes followed or information provided to customers.

There are ongoing reviews into aspects of the allocations systems, such as the use of digital signatures for tenancy agreements, and the outcome of these will impact on the way in which lessons learned during lockdown can be applied in a post-COVID process.

This report includes agreed management actions to progress the outcomes of this ongoing activity and consider how staff working across all three Allocation systems can share learning and opportunities for improvement.

Control Objective Classification



The Group's agreed COVID-19 response for allocations activity has been reviewed and amended as required during the pandemic period, in line with Scottish Government guidance.



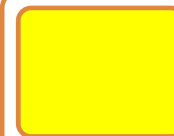
Customer expectations have been managed throughout the lockdown period, with support provided to existing and new housing applicants as required.



The registration, selection and offer processes currently in use enable staff to work remotely, and in a COVID safe way.



Properties used for temporary accommodation during the pandemic will be returned or 'flipped' in a managed way which minimises void periods and supports the achievement of the Group's agreed COVID-19 response.



Lessons learned during lockdown will inform the development of a post-COVID allocations process for the new operating model.

2. Allocations

Areas of Good Practice

- ✓ The Group's Void and Allocation Recovery Plan has evolved in response to changing Scottish Government COVID guidance and priorities. The Executive Team received weekly updates and presentations on the Group's allocations response throughout lockdown.
- ✓ Specific guidance on managing our homes during COVID was created for Housing Officers. This includes Health and Safety procedures for conducting viewings and sign-ups safely.
- ✓ Voids and Allocations Forum has been established to track voids, review void performance and identify and reduce blockages across West RSLs. Forum leads attend the Allocations Community of Excellence (COE) where opportunities for improvement can be shared.
- ✓ COE Bulletins are published on WeConnect to keep staff informed of the work of the COE and ongoing activity.
- ✓ RSL websites contain clear information for customers on how to access housing or get support. Letters were sent to customers who had live offers or notes of interest in place at the time letting activity had to stop due to lockdown to reassure them that these would still be valid post-lockdown.
- ✓ MyHousing and Orchard Housing Management systems retain the details of each selection and offer, providing an online record and audit trail of which applicants were eligible at the time of selection and the rationale for each offer made.
- ✓ Opportunity to develop a matching process for section 5 applications has been trialled with Glasgow City Council. The results of a Vanguard review are still to be agreed and shared with the Executive Team, but it is expected that the proposed approach would reduce staff time spent reviewing referrals, reduce the likelihood of section 5 applications held in MyHousing becoming outdated and increase the likelihood of successful tenancies.
- ✓ Flat-flipping approach is being used where customers have settled well into a temporary property and community and would benefit from remaining in that home permanently.

2. Allocations

Opportunities to Improve - (Management had identified these areas prior to our review. They reflect work which is in progress and planned next steps.)

- Once approved, the Allocations Recovery Plan should form the basis of an action plan of approved changes to the Allocation systems, policies and procedures in place across the Group. The Allocations COE should manage the plan and ensure it reflects the outcomes of the Group Allocation systems review and Vanguard review.
- Management should review the EdIndex process and to identify any short-term solutions which could make the process more efficient while staff continue to work remotely. For example, the Sharepoint 'version history' function could remove the need for different versions of the same letting pack document to be retained.
- An Allocations Engagement Plan should be developed to set out what key messages the Group will communicate with customers, how and when. Management should also use the plan to identify key communications to staff to ensure they have the knowledge to manage customer queries and concerns about post-COVID allocations activity in a consistent and informed way.
- Service Innovation & Improvement Teams should resume compliance checks on samples of Allocations to confirm that selections and offers are being completed in line with policy. The new Voids and Allocations Forum will provide an opportunity to share learning from these checks with RSLs in the West. The Allocations COE should consider how staff in the East RSLs and DGHP can also work with this Forum to increase sharing of good practice at an operational level.
- Following the Executive Team's decision on the use of digital signatures on tenancy agreements, the Allocations COE should lead the development of revised procedures and guidance to support either the adoption of digital signatures, or a revised process for handling and storing tenancy agreement documents following sign-up.

3. Business Continuity Planning

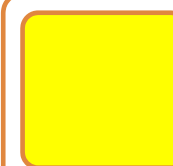
Report Conclusion

The COVID-19 pandemic has demonstrated the importance of having a robust Business Continuity Management System (BCMS) in place. While the Group has a documented framework for business continuity in place, the Group's response to COVID-19 has deviated from the planned response in order to successfully manage a challenging situation.

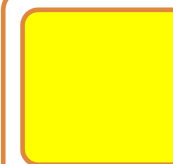
Management was aware from the outset of this review that the Group's BCMS requires update (particularly to reflect the new operating model) and so this review assessed the existing documentation against the good practice outlined in ISO 22301:2019 and any lessons learned during 2020/21.

We have identified some areas of good practice to be continued and have highlighted opportunities for improvement, including the opportunity to revise the BCMS structure in light of the new operating model.

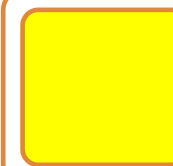
Control Objective Classification



Lessons learned and examples of good practice from local COVID-19 responses are being used to review and update the Group's BCP approach and individual BCPs.



BCP business owners review the content of their plans at least annually and as operational changes are implemented including responses to Scottish Government guidance.



Group BCP's include identification of key office bases, IT systems and any supply chain threats to the delivery of key services, including vendor solvency and implementation of supplier BCPs.



There is a list of prioritised BCPs that reflects the order in which services and IT systems would be restored if all became unavailable at the same time.

3. Business Continuity Planning

Areas of Good Practice

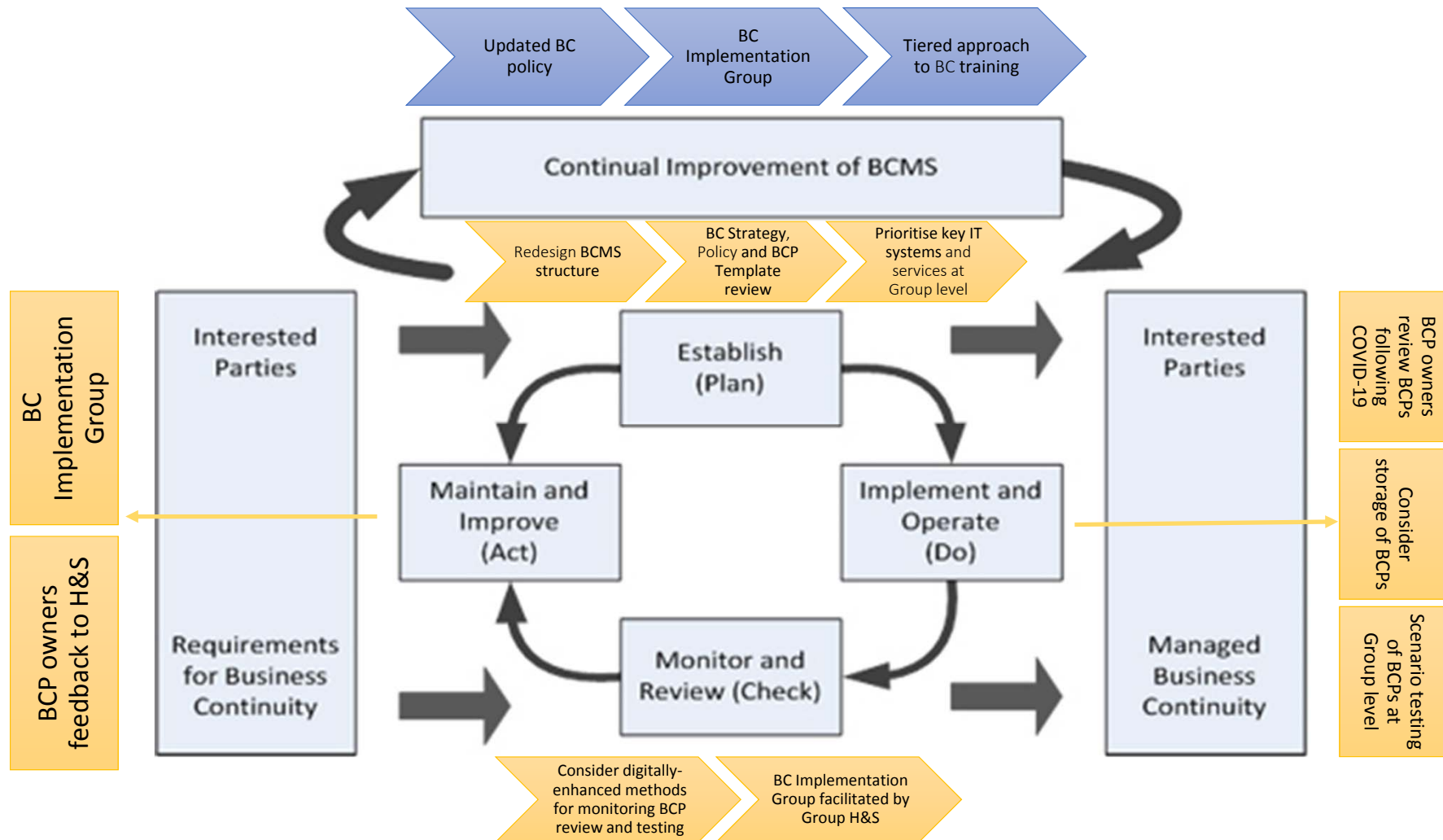
- ✓ At the start of lockdown, an Essential Services presentation to the Wheatley Group Board and Subsidiary Boards clearly set out who was in the initial response team, their responsibilities and the approach being taken.
- ✓ In response to COVID-19, Business Continuity (BC) was successfully directed and implemented by the Group Chief Executive and Executive Team through daily calls in the initial phase which allowed a consistent response to be implemented and consistent messaging to be relayed across Group.
- ✓ The uncertain return to full service delivery caused by COVID-19 was managed through regular business updates and remobilisation plans reported to Boards to allow scrutiny over business decisions. These accounted for a variety of possible scenarios depending on easing/tightening of restrictions (e.g. the impact of 10%/20%/30% loss of staff).
- ✓ The Group aligned its BC response to relevant legal/regulatory requirements (e.g. the Coronavirus (Scotland) Bill).
- ✓ Business Continuity is a risk on the Group's Strategic Risk Register which is regularly reviewed by senior management, Group Audit Committee and Boards.
- ✓ The Group Health and Safety Manager attends a Disaster Response Team meeting with representatives from the emergency services, Scottish Government and Local Authorities, which provides good practice examples that can be introduced to the Group BCMS.

3. Business Continuity Planning

Opportunities to Improve – including to reflect the new operating model

- Group Health and Safety should develop a proposed new BCMS, agreed by ET, which reflects the Group's new operating model. This should be documented to show which teams are responsible for different aspects of the BCMS and which teams should prepare BCPs.
- Group Health and Safety should establish a BC Implementation Group to oversee monitoring and review of BCPs, share lessons learned and good practice and to discuss and action improvements to the BCMS.
- The BC Implementation Group should review the BCMS (including BC strategy, BC policy and BCP templates) in line with the summarised improvement areas noted below and the redesigned Group BC structure.
- Group Health and Safety should review the BCP template and consider including assessment of the impact particular events might have on services over different time periods (e.g. a few hours, a day, a week) and the different levels of support that might be required from teams such as IT and Facilities Management in each case.
- The BC Implementation Group should develop and monitor a prioritised list of IT systems/networks across Group which considers the needs of business users and the order in which resources are made available during a BC event.
- Group Health and Safety/ the BC Implementation Group should consider digitally-enhanced methods (e.g. Teams/SharePoint/a BC apps) for storing BCPs and monitoring BCP review/exercise completion.
- Group Health and Safety/ the BC Implementation Group should review BC training, giving consideration to a tiered system of BC training across Group, depending on the individual's level of involvement and responsibility for BC. This would include review of the Group's current BCP e-learning module, which is available on MyAcademy.

3. Business Continuity Planning



4. DGHP Transformation Programme

Report Conclusion

This report reviewed the revised DGHP Transformation Programme, 'Time to Excel', to assess the processes in place to manage delivery of a large-scale change programme.

We found that the Programme is well-managed, has allowed for the impact of COVID-19 on the delivery of the individual projects and has made significant progress towards the full integration of DGHP into the Group. There has been strong communication with stakeholders and staff from both DGHP and Wheatley Solutions have commented positively on the joint working arrangements for the programme.

We noted some minor opportunities for continuous improvement that would facilitate delivery of the remainder of the programme.

Control Objective Classification



The transformation programme has been updated as the challenges of COVID-19 are managed.



Key stakeholders are informed of implementation progress and any changes due to COVID-19.



The Transformation Programme Group meets regularly to review plan progress and identify any emerging risks or issues to be escalated to the Executive Team and Boards as appropriate.



A process is in place to review and evaluate individual projects within the programme as they are completed to determine the extent to which success criteria have been delivered.

4. DGHP Transformation Programme

Areas of Good Practice

- ✓ The Transformation Programme Board meets every two weeks to review and assess progress of the outstanding projects within each of five workstreams. This includes review of workstream exception reports and status of previous meeting actions, which are formally documented.
- ✓ Detailed progress reports on the Transformation Programme status, including where the impact of COVID –19 has caused slippage to the original programme target dates, have regularly been provided to the Group's Executive Team (ET), the Group and DGHP Boards.
- ✓ Requests for amendments to timelines and changes to the Transformation Programme have been approved by ET and the Group Board, in line with the Group's Authorisation Framework.
- ✓ A detailed Communications and Engagement Plan has been developed and implemented by the Group and DGHP Communications teams to support delivery of the Transformation Programme.
- ✓ Members of the Transformation Programme Board have held regular internal and external stakeholder updates, including to the wider Dumfries and Galloway community, using different mediums such as, Zoom meetings, YouTube videos for staff, staff presentations, local press releases and customer newsletters.
- ✓ An independent evaluation is being commissioned by the Group to assess delivery of DGHP and Group Promises, which the programme was set up to deliver.

4. DGHP Transformation Programme

Opportunities to Improve: Continuous improvement actions

1. Recording of Meeting Actions - A master action log will be created to improve the Transformation Programme Board's ability to track open and ongoing actions.

2. Recording of Changes to the Transformation Programme - A change log will be created to record all future changes to the Transformation Programme, which will provide additional assurance over the completeness of amendments and provide clarity over any programme slippage.

3. Strategic Partnership Register - A Transformation Programme Strategic Partnership Register will be developed to ensure knowledge from partnership relationships is not lost due to staffing changes or remits.

4. Lesson Learned - A lesson learned /success log will be added to the key documents file of the Transformation Programme to record opportunities for future improvements to the management of projects and the overall Programme.

Members of the Transformation Programme Board will participate in a lessons learned session to assess delivery of the programme to date, with the outcomes from the session recorded in the lesson learned /success log.

5. Base-lining performance to allow measurement of project benefits - A review of “DGHP Promises” will be completed, to establish, where appropriate, agreed measures that will demonstrate delivery and achievement of benefits.

5. Digital Strategy Interim report



Work Performed: This interim review examined the status of the technology planning underway to support the delivery of the technology elements within the Wheatley Group Strategy 2021-26, the Wheatley Solutions Strategy 2021-2026, and the February 2021 Wheatley Solutions Board paper "Approach to developing our technology plan".

Findings:

- There are linkages between the overall approved Group Strategy and the agreed Delivery Plan. This includes the key digital areas included within the Group's Strategy.
- Managing Directors and Directors have taken ownership for delivery of the digital projects being implemented across the Group to reflect the ambition to have digital leaders throughout the organisation.
- Seven key focus areas have been identified to meet Wheatley's Strategic Digital Outcomes. High level road maps have been created for each focus area outlining the activities planned over the next five years. Ongoing improvement and enhancement of projects has also been built into the road map.
- The Director of IT has taken on the role of the digital lead.
- The Digital Team has been created, which sits under the Director of IT & Digital Services' remit. The Digital Team has three goals:
 1. Improve digital maturity across the 7 model competencies,
 2. Improve project delivery, and
 3. Promote digital adoption and digital ways of working. Work is ongoing to bring the appropriate skills and resources into the Digital Team.

Next Steps:

- Detailed planning will be reviewed through completion of Year 1 project scoping documents to detail dependencies, resources required, and key stakeholders.
- Consideration will be given to the programme governance structure to support delivery of the plans.
- A communications plan will be created by the Digital Team to ensure engagement for wider groups of staff during the programme delivery stages.

Further Action: *The IA team will work with Azets to bring an updated position to the Group Audit Committee in August 2021.*

6. Wheatley Care Quality Assurance Self-assessment



Work Performed: As part of Wheatley Care's project to update its quality assessment processes, Service Managers were asked to complete a pilot self-assessment based on Question 7 (Q7) of the Care Inspectorate's Quality Assurance Framework. Q7 was selected for the pilot because it relates to arrangements for the management of services during the COVID-19 pandemic. The pilot checklist was circulated to all services for completion, with managers initially asked to provide a "yes / no" response along with evidence to support the selected response. The Internal Audit team reviewed a sample of six Service responses to determine whether the process design provided assurance that there was sufficient evidence available to support each service's self-assessment.

Findings: Our initial assessment found that more evidence is required to support the services' self-assessments and we identified areas in which the process design could be improved to simplify the assessment process and to promote capture of the required evidence. For example, the Q7 checklist contains 60 statements against which service managers are asked to rate performance and provide evidence. This represents a significant administrative burden, especially when replicated across Questions 1 – 5 (Question 6 requires development of an action plan). In designing the process, further consideration should be given to balancing the level of assurance provided against the time taken to complete each exercise.

We also requested further evidence from each of the Services and completed virtual tours of each service to determine whether the evidence gaps in the self-assessments were due to lack of information or if processes were not followed. We found that, while additional evidence was provided, this did not fully evidence the statements in all cases. The volume of the evidence provided and the fact it was still insufficient to fully evidence the pilot checklist reinforced our conclusion that the design of the pilot process would be overly onerous and that there are more efficient ways of presenting the information.

Next Steps: *We have discussed options for improving the process design and will continue to work with Care management to implement the new process during 2021/22.*

7. Data Analytics- Payroll Review

Summary of work performed

There are no exceptions to highlight to the Group Audit Committee. The Internal Audit team has developed a planned approach to payroll testing that identifies those controls to be tested through development of continuous auditing and those where a periodic testing approach remains more appropriate. We have confirmed the operation of the controls through a walkthrough test and have started development of the continuous audit testing scripts.

Using the data available for 2020/21 we have used IDEA to confirm:

1. There are ***no duplicate employee numbers being used*** (across all payrolls)
2. We identified ***21 duplicate bank account numbers in use during the year*** (across all payrolls). These were matched to the staff establishment list and most are clearly joint accounts, with the remainder relating to a change in role or employment status.
3. Our testing confirmed that ***none of the duplicate bank accounts belong to Payroll staff*** .
4. There were 16 employees who received no Gross Pay in year. These are all Wheatley Care staff and we have confirmed with the payroll team that this is due to the nature of the contracts in place for these staff members.

7. Data Analytics- Payroll Review

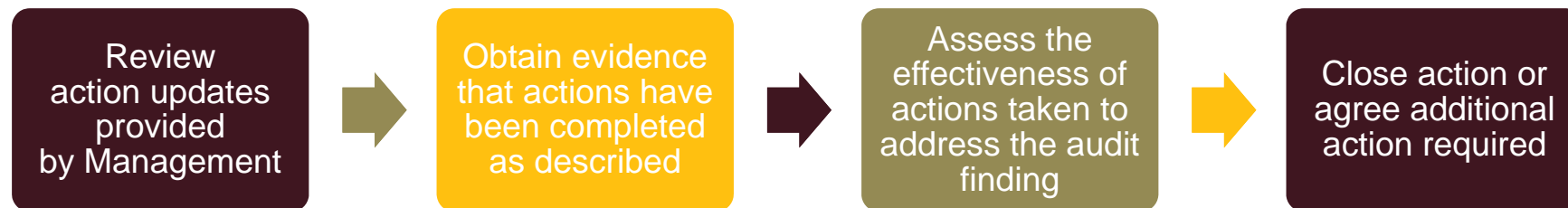
Next Steps

- The payroll team will prepare reports so the IA team can test the IDEA approach and confirm all planned testing works as expected. This will include ongoing comparison of payroll data from Access (new name for Selima) to HR spreadsheet of:
 - New starts
 - Leavers
 - Salary changes
 - Changes to bank details.
- The payroll and IA teams will agree a schedule of reports to be provided at agreed points during the year.
- Following the introduction of the planned self-service approach for expenses and overtime, the IA team will complete walkthrough testing and update the IDEA testing approach (if required).
- The results of the continuous audit testing will be reported to each meeting of the Group Audit Committee during 2021/22.

8. Follow up

Follow Up Approach 2020/21

Internal Audit completes follow up activity to verify that management have implemented actions as agreed in our internal audit reports. Follow up activity is usually completed on an on-going basis, with quarterly updates reported to the Executive Team and Group Audit Committee. Our verification approach includes the following key steps:



In March 2020 in response to COVID-19, the Group implemented a reduced service delivery model. To support this and enable management to focus on the remobilisation of services, the Group Audit Committee approved a decision to pause routine follow up activity during 2020/21. In order to resume follow up activity for 2021/22, we have completed an annual assessment of the status of all open actions. These comprise Wheatley Group actions brought forward from 2019/20, DGHP actions brought forward from 2019/20, and actions reported during 2020/21. Our assessment has included review of each action to determine whether:

- a) The action has been completed during 2020/21; or
- b) The action is no longer relevant or has been superseded by revised plans for the Group's new operating model.
- c) For those actions that remain open and relevant, we have discussed the current status with management and identified revised timescales for completion of the original actions.

This report summarises the results of our assessment and the status of those actions carried forward to 2021/22.

8. Follow up

Group-wide action status at 31 March 2021

Overall there has been good progress in implementing actions during 2020/21, with 77 of the 123 actions followed up being confirmed by Internal Audit as complete. A further 23 have been closed as no longer relevant, due to changes arising from the Group's new Strategy or the Group's new operating model, leaving a total of 23 open actions.

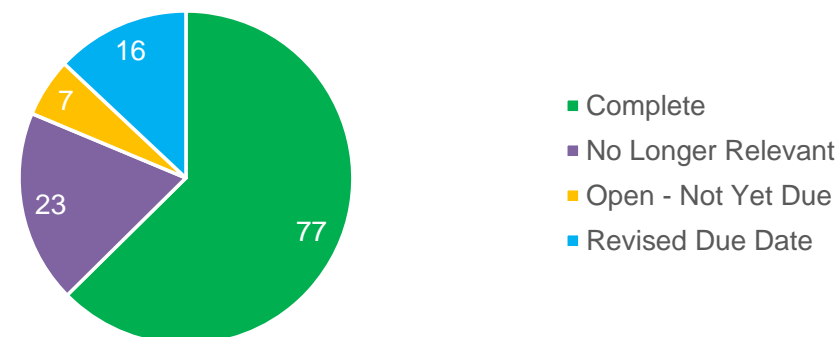
Sixteen of the open actions have been allocated revised due dates because delays caused by resource availability and competing priorities during COVID-19 lockdown meant actions were not completed in line with original timescales. These 16 actions arose in the following reports, and details of the current status of each action are set out in the rest of this report:

- External Stakeholder Engagement
- Assurance Statement
- Project Management
- Risk Management
- Talent Management
- Universal Credit Management
- Fire Safety
- WFH Readiness Health Check
- Cyber Security Health Check
- Wheatley Foundation Emergency Response Fund Expenditure

Status	Actions
Actions brought forward from 29 Feb 2020	22
Quarter 4 2019/20 actions added	16
Legacy DGHP actions added	52
New actions agreed during 2020/21	33
Total Actions followed up	123

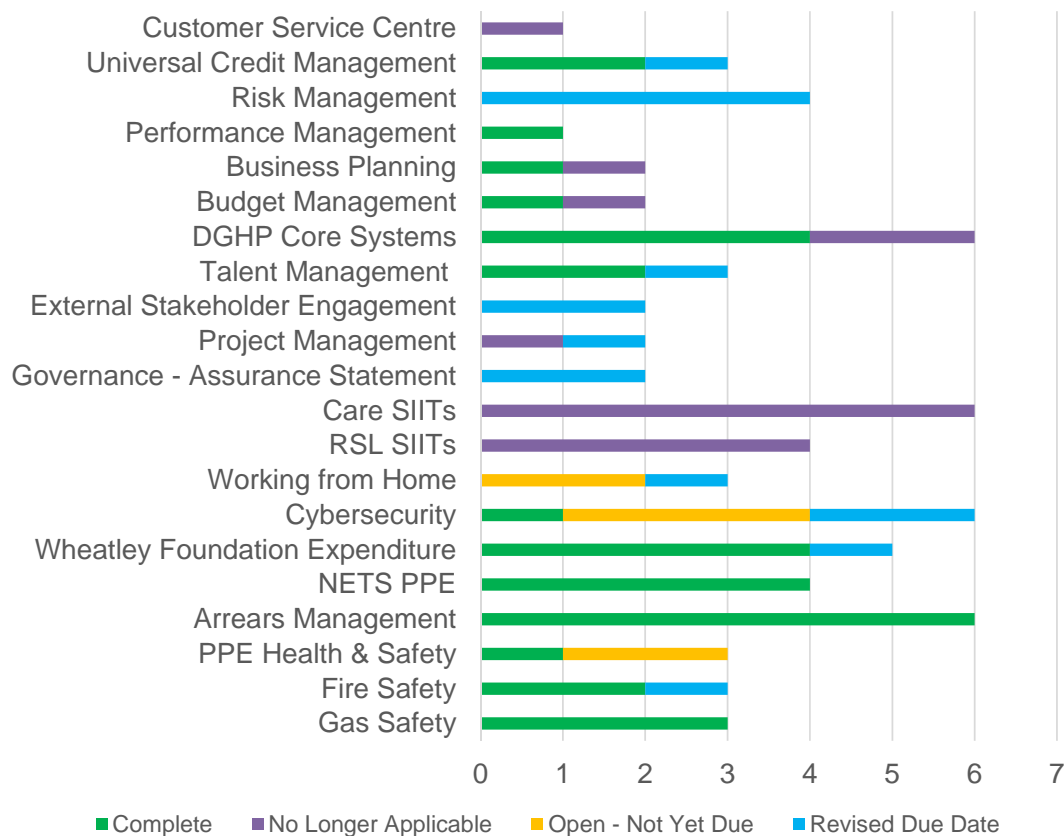
The chart below summarises our assessment of the status of the 123 actions carried forward to 2021/22.

Status of Actions at 31 March 2021

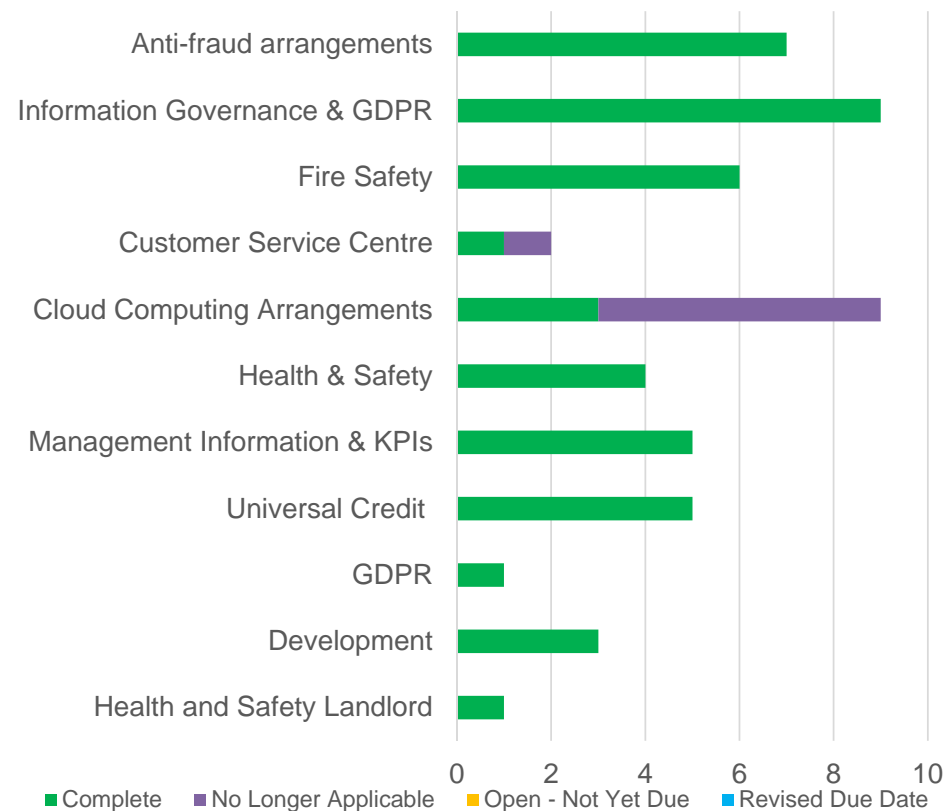


8. Follow up

Wheatley Group actions status



Legacy DGHP action status



9. IA Annual Plan 2021-22

Identification of internal audit areas of focus

As previously agreed by the Group Internal Audit Committee, the Internal Audit team has re-introduced some aspects of annual planning for 2021-22, in order to provide assurance on the completeness of systems and processes considered when identifying reviews for the rolling 3-month plan.

This has resulted in identification of areas of audit focus over the next 12-month period (see next slide), from which reviews for the next 3 months have been prioritised, based on consideration of the following matters:



The areas of audit focus we have identified have been allocated to one the following four categories.



Assurance to Group and Subsidiary Boards

The Internal Audit team will also consider the extent to which the identified areas of focus for 2021-22 apply to Group and Subsidiary Boards, to confirm that an appropriate range of assurance is provided. This includes the following:

RSLs	Care	Commercial	Support
<ul style="list-style-type: none">•GHA•DGHP•DC•Loretto Housing•WLHP•Cube (part year)	<ul style="list-style-type: none">•Wheatley Care	<ul style="list-style-type: none">•Lowther•City Building Glasgow (Joint Venture)	<ul style="list-style-type: none">•Wheatley Solutions•Wheatley Foundation•WGC•WLF1•WLF2

9. Internal Audit Areas of Focus for 2021/22

The following details the identified areas of audit focus over the next 12 months to be monitored during 2021-22. This list (along with any new risk areas) will be used to identify reviews to be prioritised each quarter, for approval by Group Audit Committee. The areas of focus will also be reviewed quarterly. The areas highlighted in **bold italics** are proposed for the next three months.




Operational Process

- ***Accounts payable: Purchase Cards, Faster Payments***
- ***Payroll and expenses***
- ***Furlough scheme***
- Accounts payable: IPOS
- Complaints management
- Voids management
- Treasury & Cash management, including covenant reporting
- Lowther: Letting process
- Procurement: Use of Supplier Frameworks
- Home working follow up
- Care Appointee Accounts




Regulatory Focus

- ***SHR Annual Assurance Statement***
- ***Environmental, Social and Governance (ESG) reporting arrangements***
- ***Equalities & Human Rights reporting***
- Lowther: Factoring Code of Conduct process
- Implementation of Group Homelessness Framework
- Fire Risk Assessments
- Care quality assurance framework



Strategic Change

- ***Digital Strategy and Technology Roadmap follow up***
- CSC operating model
- Digital Maturity Assessment refresh
- New Build Programme- locality planning, development pipeline, portfolio additions
- Customer Engagement model
- DGHP Transformation Programme
- Repairs Transformation Project
- Capital Investment Programme



Management Focus

- Delivery of promises to Cube tenants
- Power BI reporting
- Group-wide review of repairs provision by geographic area
- MyAcademy
- New build programme – securitisation process
- Employee Performance Management system (MyContribution)
- User device / asset management
- Repairs end-to-end customer journey (with GCC to review CBG arrangements)

9. IA Plan Key Performance Indicators 2021/22

In line with previous years, the Internal Audit team will monitor and report on performance against agreed targets throughout 2021/22. The proposed targets are set out below, for approval by Group Audit Committee. These targets have been revised to provide a wider assessment of team performance.

**Customer Satisfaction:
consultation and
engagement**

- *Target Average score:
8 out of 10*

**Customer Satisfaction:
delivery of review**

- *Target Average score:
8 out of 10*

**Customer Satisfaction:
Added value of actions**

- *Target Average score:
8 out of 10*

The three customer satisfaction measures will be based on feedback forms completed by auditees following each review.

Performance against target will be allocated a Red, Amber or Green rating, as follows:

**Team utilisation on IA
delivery (based on 200
days)**

- *Target: 100%
utilisation*

**Team operates in
accordance with IIA
Standards**

- *Target: "Generally
Conforms" rating*

**Team members meet
CPD/ training
requirements**

- *Target: 100% of team*

**Annual workplan:
completed to agreed
timescale and budget**

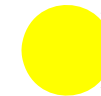
- *Target: 100% of audits*

**Annual Report available
for signing of Annual
Accounts**

- *Target: August Group
Audit Committee*



More than 15% away from target



Within 15% of target



Target met / on track for year



Report

To: Loretto Housing Association Board

By: Pauline Turnock, Director of Financial and Legal Services

Approved by: Steven Henderson, Group Director of Finance

Subject: Finance Report

Date of Meeting: 16 August 2021

1. Purpose

- 1.1 The purpose of this report is to provide the Loretto Board with an overview of the management accounts for the period to 30 June 2021 including the latest forecast for 2021/22.

2. Authorising and strategic context

- 2.1 Under the terms of the Intra-Group Agreement between Loretto Housing and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the Loretto Board is responsible for the on-going monitoring of performance against agreed targets. This includes the on-going performance of its finances.
- 2.2 Delivery of financial results within approved budgetary limits is a key element in delivering our strategy and maintaining the confidence of investors. This report provides the Board with an update of performance to date to allow it to discharge its role in monitoring performance and agreeing any actions required.

3. Risk appetite and assessment

- 3.1 Our agreed risk appetite for performance against group is "Open". This level of risk tolerance is defined as "Prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level".

4. Background

- 4.1 This report outlines performance against budget for the 3 months to 30 June 2021.

5. Customer engagement

- 5.1 No implications.

6. Discussion

- 6.1 This report outlines performance against budget with the appendix providing more detail on the financial results.

Period to 30 June 2021

- 6.2 We have reported a statutory deficit of £445k for the period to 30 June 2021, which is £77k favourable to budget. The main driver of the favourable variance is lower expenditure across a number of categories.

Key points to note:

- Gross rental income is broadly in line with budget, with no new build completions due in 2021/22. Void lost rent is £17k higher than budget, however, recent changes in referral criteria at one of our temporary accommodation sites have already had a positive impact in June.
- Direct employee costs are £12k unfavourable to budget due to the creation of Community Engagement Officer post in Loretto. This is offset by lower direct and group services running costs following implementation of our new operating model.
- Revenue repairs and maintenance currently reports an unfavourable variance of £26k due to the timing of compliance based cyclical spend; we expect full year spend to align with budget. The approved budget contains an additional allowance for jobs postponed in Q4 of the previous financial year.
- Bad debt costs are £37k favourable to the budget, reflecting the prudent approach taken when setting the budget.
- Interest payable is £63k lower than budget, following restructure of WFL1's loans in March.

- 6.3 We have reported a net capital position of £1,313k, which is £127k unfavourable to budget for the period.

Key points to note:

- The Hallrule Drive new build site has progressed well in Q1, with spend above budget, noting that this is partially offset by increased grant income.
- Good progress is being made in the investment programme with spend currently £64k higher than budget, following the earlier than planned replacement of a hostel lift. This will be managed within the overall 2021/22 provision for investment expenditure.

Q1 2021/22 Forecast

- 6.4 The forecast reports a statutory deficit of £2,790k, which is £295k favourable to budget. The main driver of the favourable is reduced interest payable.

Key points to note in the forecast are:

- Void lost rent is forecast to align with budget throughout July-March, following the revised criteria implemented at one of the temporary accommodation sites which is anticipated to reduce void levels to align overall with budget.
- Additional provision has been made for the new staff post for the full year which is offset by savings in direct and group services running costs. Bad debts while currently running favourable to budget have been prudently forecast to remain at the budgeted level for the full year.
- Although a small overspend is currently reported on Repairs and Maintenance, full year spend has been forecast in line with budget.
- A saving of £300k is forecast for Interest payable, reflecting Loretto's share of savings resulting from the refinancing of WFL1 loans in March 2021.

- New build expenditure and capital investment income are forecast to be £1,127k higher and £1,755k lower than budget respectively. This is due to the timing of spend and grant receipts with Queen's Quay expected to progress quickly this year. Investment works expenditure is forecast to be in line with budget, with the programme being managed within the provision available for 2021/22.

6.5 [redacted]

6.6 [redacted]

6.7 [redacted]

6.8 [redacted]

6.9 [redacted]

7. Digital transformation alignment

7.1 No implications.

8. Financial and value for money implications

8.1 The results for the period to 30 June report a statutory deficit of £445k which is £77k favourable to budget.

8.2 Underlying surplus after deducting major repairs and interest costs from EBITDA was £245k for the period compared to budgeted underlying surplus of £225k, with the variance driven by the lower levels of expenditure.

9. Legal, regulatory and charitable implications

9.1 No implications.

10. Equalities impact

10.1 Not applicable.

11. Environmental and sustainability implications

11.1 Not applicable.

12. Recommendation

12.1 The Board is requested to note the management accounts for the period to 30 June 2021 at Appendix 1.

List of Appendices

Appendix 1: Finance report –period to 30 June 2021

Finance Report

Appendix 1 –period to 30 June 2021

1. Operating Statement period to 30 June 2021	2-3
2. Quarter 1 2021/22 forecast	4
3. Management Information	5-9
4. Balance Sheet at 30 June 2021	10

1. Operating Statement – YTD June 2021

	Period To 30 June 2021			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	2,094	2,091	3	12,188
Void Losses	(85)	(68)	(17)	(393)
Net Rental Income	2,009	2,023	(14)	11,795
Other Income	72	69	2	295
Grant Income	12	18	(7)	167
Total Income	2,093	2,111	(19)	12,257
EXPENDITURE				
Employee Costs - Direct	344	331	(12)	2,120
Employee Costs - Group Services	64	65	1	398
ER / VR	0	0	0	0
Direct Running Costs	382	405	23	1,752
Running Costs - Group Services	34	45	11	287
Revenue Repairs and Maintenance	401	375	(26)	1,941
Bad debts	20	56	37	328
Depreciation	945	945	0	6,003
TOTAL EXPENDITURE	2,190	2,223	33	12,828
OPERATING SURPLUS / (DEFICIT)	(97)	(112)	15	(571)
Interest Payable	(348)	(411)	63	(2,514)
STATUTORY SURPLUS / (DEFICIT)	(445)	(523)	77	(3,085)

	Period To 30 June 2021			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	1,549	1,389	161	6,260
Investment Works	243	179	(64)	2,834
New Build	2,596	2,354	(241)	11,956
Other Capital Expenditure	24	41	18	351
TOTAL CAPITAL EXPENDITURE	2,863	2,575	(288)	15,142
NET CAPITAL EXPENDITURE	1,313	1,186	(127)	8,881

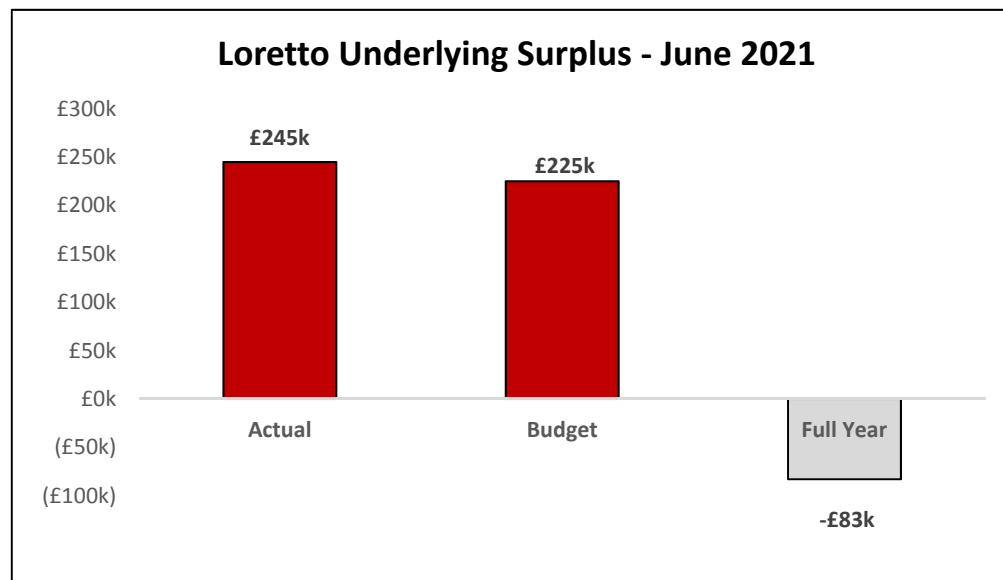
Income and Expenditure account – key points

- Net operating deficit of £97k is £15k favourable to budget. Statutory deficit for the year to date is £445k, £77k favourable to budget. The main driver of the favourable variance is a reduction in bad debts and direct running costs and interest payable.
- Gross rental income of £2,094k is broadly in line with budget..
- Void losses in the year to date are 4.05% against a budget of 3.23%, which is largely linked to Loretto's 3 temporary accommodation sites managed by Wheatley Care. At Broad Street, one of the three temporary accommodation sites, new referral criteria implemented from 15th June are allowing voids to be filled in the same day they become available. The benefit of this is already visible in the figures for the month of June and we will accrue minimal rental loss going forward across all sites.
- Grant income relates to medical adaptations.
- Employee costs are £12k unfavourable to budget due to the creation of the Community Engagement Officer's post. Employees recharged from Group Services for Loretto's share of Wheatley Solutions staff.
- Direct running costs are £23k favourable to budget, with a number of budget lines showing small underspends. Group Services Running Costs of £34k represents Loretto's share of Wheatley Solutions running costs.
- Revenue repairs and maintenance expenditure is £26k unfavourable to budget as a result of the timing of compliance based cyclical works.
- Bad debts are £37k favourable to budget. A prudent approach was taken when setting the budget.
- Gross interest payable of £348k represents interest due on the loans due to Wheatley Funding Ltd 1. It is £63k lower than budget following re-structuring of WFL 1 loans in March.
- The net capital position of £1,313k is £127k higher than budget. This is due to the timing of new build grant receipts (Hallrule £936k and Cobblebrae £602k) and spend.
- Investment works expenditure of £243k mainly relates to voids, capitalised repair and M&E core programme works.
- New build expenditure of £2,596k relates to 3 ongoing sites.
- Other capital expenditure of £24k relates to the Loretto contribution to Wheatley Group IT. Full year budget includes £108k budgeted for office refurb and conversion of housing properties previously used as offices by Wheatley Care. This budget has been brought forward from 2020/21.

1a. Underlying surplus – P3 June 2021

Key comments:

- 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 June, an underlying surplus of £245k has been generated using this measure which is £20k favourable to budget. The variance is driven by lower revenue expenditure and lower interest costs.



2. Q1 2021/22 Forecast

	Full Year 2021/22		
	Forecast £k	Budget £k	Variance £k
INCOME			
Rental Income	12,188	12,188	0
Void Losses	(408)	(393)	(15)
Net Rental Income	11,780	11,795	(15)
Other Income	295	295	0
Grant Income	167	167	0
Total Income	12,242	12,257	(15)
EXPENDITURE			
Employee Costs - Direct	2,150	2,120	(30)
Employee Costs - Group Services	398	398	0
ER / VR	0	0	0
Direct Running Costs	1,722	1,752	30
Running Costs - Group Services	276	287	11
Revenue Repairs and Maintenance	1,941	1,941	0
Bad debts	328	328	0
Depreciation	6,003	6,003	0
TOTAL EXPENDITURE	12,818	12,828	11
OPERATING SURPLUS / (DEFICIT)	(576)	(571)	(5)
Interest Receivable	0	0	0
Interest Payable	(2,214)	(2,514)	300
STATUTORY SURPLUS / (DEFICIT)	(2,790)	(3,085)	295

	Full Year 2021/22		
	Actual £k	Budget £k	Variance £k
INVESTMENT			
Total Capital Investment Income	4,485	6,260	(1,775)
Investment Works	2,834	2,834	0
New Build	13,083	11,956	(1,127)
Other Capital Expenditure	351	351	0
TOTAL CAPITAL EXPENDITURE	16,268	15,141	(1,127)
NET CAPITAL EXPENDITURE	11,783	8,881	(2,902)

Comments:

- This table shows the 2021/22 budget presented to the Board compared to the Q1 forecast for 2021/22, compiled following the June year to date results.
- Operating deficit of £576k is broadly in line with budget and statutory deficit of £2,790k is £295k favourable to budget, driven by lower levels interest payable.

Key points to note:

- Rental income is forecast in line with budget as no new build completions are due in 2021/22.
- Void losses are £15k unfavourable to budget, reflecting the position at Q1. It is assumed that the changes in Broad St will lead to void losses aligning with budget throughout July-March.
- Employee Costs are forecast to be £30k higher than budget following the creation of the Community Engagement Officer's post in Loretto.
- Direct running costs and group services running costs forecast a prudent saving of £41k following implementation of the new operating model.
- Although a small overspend is currently reported on repairs and maintenance, full year spend has been forecast in line with budget, as the current overspend is mainly due to the timing of compliance based cyclical works.
- At Q1 bad debts are £37k lower than budget, however, a prudent approach has been taken in the forecast.
- Gross interest payable forecasts a saving of £300k following re-structure of WFL 1 loans in March.
- New build expenditure and capital investment income are forecast to be £1,127k higher and £1,755k lower than budget respectively. This is due to the timing of spend and grant receipts rather than any revision to contract costs or grant awards. Both the Hallrule Drive and Queens Quay developments are forecast to progress at pace in 2021/22.
- Investment works expenditure is forecast to be in line with budget.

3. Rental and Other Income – YTD June 2021

Income £'000	1 April 2021 - 30 June 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Rental Income	2,094	2,091	3	12,188
Voids	(85)	(68)	(17)	(393)
Net Rental Income	2,009	2,023	(14)	11,795
WC Management Fee	51	51	0	203
Mid Market Rental Income	21	19	2	75
Garage/ Lock-ups	-	-	-	17
Miscellaneous Income	-	-	-	-
Other Income	72	69	2	295
Grant Income	12	18	(7)	167
TOTAL INCOME	2,093	2,111	(19)	12,257

Comments

Net rental income

- Rental income of £2,094k includes a 1.7% rent increase and is broadly in line with budget.
- Void lost rent of £85k YTD is £17k unfavourable to budget and the YTD void rate is 4.05%, versus the budgeted rate of 3.23%. Loretto's three temporary accommodation sites managed by Wheatley Care are driving the higher void rate, with a YTD void rate of 26.33% against the budgeted rate of 7%.
- At Broad Street, one of the three temporary accommodation sites, new referral criteria implemented from 15th June are allowing voids to be filled in the same day they become available. The benefit of this is already visible in the figures for the month of June and we will accrue minimal rental loss going forward across all sites.

Other income

- Management fee income of £51k was received from Wheatley Care for their share of Lipton House admin and running costs.
- Mid market rental income relates to the lease of Barclay Phase 2 units to Lowther Homes.

Grant income

- Grant income of £12k is in relation to medical adaptations.

Direct Running Costs – YTD June 2021



Direct Running Costs £'000	1 April 2021 - 30 June 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Equipment and Furniture	0	4	4	23
Initiatives	63	69	6	256
Insurance	9	9	(0)	63
Misc Running Costs	13	26	12	129
Property Costs	73	72	(1)	310
Staff Related Costs	4	7	2	41
Group recharges	219	219	(0)	930
TOTAL RUNNING COSTS	382	405	23	1,752

Initiatives £'000	1 April 2021 - 30 June 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Helping Hand	6	8	2	41
Tenancy Support Service	9	10	1	79
Think Yes	1	3	2	28
Wheatley Foundation	47	48	1	99
Wider Action	0	0	0	9
Total	63	69	6	256

Comments

- Direct running costs of £382k are £23k favourable to the budget of £405k.
- The favourable position is reported due to lower spend across a number of categories. The budget is spread evenly throughout the year and we would expect to see fluctuations due to timing of spend.
- The second table provides a breakdown of YTD Initiatives expenditure.
- Group recharges includes:
 - Environmental costs recharged from GHA (relating to staff, vehicles, equipment and depot costs);
 - A recharge from GHA for Loretto's share of the Wheatley 360 service, including PPE Equipment; and
 - Payment to Wheatley Care of Loretto's temporary accommodation and sheltered service charge income (for the services provided by Wheatley Care at these sites) less related property costs paid by Loretto on Wheatley Care's behalf.

Repairs and Maintenance – YTD June 2021

Repairs & Maintenance Expenditure £'000	1 April 2021 - 30 June 2021			21/22 Budget
	Actual	Budget	Variance	
Reactive repairs	139	127	(12)	843
Cyclical maintenance (compliance)	193	178	(15)	735
Cyclical property maintenance	-	-	-	79
Other	3	5	3	26
Communal Electricity	66	65	(1)	258
TOTAL R&M Expenditure	401	375	(26)	1,941

Comments

- Revenue repairs and maintenance spend of £401k is £26k unfavourable to the budget of £375k.
- The number of reactive repair jobs completed has increased over Q1 reflecting the service re-mobilisation.
- Cyclical Maintenance - Compliance spend relates to gas servicing and the maintenance and repair of any mechanical and electric equipment in Loretto's properties, such as lifts, fire safety equipment and pumps and tanks, costs are £15k higher than budget due to the timing of some of the compliance works.
- Other R&M expenditure relates to decant/removal costs, laundry equipment, alarm monitoring, key holding and small repairs jobs undertaken by contractors other than City Building.

Investment Works – YTD June 2021

Investment Works £'000	1 April 2021- 30 June 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Investment Works Grant Income				
Adaptations	12	18	7	167
Total	12	18	7	167
Investment Works Expenditure				
Adaptations	12	18	7	167
Core programme	116	75	(42)	2,072
Capitalised repairs	59	22	(37)	159
Capitalised staff	15	15	1	88
Void repairs	42	49	7	348
Total	243	179	(64)	2,834

Comments

- Overall investment works expenditure of £243k for the month of June is £64k unfavourable to the budget of £179k.
- Capitalised repairs are £37k unfavourable to budget, noting that this includes £23k of boiler replacements.
- Core programme works are higher than budget following £57k of M&E spend to replace the lift at Wallace of Campsie House, one of our hostels. Although a replacement wasn't planned in the programme for this year it was deemed to be more cost effective option, due to continuing repairs.
- The cost of adaptations is funded by grant income.

New Build Programme – YTD June 2021

Name	Year To Date			FY Budget
	Actual £s	Budget £s	Variance £s	
Hallrule Drive	941	609	(332)	2,436
Dargavel	885	914	29	3,045
Cobblebrae Farm	604	761	157	2,335
MacDowall Street	10	0	(10)	65
Eribol	3	0	(3)	0
Forfar Avenue	111	0	(111)	0
Vellore Rd	0	0	0	585
Queens Quay	0	0	0	2,842
South Crosshill	0	0	0	36
Prior year schemes	2	0	(2)	0
Land Acquisition	0	25	25	100
Loretto	2,556	2,309	(247)	11,444
Capitalised Interest	0	0	0	135
Capitalised Staff Costs	40	45	5	378
Gross New Build Costs	2,596	2,354	(241)	11,957
Grant Income	1,538	1,370	168	6,092
Net new build costs	1,058	984	(74)	5,865

Capital Investment Income

Grant income reported within the capital budget represents the cash received in the YTD and outstanding claims accrued.

New Build Expenditure

- **Hallrule Drive:** Project approved by Group Development Committee in May 2020 subject to a reduction in works costs. Start on site occurred 16 November 2020. Works are progressing well with erection of kits taking place.
- **Dargavel:** 58 Social Rent units. Site acquired in December 2019. Start on site took place 15 February 2021. Works are progressing well with infrastructure works done and the project coming out of the ground.
- **Cobblebrae Farm:** 21 social rent units. Project approved by Group Development Committee in August 2020. Start on site occurred 16 November 2020. Minor delays are being reported due to longer delivery times for materials but the site is still progressing well.
- **MacDowall Street:** 35 social rent units. Discussions with Developer are ongoing and will inform discussions with Renfrewshire Council.
- **Forfar Avenue:** Spend to date is site demolition costs and fees.
- **Vellore Road:** 8 social rent units, s75 proposal in Maddiston, Falkirk. Under discussion with developer and respective legal teams.
- **Queens Quay and South Crosshill Road:** These project are expected to transfer from Cube on 28th July.
- **Land Acquisition:** Nothing to report.

4. Balance Sheet

	30 June 2021 £k	31 March 2021 £k
Tangible Fixed Assets		
Housing Properties	67,392	65,498
Investment Properties	1,280	1,280
Other Assets	1,130	1,105
	<u>69,802</u>	<u>67,883</u>
Current Assets		
Rent and service charge arrears	89	93
Intercompany balances	63	38
Other debtors	792	543
	<u>944</u>	<u>674</u>
Cash at Bank and in Hand	701	1,322
	<u>1,645</u>	<u>1,996</u>
Short Term Creditors		
Amounts due within one year	(3,879)	(3,407)
Deferred Grants	(1,538)	0
	<u>(5,417)</u>	<u>(3,407)</u>
Net Current Assets	(3,772)	(1,411)
Long Term Creditors		
Amounts due after one year	(32,755)	(32,755)
Deferred Income	(7,600)	(7,600)
Pension Liability	(2,155)	(2,155)
	<u></u>	<u></u>
Net Assets	23,520	23,962
Capital and Reserves		
Share Capital	-	-
Revenue Reserve - b/fwd	26,120	25,481
Current year surplus/(deficit)	(445)	636
Pension Reserves	(2,155)	(2,155)
	<u></u>	<u></u>
Association's Funds	23,520	23,962

Comments

The balance sheet reported reflects the 31 March 2021 year end audited statutory accounts position. These include the revaluation of housing properties and actuarial valuation of the defined benefit pension scheme.

- **Fixed Assets** - Expenditure is capitalised in accordance with our accounting policy.
- **Investment Properties** – These are the Barclay Street Mid Market Rent properties, leased to Lowther Homes.
- **Debtors** – Other Debtors are increased from March 2021 position as a result of the timing of grant claims. The level of tenant arrears (net of bad debt provision) has decreased from the year end position of £92k to £89k.
- **Cash at Bank** - The change from the year end principally reflects the timing of the settlement of intercompany balances and supplier payments.
- **Deferred grants** – This relates to the schemes currently on site. Upon completion of the properties this income will be released to the I&E as grant income.
- **Long-Term Creditors** - This includes £32.8m of loans due to Wheatley Funding Ltd 1.

Report

To: Loretto Housing Association Board

By: Hazel Young, Managing Director

Approved by: Olga Clayton, Group Director of Housing and Care

Subject: Quarter 1 Performance Report and Delivery Plan update

Date of Meeting: 16 August 2021

1 Purpose

- 1.1 This report provides the Loretto Board with an update for Quarter 1 on the performance measures and projects in the performance framework and strategy. Appendix 1 contains the dashboard of Board Performance Measures and Appendix 2 provides a table of progress delivering Strategic Projects.

2 Authorising and strategic context

- 2.1 Under the terms of the Group Authorising Framework, the Group Board is responsible for setting the overall Group Performance Framework and approving the delivery plan for each year. Under the Group Authorise/Manage/Monitor Matrix, the Board has an ongoing role monitoring performance against the key indicators agreed under the performance framework.
- 2.2 Under the terms of the Intra-Group Agreement between Loretto and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the Loretto Board is responsible for approving regulatory returns including the Charter. It is also responsible for monitoring performance against agreed targets. In the case of Loretto, this includes the on-going performance of its services. In addition, the Group Authorising Framework states that the Loretto Board is responsible for approving any changes to their Service Delivery Model or arrangements which it may consider d these targets and projects.

3 Risk appetite and assessment

- 3.1 Our agreed risk appetite in relation to board governance is “cautious”. This level of risk tolerance is defined as “preference for safe delivery options that have a low degree of inherent risk”. We mitigate this risk by reserving the agreement of individual performance targets and strategic projects to Board. The Board are furnished with regular updates in relation to progress against these targets and projects.
- 3.2 We do not have a single risk appetite in respect of strategy or performance targets. The future impact of the pandemic and transition to the recovery remains a risk in terms of the impact on our tenants in particular the recovery of the labour market and targets for a year where different restricting levels applied.

- 3.3 We have sought to reflect this in our approach to developing our targets, which have sought to take into account our remobilisation assumptions. Any risk associated with delivering our targets as a clearer picture emerges over the coming months of remobilisation and impact on the wider economy will remain under review.

4 Background

- 4.1 The Loretto Board agreed the Strategy for 2021 to 2026, *Your Home, Your Community, Your Future*, in February 2021. At the same time, the Board also agreed the supporting Performance Framework, setting out the measures, targets and reporting arrangements that provide performance management and oversight of delivery for Boards and management.
- 4.2 This report outlines our performance against the Loretto Delivery Plan, as at the end of Quarter 1, with actions and updates where appropriate. Our key indicators that will be reported to the Scottish Housing Regulator as part of the Annual Return on the Charter are included within this report.

5 Customer engagement

- 5.1 A key theme throughout our strategy is our commitment to ensuring customers have greater power, control and choice regarding the services they receive. We have reflected this in our approach to developing our strategic projects, with over 50% incorporating an element of customer engagement activity. This is a key deliverable within our new engagement framework, Stronger Voices, Stronger Communities.
- 5.2 We engaged with the Group Scrutiny Panel about the proposed Group performance framework, in particular the strengthened focus on customer value. The Panel provided us feedback, which we have used to refine our approach.

6 Discussion

Part 1: Performance Update

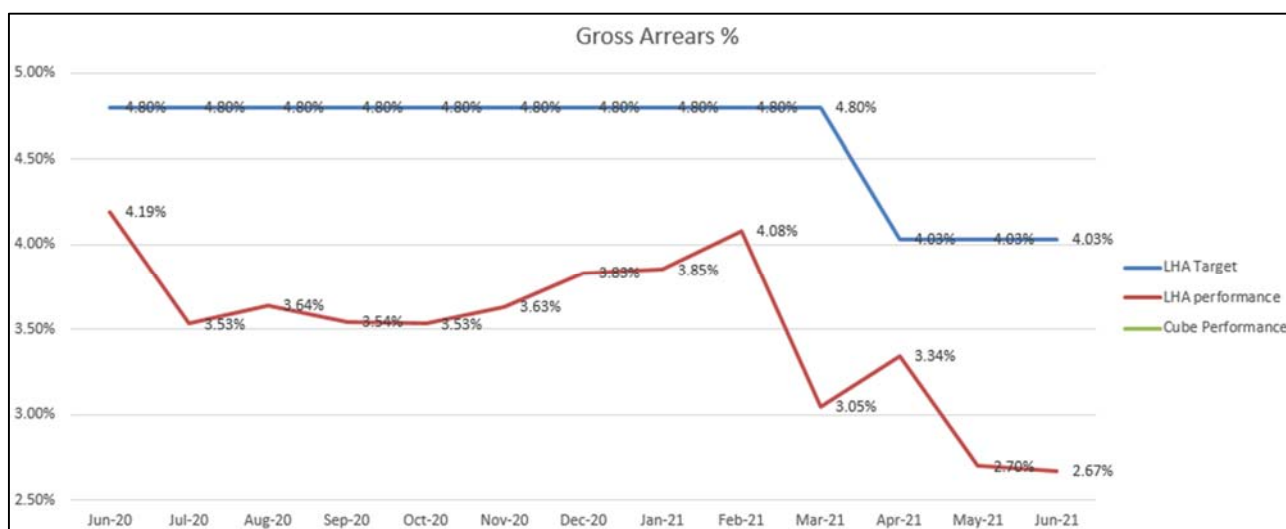
- 6.1 This section outlines our performance as of the end of Quarter 1.
- 6.2 The following table presents our results in key measures. The majority of the measures below and in Appendix 1 are meeting target despite the challenging delivery circumstances during the Covid 19 pandemic.

Indicator	Target	Current Performance	
Gross Rent Arrears	4.03%	2.67%	
Average Days to Re-Let Properties	20	12.85	
Average Emergency Repairs Times	3	2.92	
Lettable houses that become vacant	8%	7.92%	
Tenancy Sustainment	90%	89.57%	

Gross Rent Arrears

- 6.3 As we continue to support our customers throughout this quarter, we have seen our Gross Rent Arrears continue to meet our 4.03% target as we have reduced from 3.05% at the end Quarter 4 20/21 to 2.67% at Q1 this year. This is an overall reduction of 0.38% in Quarter 1. This can be further broken down as our Gross Rent Arrears have reduced from £180,936 in Quarter 4 to £159,675 in Quarter 1 showing an overall reduction of £21,261 during this period which is our lowest arrears position to date.

- 6.4 We have also continued to see an increase in Universal Credit claims and we have a caseload of 325 customers on Universal Credit (an increase of 20 new Universal Credit customers since the start of April 2021). Our Housing Officers and Welfare Benefits Advisors have continued to support customers transitioning to Universal Credit throughout the pandemic. This additional support to our customers has allowed us to further reduce our Universal Credit rent arrears from £59,040 to £26,800 in Quarter 1 against the same period last year. This means that we have seen a £32,240 Universal Credit arrears reduction over the year.
- 6.5 The chart below illustrates our Gross Rent Arrears position over the past 12 months with a reduction from 4.19% in 20/21 to 2.67% in Quarter 1 21/22, an overall reduction of 1.52%. This is also a reduction of £82,042 in our Gross Arrears position from 2020/21 and a reduction of 45 customers in arrears as we support our customers out of debt.



Average Times to re-let properties

- 6.6 In Quarter 1 Loretto have successfully allocated 26 properties in an average of 12.85 days against a 20-day target. This is a result of Loretto now being fully remobilised from the effects we had as a direct result of the pandemic and the high void times we saw throughout March to August 2020. Our Housing Officers continue to meet with our colleagues in City Building weekly to discuss properties that require works and ensure that these properties have a quick turnaround for our new customers to have minimal wait time to move into their new homes.
- 6.7 We have also achieved 57.1% of our 26 new tenancies this period being allocated to homeless applicants which exceeds our 50% target for 20/21. This is a direct result of our close working relationships with our 9 local authorities to receive the appropriate homeless nominations whenever suitable.

Tenancy Sustainment

- 6.8 Our percentage of new tenancies sustained for more than a year has seen a reduction this quarter to 89.57% against our 90% target. This is due to the number of eligible tenancies significantly reducing year on year as a result of the suspension of letting during the Covid 19 Pandemic. In Quarter 1, we are reporting that only 10 new tenancies have not succeeded due to customers who have deceased, had ill health or medical reasons or moved due to their own personal family circumstances changing. We anticipate that our Tenancy Sustainment figure will recover in Quarter 2 as we start to see our new tenancies be included from August and September last year in this rolling figure. Our Housing Officers are also carrying out face to face settling in visit checks again to support all of our new customers as they return to the communities as part of our remobilisation.

Repairs

- 6.9 Our Housing Officers have been working closely with City Building to ensure that we have carried out our emergency repairs within target times in Quarter 1 achieving all repair completions in 2.92 hours against a 3-hour target. As part of our remobilisation, we have also now resumed our non-emergency repairs where we have been working through the backlog of our non-essential outstanding repair jobs for our customers. As a result of the challenging circumstances City Building are facing awaiting materials and the safety precautions required to be in place for Covid 19, we have seen our non-emergency repairs completed in 5.8 days against a 5.5-day target. It is encouraging however to note that as we work through these repairs for our customers, we have been able to achieve our Right First-time target with 98.58% achieved against our 97% target in Quarter 1.

Gas Safety

- 6.10 From August 2020 we have remained 100% compliant with no expired certificates across all Loretto Housing Properties. This has followed our staff prioritising our landlord responsibility to ensure the safety of our customers and reduce the backlog of expired gas servicing certificates that arose in the early months of the Covid 19 pandemic. We initially saw 114 gas certificates that expired during that period which have all since been serviced by City Building.
- 6.11 As the Charter indicator shows the number of expired certificates that have expired at any point in the previous 12 months, we are reporting a higher figure than normal in Quarter 1. However, as all certificates were complete by August 2020, we will see Loretto return to 100% properties with a valid gas certificate in our Quarter 2 performance.

Medical Adaptions

- 6.12 Our Medical Adaptions have also now resumed, and all outstanding Medical Adaptions have now been completed in line with our remobilisation. As the majority of the 28 Medical Adaptions were completed in March 2021 after being suspended, this is showing a higher than usual performance. However, we have now completed all 28 Medical Adaptions within 115.11 days against a 35-day target at the end of Quarter 1. Loretto are up to date with our requested Medical Adaption requests and anticipate that we will see a normal performance result in Quarter 4 as the majority of medical adaptions fall off from March 2021.

Sickness Absence

- 6.13 We are reporting that our levels of sickness absence have increased in Quarter 1 with 4.67% against a 3% target. This is a result of one staff member returning to work from long term absence and another from a positive Covid 19 test result. Both staff have now returned to work and we do not anticipate any further high levels of absence. Our staff continue to receive support for the challenging circumstances they face due to Covid 19 from their colleagues, management and the support services offered from the Wheatley Group.

Part 2: Delivery of Strategic Projects update

- 6.14 Appendix 2 outlines progress on the strategic projects in the Delivery Plan at the end of Quarter 1.
- 6.15 All projects are on track to deliver on time including:
- Implement new engagement framework - Phase 1;
 - Refine Repairs Delivery Model;
 - Wheatley Green Investment Plan;
 - Deliver a group wide Antisocial Behaviour Prevention & Mitigation Framework (ASBPMF) that maps out our approach to preventing, managing and mitigating ASB – **Complete in Quarter 1**; and
 - Establish digital maturity approach and assessments.

Key issues and conclusions

- 6.16 This report outlines relatively strong progress in achieving the majority of performance targets and the delivery of projects, despite the challenges posed by the COVID-19 pandemic and an unprecedented year. Particularly strong performance in rent collection and reducing arrears means that the economic impact of the pandemic was mitigated by our response. Repairs, too, have performed strongly under challenging service delivery circumstances. Key areas of focus as we continue into 2020/21 will be the continued support of customers who may be experiencing additional financial hardship and to manage our arrears, continued focus on letting properties and supporting our contribution to reducing homelessness, and delivery of safe and high-quality repair services to our customers.

7 Digital transformation alignment

- 7.1 There are no digital transformation themes aligned to the content of this report.

8 Financial and value for money implications

- 8.1 The measures and projects included in this report were agreed as the strategy delivery plan for 2021/22. These items are intended to focus service improvement on the key priorities within the Strategy to make sure that financial and other resources are aligned with our priorities.
- 8.2 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 Registered Social Landlord. Key indicators within the Return are included in quarterly performance reporting to board, such as gross rent arrears and the average days to re-let properties. We are also required to involve tenants in the scrutiny of performance, which we do through our Tenant Scrutiny Panel, and to report to our tenants annually by October.

10 Equality implications

- 10.1 There are no proposals relating to our duties under equality legislation or that have an adverse impact on equality.

11 Environmental and sustainability implications

- 11.1 As previously reported to the Board we have our own plans to increase the number of environmental and sustainability based measures in our performance framework. The Scottish Housing Regulator recently consulted on the on the indicators it will use to monitor landlord performance against the Energy Efficiency Standard for Scottish Social Housing (ESSH). The SHR is due to publish technical guidance to support landlords to make their first return under the new indicators on 31 May 2022.

12 Recommendation



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

List of Appendices






- Appendix 1 Board performance measures dashboard
Appendix 2 Board strategic projects dashboard

Appendix 1 - Loretto Housing Board - Delivery Plan 21/22 - Strategic Measures











1. Delivering Exceptional Customer Experience

	2020/21	YTD 2021/22		
Measure	2020	2021		
	Value	Value	Target	Status
Average time for full response to all complaints (working days) - Stage 1	2.89	3.38	5	
Average time for full response to all complaints (working days) - Stage 2	19.5	No Stage 2 Complaints	20	
% new tenancies sustained for more than a year - overall	90.27%	89.57%	90%	


2. Making the Most of Our Homes and Assets

	2020/21	YTD 2021/22		
Measure	2020	2021		
	Value	Value	Target	Status
Number of gas safety checks not met	114	86	0	
Average time to complete approved applications for medical adaptations (calendar days)	119.39	115.11	35	
Reduce the volume of emergency repairs by 10% by 2025/26	Q1 19/20 - 619	632		
Average time taken to complete emergency repairs (hours) – make safe	2.95	2.92	3	
Average time taken to complete non-emergency repairs (working days)	4.60	5.8	5.5	
% reactive repairs completed right first time	94.94%	98.58%	97%	

3. Changing Lives and Communities

	2020/21	YTD 2021/22		
Measure	2020	2021		
	Value	Value	Target	Status
% lets to homeless applicants	57.1%	73.3%	50%	
% lets to homeless applicants (ARC)	38.5%	41.2%		
Number of lets to homeless applicants (contributes to 10,000 for Group by 2025/26)	42	11		
Group Result - Over 70% of customers live in neighbourhoods categorised as peaceful by 2025/26	69.4%	69.9%	68%	
% ASB resolved	100%	100%	98%	
Total number of jobs, training places or apprenticeships created including Wheatley Pledge	0	5	5	
Group Result - Increase the number of active users of MySavings to 5,000 as part of our commitment to reduce the cost of running a home		325		
Group Result - 100% of relevant properties have a current fire risk assessment in place	100%	100%	100%	
Group Result – The percentage of HMOs that have a current fire risk assessment in place	100%	100%	100%	
Group Result - Non-relevant properties with current fire risk assessment in place		23.03%	23%	
Number of accidental dwelling fires recorded by Scottish Fire and Rescue	17	3		

4. Developing Our Shared Capacity






	2020/21	YTD 2021/22		
Measure	2020	2021		
	Value	Value	Target	Status
Sickness Rate	0.87%	4.67%	3%	

5. Enabling Our Ambitions



	2020/21	YTD 2021/22		
Measure	2020	2021		
	Value	Value	Target	Status
% court actions initiated which resulted in eviction - overall	100%	No evictions	25%	
Average time to re-let properties (ARC)	35.18	12.85	20	✓
Gross rent arrears (all tenants) as a % of rent due	3.05%	2.67%	4.03%	✓
% lettable houses that became vacant	8.28%	7.92%	8%	✓

Appendix 2 - Loretto Housing Board - Delivery Plan 21/22 - Strategic Projects



01. Delivering Exceptional Customer Experience

Delivery Plan Project	Delivery Date	Status	% Progress
Implement new engagement framework - Phase 1	31-Mar-2022		<div><div>0%</div></div>
Develop a Wheatley Whole Family approach	31-Mar-2022		<div><div>0%</div></div>
Introduce new cloud based telephony system	31-Mar-2022		<div><div>0%</div></div>
Develop new RSL online services model	31-Mar-2022		<div><div>0%</div></div>
Refine Repairs Delivery Model	28-Feb-2022		<div><div>33%</div></div>



02. Making the most of our Homes & Assets

Delivery Plan Project	Delivery Date	Status	% Progress
Implement Group corporate estate model - phase 1	31-Mar-2022		<div><div>14%</div></div>
Wheatley Green Investment Plan	31-Dec-2021		<div><div>50%</div></div>



03. Changing Lives & Communities

Delivery Plan Project	Delivery Date	Status	% Progress
Deliver a group wide Antisocial Behaviour Prevention & Mitigation Framework (ASBPMF) that maps out our approach to preventing, managing and mitigating ASB	30-Jun-2021		<div><div>100%</div></div>
Review Group Fire Prevention & Mitigation Framework including digital solutions	31-Mar-2022		<div><div>33%</div></div>

04. Developing our Shared Capability

Delivery Plan Project	Delivery Date	Status	% Progress
Develop new leadership development programme	31-Jul-2021		<div><div>70%</div></div>
Strategic governance review	31-Oct-2021		<div><div>25%</div></div>

05. Enabling our Ambitions

Delivery Plan Project	Delivery Date	Status	% Progress
Restructure funding syndicate	31-Dec-2021		<div><div>0%</div></div>
Establish digital maturity approach and assessments	28-Feb-2022		<div><div>42%</div></div>

Report

To: Loretto Housing Association Board

By: Anthony Allison, Director of Governance

Approved by: Steven Henderson, Group Director of Finance

Subject: Governance update

Date of Meeting: 16 August 2021

1. Purpose

1.1 To update the Board and, where applicable, seek Board approval on the following governance related matters:

- Final schedule of meetings for the remainder of the 2021 calendar year, including 2021 Annual General Meeting (“AGM”) arrangements;
- Annual Secretary Report;
- Board Appraisals and succession planning;
- 2022 schedule of meetings; and
- Membership Policy.

2. Authorising and strategic context

2.1 Under the Group Authorising Framework, the Group Board is responsible for the Group’s overall governance arrangements. As part of this role, the Group Board is responsible for the Group’s governance framework and agreement of any changes.

2.2 The Board is responsible for calling meetings, including General Meetings. All Board member appointments / re-appointments at the AGM require approval by the Parent under the Rules of Association.

2.3 In relation to Board appraisals, under the Group Standing Orders the Group RAAG Committee is responsible for determining the approach each year and agreed to the approach used this year.

3. Risk appetite and assessment

3.1 Our agreed risk appetite for governance is “cautious”. This level of risk tolerance is defined as a “preference for safe delivery options that have a low degree of inherent risk and have only limited potential for reward”.

3.2 Our strategic risk register includes a risk that *“The governance structure is not clearly defined, is overly complex and lacks appropriate skills at Board and Committee levels to govern the Group effectively. Failure of corporate governance arrangements could lead to serious service and financial failures.”*

- 3.3 We seek to mitigate this risk by reviewing our governance structure on an ongoing basis, including the strategic governance review currently underway. In addition to this we review our succession planning arrangements formally as part of our annual appraisal process, including linking this to the wider Group board succession planning where it relates to Wheatley appointees.
- 3.4 The report sets out the up-to-date position following a review of our 3 year succession plan during the 2021 appraisal process.

4. Background

- 4.1 Our recruitment and succession planning process was set within the context of the impact of the pandemic and the development of a single Glasgow vehicle. As part of the partnership, we committed to up to three Cube tenants joining the Board.
- 4.2 At its meeting in May, the Board noted the succession plans associated with the Cube Transfer of Engagement ("ToE"). This included two former Cube and now Loretto tenant Board members, Suzanne Lavelle and Jennifer Williamson, joining the Loretto Board. In addition, the Board also noted that Eric Gibson would succeed Douglas Robin as Chair following Douglas' retirement at the upcoming AGM.

5. Customer engagement

- 5.1 As governance related matters, the content of the report is reserved to the Board and is of an internal focus and as such no customer engagement has been appropriate.

6. Discussion

2021 meetings

- 6.1 We have two further Board meetings scheduled for this calendar year. One post-AGM and Monday 29th November 2021 at 18.15pm.. This would take us to the minimum requirement of 6 scheduled meetings for the calendar year.
- 6.2 It is proposed that we call our AGM on 20th September 2021 at 18.30pm, followed by the Board meeting at approximately 19.00pm. We ordinarily hold the AGM off site as part of our wider engagement approach. Based on the current circumstances, it is proposed the meeting be strictly focussed on the business of the meeting and held at Lipton House. The meeting will be called in line with the requirements of our Rules.
- 6.3 It is proposed that the November meeting be brought forward to Monday 8th November at 18.15pm. This will allow us to:
- receive feedback from the consultation on our new operating and engagement model (subject to a separate agenda item);
 - agree the proposals for 2022 rent setting (for which the September meeting would be too early); and
 - formally agree the initiation of tenant consultation on our 2022 rent setting proposals.

Secretary's report

- 6.4 In advance of the AGM, Rule 68 states that:

"At the last Board meeting before the annual general meeting, the Secretary must confirm in writing to the Board that Rules 62 to 67 have been followed or, if they have not been followed, the reasons for this".

- 6.5 The Secretary's report in relation to each Rule referred to in Rule 68 is as follows:

Rule	Secretary report
62	Minutes are up to date and are now being signed digitally via Docusign.
63	The seal is not routinely used. It is kept at the registered office.
64 and 65	All registers have been checked and maintained throughout the year and are held at our registered office. Currently these are held securely in our offices at Lipton House until renovations at Wheatley House are complete.
66	Our registered name is displayed at our registered office and at every office where our business is carried out. It is also clearly marked on business letters, notices, adverts, official publications and financial documents.
67	Our books of account, registers, securities and other documents are kept at our registered office or any other place the Board decides is secure. Currently these are held securely in our offices at Lipton House until renovations at Wheatley House are complete.

Appraisal and 3 year succession plan

- 6.6 The Group Remuneration Appointments Appraisals and Governance (RAAG) Committee agreed our approach to appraisal that reflected the extraordinary circumstances of the previous year. This included the Chair meeting with all members individually. This has happened in the vast majority of cases, save where exceptional circumstances have meant this was not possible.
- 6.7 As part of this process, the following topics were covered:
- Board member reflections on last year;
 - Chair's reflection on Board member performance during last year;
 - Succession planning; and
 - Board CPD: the planned areas of focus (as agreed by the RAAG Committee) upon its resumption in the coming months with initial sessions covering (i) equality and diversity; (ii) Group funding structure; and (iii) environment and sustainability.

Reflections on previous year

- 6.8 The extraordinary circumstances of the pandemic were recognised by all members, including the need for our governance arrangements to take this into account. The strongest theme of feedback was that members felt the Board adapted well despite the challenges and welcomed the regular communication to Board members during this time.

- 6.9 Board members recognised the need to continue to take into account the dynamic situation regarding restrictions whilst expressing a desire to resume physical Board meetings at the earliest opportunity. This is expected to commence with our AGM and Board meeting in September.

Succession planning

- 6.10 Succession planning was discussed with each member based on the current, Board approved succession plan. As part of this, each member was asked to formally confirm their plans over the rolling three-year period.
- 6.11 Following this feedback, we have revised the Board three-year succession plan. The revised plan also takes into account the partnership commitments to Cube and the changes to the Group Board succession plan.
- 6.12 A copy of the revised succession plan is attached at Appendix 1. The key updates are as follows:
- Appointment of Suzanne Lavelle;
 - Appointment of Jennifer Williamson;
 - Douglas Robin's retirement from the Board; and
 - Eric Gibson's appointment to the Board as Chair.
- 6.13 Our Rules provide for up to 11 members in total, comprising: six independent Board members; four tenants Board members and a person appointed by Wheatley Group, as parent. To accommodate the new Board members, particularly those who are tenants of Cube we propose that Suzanne be appointed in the category of tenant Board member but that Jennifer is appointed as an independent board member. With his appointment having been approved by Wheatley, Eric will fill the Parent Appointee vacancy. Through the normal process of retirements in future, we will re-designate members to the most appropriate categories. This approach allows us to meet our commitments to Cube without the formality of a formal rule change.
- 6.14 As the Board are aware, we are currently in the process of undertaking a wider strategic governance review. As part of this it is proposed that we undertake a wider Board member skills and experience mapping relative to our overall Board skills matrix.
- 6.15. Board members will be asked to undertake a self-assessment against the matrix. This will allow us to formally document the depth of skills and experience of members beyond just the core skills recorded in the succession plan. In addition to this, feedback will be sought on the current skills matrix. This will include the level/depth of skills and experience we require in each area and if there are any areas no longer of relevance/gaps in the existing skills matrix.
- 6.16 This will provide context for any future discussions post governance review on the future Board composition. A report will be brought back to the September meeting.

Board CPD

- 6.17 All Board members indicated their support for the proposed Board CPD focus, the being: our funding structure; environmental and sustainability; and equality, diversity and inclusion.

6.18 2022 schedule

The proposed Board dates for 2022 are set out below. Following feedback on the timing of meetings, Board member views on a new time of 2pm for the 2022 schedule are also sought. The proposed 2022 meeting dates are:

- 1) Monday 7 February– Board meeting;
- 2) Monday 28 March– Board meeting following a stock tour;
- 3) Monday 23 May – Board meeting and strategy workshop – 10.00-17.00;
- 4) Monday 15 August– Board meeting;
- 5) Monday 19 September – AGM 17.00pm Board meeting thereafter; and
- 6) Monday 7 November – Board meeting.

- 6.19 The proposal is that we use the May date to hold a Board meeting in the morning and resume post lunch for a strategy workshop. Based on feedback from members that there is a strong preference to combine dates it is also proposed that the stock tour is scheduled for after the March Board meeting. We do however also anticipate scheduling a standalone risk workshop during the spring.

- 6.20 In addition to this, the following dates are proposed for the 2022 Board CPD/social sessions:

- 1) CPD - Wednesday 23 February at 13.30, Wheatley House;
- 2) CPD – Wednesday 29 June at 13.30, Wheatley House;
- 3) CPD – Wednesday 28 September 17.00, New Mart Road; and
- 4) Social lunch (Group wide) - Wednesday 14 December at 13.00, Wheatley House.

Membership Policy

- 6.21 Following the Rule change at the last Special General Meeting, we have updated the membership policy to reflect the changes. A copy of the updated membership policy is attached at appendix 2.

7. Digital transformation alignment

- 7.1 The contents of this report are not directly related to our digital transformation activities.

8. Finance and value for money implications

- 8.1 There are no finance and value for money implications contained within this report.

9. Legal, regulatory and charitable implications

- 9.1 The SHR Regulatory Standards of Governance that all RSLs:
formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body.
- 9.2 The proposals within this report are consistent with us complying with this requirement.

10. Equalities impact

- 10.1 There are no equalities implications arising from this report and as such no Equality Impact Assessment is required.

11. Environmental and sustainability implications

- 11.1 There are no direct environmental and sustainability implications arising from this report.

12. Recommendations

- 12.1 The Board is asked to:
- 1) Instruct the Secretary to call the Annual General Meeting for 20 September 2021 at 18.30pm;
 - 2) Agree to reschedule the November meeting to Monday 8th November at 18.15pm;
 - 3) Note the Secretary's report under Rule 68;
 - 4) Note the Board appraisal feedback;
 - 5) Approve the updated Board 3-year succession plan;
 - 6) Note the succession plan and any reappointments are subject to Group RAAG review and approval
 - 7) Approve the schedule of meetings for 2022;
 - 8) Confirm and approve the meeting time for 2022 meeting dates; and
 - 8) Approve the updated Membership Policy.

List of Appendices

Appendix 1 – Updated 3 Year succession plan
Appendix 2 – Updated membership policy



Loretto Housing Association

3 Year Succession Plan

1. Introduction

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

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

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

2. Background and context

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

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

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

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

3. Current Board tenure and skills

The current tenure stages of each Board member, projected retirement dates and details of the core skills and experience they bring (relative to our agreed skills matrix) are set out below. Any reappointments beyond the span of this plan will be subject to previous tenure restrictions and Parent reapproval.

	Core skills and experience	9 Years	3 year position
Douglas Robin (Chair)	<ul style="list-style-type: none"> Management, leadership and strategy in a housing context Housing management and maintenance in Social Housing Provision of customer services (in a housing or similar context) 	2021	2021
Eric Gibson (Successor Chair)	<ul style="list-style-type: none"> Financial and treasury management, funding structures Risk identification, management and mitigation Experience of working as non-executive Director of a private company or plc 	2024*	2024
Allan McGinness (tenant)	<ul style="list-style-type: none"> Knowledge of the areas, clients, tenants and communities served Information technology and business systems General commercial business, financial and management skills 	2024	2024
Alex McKay (tenant)	<ul style="list-style-type: none"> Knowledge of the areas, clients, tenants and communities served Knowledge of other sectors 	2024	2024
Alex Robertson	<ul style="list-style-type: none"> Funding, planning and development for housing and regeneration Social and housing policy in Scotland and the wider UK 	2024	2024
Jacqui Mallin	<ul style="list-style-type: none"> Being involved in the restructuring or transformation of an organisation Organisational change and development Organisational strategy and policy development 	2026	2024
Jean Fyfe	<ul style="list-style-type: none"> General commercial business, financial & management skills Organisational change and development Performance management, value for money and continuous improvement 	2026	2024
Nesta Gilliland	<ul style="list-style-type: none"> Communications, marketing & public affairs General commercial business, financial & management skills 	2026	2024
Pauline Gilmore (tenant)	<ul style="list-style-type: none"> Knowledge of the areas, clients, tenants and communities served Knowledge of other sectors Equal opportunities and diversity 	2026	2024

Archie Morrison	<ul style="list-style-type: none"> General commercial business, financial & management skills Accountancy and audit, knowledge of relevant statutory requirements General commercial business, financial & management skills 	2028	2024
Suzanne Lavelle (tenant)	<ul style="list-style-type: none"> Knowledge of the areas, clients, tenants and communities served Knowledge of other sectors 	2028	2024
Jennifer Williamson (tenant)	<ul style="list-style-type: none"> Knowledge of the areas, clients, tenants and communities served General commercial business, financial & management skills Provision of customer services (in a housing or other similar context) 	2025*	2024

* cumulative 9 years over the full Group

4. Succession Plan 2021-2024

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

2021

Douglas Robin will retire from the Board and as Chair at the 2021 AGM. Following the Cube Transfer of Engagement ("ToE"), Eric Gibson will join the Board as successor to the retiring Chair as approved by both the Cube Board and Group RAAG Committee. Eric has strong finance skills with a background in banking and corporate finance, and having served on RSL Boards for 6 years he has a strong knowledge of the sector and the Group.

Also post-Cube ToE, all Cube Board members are being redeployed to other roles across the Group. We have taken into account skills and experience of the Cube Board relative to the existing Loretto Board and as such Suzanne Lavelle and Jennifer Williamson will be joining the Board at the 2021 AGM. Both Suzanne and Jennifer are Loretto tenants following the ToE, thus this will strengthen the Board by increasing the level of local knowledge of stock in West Dunbartonshire.

2022 - 2023

There are no assumed retirements over this period.

5. Review

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

Loretto
Housing



Membership Policy

Better homes, better lives

1. MEMBERSHIP POLICY

- 1.1 Loretto Housing Association Limited is a not-for-profit housing association registered under the Co-operative and Community Benefit Societies Act 2014 (registration number 1920(R)S). It is a registered Scottish charity (charity number SC007241) and a registered social landlord with the Scottish Housing Regulator (landlord number 154).
- 1.2 Our objects are set out in our Rules. Our objects are:
- to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care; and
 - any other purpose or object permitted under Section 24 of the Housing (Scotland) Act 2010 which is charitable both for the purposes of Section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts.
- 1.3 We are a membership organisation and encourage applications for membership from (i) our tenants and (ii) from those who are not tenants but who have relevant knowledge, experience, skills or expertise which are complementary to our objects.
- 1.4 This policy should be read in accordance with our Rules. In the event of any conflict between this policy and our Rules then the Rules will take precedence. A copy of the Rules can be obtained from our website or by writing to the secretary.

2. CATEGORIES OF MEMBERSHIP

The Members of the Association are those persons or organisations who hold a share in the Association and whose names are entered in the Register of Members. There are three categories of membership:

- i) tenants of the Association
- ii) any person who is a Board Member and not a Tenant or a Parent appointee; and
- iii) **the** Parent.

3. BENEFITS OF MEMBERSHIP

When you become a member of the Association you will:

- receive an invitation to attend our AGM to hear the chairperson's report and our annual accounts for the preceding year
- be able to vote on matters such as appointment of auditors and election of Board members
- be able to stand for election to our management Board.

4. PROMOTING MEMBERSHIP

4.1 We will encourage membership applications, e.g. by regular advertising in newsletters, information in our offices, at events, on our website and in our tenants' handbooks. New tenants and transferring tenants will be encouraged to become members when they receive their new tenancies.

4.2 We aim to promote membership to all sections of the communities we work in. We seek to promote equality of treatment and opportunity and encourage a diverse membership. This means that we will seek to achieve equality of treatment and opportunity for all groups in society without discrimination or prejudice on any grounds. The Equality Act 2010 introduces the term "protected characteristics" to describe groups against whom any sort of discrimination is unlawful. The Act specifies nine protected characteristics:

- Age
- Disability
- Marriage and Civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Gender re-assignment
- Sexual orientation.

- 4.3 Where an individual possesses one or more of the protected characteristics, or belongs to a group not specifically mentioned in the act we will take all reasonable steps to ensure that no discrimination, whether deliberate or inadvertent, occurs. Particular efforts may be made to target groups that are currently (or historically) under-represented in our membership.

5. APPLYING FOR, GRANTING & REFUSING MEMBERSHIP

- 5.1 To apply for membership, a completed and signed application form (see Appendix 1) and the sum of one pound (which will be returned to you if the application is not approved) should be sent to the Secretary of the Association's registered office, Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.
- 5.2 Applications shall be considered by the Board as soon as reasonably practicable after receipt by the Association. An application for membership will not be considered by the Board within the period of fourteen days before the date of a general meeting. If approved, the applicant will immediately become a Member and be entered into the Register of Members within seven working days. They will then be issued with one share in the Association.
- 5.3 Whilst it is the Association's intention to encourage membership, the Board has absolute discretion in deciding on applications for membership and the following shall constitute grounds for refusal of an application for membership:
- 5.3.1 where membership would be contrary to the Association's Rules or policies;
- 5.3.2 where a conflict of interest may exist which, even allowing for the disclosure of such an interest, may adversely affect the work of the Association; and/or
- 5.3.3 where the Board considers that accepting the application would not be in the best interests of the Association.
- 5.4 In such cases, reasons for the refusal will be given within seven days of the Board meeting along with information on the right to appeal to the Chairperson within 14 days of the date of the refusal. The Board will consider an appeal at its next meeting and reply within seven days; this decision being final.

6. MANAGING MEMBERSHIP

- 6.1 Members will have their share cancelled and will be removed from the register of members if;
- a) If a member ceases to be a tenant of the Association

- b) The Board reasonably believes they have failed to tell the Association of a change of address
- c) They have failed to attend and submit apologies for five annual general meetings, in a row or submitted apologies, exercised a postal vote or appointed a representative to attend and vote on their behalf by proxy; or;
- d) Any grounds set out in the Rules from time to time for revoking membership apply.

6.2 If a member ceases to be a tenant, they must inform the Association within 21 days.

7. REGISTER OF MEMBERS

7.1 We are required to maintain a Register of Members which contains the following information:

- the names and addresses of the Members and where provided for the purposes of electronic communication, fax numbers and email addresses;
- a statement of the share held by each Member and the amount each Member paid for it;
- the date each person was entered in the Register as a Member and the date at which any person ceased to be a Member of the Association; and
- a statement of other property in the Association, whether in loans or loan stock held by each Member.

7.2 We are also required to maintain a second copy of the Register of Members which must be made available for viewing at our offices. The duplicate Register of Members will not contain any statement or shares and property.

APPENDIX 1: APPLICATION FORM

Application Form for Membership of Loretto Housing Association Limited

I wish to apply for membership of Loretto Housing Association Limited. I enclose £1.00 payment for my membership share certificate and confirm I am aged 16 or over and:

PLEASE TICK ONE BOX

☐

A Tenant of
the Association

☐

any person who is a Board Member and who is not a Tenant or Parent
Appointee

Name	
Address	
Postcode	
Telephone Number	

Signature

.....

Date

Please return this completed form to:

Governance Team
Wheatley House
25 Cochrane Street
Glasgow
G1 1HL