



**LORETTO HOUSING ASSOCIATION
BOARD MEETING**

**Monday 8th November 2021 at 6.15pm
By Zoom videoconference**

AGENDA

1. Apologies for absence
2. Declarations of interest
3. Minute of 20 September 2021 and matters arising

Main Business Items

4. Tenant consultation feedback
5. New build mid-year review
6. a) 2022 rent setting
b) Benefit update campaign (presentation)
7. Repairs update and revised policy
8. Independent review of pandemic response

Other Business Items

9. 2021 Group Annual Assurance Statement
10. Performance report quarter 2 2021/22
11. Finance report
12. Corporate risk register
13. Assurance update
14. AOCB

Report

To: Loretto Housing Board

By: Hazel Young, Managing Director

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

Subject: Tenant consultation feedback

Date of Meeting: 8th November 2021

1. Purpose

- 1.1 This report updates the Board on the consultation process with tenants on our proposed new operating and engagement model.
- 1.2 The report also sets out the proposed next steps for the Board's approval.

2. Authorising and strategic context

- 2.1 The Board are responsible for agreeing the initiation of consultation with tenants. The Board discussed our operating model and approach to engagement at its workshop in July. The basis for consultation with tenants was thereafter formally approved by the Board in August.

3. Risk appetite and assessment

- 3.1 Our new operating and engagement model is covered by the 'operating model (modernising services etc)' category in the Group's risk appetite framework. Risk appetite in this area is "**Hungry**". This level of risk tolerance is defined as "eager to be innovative and choose options offering potentially higher business rewards (despite greater inherent business risk)".
- 3.2 By consulting tenants in detail on the proposals, we mitigate the risk that customers do not understand or support proposed changes. We can also ensure tenant feedback is taken account of in any decision to proceed to full implementation.

4. Background

- 4.1 In August, the Board agreed that we should consult all tenants on a new model for how we operate and engage. The proposals reflect our experiences from the pandemic and what tenants have told us about how we should deliver services. The key elements are:

- A new Customer First Centre – We will launch a new and improved 24 hours a day, seven days a week centre which will resolve customer enquiries at the first point of contact. Up to 95% of customer queries will be resolved at the point of contact by basing housing experts in an expanded *Customer First Centre*. This will free up Housing Officers to spend more time in their patches and community to deal with complex cases, support the most vulnerable, and manage their estate.
- More services in your home – Housing Officers will spend more time in communities with a clear message that you do not need to come to us, we will come to you.
- Do more online - Improved online self-services will allow customers to do more for themselves at a time and place to suit them. Our new *Customer First Centre* will also allow more digital engagement with customers able to contact us online, for example using web chat.
- Centres of Excellence - If customers don't want to meet us at home, they can choose to meet us at a convenient community location, or in our network of Centres of Excellence and Hubs. They will be available for customers to use the internet and for wider community activities and as learning centres.

4.2 Alongside the new operating model, it was agreed to consult tenants in each our new, enhanced approach to engagement that would see over 1,000 tenants becoming involved in our decision-making on a recurring basis. This would increase the number and diversity of tenants involved in influencing how we work, through a wider variety of mechanisms. This is a key objective of our implementation of the Group Engagement Framework.

5. Customer engagement

5.1 Under the Housing (Scotland) Act 2001, we had a statutory duty to formally consult all tenants given the significance of the new operating model and tenant participation strategy. A multi-channel approach to consultation was adopted, using a print booklet sent to all customers as well as phone and social media to promote the consultation and encourage customers to participate.

5.2 The consultation began on 16th August and concluded on 25th October. We asked the following questions:

Q1: *Do you support plans to introduce a new way of working and of delivering services to benefit tenants and communities?*

Q2: *Do you believe the planned new way of engagement would make it more open and accessible for tenants to get involved and have their say?*

5.3 Customers were able to send responses by post, email, phone, in person to housing staff or via the Independent Tenant Advisor, the Tenant Participation Advisory Service ("TPAS") Scotland. TPAS were available to provide advice and support to all tenants on demand throughout the duration of the consultation.

6. Discussion

Summary of response

6.1 We have had a huge and overwhelmingly positive response to the consultation proposals. We received 276 in Loretto and in excess of 5,000 responses across the wider group

6.2 The final response to the consultation were as follows:

	Responses	Q1	Q2
Loretto	276	97%	92%

Operating Model – Q1

6.3 The first question, on our operating model, attracted the highest score, which was consistent across the wider group. Common themes in tenant comments, both in our own responses and across the wider group, included:

- strong support for the idea of housing officers spending more time in their communities and increased customer involvement
- support for the development of enhanced phone and online services
- the need to provide services in an accessible way for those who do not have, or struggle with, online services.

6.4 As the Board has previously discussed, an important part of our strategy is that we will continue to ensure that no-one is left behind as we introduce improved digital services.

6.5 The consultation included plans for four community hubs in Glasgow where tenants can visit our staff in person and hold community activities. This is a change from the current network of traditional housing offices in Glasgow. This did not attract significant comment from respondents, with the majority focusing instead on accessibility of services in person (e.g. from the housing officer in the community) or over the phone/online. This is understandable as Loretto customers did not generally use the existing network of Glasgow offices to access services.

6.6 A small number of respondents did indicate they felt there was a need to retain an option for face-to-face contact. As the Board are aware, this option will be available via our Hub network in Glasgow, and outwith the Glasgow area we will use community and partner facilities where customers would like a face-to-face meeting which is not in their own home, or for customers to have community events or meetings.

Engagement model – Q2

6.7 The second question, on our engagement approach, also received very strong support at 92%. Tenant comments highlighted support for broadening the range of ways for tenants to have their say, without this always having to be at in-person meetings. Some tenants also highlighted this would make engagement opportunities more widely available.

Next Steps

- 6.8 Based on the strong support from tenants, it is proposed that we now take forward our new operating model and engagement approach.
- 6.9 The first stage will be the launch of the new Customer First Centre at the start of December. Recruitment and training for its new enhanced staff compliment is almost complete. We are progressing well with the Centre of Excellence programme.
- 6.10 The financial allocations for customer-led decision-making will be incorporated in our business plans in February, including the You Choose Challenge funds.

7. Digital transformation alignment

- 7.1 The proposals on which we consulted tenants are strongly aligned with our digital strategy. They outline a range of new and improved digital services; the Board considered an example of this in respect of our environmental service at its September meeting.

8. Financial and value for money implications

- 8.1 The proposals in this report, including the impact of the transfers from Cube and tenant-controlled budgets, have been incorporated in all relevant business plans.

9. Legal, regulatory and charitable implications

- 9.1 The Scottish Housing Regulator is fully aware of the consultation process and will be notified of the consultation outcome.

10. Equalities implications

- 10.1 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 No direct implications from the proposals in this report.

Report

To:- Loretto Housing Board

By:- Craig Vesey, Development Manager

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

Subject:- New build mid-year review

Date of Meeting:- 8th November 2021

1. Purpose

- 1.1 To provide the Board with an overview of the group new build programme performance, including any programme highlights and/or exceptions.

2. Authorising and strategic context

- 2.1 The Board is responsible for scrutinising and approving its development programme on a 5-year rolling basis. The Board considers its development programme each February with a mid-year update on progress. Once the programme is approved, the Group Development Committee is responsible for scrutinising and approving each individual contract award on our behalf.
- 2.2 This report enables the Board to consider and monitor progress within our new build development programme. The Transfer of Engagement from Cube is now complete and we have responsibility for the former Cube development programme. This report therefore provides an update on the 5-year programmes, separately approved by us and Cube in February 2021 and now combined to form our development programme.
- 2.3 This report relates to our 2021/2026 Strategy in particular to the strategic theme 'making the most of our homes and assets' as follows:
- Properties developed will be warm, safe and energy efficient homes, meeting Aspects 1 and 2 of Silver Sustainability Standards.
 - Will contribute to the target of 423 new affordable homes during the plan period.
 - Work to place the customer at the heart of how we plan and design our new build developments.
- 2.4 Against the strategic theme of 'changing lives and communities', new projects will deliver opportunities for training and employment through the building contracts and community benefit contributions to the Wheatley Foundation, where possible to do so.

3. Risk appetite and assessment

- 3.1 Our risk appetite for Growth and Investment has been agreed by the Board as level 4, 'Open'. This level of risk tolerance is defined as "willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc.)."
- 3.2 The information provided in this report will reduce risk in respect of development by providing a robust performance management framework for the Board.
- 3.3 Risks on individual projects have been assessed and reported separately to the Group Development Committee, our Board and formerly Cube Board where applicable, at approval stage, and are re-assessed and mitigated as each project progresses.

4. Background

- 4.1 Our ambition across the Group is to complete 5,500 new homes across the strategy period from 2021-2026, of which 423 will be delivered by us.
- 4.2 We aim to continue as a key partner of the Scottish Government in the delivery of an ambitious growth programme supporting the Scottish Government's More Homes Scotland programme.
- 4.3 We have (including Cube) completed 947 new affordable homes across 26 sites since joining the Group, with a further 227 units currently on site.

5. Customer engagement

- 5.1 Work to place the customer at the heart of how we plan and design our new build developments has commenced and is being considered for all future projects.
- 5.2 A number of "Customer Voices" projects are progressing across Group and learnings from these projects will be applied to future new build projects. We will work with Housing Management colleagues to link the homes built to prospective customers, at an early enough date to be consulted on preferences for fixture and finishes where possible to do so.

6. Discussion

- 6.1 Commentary on the new build development activity is provided in **Table 1** below:

Table 1:

Indicators	Highlights & Exceptions
Unit completions	<p>There are no units programmed to complete in 2021/22 within the 5-year strategy however it is currently expected that 66 units are likely to complete in the current financial year:</p> <ul style="list-style-type: none"> • 21 units at Cobblebrae Farm, Falkirk • 32 units at Hallrule, Cardonald • 13 units at Dargavel Village, Bishopton
On site	<p>We have five projects on site, with 161 units under construction which include the 66 noted above along with:</p> <ul style="list-style-type: none"> • 45 units at Dargavel Village (53 in total) • 80 units at Queens Quay, Clydebank • 36 units at Sawmillfield, Helensburgh
Due on site	<p>There are no projects currently approved by Group Development Committee and 'due on site'.</p> <p>However, there is a healthy pipeline of projects being progressed to ensure continuation of programme delivery of the remaining 262 units.</p> <p>A project at Vellore Road, Maddiston will be taken to Group Development Committee in November 2021. This is an 8-unit Section 75 opportunity to be delivered under a Turnkey contract with spend delivered at completion in 2022/2023.</p>
Programme	As of 8 November 2021, there are a total of 423 units across projects 'in development', due on site and 'on site' projects.
Budget versus Spend	Spend is £6.806m against budget of £5.323m to the end of September 2021. The spend variance is due to the profile of projects, all of which remain on budget in project terms and is reflected in the potential handovers ahead of profile.
Engagement Status	We have one 'High Engagement project' at Queens Quay due to the significant scale of this project.

6.2 A selection of images showing progress on site is contained in **Appendix 1**.

Queens Quay, Clydebank

6.3 We are delivering 80 units for social rent at the flagship Queens Quay development in Clydebank alongside Development Agent services for 5 commercial units on behalf of Clydebank Regeneration Limited and other social rent units for West Dunbartonshire Council and Clydebank Housing Association. The project is progressing well on site although an Extension of Time has now been granted as a result of Covid-19.

- 6.4 We are due to take handovers between April 2022 and May 2022. We are currently pursuing West Dunbartonshire Council to approve the granite material required for the completion of works to Titan Boulevard as this is time critical to the handover programme.

Future Programme

- 6.5 We continue to engage with our local authority partners and private sector developers to identify future opportunities. We have a number of future opportunities across Renfrewshire, Falkirk and North Lanarkshire in particular. In other areas we may face increasing competition from local authorities own new build programmes which are likely to receive increased grant funding under the proposed revised Scottish Government benchmark. Our future programme takes account of such risk and we have a suitable pipeline to manage the programme overall.
- 6.6 The project at South Crosshill, Bishopbriggs was delayed whilst Barratt Homes progressed a Planning Appeal. This has now been successful and the Section 75 is expected to conclude in November allowing us to progress the project.
- 6.7 Given the buoyancy of the current sales market, our live 'section 75' site at Sawmillfield, Helensburgh with Bellway Homes is progressing well ahead of programme and we have a number of future opportunities with other developers as the land market is very active.

Material Supply and Delivery

- 6.8 Global economic factors, Brexit, and the impact of Covid are impacting on the delivery and cost of materials across the supply chain. The lack of supplies has and may continue to impact on project timescales. As of end October 2021, none of the contractors on our jobs have made approaches to seek support for additional cost, however extensions of time have been sought for matters related to Covid-19 and material supplies. The construction contracts in place do not allow for increased material costs where we are in contract.
- 6.9 We are in dialogue with our contractors to assess the impact of material cost and supply issues now increasingly affecting the construction industry. A survey has now been completed, which broadly indicates issues with both supply and cost of materials across the supply chain.
- 6.10 The supply issues are reported to be a combination of pressure on product availability in the UK market, driven by high demand and wider global issues with product availability. This has been caused primarily by Covid-19 and Brexit (linked to the availability of labour). Materials that our contractors are reporting significant supply issues with include steel, cement, timber, plasterboard, doors, and plumbing materials. The findings of the survey and next steps were reported to the Group Development Committee on 23 September 2021 and have been shared with the SFHA and Scottish Government.

Update on Benchmark Review

- 6.11 In March 2021 the Scottish Government established an Affordable Housing Investment working group to consider benchmark grant levels. This is a repeat of a process instigated by the Scottish Government in 2013 and in 2015.
- 6.12 The report was recently considered by COSLA leaders and has now been presented to the Cabinet Secretary for Social Justice, Housing and Local Govt with an outcome expected in the coming weeks. We will continue to engage with the SFHA and Scottish Government on the release of the new benchmarks to allow these to be applied to projects where we intend to seek tender approval.

7. Digital transformation alignment

- 7.1 BT Fibre will be delivered free to the customer in most completed units, where available, to meet our Group Strategy objectives to facilitate the aim of developing digital neighbourhoods and creating the digital infrastructure that may assist customers to work from home or live independently for longer. Thereafter, our customers will be free to choose their internet supplier of choice from a range of companies including Sky, Talk Talk and Vodafone etc.

8. Financial and value for money implications

- 8.1 The business plan approved by the Board in February 2021 reflects a new build programme of 423 new units to be completed over the next five years.
- 8.2 The table below summarises target and actual spend performance for period 6, to 30 September 2021:

Table 2

Loretto Capital Expenditure, New Build Programme 2021/22			
Period to End September 2021			
Spend	Budget	Variance	Budget for full year
£6.806m	£5.323m	£1.483m	£11.444m

- 8.3 £6.806m of new build expenditure has been incurred in the year to date which is £1.483m higher than budget. This is as a result of re-programming since the Business Plan and is reflected in the proposed handovers noted at Table 1 which are ahead of expectation. Individual projects remain on budget in terms of approved costs.
- 8.4 Grant income claimed to September 2021 was £2.602m against a full year budget figure of £3.264m. Projects (including those formerly in the Cube programme) that are currently on site have now claimed all available grant and the Q2 reforecast figures have been updated to reflect this.

- 8.5 We will continue to monitor actual delivery against assumptions within the business plan and report on any changes and related impact on surplus as required.
- 8.6 Developments are proceeding in line with the board approvals for each scheme and value for money assessments remain in-line with those approvals.
- 8.7 Delivering value for money to our funders and stakeholders such as the Scottish Government and our Local Authority partners is also important, in maintaining our position as a key delivery partner.
- 8.8 Our ability to successfully deliver new build housing helps strengthen the income streams in our business plan and supports our charitable objectives to address housing need by providing much needed homes for potential customers on our waiting lists.

9. Legal, regulatory and charitable implications

- 9.1 The Property Legal Team undertakes title due diligence relative to all site acquisitions required to facilitate the development programme along with preparation of documentation and due diligence associated with asset securitisation.
- 9.2 The Property Legal Team also assist with the preparation of legal documents including Building Contracts and Development Agreements to safeguard our development operations.
- 9.3 In light of the Covid-19 pandemic (and the risk of further, future delays due to a re-emergence) we reviewed the various contract models used in the delivery of our Group development programme.
- 9.4 For new contracts entered using the Wheatley Group Framework arrangements it has been necessary to adjust the terms of our Schedule of Amendments to enable contractors to claim for an extension of time as a result of Covid-19. In terms of our Framework arrangements are such that any claim by contractors for additional money (loss or expense) as a result of Covid -19 is unlikely to be successful.

10. Equalities Impact

- 10.1 All of our new build developments are built to Housing for Varying Needs and in Glasgow, the Glasgow Standard, and continue to provision of housing to wheelchair accessible standards as a contribution towards Local Authority targets.

11. Environmental and sustainability implications

- 11.1 Future projects are developed to meet Aspects 1 and 2 of the Silver Sustainability Standards which covers reduction in carbon dioxide emissions and energy use for space heating. EPC ratings of Band B have been achieved in all new properties. In Glasgow, projects are developed to meet the requirement of the Glasgow Standard which is more stringent than Scottish Government conditions across the rest of the Group's development programme. This includes achieving increased sustainability standards, reduction in carbon dioxide emissions and energy use for space heating.
- 11.2 Where possible, projects also feature photovoltaic panels that convert sunlight into electricity. Along with a highly efficient thermal specification these solar generation systems help the project exceed the target emission rates required by building standards. Taken as a whole, the specification helps customers reduce their energy bills.
- 11.3 The Queens Quay development will connect to the District Heating Network which provides energy from a Water Source Heat Pump, extracting heat from the River Clyde.
- 11.4 We are exploring new specification requirements in a number of our future projects. This includes the installation of fire suppression systems, electric vehicle charging points and gas free heating options. As we move towards the national decarbonisation targets and gas free developments by 2024, we will be moving to specify zero carbon heating technology in our developments.

12. Recommendation

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

List of appendices:

Appendix 1: Project Visuals



Loretto
Housing

Development Update

8 November 2021

Craig Vesey

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**66 units with potential to
complete in 2021/2022**



32 units for social rent due to complete early 2022

Cobblebrae Farm, Falkirk



21 units for social rent due to complete early 2022

Dargavel Village, Bishopton



53 units for social rent due to complete March – August 2022

**161 units under construction
across 5 live sites**

Queens Quay, Clydebank

Loretto
Housing



80 units for social rent due to complete 2022/2023



36 units for social rent due to complete 2022/2023

Loretto Housing

Report

To: Loretto Housing Board

By: Hazel Young, Managing Director

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

Subject: 2022 rent setting

Date of Meeting: 8th November 2021

1. Purpose

1.1 This report:

- 1) Seeks agreement from the Board for the range of 2022/23 rent and general service charge increases for consultation; and
- 2) Sets out how we intend to consult tenants on these proposals.

2. Authorising and strategic context

- 2.1 Under the Group Authorising Framework, the Group Board is responsible for the Group rent setting framework. Individual partner Boards thereafter approve their rent increases within this framework.
- 2.2 The Group Board agreed the rent setting parameters at its meeting on 29 September 2021 for consideration by each Board during their next meeting cycle.

3. Risk Appetite and assessment

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

3.3 Any decision on rent increases involves striking a balance between the need to continue our path into underlying surplus (as set out in our business plan), meeting our objective of borrowing only to invest in new homes, continuing to deliver services our customers tell us they want, and keeping rents affordable. Setting rents lower than the assumption in the business plan could – in the absence of mitigating cost savings – risk our financial viability. We are also required under statute to take into account the views of customers before making a final decision on rent levels.

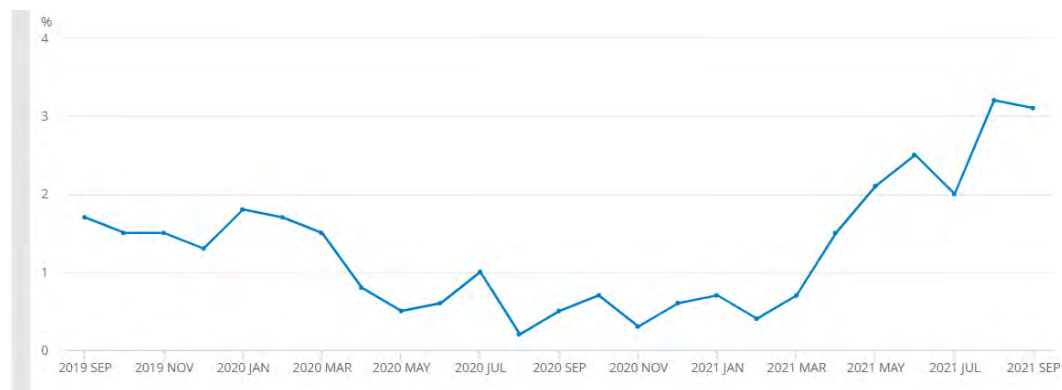
4. Background

4.1 As part of our strategy, we accelerated the reduction of our rent increase assumption to 2.9% throughout the life of the strategy. Our 5-year financial projections approved in February 2021 assumed an increase for 2022/23 of 2.4%. All rent increase assumptions remain subject to an annual review by the Group Board and this Board.

4.2 In March 2021, WFL1 restructured the profile of the RSL borrower group fixed rate interest. The financial benefit of the future savings derived from this was identified for reducing future rent increase assumptions. This remains subject to the annual rent setting process, which takes into account the operating context at that time.

4.3 In recent months, there has been a great deal of fluctuation in inflation (Chart 1 below) and rates have increased significantly. CPI has increased from 0.4% in February 2021 to 3.1% in September and RPI from 1.4% to 4.9% over the same period.

Chart 1: CPI trend for the period from September 2019 to September 2021



4.4 The expectation is that rates will increase further in the coming months as energy prices increase and demand rises with the easing of Covid restrictions in many countries. The latest forecast from the Bank of England monetary policy committee (Chart 2) is that rates may approach 4% by the end of 2021 before falling back to the target of 2% in around 2 years' time.

Chart 2: Forecast inflation per Monetary Policy Report (August 2021)



4.5 In addition to general inflationary increases, supply constraints and excess demand for building materials are projected to result in further inflationary cost pressures which will impact us. UK Government figures show that construction material prices for repairs and maintenance rose by 23% between July 2020 and July 2021 and for new housing by 19.8% over the same period. The Office of National Statistics has projected that costs for certain materials, such as timber, are expected to more than double. The increase in national insurance to pay for social care will also increase costs across the group.

5. Customer Engagement

5.1 Addressed in paragraphs 6.15 to 6.24 below.

6. Discussion

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

- Affordability;
- Comparability;
- Consultation with tenants and service users; and
- Financial viability

6.2 On the basis of these criteria, the following rent increases are proposed:

1. A general minimum increase of 1.9%, with additional options of 2.4% and 2.9%
2. A lower increase of 1% for all former Cube tenants in line with the ballot commitment

These proposals have been developed based on consideration of the four areas in our rent setting framework as follows.

Affordability

- 6.3 We do not have detailed data on our tenants' incomes, however there are several factors which we can take into account when considering affordability. We engage directly with tenants regularly through our independently conducted tenant satisfaction surveys. In the most recent survey in 2019, 77% of our tenants felt that our rents represent good value for money. Rent levels are likely to play a part in the survey results, and we have used the Scottish Federation of Housing Associations ("SFHA") Rent Affordability Tool to assess how affordable our rents are.
- 6.4 The UK minimum wage grew by 2.2% in April 2021, as well as continued public sector pay rises, such as the 3.3% general uplift for care workers and the final 3% of the COSLA deal for local government workers. Scottish Government tax policy over the same period has also favoured the lower-paid and increased their real incomes. The Office for Budget Responsibility noted on 27th October 2021 that across the UK, wages have grown in real terms by 3.4% since February 2020.
- 6.5 In response to the pandemic the UK government introduced a temporary increase to the in Universal Credit ("UC") payments of £20 per week. This is ended in October 2021. At the UK budget the UC taper rate was reduced from 63% to 55% as some form of mitigation for the end of the temporary £20 increase. The taper rate is the amount of benefit a worker loses for every pound they earn above their worker allowance and is therefore reducing from 63p to 55p in the pound. It is too early at this stage to assess the impact of this change for our tenants.
- 6.6 However, for full UC claimants, the housing costs element of their UC will still increase to cover any increase in housing costs in full, subject to the benefits cap. This cap is £20,000 a year for a couple or single parent with children, and £13,400 for a single person, and our analysis shows that our rent proposals will still leave significant headroom to this cap for our customers. For example, a 2-bed rent of £400 per month, or £4800 per year, leaves a significant of headroom for other benefits and our customers do not hit this cap.
- 6.7 Affordability analysis of our rents using the SFHA's Tool are set out in table 1:

Table 1 : Affordability analysis by property type and household composition

House size	Ave Rent	% of minimum living wage spent on rent					Small Family (2 children)	Large family (3 children)
		Single person	Couple (1*PT,1*FT)	Single pensioner	Couple pensioner	Single parent +1 child		
1 Bedroom	£94.22	33.3%	22.2%	30.3%	22.2%			
2 Bedroom	£95.19					25.9%	16%	
3 Bedroom	£104.32						17.6%	15.4%
4+Bedroom	£120.80						20.3%	17.8%

- 6.8 While the results are subject to the inherent limitations of the assumptions used in this tool, and are necessarily generalised based on an assumption that no individual earns more than the UK government minimum living wage, it provides a useful assessment of our position.
- 6.9 Our analysis highlights (with the exception noted at 6.10 below) that all of our rents consume less than one-third of average net estimated household income, which is often taken as an indicator of rent being affordable. Shelter (2015) cited in the recent Scottish Government literature review of rent affordability have quoted a figure of 35% of net household income as an affordability threshold. A UK Affordable Housing Commission report from 2019 noted that if rent is higher than 40% of net income, then serious affordability issues may arise.
- 6.10 As expected, our rents are consistent with previous years. Our one-bedroom properties, where these are occupied by single tenants, appear to have higher rent to income ratios. For many supported tenancies, this is because service charges are in place to fund the housing support costs. These are paid for in almost all cases by housing benefit.
- 6.11 We continue to offer a wide range of wraparound services and wider support to our customers who are experiencing financial hardship. This includes our Helping Hands Fund, fuel vouchers and EatWell packages. We also have Ofgem-supported Energy Crisis Fund and will be using this to support customers through the winter.

Comparability

- 6.12 Our average rents for 2020/21 are shown in table 2 below. We have higher rents particularly in smaller properties due to the inclusion of service charges for the provision of housing support. The proportion of new build properties also increases the average rent level.

Table 2: Group RSL average rents – March 2021 ARC return

RSL*	Average Weekly Rent				Total Units	Overall Average Rent
	2 Apt	3 Apt	4 Apt	5+ Apt		
Dunedin Canmore	£95.48	£106.97	£116.89	£121.33	5,212	£102.27
Loretto HA	£92.46	£93.42	£102.37	£118.55	2,360	£96.54
WLHP	£86.16	£92.80	£98.44	£106.85	725	£92.30
GHA	£82.75	£88.21	£102.31	£112.03	42,409	£89.44
DGHP	£75.44	£82.42	£88.53	£96.17	9,978	£82.49

- 6.13 Based on the maximum increase of 1.9%, the average increases per week for different property sizes would be as shown in table 3 below.

Table 3: average weekly rent increase by property size

	2 Apt	3 Apt	4 Apt	5 Apt
Per Week increase	£1.76	£1.77	£1.95	£2.25

- 6.14 As shown in table 4, we compare favourably to other specialist RSL providers that focus on older people/supported housing such as Bield and Trust, particularly for one-bedroom properties.

Table 4: Specialist provider average rents + service charges at March 2020 (Source ARC 2019-20)

Supported Social Landlord	Rents					Overall Average Rent
	1 Apt	2 Apt	3 Apt (Rent)	4 Apt	5+ Apt	
Bield Housing & Care	£137.23	£142.55	£135.27	£118.95	£ -	£141.03
Hanover (Scotland) Housing Association Ltd	£103.95	£117.49	£118.16	£116.35	£113.12	£117.50
Viepoint Housing Association Ltd	£95.95	£108.56	£112.19	£121.50	£ -	£108.67
Ark Housing Association Ltd	£87.67	£99.24	£110.36	£102.70	£106.13	£103.60
Trust Housing Association Ltd	£129.33	£119.70	£93.11	£94.34	£92.14	£113.34
Loretto Housing Association	£108.93	£91.36	£90.35	£99.03	£114.66	£93.16

Consultation process

Part 1 - initial and in-depth consultation

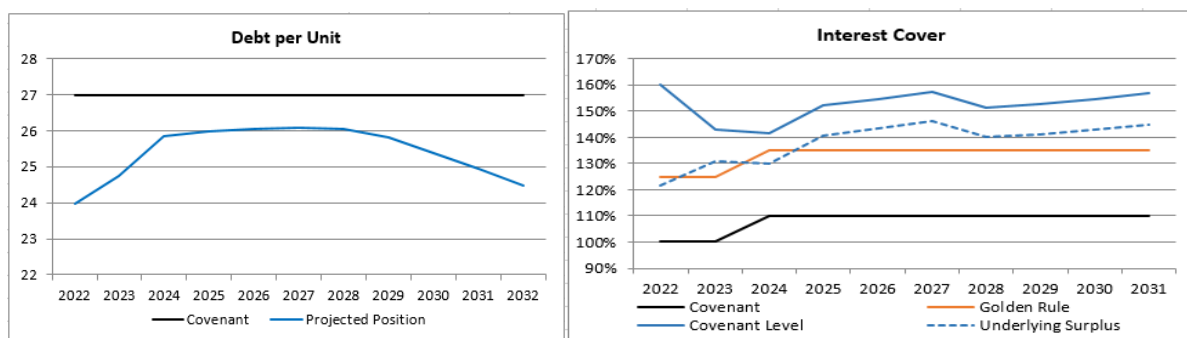
- 6.15 The easing of restrictions, coupled with the advancements of digital platforms and increased customer appetite to engage digitally allow us to reintroduce focus groups to our consultation process. The focus groups have previously provided deeper customer insight than the formal consultation process. They also fit with our new engagement framework, and provide a good opportunity for recruitment of tenants to our new engagement structures.
- 6.16 It is proposed that we hold 4 focus groups, which will be independently facilitated by BMG. With 6-8 attendees at each, we expect to engage over 30 customers across Loretto.
- 6.17 The focus groups will be a mix of in-person and digital. As with previous years, focus groups will be RSL based. We will also seek to engage a diverse range of tenants.
- 6.18 The focus groups will be provided with a copy of the draft rent setting booklet, copies of which are attached at Appendix 1. Our Head of Housing will attend to provide an opening address but will then leave and allow the focus groups to be independently facilitated. Discussion points will include:
- What can be achieved for the year ahead based on the rent proposals
 - What do people think in general?
 - What might they pay more for, such as more investment?
 - Highlight 'you choose challenge' approach for greater participation in local spending – what do people think of this model?
 - Stronger voices, increasing engagement –what do people think about more flexible opportunities to stay involved?
- 6.19 The focus groups will be held from mid-November.

Formal consultation

- 6.20 We will issue a formal letter to all tenants with a rent consultation booklet and response form. Following the focus groups, our Chair will be briefed on the key messages and agree any changes to the consultation booklet based on focus group feedback.
- 6.21 We propose to engage Civica Election Services (“Civica”) to operate the formal consultation on our behalf. We have used Civica for all our tenant ballots and they will provide additional independence to the process. As with the ballots, Civica would issue the consultation documents and provide us with independently verified results.
- 6.22 The consultation process will run for 6 weeks from 13 December to 28 January. Following this, formal proposals will be brought to Board in February, which will take account of both the focus group feedback and the consultation responses.

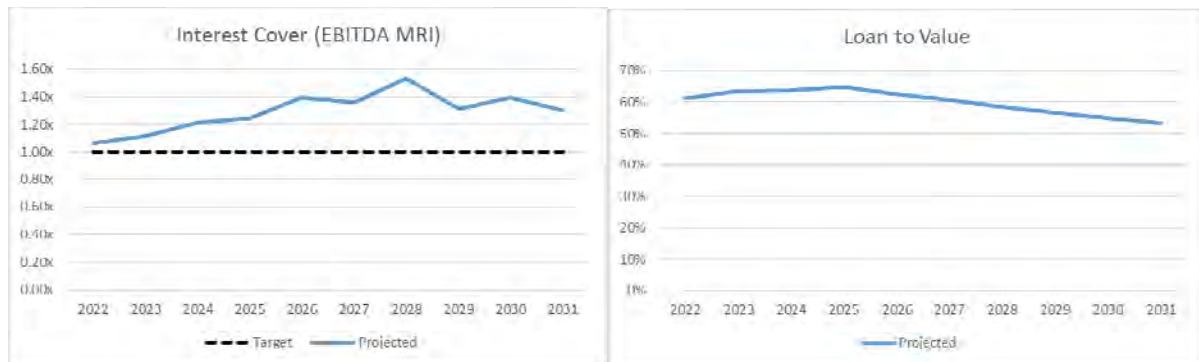
Financial viability

- 6.23 We form part of a borrowing group with other Wheatley RSLs. This means as a Group that we assess the key financial indicators of the RSLs aggregated together. There are two key indicators – debt per unit, which relates to our borrowing capacity, and interest cover, which measures whether our operating surplus covers our interest costs. These are both covenant measures in our loan agreements. Taking the rent proposals in this paper into account, the projected profile on these measures for the RSL Borrower Group is shown below.



- 6.24 The charts show that minimum headroom is maintained in line with our Golden Rules of 25% to the interest cover covenant and £50m to the debt per unit limit. The dashed line on the interest cover chart shows the position were all capitalised spend on fixed asset additions (other than off-the-shelf acquisitions of homes) to be included.

6.25 Looking at us alone, we project sufficient income will be generated from operating activities to cover investment in existing housing properties and interest costs in all years. Loan to value is expected to increase to 64.9% in 2024/25 before reducing each year thereafter. Both indicators remain within the financial parameters agreed by the Group Board.



7. Digital transformation alignment

7.1 Tenants will be able to participate in the consultation through a wider range of digital means than ever before. For the first time, we will run on-line focus groups. Responses will also be able to be emailed to the independent provider Civica. We will use a wide variety of digital and social media approaches to publicise the consultation.

8. Financial and value for money implications

8.1 As set out above.

9. Legal, regulatory and charitable implications

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

10. Equalities implications

10.1 No implications noted.

11. Environmental and sustainability implications

11.1 No implications noted.

12. Recommendations

12.1 The Board is asked to:

- 1) Agree the proposed range of rent and service charge increase options for consultation with tenants, excluding ex Cube stock, as follows: 1.9%, 2.4% and 2.9%
- 2) Agree that ex Cube stock are consulted on a 1% rent and service charge increase in line with the ballot commitments; and
- 3) Approve the approach to rent consultation set out in this report and note that the results of consultation will be presented to the Board in February 2022 to enable final rent decisions to be made.

LIST OF APPENDICES:

Appendix 1 - Draft Loretto Housing consultation booklet

Appendix 2 - Draft Consultation booklet for Ex Cube Loretto customers

Investing in your community

Have your say on options for next year

Consultation on rent levels 2022/23



Have
your
say

Listening to you, and responding

The last year continued to be a difficult and challenging time for everyone as the pandemic continued. At Loretto, we maintain our determination to support our tenants and communities in every way we can.

Over the last year we redeployed our resources to the areas tenants and communities told us they needed them most, in particular the expansion of our support services. We also invested significantly in new services to help people in need and in new ways of working that enabled our staff to be there to support tenants and their families 24/7.

In our recent consultation, tenants confirmed they wanted us to embed these new ways of working going forward, including:

- ▶ A new and improved 24 hours a day, seven days a week, Customer First Centre which will deal quickly and efficiently with customer enquiries at the first time of asking;
- ▶ More services in your home – we will come to you, when it suits you, in a way that suits you;
- ▶ Enhanced online services – improved online self-services to allow tenants to do much more for themselves at a time and place to suit them;
- ▶ Wheatley’s new Centre of Excellence – Wheatley House remodelled to support more activities and act as a learning centre for our tenants; and

▶ A new way of engaging that built on what we have learned during the pandemic to allow more tenants to get involved and have their say, increasingly through digital and online platforms.

As restrictions have eased, we prioritised the remobilisation of services based on what you told us matters most. Our repairs service and stair cleaning services were fully remobilised as soon as it was possible and safe to do so.

Our expert welfare benefits advisers have continued helping customers with Universal Credit claims and making sure they are getting all the benefits they are entitled to.

We understand from your feedback that you want us to keep investing in homes and neighbourhoods. Many tenants have also told us the repairs service is the most important service for them and we’re introducing improvements to our repairs service in the year ahead.

It’s by listening to you and understanding what’s important, that we’re able to invest in your priorities and make sure our services are right for you. Over the next year we’ll be implementing our new approach to engagement which will see more tenants than ever directly involved in shaping our services and priorities.



We know the pandemic and the challenges it has brought will be with us for some time. We remain committed to supporting our tenants and communities, now and through the uncertainties of the future. This booklet looks at how we can continue providing the services people need while investing in homes and neighbourhoods.

What’s inside?

- 4 What tenants tell us
- 5 How your rent was spent last year
- 7 Challenges for the year ahead
- 8 Your choices, have your say
- 10 Supporting you in difficult times
- 11 How to make your voice heard

What tenants tell us

At Loretto our focus is on delivering what tenants tell us is important to them. Through the pandemic we learned that digital engagement suits many people and we will expand this further in the next year as part of our new engagement approach.

However you engage with us, we listen to all the feedback and use it to shape what we do and the services we deliver. Many tenants who faced hardship or isolation during the pandemic have told us that the support we provided was a lifeline for them and we want to make sure we keep supporting people so they have opportunities to make the most of their lives.

Tenants have also consistently told us that:

- We should continue to invest in improvements such as new kitchens and bathrooms;
- We should continue to work on keeping neighbourhoods clean and tidy;
- We should continue to build new homes and increase the supply of affordable, energy efficient homes
- Helping communities stay safe is important;
- Repairs is the most important service; and
- We should continue to engage communities on identifying local priorities.

We want to keep delivering the improvements you tell us you want.



How your rent was spent last year



The last year has been unprecedented, with restrictions and the safety of tenants significantly impacting what services we could deliver. Our priority was on providing as much support as possible to tenants and our communities.

As an agile, flexible organisation, Loretto responded quickly and decisively to changes in government guidance over the year.

When lockdown restrictions were temporarily eased, we increased the range of services we carried out, such as stair-cleaning and a wider range of repairs, but reverted back to emergency and essential services as restrictions tightened again.

How we spent your rent money in 2020/21 reflected the restrictions during the year.

Supporting our customers

The pandemic left many tenants and communities facing severe financial hardship. Our focus was on providing rapid support to tenants and communities when they needed us most. This included:

- A massive expansion of our EatWell service, which has to date supported almost 220 households with food packs or vouchers;
- The creation of an Emergency Response Fund providing tenants with support for one-off essential purchases, ranging from fridges and mobile phone-top ups to family activity packs;

- Welfare support, with housing officers working from home making thousands of welfare calls to ensure anyone in crisis got immediate help;
- Engaging with partners, including the Scottish Government and the Energy Saving Trust, to secure grant funding to support tenants and communities
- Increased welfare benefit advice support for tenants.

Improvement to homes

Tenants consistently tell us they want to see continued investment in homes and communities. Despite the restrictions caused by the pandemic this year, we delivered more than £690k in planned improvements in our homes and communities. This included £95k on environmental improvements at Poplar Place in Blantyre, £30k on new smoke and heat detectors for 75 homes and £10k on upgrading controlled entry at Circus Drive, Glasgow.

Improving neighbourhoods

Tenants also let us know they wanted us to continue to do more to keep neighbourhoods safe, clean and tidy. Despite the restrictions, we continued our work to create clean and safe neighbourhoods people are proud to live in.



As local authorities suspended bulk uplifts, our environmental teams provided that service in Loretto communities.

New homes

We know that increasing the number of affordable homes for rent is important to tenants. Working with our partner we quickly remobilised our construction of new homes when restrictions eased and progressed work on 21 new homes at Cobblebrae Farm in Falkirk, 58 at Dargavel Village in Bishopton and 32 new homes at Hallrule Drive, Glasgow.

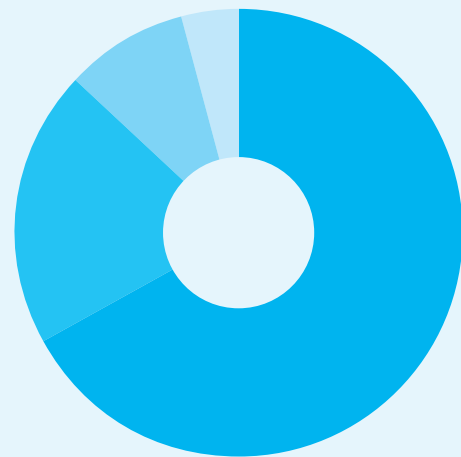
Repairs service

At the start of year, our repairs and maintenance service was restricted to emergency and essential services only. Throughout the year, our overriding priority was the safety of our staff and tenants.

As lockdown restrictions were temporarily eased, we were able to increase the range of essential repairs we could carry out, but reverted back to emergency and essential services as restrictions tightened again.

Despite the challenges we still managed to deliver almost 5580 reactive repairs over the year.

Here is a breakdown of how each pound was spent in 2020/21



- 67% Investment and maintenance
- 20% Loan interest
- 9% Staffing and administration costs
- 4% Activities supporting communities

Challenges for the year ahead

The pandemic has had a significant impact on our business, tenants and communities. Like all social landlords we have had to adapt the way we delivered services to take account of the restrictions in place. Our priority has always been, and will continue to be, the health, safety and wellbeing of tenants and our staff.

We have fully remobilised all our services, but there remains a need for additional health and safety protocols which will continue to impact the way we deliver services, particularly repairs and investment activity.

The pandemic has had an unprecedented impact on the economy. This is placing a number of cost pressures and challenges on all social landlords across the sector, including:

- Global shortages of materials used in repairs, investment and new homes mean that getting the materials we need will continue to be a challenge;
- Inflation is rising and is expected to continue to rise in the months ahead. Materials costs for repairs and maintenance work went up by 23% between July 2020 and July 2021 according to UK Government published figures. This means that we will face challenges as rising inflation continues to further push up the cost of goods and services;

- Legal requirements for all social landlords to increase the energy efficiency of all homes in the coming years, which should save tenants money on fuel bills in the future; and
- The UK Government 1.25% increase in National Insurance contributions will increase staff costs for all social landlords

We have continued to work hard to reduce costs in recent years with our management costs now lower than the Scottish and UK averages. We have used these savings to allow us to keep the proposed rate of increase as low as possible and this year it is proposed as 1.9%. This is significantly below the current CPI inflation rate of 3.1%.



Your choices, have your say

Here we set out a number of options for your proposed rent levels together with what these options would mean for services and improvements.

£96.54

Loretto average weekly rent.

1. Increase rents by 1.9%

Increasing rents by 1.9% would mean we could keep delivering all the services we provide to you and your family, carry out all investment work already planned for homes, keep communities clean and safe and provide a range of support for tenants who need it. We would also continue to offer 24/7 customer service and carry out further improvements around fire safety which will be required by law.

1.9%

Would enable us to deliver all services and planned work.

Average weekly rent would go up by £1.83 per week.



2. Increase rents by 2.4%

Increasing rents by 2.4% would mean we could keep delivering services and all the investment work already planned. In addition, we would also be able to carry out further improvements to homes and neighbourhoods. These improvements would be based on what tenants tell us are priorities.

2.4%

Would enable more improvements based on tenants' priorities.

Average weekly rent would go up by £2.32 per week (an additional 48p per week on option 1).

3. Increase rents by 2.9%

Increasing rents by 2.9% would mean we could keep delivering services and all the investment work already planned. In addition we would also be able to carry out a much wider range of the additional improvements than in option 2 in more homes.

Giving your views

The consultation also gives you an option to let us know if you don't agree with any of the options. Our Board would take account of this, together with the need to continue delivering services and improvements, before making a final decision on rent levels. If option 2 or option 3 went ahead, we would gather tenants' views on their priorities for additional investment. Tenants would also be given the chance to vote on which of the priorities are implemented.

2.9%

Would enable a much wider range of additional improvements.

Average weekly rent would go up by £2.80 per week (an additional 97p per week on option 1).

Supporting you in difficult times



Keeping on top of bills and running a home can be difficult at the best of times.

We understand many people are facing challenges as we continue to live with the impacts of the pandemic. Please be assured we are here to help all tenants save money and support them to keep on top of their rent and other household costs.

Remember TALK TO US. The sooner you get in touch, the quicker we can help. Check out the many ways we can help tenants save money.

MySavings

Tenants who sign up for an online account can save up to 10% on everyday shopping bills. Register for MySavings and get money off everything from food and clothes to cinema tickets, gym membership and takeaways.

Fuel advisors

Worried about rising gas and electricity prices? Our fuel advice service helps tenants get on to the lowest tariffs, arrange low-cost repayments and, in some cases, get debts written off. Last year tenants across Wheatley Group saved almost £300,000 on their energy bills.

Home Comforts

Buying furniture can be expensive. Our Home Comforts scheme helps make a house feel like a home – without spending a penny. They recycle pieces of unwanted furniture and pass them to tenants across Wheatley Group who need extra help.

EatWell

Struggling to put food on the table? Eat Well supports tenants who face real hardship and who may be forced to turn to food banks.

Welfare advice

Our welfare benefits advice team have helped tenants across Wheatley Group claim more than £8.6m last year in benefits and tax credits they were due. They can help you too.

Universal Credit advice

We help tenants make a Universal Credit claim and offer support until the money comes in. We also help tenants get online, set up an email address, manage money and open a bank account.

Budget planner

Do you know how much it costs to run your home? How much is left over after paying rent? Our household budget planner can help.

Work and training

Want to apply for work, but struggle to fill in online forms or write a CV? We can help you get ready for work. We also have great training and job opportunities for people of all ages.

Need support?

Talk: to your housing officer

Phone: 0800 952 9292

Email: talk@lorettoha.co.uk

Web: www.lorettoha.co.uk

How to make your voice heard



You can have a say on rent levels for next year by:

- ▶ completing the enclosed consultation form and returning in the envelope provided; or,
- ▶ going online at www.cesvotes.com/wheatleygroup You will need your security code printed on the enclosed consultation form to do this.

The consultation closes on **Friday, 28 January 2022**.

What happens next?

All feedback from tenants will be independently checked by an external organisation. The Loretto Board will then consider all the feedback before making a final decision on rent levels for 2022/23. We will let you know the results of the consultation and the final decisions made about spending priorities and rent levels on our website www.lorettoha.co.uk

We'll also report on the progress of the work carried out through the year. We will let you know what your new rent for 2022/23 will be by letter. Your new rent will be due from April 2022 onwards.

Wheatley Group, Wheatley House,
25 Cochrane Street, Glasgow, G1 1HL
www.wheatley-group.com



Investing in your community

Rent levels 2022/23

**LOR – EX CUBE
VERSION**

Have
your
say



Listening to you, and responding

On 28th July 2021 Cube tenants outside Glasgow voted to join Loretto following a ballot with over 90% voting in favour of the move. This booklet includes information on the promises we made as part of the ballot.

The last year continued to be a difficult and challenging time for everyone as the pandemic continued. At Loretto, we maintain our determination to support our tenants and communities in every way we can.

Over the last year we redeployed our resources to the areas tenants and communities told us they needed them most, in particular the expansion of our support services. We also invested significantly in new services to help people in need and in new ways of working that enabled our staff to be there to support tenants and their families 24/7.

In our recent consultation, tenants confirmed they wanted us to embed these new ways of working going forward, including:

- ▶ A new and improved 24 hours a day, seven days a week, Customer First Centre which will deal quickly and efficiently with customer enquiries at the first time of asking;
- ▶ More services in your home – we will come to you, when it suits you, in a way that suits you;
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- ▶ more for themselves at a time and place to suit them;
- ▶ Wheatley’s new Centre of Excellence – Wheatley House remodelled to support more activities and act as a learning centre for our tenants; and
- ▶ A new way of engaging that built on what we have learned during the pandemic to allow more tenants to get involved and have their say, increasingly through digital and online platforms.

As restrictions have eased, we prioritised the remobilisation of services based on what you told us matters most. Our repairs service and stair cleaning services were fully remobilised as soon as it was possible and safe to do so.

Our expert welfare benefits advisers have continued helping customers with Universal Credit claims and making sure they are getting all the benefits they are entitled to.

We understand from your feedback during the ballot that you want us to keep investing in homes and neighbourhoods. Many tenants have also told us the repairs service is the most important service for them and we’re introducing improvements to our repairs service in the year ahead.

It’s by listening to you and understanding what’s important, that we’re able to invest in your priorities and make sure our services are right for you. Over the next year we’ll



be implementing our new approach to engagement which will see more tenants than ever directly involved in shaping our services and priorities.

We know the pandemic and the challenges it has brought will be with us for some time. We remain committed to supporting our tenants and communities, now and through the uncertainties of the future. This booklet looks at how we can continue providing the services people need while investing in homes and neighbourhoods.

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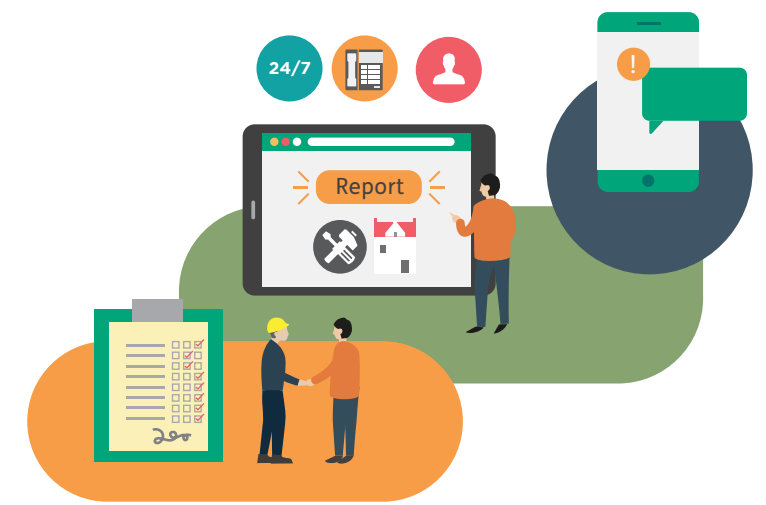
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Tenants have also consistently told us that:

- ▶ We should continue to invest in improvements such as new kitchens and bathrooms;
- ▶ We should continue to work on keeping neighbourhoods clean and tidy;
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- Welfare support, with housing officers working from home making thousands of welfare calls to ensure anyone in crisis got immediate help;
- Engaging with partners, including the Scottish Government and the Energy Saving Trust, to secure grant funding to support tenants and communities
- Increased welfare benefit advice support for tenants.

Improvement to homes

Tenants consistently tell us they want to see continued investment in homes and communities. Despite the restrictions caused by the pandemic this year, we delivered more than £690k in planned improvements in our homes and communities. This included vinyl flooring and controlled entry at George's Close, external paint work at Haldane and porches at Back O'Loch.

Improving neighbourhoods

Tenants also let us know they wanted us to continue to do more to keep neighbourhoods safe, clean and tidy. Despite the restrictions, we continued our work to create clean and safe neighbourhoods people are proud to live in.



As local authorities suspended bulk uplifts, our environmental teams provided that service in Loretto communities.

New homes

We know that increasing the number of affordable homes for rent is important to tenants. Working with our partner we quickly remobilised our construction of new homes when restrictions eased and progressed work on 80 new homes at our Queens Quay development at Clydebank, and 36 new homes at Sawmill Field in Helensburgh.

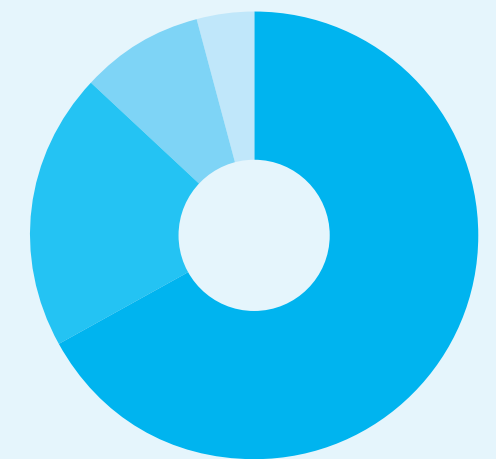
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We have fully remobilised all our services, but there remains a need for additional health and safety protocols which will continue to impact the way we deliver services, particularly repairs and investment activity.

The pandemic has had an unprecedented impact on the economy. This is placing a number of cost pressures and challenges on all social landlords across the sector, including:

- Global shortages of materials used in repairs, investment and new homes mean that getting the materials we need will continue to be a challenge;
- Inflation is rising and is expected to continue to rise in the months ahead. Materials costs for repairs and maintenance work went up by 23% between July 2020 and July 2021 according to UK Government published figures. This means that we will face challenges as rising inflation continues to further push up the cost of goods and services;

- Legal requirements for all social landlords to increase the energy efficiency of all homes in the coming years, which should save tenants money on fuel bills in the future; and
- The UK Government 1.25% increase in National Insurance contributions will increase staff costs for all social landlords

We have continued to work hard to reduce costs in recent years with our management costs now lower than the Scottish and UK averages. We have used these savings to allow us to meet our ballot promise of rent increase at 1%. This is significantly below the current CPI inflation rate of 3.1%.



Our Promises

Joining Loretto allows us to invest £7 million over the next 5 years in improving homes and communities. This is over and above cyclical maintenance works including those we had planned already but that were delayed due to the Covid-19 pandemic. Priorities for this additional investment have been identified through our ongoing customer conversations and feedback from the ballot exercise. Some examples include:

- **Clydebank:** improving closes including adding/upgrading entry systems, windows, doors and heating and new bin and bike stores
- **Dumbarton, Haldane & Bonhill:** improving closes, porches, doors, windows, roughcasting, heating, lock-ups, bin-stores and the appearance of parking areas
- **Renfrewshire:** upgrading heating and improving parking
- **East Dunbartonshire:** improving closes and adding/upgrading entry systems, enhanced maintenance of porches, gutters and soffits, and improving doors and windows
- **East Renfrewshire:** improving kitchens and bathrooms
- **South Lanarkshire:** improving windows, kitchens and closes including adding security
- **North Lanarkshire:** improving doors and windows, upgrading heating, repairing and renewing soffits
- **Supported Living properties:** new kitchens and bathrooms, external paintwork where required.



Supporting you in difficult times



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Wheatley Group, Wheatley House,
25 Cochrane Street, Glasgow, G1 1HL
www.wheatley-group.com



Report

To:- Loretto Housing Board

By:- Stephen Devine, Director of Assets and Sustainability

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

Subject:- Repairs update and revised policy

Date of Meeting:- 8th November 2021

1. Purpose

1.1 The purpose of this report is to:

- provide the Board with an update on the repairs service and plans for its development; and
- seek approval of our own Repairs & Maintenance Policy Framework.

2. Authorising context

2.1 Under the Group Authorising Framework (GAF) and Intra-Group Agreement (IGA) our Board is responsible for approving and implementing policies designated as group policies to reflect our own operating context.

3. Risk appetite and assessment

3.1 The 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”.

3.2 Risks relating to repairs and maintenance are set out in our risk register. In addition, repairs performance reporting is embedded in the Scottish Housing Regulator reporting requirements.

4. Background

4.1 We know that for customers repairs is the single most important service that we provide, and that it is most often the way in which customers interact with us. Our repairs service is, in the main, provided by City Building Glasgow – Wheatley’s joint venture with Glasgow City Council, and generally has good levels of customer satisfaction with latest levels at 88.9%

- 4.2 During the pandemic we maintained a repairs service focusing initially on life and limb services, and then, as restrictions allowed, the service was extended to a point where it began to return to more business-as-usual operations from May 2021.
- 4.3 Since then, customers have had access to an almost full repairs service, albeit with some operational challenges because of limited availability of some materials, staff absence due to continuing Covid related infections, the continuing need for PPE and safe working practices and the need to work through a backlog of repairs that could not be carried out before a return to near normal working.

5. Customer Engagement

- 5.1 Customers have been kept informed throughout the pandemic on the availability and nature of our repairs service, including as it as returned to normal, through regular service-related bulletins that were sent by post and extensive text messaging providing updates on specific repairs.

6. Discussion

- 6.1 With lockdown easing we have seen high levels of demand including in our customer first centre, for repairs. The table below shows the number of raised repairs in each of the last 3 periods in the west (to allow comparison on relative volumes given our changing stock numbers with the transfer from Cube earlier this year) compared to the same period in 2019/20 – the last time normal operations were in place.

	Period 5 2019/20	Period 5 2021/22	Period 6 2019/20	Period 6 2021/22	Period 7 2019/20	Period 7 2021/22
Emergency	4,180	4,343	4,149	5,008	3,795	4,217
Non-emergency	9,278	9,314	10,083	10,601	9,261	9,859
Total responsive	13,458	13,657	14,232	15,609	13,056	14,076

- 6.2 The increase of around 9%, particularly in the last 2 periods, is indicative of a situation where there has been a degree of pent-up customer demand for repairs among our customers.
- 6.3 At the time of writing there are around 20 repairs that are overdue timescales (i.e. not completed in the target timescale for that type of repair). Of these, around 20% are delayed awaiting materials, with the remainder being work that is in progress but not yet complete, or jobs that are booked with the customer but not yet started. This position represents a marked improvement in the position from 6 weeks or so ago, when there were approaching 75 overdue repairs. This spike was as a result of the demand position discussed above and City Building Glasgow facing material challenges in areas such as plasterboard, glazing and manufactured products like doors.

- 6.4 The improvement from the peak has been brought about through working closely with City Building Glasgow to monitor ongoing service delivery and to put necessary actions in place. These actions have included deploying extra trades resources, offering overtime to all staff and procuring materials from various sources. We are in daily dialogue with City Building Glasgow and are also holding operational level meetings twice a week to discuss any emerging issues or blockages.
- 6.5 Going forward, the additional resources and focus on repairs service delivery will be maintained while there is still higher than normal repairs in the system and more overdue repairs, and challenges continue including material supply, and, on some occasions, staff availability because of on-going infection due to Covid.
- 6.6 In parallel, with continuing to address the high level of repair demand at present, we are also working closely with CBG to shape the repairs service going forward. Successful aspects of MyRepairs service from before the pandemic (and the need for home based working limited face-to-face interactions) will be reintroduced including physically collocating our repairs call handling staff and operational managers from CBG in our customer first centre. This will allow far more immediate dialogue on repairs issues, ready access to in-depth expertise and a direct link to CBG's operations which previously proved extremely helpful in addressing repairs related issues as they arose.
- 6.7 Our customer profile includes supported tenants living in mainstream accommodation and also supported residents who live in our Wheatley Care managed buildings such as Fordneuk. For those customers we also have to be mindful of Care Inspectorate requirements on ensuring customers experience a high quality environment. We work with our colleagues in Wheatley Care to ensure that they know what the customers should expect in terms of a repairs and compliance service, and that they are able to access this service on behalf of their customers so that their living environment is the best it can be.
- 6.8 More generally, the creation of our customer first centre and our drive for service improvement has led to numerous repairs related developments that we are planning to put in place. These include:
- The Customer First Centre becoming a single point of contact, with skilled specialist repairs advisors, through which customer raise and follow up on repairs. This approach will also mean the centre can better manage customer communications and be far more responsive through much closer (and ultimately embedded) working with repairs service planners;
 - Providing customers with real-time information on progress with their repair including the ability to track their repairs operative when on route and the opportunity to rate the service there and then through direct feedback to the customer first centre;

- The potential for rapid rectification of repairs related issue when the ability to rate the service there and then discussed above results in negative feedback. In practice, this could be done through the customer first centre monitoring customer feedback as it happens, and responding to negative ratings through contacting the customer and arranging for action, such as the trades team returning to the job, to be taken quickly to resolve the problem;
- Appointing all repairs including follow on works and requiring that any changes initiated by us are communicated from the Customer First Centre and only done, where practically possible, in discussion with the customer in advance;
- Introducing real-time dashboards that provide repairs operational highlights (and low lights) and that automate triggers to alert customer first centre staff to proactively contact the customer where it is likely that a commitment, such as an agreed appointment time, will be missed;
- Changing the approach to no access emergency jobs so that the Customer First Centre contacts the customer to determine why the job could not be completed and re-raises it if still required;
- Developing processes and technology so that trades staff are required to provide the customer with a follow-up appointment, where this is necessary, before they leave a customer's home;
- Improving our web self-service offer for repairs so that customers have access through their online account with 'one click diagnosis' and can reschedule and cancel appointments;
- Introducing a mechanism through which customers can directly message the trades person in the run-up to their job being carried out, with brief updates such as to ask them to wait, as they are running slightly late;
- Developing a new handyman type service for all customers that will rapidly carry out smaller repairs jobs that do not require a skilled trade person;
- Simplifying the way we categorise and manage repairs so there are only two types of repairs – emergency and non-emergency. Doing this will greatly improve transparency and help with reducing the currently complex systems and process interactions needed to deliver a repair.

6.9 The innovations discussed above are being developed into a detailed implementation plan involving CBG. Early wins will come from establishing the customer first centre with specifically trained repairs call handlers and expertise. Longer term improvements will come from developing the processes and technology that supports the repairs service spanning Wheatley and CBG.

- 6.10 These changes align with the group repairs policy framework that was approved by the Wheatley Board at its meeting in February 2020. This policy provides a clear direction for service transformation across all Group Subsidiaries including recognising that different customer segments require tailored solutions and that customers should have more control and choices over service delivery and have a service which is built around them.
- 6.11 The group repairs policy framework is intended to provide a consistent approach across Group members while giving all members the flexibility to focus on those issues which affect their customers, the characteristics of the property they own and the geography where they operate. Appendix 1 includes the draft Loretto Housing Repairs and Maintenance Policy for approval by the Board. This policy builds on the previously approved Group policy and will supersede the existing policy. It will be reviewed every 3 years unless there are significant change such as new legislation or significant structural change. This policy once approved will be available on our website.

7. Digital transformation alignment

- 7.1 Digital transformation is a major part of delivering the priorities for developing our repairs service, our My Repairs vision and the policy framework presented here. Deploying digital technology in areas including booking and changing a repair online, tracking progress with a repair and providing real time feedback on satisfaction, or otherwise, are all aspects of how customers will increasingly have control over their repairs experience, and a service tailored to particular needs.

8. Financial and value for money implications

- 8.1 The development of the repair service discussed here will be subject to detailed business planning as necessary and is expected to be taken forward as part of existing budgets. The approach in the Loretto Housing Repairs & Maintenance Policy Framework and more generally through the service transformation discussed here will contribute to both customer value and business value including through the following:

Customer Value	Business Value
Improved customer satisfaction	Reduced reactive repairs in favour of planned maintenance work leading to financial efficiency
Lower effort for customers to report and track and rate repairs	Reduced waste through reduction in No Access and correct diagnosis
Better access to repairs information through their online account etc	Reduce costs through moving from out of hours emergency repairs to next day appointments
Shape and influence services through new technology	Improved financial planning through use of predictive analytics
Feel in control and have choices about their home through a flexible approach to delivery and technology	

9. Legal, regulatory and charitable implications

9.1 There are specific legal implications as a result of what is discussed in this paper.

10. Equalities implications

10.1 The development of our repairs service and the policy presented here are all aimed at providing a repairs service that meets customers. Tailoring the service to individuals including ensuring that no one is left people are key aspects which will ensure that developing our repairs service has a positive equalities impact.

11. Environmental and sustainability implications

11.1 An effective repairs service that prolongs the life of components in our homes and protects our assets will have environmental and sustainability benefits through reducing waste and delaying the resource implications associated with manufacturing and transporting replacement products.

11.2 Where waste is unavoidable, the increasing focus on the 'Circular Economy' including planned Scottish Government legislation, will increase the emphasis on the provenance and use of materials and resources. Our waste streams are already segregated and recycled where possible. Future innovation will present opportunities for further sustainable outcomes through our repairs service. For example, in theory UPVC window frames can be recycled as new frames up to 10 times.

12. Recommendations

12.1 The Board is asked to:

- 1) Note this update; and
- 2) Approve the Loretto Housing Repairs & Maintenance Policy Framework at Appendix 1.

List of Appendices

Appendix 1 – Draft Loretto Housing Repairs & Maintenance Policy Framework

Loretto Housing Association Repairs & Maintenance Policy Framework



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Policy Statement

We recognise that an effective repairs and maintenance service is one of the most important services we provide to our customers.

Our new Group Strategy 2021-26 **'Your Home, Your Place, Your Future'**, sets out our ambition to transform the repairs service from 'excellent' to 'outstanding', by maximising control for customers and building capacity to create a truly customer-led repairs service where our customers' define what outstanding means to them.

Our 2021-26 service will deliver on customer priorities, becoming increasingly tailored to meet the particular needs and expectations of different customer groups. More importantly, customers will have more control and choices over their service delivery and have a service which is built around them.

Loretto Housing's Repairs Policy Framework, establishes the approach to repairing, maintaining and improving our customers' homes. Providing a value for money repairs and maintenance service, that is both responsive and of the highest technical competence, is one of our core priorities. We are committed to meeting our repairs and maintenance responsibilities and will achieve this by delivering reactive repairs and planned maintenance services which are timely, efficient, effective and convenient for all our customers regardless of tenure, property type or location.

All our repairs work will be undertaken in accordance with our commitment to sustainability and takes account of wider economic and social impacts of the policy on individuals, households, local communities and the environment.

Our repairs policy framework is designed to ensure a repairs and maintenance service with customers at its heart, whilst ensuring compliance with legislation and regulations. Our flexible approach to delivery will ensure that the needs of our most vulnerable customers are taken into account.

We will deliver reactive repairs, planned maintenance and improvement works principally through Wheatley's Joint Venture partnership with Glasgow City Council - City Building (Glasgow). Where City Building do not have the required skills to complete the work or where employing a contractor demonstrably delivers better value for money, we may use Third party contractors. Our service delivery partners and contractors are expected to demonstrate their commitment to sustainability in accordance with their sustainability policies

A copy of this policy framework is available to all interested parties via the Loretto Housing Website. We will also provide this policy on request at no cost, in large print, in Braille, on another non-written format.

Signed _____

Dated

Hazel Young (Managing Director)

Contents

1. Introduction

2. Service Delivery

3. Principles, Aims & Objectives

4. Our Landlord & Customer Responsibilities

5. Our Service Standards

6. Monitoring, Service Improvement & Review

7. Legal & Regulatory Requirements

Appendix 1 : Definitions

Appendix 2 : Roles & Responsibilities Matrix

1. Introduction

- 1.1 Loretto Housing is part of the Wheatley Group. We own and manage almost 2,400 homes for social rent across the central belt of Scotland.
- 1.2 The purpose of the Loretto Housing Repairs Policy Framework is to set out the general operating principles covering all the repairs activities undertaken within Loretto Housing. It sets out the responsibilities to manage the repairs service and the general arrangements to support compliance. This policy framework links other policies, plans, frameworks and strategies including:
 - Five-year investment plan
 - Group New Build/Development Framework
 - Adaptations Policy
 - Voids Policy and procedures
 - Compliance manual
 - Group Complaints Policy
 - Group Data Protection Policy
 - Factoring Policy
 - Unacceptable Actions Policy
 - Group Health & Safety Policy and associated management arrangements

2. Service Delivery

- 2.1 The Loretto Housing Strategy 2021-26 ***“Your Home, Your Community, Your Future”***, sets out our ambition to transform the repairs service from ‘excellent’ to ‘outstanding’, by maximising control for customers and building capacity to create a truly customer-led repairs service where our customers’ define what outstanding means to them.
- 2.2 Our 2021 -26 service will deliver on customer priorities, becoming increasingly tailored to meet the particular needs and expectations of different customer groups. More importantly, customers will have more control and choices over their service delivery and have a service which is built around them.
- 2.3 Our different customer segments now require tailored solutions in the repairs service they receive for example younger customers, across all tenures increasingly want a repairs service that they can access digitally that keeps them informed of progress without having to use traditional telephony to access the service.
- 2.4 Our asset base has also increased in diversity over recent years with more diverse property types including :
 - A more diverse range of core housing stock
 - Increasing numbers of new build stock
 - More LivingWell homes
- 2.5 Alongside this, our footprint in Loretto Housing has expanded to take on Cube’s homes outside Glasgow as part of the 2021 transfer.

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- 2.6 Wheatley's joint venture, City Building is now well established, and has allowed a shift in service delivery from a traditional client /contractor relationship to a partnership approach to service delivery, with a shared culture and common goals.
- 2.7 We launched our 'My Repairs' approach to service transformation in September 2019, signalling our aim to shift the balance in favour of planned maintenance and reducing reactive repairs. Through our 'My Repairs' approach, as set out in the Loretto Housing Strategy 2021-26, our ambition is to transform the service from excellent to outstanding; and most importantly to a customer-led repairs service, through our:
- You Choose Challenge
 - Voice of the customer' technology
 - 'How to' videos
 - Shopping Basket digital experience
 - Customer Insight Panel for Repairs and
 - Peer Ombudsman Panel
- 2.8 Over the next five years, we will work with our customers to evolve our repairs service from excellent to outstanding, giving our customers greater control over how their service is delivered, meeting the changing expectations of our customers through improved digital interaction and flexibility.
- 2.9 We are committed to eliminating all forms of discrimination against our customers. Therefore, we will design and deliver our repairs service to remove barriers and meet the individual requirements of the customers ensuring no customer is left behind. As part of our customer centred and tailored approach Loretto Housing also offers a handy person service that will carry out small repairs and minor improvement works to vulnerable customers. We aim to:
- Promote inclusive communities where customers can live free from discrimination or harassment.
 - Eliminate unlawful or unfair forms of discrimination.
- 2.10 We will take steps to reduce both the volume of reactive repairs and the average cost of reactive repairs we carry out. Our shift in focus from reactive to planned maintenance alongside our 'My Repairs' Initiative will help us achieve this by:
- **Building Customer Capacity**
We will seek to nurture and support customers to adopt a 'self-help' approach where appropriate via "how to" videos and information provided through all online channels, our repairs app and through repairs conversations with housing officer and Customer First Centre staff.

We will develop an effective approach to ensure that tenants keep their homes in the best possible condition during their tenancy and when they leave. We will continue to promote tenancy sustainment to reduce the number of voids within our portfolio.
 - **Reducing Emergencies**
The number of emergency appointments raised will be reduced by offering customers convenient Next Day and 2 hour appointment slots at a time that suits them.
 - **Improving diagnosis**

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In Glasgow our new dedicated repairs team combining call handlers, City Building Planners and Operations Managers, within our central customer service centre, alongside planned improvements in our online reporting service will ensure repairs are diagnosed more accurately.. Our housing officer and NETS colleagues will also receive specialist training so that no matter how a repair is reported, we diagnose it correctly.

- **Reducing No Access**

We will improve communication with our customers to help reduce incidents of no access. Our planned improvements to our web self-serve offering and reminder text messaging will help customers report, track their repair and log their satisfaction online via their mobile phone. We will carry out compliance work through new Compliance Trades Teams (a one stop shop for compliance events required in a customer's home) to minimise disruption to customers.

- **Maintenance & Stock Condition Inspections**

We will carry out regular preventative maintenance inspections, along with periodic cyclical programmes of works to the communal and external areas of our blocks (wholly or partly owned by partner organisations). We will target the most maintenance hungry properties with effective planned maintenance and replace key components at the end of their useful lifecycle. We will also undertake periodic stock condition surveys to support asset management and investment planning decision making. A key part of our approach will be to promote digital technology at the point of investment / life cycle replacement, when economic repair is no longer sustainable to bring both business and customer value.

- **Intelligent Material Specification**

We will specify cost effective material specifications that demonstrate value for money in terms of quality, sustainability, life expectancy and availability both in our existing stock and in the design of our new build properties, particularly via our 'Wheatley 24' House Type Range.

2.11 Our joint venture partnership with Glasgow City Council (City Building Glasgow) will continue to deliver the Loretto Housing's repairs service.

Thinking Yes Together

2.12 Loretto Housing excels at creating value for customers through personal interactions and going forward our ambition is to continue to be defined by the people in the business and the strength of our relationships with our customers, particularly through our tradespersons.

2.13 The impact of 'Think Yes' has been recognised and acknowledged on the global stage, however by 2026, as a result of our **'Thinking Yes Together'** culture, our customers will feel they are leaders in their own life and our relationship with us will be focussed on helping them develop their aspirations. Where possible, customers will have a named tradesperson who will keep them informed of the progress at all stages in their repairs journey.

2.14 Our Tradespersons, who carry out repairs and maintenance on behalf of Loretto Housing, will be part of our 'Think Yes Together' cultural programme to 2026 and will have the customer at the heart of everything they do. This includes City Building and third party contractors. When a tradesperson visits a customer they will check that the customer is

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satisfied with the repair and offer any further repairs to be carried out before they leave a customer's home.

- 2.15 Appropriate training opportunities will be made available to all members of staff to ensure high standards of service are maintained. All staff who manage or deliver repairs on behalf of the Loretto Housing will receive Health & Safety awareness training every 3 years. All staff who manage or deliver repairs will require to confirm they have read this policy, the Group Health & Safety Policy and supporting Management Arrangements (including but not limited to Gas, Fire Safety, Asbestos, CDM).
- 2.16 Loretto Housing's approach to managing staff health and safety is set out in the Group Health & Safety Policy and supporting Management Arrangements. All staff managing or delivering repairs activities will also be issued with all Personal Protective Equipment (PPE) relevant to their work task based on a risk assessment.
- 2.17 All staff who deliver repairs will receive regular toolbox talks on aspects of delivering repairs safely. This training will form part of their learning and development log.

3. Principles, Aims & Objectives

3.1 Our principles:

- 3.1.1 We are committed to providing high quality homes and neighbourhoods where people want to live, work and feel safe. We aim to exceed customer expectations by ensuring our repairs and maintenance service delivery partners deliver an outstanding service regardless of location.
- 3.1.2 Our emphasis is to maximise planned and cyclical maintenance and reduce demand led reactive repairs and as a result provide better convenience our customers. Our aim is to achieve a balance of **60:40** in favour of planned and cyclical maintenance which in turn will deliver value for money for our customers through cost efficiency and reducing waste.

3.2 Our Aims :

- All customers feel in **control** and **have choices** in the repairs and maintenance service they receive
- Customers live in a **safe and secure environment**.
- To **reduce reactive repairs** by having in place regular programmes of cyclical and planned maintenance.
- **Efficient, effective and value for money** services that meet the needs of all of our customers.
- **Provide assurance and minimise disruption** to our customers while complying with relevant legislation, regulatory requirements and meeting our contractual obligations.

3.3 Our Objectives :

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- We will provide services which are **easily accessible 24/7**, in a way that **suits our customers** whilst delivering high standards of customer care.
- **Working in partnership with customers** as part of our 'My Repairs' initiative to continuously drive service improvements.
- At all times **focus on the customer** experience by delivering high standards of **customer care** and **high satisfaction rates**.
- **Our customers value our reliable, easy to access and cost effective service** that consistently delivers to our agreed performance standards.
- Our **customers understand their responsibilities** for looking after their homes.
- Keeping our customers' homes and our commercial properties in **good condition**
- Keep all installations for the supply of water, gas, electricity, sanitation, space and water heating in **good repair and working order**.
- **Maintain** entrances, halls, lifts, stairways, passageways, lighting, door entry systems and other **parts provided for common use**.
- Ensuring that **fire protection systems** and **fire fighting equipment** is compliant with legislation, regularly inspected and serviced.
- To take cognisance of the impact of the **time to achieve consent** for investment in **mixed tenure blocks** on **customer satisfaction**

Section 4 : Landlord & Customer Responsibilities

- 4.1 A summary of the broad responsibilities of Loretto Housing and our customers are set out in this section with reference to the legal frameworks we operate within. Our **'Think Yes Together'** approach for 2021-26 will build upon this by providing a supporting environment for our customers to help them develop capacity to build resilience and self reliance.
- 4.2 By 2026, we will introduce more control and choice for customers through our **'You Choose'** challenge where we will crowd source suggestions and use online voting to allow customers to take decisions on repairs expenditure in relation to voids and adaptations. We will also introduce **'how to'** video guides on our websites to enable customers to do some jobs for themselves, encouraging customers to feel more in control of their home and more self-reliant.

Properties for Social Rent

- 4.3 Loretto Housing have a legal duty to repair and maintain our properties for social rent. We will carry out certain repairs to these properties including, but not limited to repair to:
- The structure (including chimneys, roofs, walls, floors and stairs).
 - External fabric repairs (windows, gutters, downpipes, external doors).
 - The plumbing system (water tanks, pipe works, stop cocks).
 - Heating and hot water systems.
 - Gas pipes, electrical wiring, sockets, light fittings, switches and hard wired smoke & heat detectors.
 - Kitchen and bathroom fittings (cupboards, worktops, toilets, baths and basins).
 - Doors and surrounds (skirting boards, facings and handles).
 - Bin areas and washing poles.
 - Door entry systems.
 - Shared areas.
 - Lifts and common stairs.
 - Access paths.

Other Properties

- 4.4 Landlords, such as Loretto Housing, of Houses of Multiple Occupation (HMOs) and other domestic properties offered to third party organisations on commercial terms have a legal duty to offer properties for rent which are compliant with legislation as set out in the lease or the missive of let.

Customers of Properties for Social Rent

- 4.5 Under their tenancy agreements customers of properties for social rent are generally responsible for minor repairs such as repairing any minor fixtures and fittings such as curtain rails, light bulbs and plugs, small repairs like replacing keys, maintaining internal

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decoration, maintain and/or replacing floor coverings supplied as part of the investment programme.

- 4.6 We recognise that some Loretto Housing customers of properties for social rent may need extra support to maintain independent living. Where it has been identified that a customer has a vulnerability or need that would require a prioritised response or directly impacts on their ability to carry out a repair, our **'Think Yes'** approach gives our housing staff discretion to order repairs tailored to individual customer requirements. In addition where housing staff identify customers who are having difficulties keeping their properties in good condition e.g. hoarding, they can offer additional wrap around services to support the customer to sustain their tenancy.
- 4.7 As part of our journey to 2026, we will encourage customers to feel **more in control** of their home and more **self reliant**. We will also introduce **'how to'** video guides on our websites to enable customers to do some jobs for themselves.
- 4.8 We will also encourage customers wishing to carry out work in their properties beyond their general responsibilities, provided they obtain written permission from us in advance.
- 4.9 We will generally grant permission if we are satisfied that :
- the work will be carried out to a sufficiently high standard, using materials of a suitable quality;
 - the work will be carried out by a qualified person;
 - the work won't impact on neighbouring properties; and
 - the customer has obtained any necessary statutory consents
- 4.10 After the customer's works have been completed we may inspect the works to confirm that the works have been undertaken in line with the agreed scope and standards. We will also require a copy of any completion certification from the local authority.
- 4.11 Customers may be charged for repairs where a repair becomes necessary as a result of the wilful, negligent or accidental actions of the customers household.

Customers of Other Properties let to Third Parties

- 4.12 Third Parties must meet their obligations as set out in the terms of their lease and adequately maintain any property leased to them.
- 4.13 Third Parties who operate HMOs through a lease will comply with the requirements of the HMO licence granted by the applicable Council to Loretto Housing.

5. Repairs Service Standards

5.1 Introduction

- 5.1.1 Loretto Housing has established standards and timescales to deliver the Repairs service, many of which are governed by legislation and good practice. Our service standards take account of the asset base and customer segments.
- 5.1.2 As part of our shift in approach from reactive repairs to planned maintenance and in line with our My Repairs initiative, we aim to reduce the number of emergencies we carry out over the period 2021-26. We will also provide next day appointment slots for our customers at a time that suits them.
- 5.1.3 All our repair work will be undertaken in line with our commitment to sustainability and takes account of wider economic and social impacts of the policy on individuals, households, local communities and the environment.
- 5.1.4 The definition of work types is set out in **Appendix 1**.

5.2 Reporting Repairs

5.2.1 Loretto Housing

Loretto Housing will promote digital methods of repairs reporting while ensuring that no customer is left behind. Therefore customers will also be able to report repairs by phone through our customer first centre, by post; or in person with support (if needed) through our customer contact points at our hubs.

- 5.2.2 Loretto Housing will accept repair requests from residents, members of their household, and other individuals supporting them and authorised to act on their behalf.
- 5.2.3 Employees of Loretto Housing can report repairs on behalf of customers.
- 5.2.4 Some works may require a pre-inspection to assess the work required before works can be arranged and an appointment agreed. In such circumstances, we will attempt to arrange both the pre-inspection and repair works appointments within the published times.
- 5.2.5 All repair requests will be recorded on our corporate repairs reporting systems.

5.3 Access

- 5.3.1 When a Loretto Housing customer reports an internal repair, they will be asked for a contact number (preferably a **mobile number**), their **email address** and when they will be able to provide access.
- 5.3.2 To reduce no access customers will receive a text to confirm a repair has been raised and their appointed time slot, where appropriate. Where the repair is not an emergency or a next day appointment, customers will also receive follow up texts in the run up to the appointment date.

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- 5.3.3 Where City Building or sub contractor calls to carry out a repair and cannot gain access they will leave a card giving contact details asking the customer to re arrange access. A text message will also be sent to the customer to confirm no access asking them to rearrange access.
- 5.3.4 We will seek ways for customers to rearrange appointments principally through our online and digital services as part of our **'My Repairs'** initiative to reduce no access.
- 5.3.5 When a customer reports a common repair, they will be asked for a contact number and access details. Where a contractor calls to carry out a repair and cannot gain access, where relevant, they will leave a card giving contact details asking the customer to re arrange access. We will seek ways for customers to rearrange appointments through our online channels as part of our approach to reduce no access.
- 5.3.6 Customers of all properties are required under the terms of their tenancy agreement to allow their landlord, access to their home to inspect, carry out repairs, or do other works that are necessary to their property or adjoining properties.
- 5.3.7 Where it is deemed necessary in the case of an emergency, Loretto Housing reserves the right to force entry.

5.4 Repairs & Maintenance Categories

A) Next Day & Appointed Repairs

- 5.4.1 Loretto Housing will offer customers a convenient wide range of next day and flexible appointment slots for non-emergency repairs at a time that suits them. This includes morning, afternoon, evening, school run and weekend availability.
- 5.4.2 Loretto Housing will also offer a **2 hour time slot** where this suits the customer's needs. All appointments will be within **15 working days**, however we anticipate many of these to be next day or within a week.

B) Complex Appointed Repairs

- 5.4.3 Loretto Housing will provide a repairs service which covers larger and more complex repairs within our customer's home or to the fabric of their property (including common parts) and its immediate environment. Appointments to carry out complex repairs will be made to suit the needs of the customer.
- **Internal Repairs** - Where this repair is internal to our customer's home we will offer an appointment slot that suits their needs.
 - **External Repairs** - Where the repair is external and we do not require access we will liaise with customers to establish a mutually agreeable appointment time.
- 5.4.4 The length of time required to complete a complex appointed repair will vary depending on the volume and type of work required but generally we would expect to complete these types of repairs within **30 Working days**. Most importantly, we will keep the **customer informed** of progress of the work **throughout the process**.

5.5 C) Emergency Repairs

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- 5.5.1 An emergency repair is where there is a threat to the **health and safety** of our customers or where we need to take quick action to **prevent damage** to one of our properties.
- 5.5.2 Unless there is a threat to the health and safety of the customer or a need to prevent immediate damage to one of our properties, all repairs will be appointed at a time that suits the customer.
- 5.5.3 We will:
- Ensure that our customers receive a tradesperson in their home within **2.5 hours** to initially make safe any emergency; and
 - We will aim to complete the full repair within **24 hours**.
- 5.5.4 Repairs reported out with normal working hours will be attended to out with normal working hours only when there is a serious risk to the customer's health and safety or there is a serious risk to the structure of the property or where the property is not secure.

Loretto Housing will deliver an emergency repairs service 24 hours a day, 365 days a year for all of our customers.

5.6 D) Major Repairs & Specialist Work

- 5.6.1 Loretto Housing will deliver a major repairs and specialist works service where appropriate. Major repairs will generally arise as a result of a request made directly by a customer.
- 5.6.2 Major and specialist repair works cannot always be carried out as part of the responsive repairs service as they generally require more planning, resources and non-standard materials. For reasons of economy or efficiency, major repairs and specialist works may be grouped together in a programme of works.
- 5.6.3 In most cases an inspection to determine the extent and most appropriate approach to the major repair will be required prior to approval being given for the work to go ahead. If major works or specialist repair is required, customers will be **kept informed** of planned work and **associated timescales**.

5.7 E) Communal Repairs (including mixed ownership blocks/ properties)

- 5.7.1 Loretto Housing will carry out communal repairs on parts of our properties for common use. For reasons of economy or efficiency, communal repairs may be grouped together in a programme of work.

5.8 F) Cyclical Maintenance

- 5.8.1 Carrying out cyclical maintenance at regular intervals ensures that we achieve value for money through cost efficiencies and reduced waste set against the costs and inconvenience to the customer of reactive repairs when things go wrong.
- 5.8.2 Loretto Housing will undertake cyclical maintenance to our properties to deal with the gradual deterioration of the property and its components and finishes. For reasons of

MyRepairs

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economy or efficiency, cyclical maintenance may be grouped together in a programme of work.

- 5.8.3 Throughout the process we will keep the customer informed of progress of the work. Appointments to carry out the work will be made to suit the needs of the customer.

5.9 G) Planned Maintenance/Capital Investment Works

- 5.9.1 Planned maintenance works ensure that major components are repaired before the end of their lifecycle, keeping the quality of our customers' homes to a high standard at all times.

- 5.9.2 Loretto Housing will carry out planned maintenance work either part of their **Capital Investment Programme** or where this is not possible, as one-off projects.

5.10 H) Right to Repair

- 5.10.1 Loretto Housing will undertake customer 'Right to Repair' work.

- 5.10.2 Where a customer reports a repair covered by the provisions of the Scottish Secure Tenants (Right to Repair) Regulations 2002, works will be undertaken in accordance with fixed timescales which are set out in the Regulations.

- 5.10.3 Compensation (as set out in the Regulations) will be payable where these timescales are not met.

5.11 I) Adaptations

- 5.11.1 In order to enhance the quality of life for our customers who may have a disability and live in our properties for social rent, our social landlords will support and assist in the execution of works which will enable independent living, where it is both appropriate and technically viable to do so.

- 5.11.2 Loretto Housing will undertake adaptation work in accordance with protocols agreed with the relevant local authority. All works will follow best practice and statutory requirements.

- 5.11.3 The very nature of adaptation work means that they can vary in size on complexity on a job by job basis. However, Loretto Housing will aim to have an overall average completion time of no greater than **25 days**.

- 5.11.4 Detailed and accurate records about adapted properties will be maintained to enable implementation of appropriate maintenance regimes and to enable informed decisions to be made about their future allocation to other customers requiring an adapted home.

- 5.11.5 We will only refuse adaptive work in exceptional circumstances including:

- Where the location of the property or property layout and type makes it unsuitable for the long term use of the customer requesting the adaptation.
- Suitable alternative accommodation can be made available which suits our customers' requirements

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- Where the proposed adaptation is technically difficult to achieve without detriment to the property or other customers
- Where the proposed work does not comply with statutory requirements
- Where advice received from relevant partnering agencies is that the proposed adaptation would not be appropriate

5.12 J) Void Properties

- 5.12.1 Loretto Housing is committed to letting our properties to a high standard and to allow our customers to move into their home with all remedial work completed and free from disrepair. Our approach to managing voids is set out separately in the Group Void Policy
- 5.12.2 We aim to continuously improve the standard of the homes we let whilst reducing the time taken to let properties in order to minimise lost income. In order to achieve this, we adopt a systematic approach to undertaking inspections and instructing the necessary repair works.
- 5.12.3 In line with our **'Think Yes Together'** ethos, our staff are empowered to vary void standard to deliver a tailored solution that meets the individual customer expectations and needs where they deem appropriate.
- 5.12.4 We will aim to have all of voids completed within **14 working days**. Where major refurbishment work is needed longer timescales will be agreed.

5.13 Statutory/Regulatory Compliance

- 5.13.1 Loretto Housing will ensure that it fully complies with all legislative and regulatory compliance when delivering our repairs and maintenance service. We will provide compliance solutions for all aspects of mechanical, electrical and building fabric maintenance, and will where necessary force access to ensure vital compliance works are carried out. The detail of our approach to managing compliance is set out in the Group Compliance manual.
- 5.13.2 As part of our **My Repairs** initiative our approach is to offer a **one-stop shop** service through **Compliance Trades Teams** for compliance works required within a customer's home.
- 5.13.3 This may include **gas servicing, smoke & heat alarm testing, Thermostatic Mixing Valve checks** depending on the installations in the property. The aim of this service is to minimise disruption to the customer and to provide assurance on safety of our homes.
- 5.13.4 We will also **communicate regularly** with our customers by **email**, and **text messages** so that our customers are kept up to date regarding their compliance visits. For those customers not registered for our digital services or unable to access digital services, we will continue our traditional communication channel for notifying our customers by letter, so that **no customer is left behind**.

MyRepairs

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5.13.5 We will always ensure that we can demonstrate compliance with our statutory and regulatory responsibilities as landlord and managers of our properties regardless of the chosen method of communication with our customers.

5.14 A) Gas Safety

5.14.1 By annually servicing our gas boilers and flues we will ensure that the homes we own and manage stay safe places to live. Our commitment to gas safety is paramount and we will continue to achieve **100% access rates**.

5.14.2 We initiate our gas servicing procedures **three months in advance** to ensure adequate time for access is provided.

5.14.3 Where we are unsuccessful in gaining access, we will **gain access** in accordance with the procedures set out in the Gas Safety Management Arrangement. Loretto Housing will arrange **forced entry** to undertake the necessary safety checks and works.

5.14.4 Our approach to managing gas safety is set out fully in the Group Gas Safety Management Arrangement.

5.15 B) Fire Safety

5.15.1 Loretto Housing's approach to fire safety is primarily one of **fire prevention and life preservation**. Loretto Housing's approach to managing fire safety is set out fully in the Group Fire Safety Management Arrangement.

5.15.2 By delivering our Fire Prevention and Mitigation framework and working closely with the Scottish Fire and Rescue Service we will ensure that the homes we own and manage stay safe places to live.

5.15.3 Fire safety measures, and fire safety guidance is regularly reviewed through the Fire Safety Working Group chaired by the Group Health & Safety Manager.

5.16 C) Asbestos Management

5.16.1 Loretto Housing acknowledges the health hazards associated with asbestos arising from exposure to asbestos. We will take the appropriate measures to prevent and minimise exposure as reasonably practicable through the use of control measures and specialist contractors in accordance with our obligations under the Control of Asbestos Regulations 2012.

5.16.2 Loretto Housing's approach to managing asbestos is set out in the Group Asbestos Management Arrangement.

5.17 D) Thermostatic Mixing Valve (TMV) Installation & Servicing

5.17.1 Loretto Housing will undertake **annual servicing** of TMVs to properties where a customer has been identified as being **vulnerable to scalding** in accordance with Loretto Housing's risk profiling matrix.

5.18 E) Fixed Installation Testing (FIT)

MyRepairs

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5.18.2 Loretto Housing is required by SHQS to carry out Fixed Installation Testing in our properties every **5 years**.

5.19 F) Water Systems Management

5.19.1 Loretto Housing operates a comprehensive management regime that incorporates risk assessments, sampling, cleaning, outlet testing etc. to ensure all Loretto properties have a safe source of water which meets all relevant standards and legislation.

5.20 G) Pressure Systems

5.20.1 Loretto Housing operates a comprehensive management regime that undertakes inspections and remedial works to ensure the properties comply with the Pressure Systems Safety Regulations.

5.21 H) Mechanical and Electrical (M&E) Management

5.21.1 Loretto Housing will operate a comprehensive management regime in relation to inspections of lifts, undertake lift inspections in accordance with the agreed schedule to meet insurance requirements and remedial works, annual testing of lightning protection systems, dry risers and sprinkler systems.

5.22 Construction Design & Management (CDM) Regulations

5.22.1 Loretto Housing, as an initiator of repairs and maintenance, will be subject to the CDM Regulations. All members will take appropriate steps to ensure work is planned in accordance with relevant standards and statutory provisions and will fulfill the role of "Client" by following all required regulations.

5.23 Scottish Housing Quality Standard (SHQS)

5.23.1 Through a combination of reactive repairs, compliance works and a planned/capital investment programme Loretto Housing will achieve 100% compliance with SHQS where it has been technically feasible to do so.

5.24 The Energy Efficiency Standard for Social Housing (ESSH)

5.24.1 The Energy Efficiency Standard for Social Housing (ESSH) was published in March 2014. The aim of the standard is to build on the achievements of the SQHS in order to meet energy efficiency targets set for 2025 and 2032. Loretto Housing will meet, where economically and technical possible, the Energy Efficiency Standards for Social Housing interim targets by 2025 and 2032 respectively.

EESH Requirement	Level	Date
EESH	D	2025
EESH 2	'B' or above	2032

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5.25 Defects Liability**A) New Build Defects Liability**

- 5.25.1 All works carried out as part of the Loretto Housing's new build programme are covered by a defects liability period from the **contractor** or **housebuilder** who constructed the property.
- 5.25.2 The defects liability period will start from the **date of completion** and generally lasts for **12 months**.
- 5.25.3 During the defects liability period the contractor or housebuilder is responsible for rectifying defects at **no charge**. A service level will be agreed with the contractor or housebuilder to rectify defects so that inconvenience to the customer is minimised.

B) Reactive Repairs Defects Liability

- 5.25.4 All reactive repairs work carried out by City Building or their subcontractors are covered by a defects liability period.
- 5.25.5 This will start from the date of completion of the repair. Generally the defects liability period is for 6 months. During the defects liability period the repairs delivery vehicle is responsible for rectifying defects at no charge.

C) Investment Works Defects Liability

- 5.25.6 All investment work carried out by the City Building or by specialist contractors are covered by a defects liability period. This will start from the date of completion of works. Generally the defects liability period is for 12 months. During the defects liability period the repairs delivery vehicle or the specialist contractor is responsible for rectifying defect at no charge. Service levels for rectification of defects will be agreed with contractors to minimize inconvenience to customers.

5.26 Right to Compensation for Improvements – Social Rent Only

- 5.26.1 Where a customer of Loretto Housing is ending their tenancy they may be eligible for compensation for qualifying improvements which have been undertaken with the approval of the landlord.
- 5.26.2 Compensation will be in accordance with the formula set out in the Scottish Secure Tenants (Compensation for Improvements) Regulations 2002.

6. Monitoring, Service Improvement & Review

6.1 Customer Engagement – ‘You’re in Control 24/7’

- 6.1.1 The customer is at the heart of everything we do. Our repairs service plays a pivotal role in achieving our vision of ‘Making Homes & Lives Better’. Our ‘My Repairs’ initiative and its strapline ‘**You’re in Control 24/7**’ highlights our ambition to work even more collaboratively with our customers to shape the service they receive, giving them greater control and choice 24 hours a day, 7 days a week.
- 6.1.2 Increased customer involvement will play a key role in developing the future direction of the repairs and maintenance service, tailored to the individual. We will also engage with customers through web self-service, social media emails, texts and in customer conversations through digitally enabled mobile staff. We will embrace the ‘**Voice of the Customer**’, our digital feedback tool which will allow customers to answer quick surveys to which will provide real time feedback on what is going well and allows for early intervention where issues arise.
- 6.1.3 As part of Loretto Housing’s ambition to engage its customers, we will expand the number of **Tenant Led Inspectors** across Loretto Housing, providing customers with transparent access to fully examine our service in detail and be fully empowered to make recommendations that will improve the customer experience.
- 6.1.4 A **Customer Insight Panel for Repairs** will be established to ensure improvements to the repairs service are driven by what is important to our customers. The panel will feed directly into City Building and the insight it provides will play a significant role in shaping future service delivery mechanisms.
- 6.1.5 We will also continue to work closely with Engagement Panels consisting of local residents to obtain feedback on the service. In addition, Loretto Housing conducts an annual customer survey and ad hoc community events where feedback is gathered. Loretto Housing will report on our engagement with customers through the Loretto Housing website and other communications channels.
- 6.1.6 Continuous improvement in service delivery and performance will be tracked and monitored and results shared with customers. We will do this by tracking and analysing the performance of the repairs service and by working with customers through a range of involvement initiatives across new digital platforms and traditional means as outlined above.

6.2 Customer Satisfaction

- 6.2.1 On completion of a repair the customer will be invited to provide feedback digitally on their specific repair online, by email, or text. This will offer customers the opportunity to provide instant feedback as soon as the repair is completed and increase the number of customers delivering feedback.

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- 6.2.2 Customers will also be able to provide feedback by post, telephone or online through their MyLoretto Housing online customer account where preferred, ensuring that no customer is left behind.
- 6.2.3 Loretto Housing will conduct a customer satisfaction surveys to gather feedback on the performance of the repairs service.
- 6.2.4 Customers will be periodically invited to complete a customer satisfaction survey relating to the method of repairs reporting.
- 6.2.5 Loretto Housing will regularly report our customer satisfaction survey results to customers.
- 6.2.6 Loretto Housing will annually report our customer satisfaction performance to the Scottish Housing Regulator in accordance with the requirements of the Scottish Social Housing Charter.

6.3 Service Improvement

- 6.3.1 Loretto Housing aims to deliver an efficient and effective business, demonstrating value for money to our customers with a high standard of service delivery provided at a reasonable cost. We have a range of mechanisms in place to demonstrate and improve our service delivery, including benchmarking performance data. Our '**Repairs, Investment and Compliance Community of Excellence (COE)**' will drive service improvement focussing on a better customer journeys through digital transformation to make the service more convenient, sharing good practice and ensuring consistency, where it adds value for customers and our partners in Wheatley Group.
- 6.3.2 The COE is jointly chaired by the Director of Repairs, Investment and Compliance and the Director of Operations (City Building Glasgow), driving change in partnership. It will include representatives from all Loretto Housing and City Building. Its aims are as follows:
 - ✓ **Drive improvements** in repairs, investment and compliance
 - ✓ **Promote excellence** in the Loretto Housing's Repairs Service
 - ✓ **Manage delivery** of the Loretto Housing's Repairs & Maintenance Policy Framework
 - ✓ **Monitor compliance** of the Loretto Housing's Repairs & Maintenance Policy Framework

6.4 Performance Reporting and Monitoring

- 6.4.1 Loretto Housing has adopted a Group Repairs, Investment and Compliance Performance Management Framework (PMF).
- 6.4.2 Performance will be reviewed regularly by City Building. Loretto Housing, the Executive Team, the Loretto Housing Board in accordance with the agreed scope and frequency set out in the Loretto Housing Repairs & Investment Performance framework.

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- 6.4.3 Loretto Housing will monitor repairs performance for the properties they own. Issues will be escalated through the levels of the performance framework Loretto Housing, to Departmental Management Team level and then to Executive Team level.
- 6.4.4 Measures and data analytics which are captured by Loretto Housing include:
- No. of Emergencies
 - No. of Appointed Repairs
 - Types of appointment
 - No access levels
 - Right First Time
 - Digital Maturity
 - Financial / budget monitoring
 - Void performance
 - Customer Satisfaction
- 6.4.5 Monthly meetings will be held between the Group Director of Housing and Care and the Executive Director of City Building (Glasgow).
- 6.4.6 The purpose of the meetings will be to review issues escalated from members relating to the performance of the repairs service. In addition, key themes will be reviewed based on feedback from data analytics to ensure the future efficiency and effectiveness of the repairs service and promote the shift from reactive repairs to planned maintenance.
- 6.4.7 The Director of Repairs, Investment and Compliance will monitor repairs performance across Loretto Housing, to provide assurance of the quality of service and value for money and report to the Group Director of Housing and Care.
- 6.4.8 Loretto Housing will regularly report on our performance to customers through various channels.
- 6.4.9 Third parties may be commissioned to review and monitor performance of specialist services and to provide external compliance assurance. Services subject to external monitoring will include but not be limited to gas services, lifts, and specialist mechanical and electrical services.

6.5 Compliments & Complaints

- 6.5.1 Improving customer involvement in our complaints processes will provide transparency in our approach and introduce peer challenge to our responses. This will ensure our approach as well as introducing peer challenge to our processes. This will ensure that we learn from the occasions when we get it wrong in a way which will improve our focus on our customers.
- 6.5.2 Involving customers more in the complaints process will allow them to understand our processes and provide direct input to improvements. We will do this by creating a **Peer Ombudsman Panel** which will be made up of a number of customers who will be able to review anonymised cases and propose outcomes.
- 6.5.3 We also want to know where we have got things right and will provide customers opportunities for customers to **compliment us** on the repairs service online, by email, and phone.

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- 6.5.4 Loretto Housing has a formal complaints policy and actively encourages customers who are unhappy with any aspect of the repairs service to use their the right to complain using the formal complaint procedure. The Group's complaints process is published on the Group website and all Loretto Housing's website.
- 6.5.5 Loretto Housing upon receiving a customer complaint relating to a repair, Loretto Housing will follow through with City Building to rectify the repair.
- 6.5.6 The volume and type of complaints received from customers relating to repairs will also be reviewed through COE and actions will be agreed and implemented to reduce the frequency of complaints.

6.6 Value for Money

- 6.6.1 The value for money of repair service delivery will be tested periodically through a range of methods including:
 - Procurement / market testing of a range of materials, components and services as set out in the Group Procurement Strategy.
 - Benchmarking of schedule of rates / rates cards by a third party every 3 years
 - Other measures as set out in the Group Repairs & Maintenance Policy Framework

6.7 Assurance

- 6.7.1 A continuing process in the effective management of the Repairs Service is the requirement that the repairs service processes (and its performance) is reviewed to confirm that best practice and legislative requirements are in place.
- 6.7.2 In addition to the monitoring carried out by the group members, the Executive Team and Loretto Housing Board and the Group Assurance team will include the Repairs Service in their inspection programme.

6.8 Review

- 6.8.1 This policy will be reviewed every 3 years. In addition regular reviews will be considered where, for example, there is a need to respond to new legislation/policy guidance or there are changes to the organisation.
- 6.8.2 Reviews will consider customer feedback, legislative changes, performance standard and good practice changes.
- 6.8.3 Loretto Housing will publish this policy framework on our staff intranet site W.E. Connect.
- 6.8.4 Loretto Housing's will publish this Repairs Policy on the Loretto Housing website. A hard copy is also available on request. Customers may also request a copy of the policy in other formats and community languages.

Section 7 - Legislative & Regulatory Requirements

7.1 Regulatory Compliance

A) Properties for Social Rent

7.1.1 As a registered provider social housing, Loretto Housing's provision of properties for social rent is regulated by the Scottish Social Housing Charter. The Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Charter was approved by the Scottish Government in March 2012 and came into effect in April 2012 (amended April 2017). The purpose of the Charter is to improve the quality and value of services that social landlords provide for their customers. This will be achieved by:

- Providing customers with a clear statement of what they can expect from Loretto Housing in terms of the reactive repairs and planned maintenance service it delivers.
- Concentrating the Loretto Housing's efforts on achieving outcomes that matter to our customers.
- Regularly assessing the performance of our reactive repairs and planned maintenance service to identify areas of good performance and also areas that need improved.

B) Houses of Multiple Occupation (HMOs)

7.1.2 The Housing (Scotland) Act 2006 includes the regulation of HMOs. A Licence is required for the occupation of living accommodation used as a House of Multiple Occupation (HMO). The application of a licence must be made by the relevant owner (Loretto Housing) of the living accommodation.

7.1.3 Living accommodation is an HMO within the meaning of the 2006 Housing Act, if it is:

- Occupied by 3 or more persons from 3 or more families, and;
- Occupied by them as their only or main residence, or in some other manner specified by Scottish Ministers by order, and;
- Either a house, premise or group of premises owned by the same person with shared basic amenities, or some other type of accommodation specified by Scottish Ministers, by order.

7.1.4 The legislation covers houses, flats and bedsits, hostels, student halls of residence and staff accommodation in hotels or hospitals. Accommodation within a building which, although otherwise separate, shares use of a toilet, personal washing facilities, or cooking facilities is taken to form part of a single HMO.

7.2 Legislative Compliance

A) Properties for Social Rent

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7.2.1 Loretto Housing's landlord activities to maintain our properties for social rent should comply with all legislation, guidance and best practice and encompasses the following non-exhaustive list of Statutes, Regulations and Guidance as set out below at Section (B). Our properties for social rent should also comply with the following legislation:

- Scottish Secure Tenants (Right to Repair) Regulations 2002
<http://www.legislation.gov.uk/ssi/2002/316/contents/>
- Scottish Secure Tenants (Compensation for Improvements) Regulations 2002
<http://www.legislation.gov.uk/ssi/2002/312/made>

Energy Efficiency Standard for Social Housing

<http://www.gov.scot/Resource/0044/00447123.pdf>

- Scottish Housing Quality Standard
<http://www.gov.scot/Topics/Built-Environment/Housing/16342/shqs>

B) All Tenures

7.2.2 Loretto Housing's activities to maintain our properties across all tenures should comply with all legislation, guidance and best practice and encompasses the following non-exhaustive list of Statutes, Regulations and Guidance;

- 18th Edition Wiring Regulations – BS 7671
<http://www.hse.gov.uk/electricity/faq.htm>
- Climate Change (Scotland) Act 2009
<http://www.legislation.gov.uk/asp/2009/12/contents>
- Construction (Design and Management) Regulations 2015
<http://www.legislation.gov.uk/uksi/2015/51/contents/made>
- Control of Asbestos Regulations 2012
<http://www.legislation.gov.uk/uksi/2012/632/contents/made>
- Control of Substances Hazardous to Health Regulations 2002
<http://www.hse.gov.uk/pUbns/priced/l5.pdf>

Energy Act 2011

<http://www.legislation.gov.uk/ukpga/2011/16/contents/enacted>

- Energy Performance of Buildings (Scotland) Regulations 2008
<http://www.legislation.gov.uk/ssi/2008/309/contents/made>

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- Equality Act 2010
<http://www.legislation.gov.uk/ukpga/2010/15/contents>
- Fire Safety (Scotland) Regulations 2006
http://www.legislation.gov.uk/ssi/2006/456/pdfs/ssi_20060456_en.pdf
- Gas Safety (Installation and Use) Regulations 1998
<http://www.legislation.gov.uk/uksi/1998/2451/contents/made>
- Gas Safety (Management) Regulations 1996
<http://www.hse.gov.uk/pUbns/priced/l80.pdf>
- Health and Safety at Work Act (1974)
<https://www.legislation.gov.uk/ukpga/1974/37>
- Scottish Building Standards 2013 Domestic and Non-Domestic
<http://www.legislation.gov.uk/asp/2003/8/contents>
- Pressure Systems Safety Regulations (Commercial Boilers)
<http://www.hse.gov.uk/pUbns/priced/l122.pdf>

C) Data Protection

- 7.2.4 Loretto Housing recognises the confidential nature of the information given by its customers and respects that it should not be disclosed to anyone who does not have both a need and a right to know it. Loretto Housing complies with the provision of The General Data Protection Regulations 2018.

Appendix One - Definitions

Appendix 1 - Definitions

For the purposes of this policy framework, the following definitions apply;

A1.1 Repair

The process of rectifying a component or installation in a Loretto Housing owned and/or managed property for which it is responsible, when it is faulty or in a state of disrepair.

A1.2 Next Day & Appointed Repairs

These can be every day repairs which are required as a result of normal wear and tear of the property. These repairs will be carried out on a next day basis or by flexible appointment to suit the customer. Generally we would expect to complete these repairs within 15 days. Examples of next day / appointment based repairs include;

- Repair to toilet.
- Containable minor leak at wash hand basin
- Light pendant not working in one room
- Faulty radiators.

Examples of larger appointed repairs include;

- Multiple renewal of internal pass doors.
- Plaster work to walls.
- Renewal of bath
- Renewal of a kitchen sink unit
- Works requiring access plant such as scaffold erection / MEWP
- Boundary Fence renewal
- Path works

A1.3 Emergency Repair

An emergency repair is where there is a threat to the health and safety of our customers or where we need to take quick action to prevent damage to one of our properties. Faults classed as an emergency repair will be made safe within 2.5 hours and completed within 24 hours.

Examples of emergency repairs include;

- Front door is not secure.
- Burst water pipe.
- No heating/hot water.

A1.4 Out of Hours Emergency Repair

Emergency repairs out with normal working hours (out of hours emergencies). Some emergency repairs are available 24 hours a day, every day of the year.

A1.5 Cyclical Maintenance

Cyclical maintenance is regular maintenance carried out to our properties to deal with the gradual deterioration of the property and its components and finishes. Examples of cyclical maintenance works include;

- Repair/cleaning of rainwater goods.
- Paining of fascia and soffit boards.
- Render cleaning
- Power washing slabs / monoblock.
- Close/Stair painting

A1.6 Planned Maintenance

Planned maintenance works ensure that major elements are repaired before the end of their lifecycle. As a result, the quality of our properties will remain at a high standard. Planned improvements are classed as Capital Investment work.

Examples of planned maintenance works include;

- Renew Kitchen and/or bathroom.
- Renew gas heating boiler.
- Secure door entry system.

A1.7 Major Repairs and Specialist Work

Major and specialist repairs are works to our houses to replace and/or upgrade deteriorated and/or failed components which cannot be undertaken through the normal repairs process.

Examples of major repairs and specialist works include;

- Removal of timber infestation including wet and dry rot.
- Structural defects.
- Significant fire and/or flood damage.
- Significant storm damage to roofs and other parts of superstructure

A1.8 Right to Repair

Where a Loretto Housing customer reports a repair covered by the provisions of the Scottish Secure Tenants (Right to Repair) Regulations 2002, fixed timescales apply to the period within which the repairs must be completed.

Examples of Right to Repair include;

- Loss of power.
- Blocked sink, bath or drain.

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- Loss of water supply.

A1.9 Void Properties

Empty properties are called 'voids'. Voids are handed to the Repairs Team to inspect for any maintenance works required before they are re-let. The Repairs Team will visit each property and arrange for any repair works needed to bring them up to meet our void standard

A1.10 Adaptations

These are improvements to a house and/or common area to help a customer to live more comfortably within their home and reduce the need to move to another property. For larger adaptations, a referral will be received from a partnering agency. For smaller adaptations a customer can 'self-refer'

A1.11 Communal Repairs

Communal repairs are carried out to entrances, closes, lifts, stairways, common lighting, door entry systems and other parts provided for common use. They may also be carried out on fencing and other external structures that are the responsibility Loretto Housing or common to properties we factor.

A1.12 Statutory/Regulatory Compliance

Our compliance work involves the implementation of a safety first regime or periodic testing and/or servicing, inspection and prevention maintenance programmes to provide evidence of statutory compliance and safe buildings for our customers.

For full details of compliance related matters please refer to the Group Compliance manual.

Loretto Housing covers the following compliance works through the repairs and maintenance service;

A1.13 Gas Safety Management

In order that we can carry out annual gas safety checks timeously, Loretto Housing will adhere to the requirements of our Gas Safety Management Arrangement including initiating the service procedure two months in advance to ensure adequate time for access is provided.

Valid safety certificates must be in place continuously for every gas property Loretto Housing owns. Loretto Housing will retain copies of all Gas Safety Certificates for two years.

A1.15 Asbestos Management

Loretto Housing acknowledges the health hazards associated with asbestos arising from exposure to asbestos and will take the appropriate measures to reduce exposure so far as reasonably practicable through the use of control measures and specialist contractors. Management procedures will include the following:

- Managing or removing asbestos in premises under the control of the Group Asbestos Management Arrangement.

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- Assessing/ inspecting all reasonably accessible areas in properties under the control of Loretto Housing when acquired and/or where there has been a significant change since a previous assessment;
- Reviewing plans for control of asbestos at regular intervals;
- Maintaining a record of inspections, assessments, location/ condition of asbestos found and plans for on-going control (asbestos register).

A1.16 Thermostatic Mixing Valve (TMV) Installation & Servicing

A TMV is a valve that blends hot water with cold water to ensure that the temperature of running water from a bath or shower remains constant and safe to prevent scalding.

A1.17 Fixed Installation Testing (FIT)

FIT testing involves the testing of electrical services and systems that conduct electricity around the building. It covers all of the hard wiring in a building and includes items such as main panels, distribution boards, lighting, sockets, air conditioning and other fixed plant. The test involves performing a sequence of rigorous visual inspections and tests on all systems in the building.

A1.18 Water Systems Management

Loretto Housing operates a comprehensive management regime that undertakes bi-annual inspections and remedial works to ensure the properties fall within the Code of Practice for the control of legionella bacteria in water systems.

A1.19 Mechanical and Electrical Management

Loretto Housing operates a comprehensive management regime in relation to inspections of lifts, undertake lift inspections in accordance with the agreed schedule to keep customers safe, meet insurers requirements and remedial works, annual testing of lightning protection systems, dry risers and sprinkler systems in bin stores. We will also undertake regular and systematic inspections of landlord supplies to high rise blocks and stair lighting within all properties with close entrances.

Other mechanical and electrical management work elements include:

- Fire and Care alarm maintenance
- Smoke Vent Maintenance
- Industrial laundry duct cleaning and annual maintenance (occasionally HMO licensing requirement)
- Lightning Conductors
- Communal TV Aerials
- Micro renewables e.g. solar electric/hot water
- Ventilation Systems

A1.20 Handyperson Service

The handyperson service will carry out small repairs and minor improvement works, including; changing plugs, changing light bulbs, plumbing in washing machines and making small repairs.

Customers can use it as many times as they like. It is free, but they will need to pay for any materials needed for the job.

Appendix 2

Staff Roles & Responsibilities Matrix

MyRepairs

Title	Responsibility
Executive Team	
Group Director of Housing & Care	<ul style="list-style-type: none"> • Reviewing and reporting financial performance of the repairs service through Loretto Housing Managing Director, Locality Housing Directors and Housing Officers. • Reviewing customer satisfaction • Participating in innovation to continuously improve the repairs service for all properties for social rent and care facilities. • Regularly reviewing performance of the repairs service across all Loretto Housing in accordance with the Group's Repairs, Investment and Compliance Performance Framework. • Reporting performance of the repairs service as necessary to the Loretto Housing Board and externally to regulatory bodies. • Leading in innovation and digital transformation to continuously improve the repairs service • Ensuring the repairs management system (including the management arrangements, all plans and processes) is reviewed and that the repairs management system is maintained regularly and updated as required. • Reviewing customer satisfaction across different user channels
Group Director of Finance	<ul style="list-style-type: none"> • Driving digital transformation to continuously improve the repairs service • Reviewing customer satisfaction with digital services Providing feedback to the Group Director of Housing and Care on the digital maturity of customer's experience of using Loretto Housing's repairs service • Reviewing customer satisfaction with all channels for reporting repairs.
Title	Responsibility
Directors & Managing Directors	
Director of Repairs, Investment and Compliance	<ul style="list-style-type: none"> • Managing the performance of overall repairs service through City Building (Glasgow) • Implementing a repairs service that delivers top quartile results (in accordance with Scottish Housing Regulator Annual Return to comply with the Social Housing Charter) for the Loretto Housing within its area of responsibility and high-quality service that drives improved customer satisfaction • Increasing customer engagement /choice / participation in the end to end repairs process across all tenures • Promoting excellence in repairs delivery in Loretto Housing • Driving improvement in repairs performance to meet statutory requirements, regulatory requirements and good practice • Monitoring Loretto Housing's compliance with this Repairs & Maintenance Policy Framework • Managing delivery of the Loretto Housing Repairs Strategy • Driving enhanced service and efficient delivery models via utilisation of digital technology and Artificial Intelligence tools.

MyRepairs

You're in control 24/7

	<ul style="list-style-type: none"> • Delivering landlord and factored owner compliance and assurance • Monitoring quality of repairs delivery and reporting this to Loretto Housing Managing Director • Set annual revenue budget.
<p>Director of Customer Experience</p>	<ul style="list-style-type: none"> • Receiving all reporting of repairs by customers on behalf of all Loretto Housing • Managing the delivery of all channels (including telephony and digital channels) for customers to report repairs across Loretto Housing • Promoting excellence in repairs delivery across Loretto Housing including repairs diagnosis to maximise right first time and reduce reactive repairs emergency repairs and no access • Reporting the performance of all channels for customers to report repairs • Promoting digital channels for customers to report repairs while ensuring that no customer is left behind • Monitoring the volume, scope and cost of repairs reported via the Customer Service Centre • Developing and delivering the Loretto Housing's approach to Digital Maturity including repairs reporting and feedback • Providing channels for customers to feedback on their experience of the end to end repairs process • Promoting customer participation in the design and delivery of repairs
<p>Loretto Housing Managing Director</p>	<p>For Loretto Housing Managing Director is responsible for: Managing performance of the repairs services to customers and the repairs budget. For properties leased from third parties the Managing Director is responsible for:</p> <ul style="list-style-type: none"> • Managing repairs in accordance with the lease. <p>Loretto Housing will delegate their responsibility as factor in mixed tenure blocks to Lowther Homes.</p> <p>For Loretto Housing properties where a Licence for an HMO is required to be obtained from a local authority the Managing Director is responsible for</p> <ul style="list-style-type: none"> • Making the necessary application and obtaining the licence • Complying with the conditions of the licence <p>Costs relating to the compliance with the maintenance and renewal of the licence and expense of any works relevant to the compliance of the licence, should be met in full by the Tenant / Lease Holder. Statutory compliance for electrical installations, gas installations, services, utilities and fire safety measures should be maintained by the Loretto Housing and may be recharged to the Tenant / Lease Holder.</p>

MyRepairs

You're in control 24/7

	<p>For properties where the Loretto Housing is the licensee for an HMO the Loretto Housing Managing Director has responsibility for:</p> <ul style="list-style-type: none"> Discharging the licence holder duties as set out in the HMO licence.
Title	Responsibility
Director of Assets and Sustainability	<ul style="list-style-type: none"> Managing the performance of the repair service and statutory compliance for all corporate properties across Loretto Housing, Providing Asset Intelligence relating to Loretto Housing's repairs service to the Executive Team, Locality Housing Directors and Housing Officers. This includes strategic and predictive analysis of repairs across all property types.
Senior Managers/Managers/Staff	
Head of Housing	<ul style="list-style-type: none"> Managing performance of the repairs service to customers within their business areas Managing the repairs budget for their business area. <p>The Director, Locality Housing Director responsible for an individual corporate property is responsible for</p> <ul style="list-style-type: none"> Reporting and managing reactive repairs locally
Staff	Staff are responsible for reporting repairs and monitoring compliance in accordance with their job profiles.

Report

To: Loretto Housing Board

By: Hazel Young, Managing Director

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

Subject: Independent review of pandemic response

Date of Meeting: 8th November 2021

1. Purpose

1.1 To provide the Board with the independent review of the Group's response to the pandemic.

2. Authorising and strategic context

2.1 The pandemic struck as we were in the final stages of launching our 2020-2025 strategy. The Board spent considerable time discussing the implications of the pandemic for our strategy and subsequently agreed the revised 2021-26 strategy.

2.2 In addition to this, the Group Board agreed to commission an independent report on our response to the pandemic.

3. Risk Appetite and assessment

3.1 Our strategic risk register contains the risk of the "Ongoing threat of future waves of Covid-19 and / or another pandemic". Our mitigation to this risk is that we learn lessons from the Covid pandemic and factor these into our future strategy.

3.2 We have already updated our strategy to factor in lessons learned from the pandemic as well as accelerate a range of activities. Our annual renew/refresh strategy process embeds the flexibility to continue to take into account the future impact of the pandemic, for example on the economy.

4. Background

4.1 We have regularly updated this Board and all other partner Boards throughout the Group on the impact of the pandemic.

5. Customer Engagement

5.1 As part of the review, Campbell Tickell both engaged directly with customers from across the Group as well as reviewed directly customer feedback we have received during the pandemic.

6. Discussion

6.1. We commissioned Campbell Tickell to both independently review our response to and throughout the pandemic and capture our organisational journey.

6.2. Campbell Tickell's methodology incorporated a combination of the following:

- Group Covid data (non-personal data) including reporting and dashboards
- Desktop document review of a wide range of documents including Board papers and staff briefings and communications
- Interviews with a wide range of Board members, staff, Trade Unions and customers
- Engagement with key stakeholders such as Local Authorities and the Scottish Government

6.3. The methodology was designed to capture as wide a range of views and perspectives on our response and experience as possible. The Group Board, including all partner Board Chairs, received some initial feedback from Campbell Tickell on the review at its strategy workshop on 26 August, with James Tickell's concluding remarks being:

"The culture was strong, the leadership effective, the systems worked, focus on customers and their needs was real

A success story – pride is in order"

6.4. The draft Campbell Tickell report attached at Appendix 1. The report draws heavily on the feedback from interviews to tell our story through the words of our Boards, staff – including Solutions staff who provide services to us and on our behalf and the Foundation who deliver vital services to or tenants - trade unions and customers. It should be noted that the feedback was corroborated and reinforced by the extensive documents review.

6.5. The sections below draw out some of the key parts of the report and changes we already have or plan to make.

Initial response and operating context

6.6. The report, as expected, reiterates that the pandemic was unprecedented and as such organisations and Governments did not have ready-made business continuity plans.

6.7. It also frames the additional context for us as a Group. DGHP, then an organisation requiring significant transformation, had just joined the Group and we had just completed the creation of a single care vehicle in Wheatley Care.

6.8. The report acknowledges that we *"recognised in covid-19 a clear risk that business might not continue as usual"* and that as a result of this when the lockdown was announced *"the Wheatley Group was several steps ahead"*.

Lockdown preparations

- 6.9. The early recognition of the risk, immediate and thorough contingency planning and our decisive organisational response are recognised throughout the report. In terms of our lockdown preparations specifically, the report notes that *“In every corner of the Wheatley Group detailed planning began in earnest in February”* and that *“an air of urgency had already overtaken Wheatley”*. The first lockdown was announced in late March.
- 6.10. Our early preparations were critical in allowing us to establish supply chains for essential supplies, such as laptops and Personal Protective Equipment (“PPE”). This is recognised in the characterisation of our shift to home working as a “smooth transition”. This included the establishment of a Virtual Call Centre in a very short space of time.
- 6.11. In addition to this, our established Business Continuity Planning arrangements meant that we had an existing structure and hierarchy which we were able to quickly mobilise.

Lessons learned and business changes

- 6.12. We have taken the lessons learned and our experience of working in lockdown to make important business changes. Having proven that our IT platforms can robustly support it and heard from our staff they want to retain an element of home working the Board agreed that our 2021-26 strategy would accelerate our new operating model.
- 6.13. Our first new Centre of Excellence, Wheatley House, is now operational and staff from across the Group are currently being introduced to it through our Wheatley Way sessions.
- 6.14. We never faced any shortages of PPE throughout the pandemic due to our robust oversight of supply levels and strong supply chain relationships. A key element of our success was establishing our supply chains very early and keeping high levels of stock on hand. We have further extended our stock levels of PPE from 16 week’s worth of supply to 36 week’s worth. This ensures that we continue to reduce any risk associated with supply chain issues and provide reassurance to staff. This approach will remain for the foreseeable future.
- 6.15. Similarly, we did not experience any shortage of core IT equipment during the pandemic. As with PPE, we have created forward stocks of key IT equipment. We have also more fundamentally redesigned our IT support model to reflect our new hybrid working model. This includes: a dedicated support hub in the new Wheatley House Centre of Excellence; additional resources in the IT help desk in terms of both numbers and skills and expertise; and changes to operating hours to reflect staff working more flexible hours.

Protecting our customers

- 6.16. Our organisational ethos and values have always focussed on delivering for our customers. Our size and scale are a means to do more for our customers, with patch sizes at 1-200 amongst the very lowest in the UK. We pride ourselves on our high customer satisfaction levels in housing and care.

- 6.17. The review corroborates that our values remained evident during the pandemic, stating that “*Wheatley’s service is anything but impersonal*”. This is underlined by the report identifying that ‘*Communicating with customers came first*’.
- 6.18. The Group CEO letter to every tenant and the fact it was our early focus on outbound welfare calls that identified hardship in our communities are referenced as key examples of our focus on communicating with customers.
- 6.19. The importance of the proactive welfare calls cannot be understated. It was through these calls that we uncovered the scale of the issue in relation to access to food, with some customers having not eaten for days. The importance of these calls in maintaining a direct, personal engagement without customers and communities is reiterated throughout the report.
- 6.20. The sheer scale of the challenge in terms of hunger is captured in the report, noting that demand quadrupled from 1,000 in the first three weeks to 4,000 at the peak. This was through a combination of financial hardship, the requirement to shield and customers, understandably, being very hesitant to risk their personal safety going to shops.
- 6.21. As is recognised, we redeployed our own NETs staff to create the infrastructure needed to handle this volume whilst securing, very publicly announced by the First Minister, £350,000 is matched funding from the Scottish Government. A further £100,000 was also secured from Barclays.
- 6.22. The significance of our response is captured in the direct customer and stakeholder feedback captured in the report:
- “Wheatley group were at the forefront of the response across Glasgow” – Fare Scotland CEO*
- 6.23. Whilst food poverty was a significant challenge, the report recognises that for many of our customers “*lockdown was piling on their deprivations*”. Our response to this was the creation of an Emergency Response Fund as well as, again, leveraging in Scottish Government funding of some £330,000.
- 6.24. As is narrated in the report, the use of the Emergency Response Fund ranged widely. From making sure that customers had gas and electricity, to nappies for new born children, to our £20 Christmas voucher for every child. Although of themselves small things, within the context of the pandemic we know for our customers these were the difference between attending the funerals of loved ones and having cooking facilities.
- Lessons learned and business changes*
- 6.25. As indicated, being close to our customers and understanding the key issues in communities was our ethos pre-pandemic. The pandemic reiterated the value of this. The pandemic did however highlight the issue of social isolation, the networks people have in times of crisis and resilience in our communities more generally.

- 6.26. As part of our 2021-26 strategy, we prioritised the implementation of our new engagement framework. A key element of this will be Digital Neighbourhoods, which will allow customers, who are increasingly open to digital engagement, to support each other and their community more widely. This will support enhanced community resilience.
- 6.27. We have also now consulted with our tenants on our new engagement approach which closed on the 25th October and has received very high levels of support.

Homelessness

- 6.28. The report narrates the “*widespread public concern early in lockdown over the plight of Scotland’s homeless people*”. Our organisational response was immediate, in late March offering empty homes to Local Authorities.
- 6.29. The report also recognises the joint working in place within the Group, particularly the expertise of Wheatley Care who “*rose to the challenge*”. This included Wheatley Care successfully taking over and managing the transition of the Bellgrove Hotel.

Lessons learned and business changes

- 6.30. Our contribution to homelessness has always been very high. The Board recognised the pandemic provided a once in a lifetime opportunity to end rough sleeping in Scotland.
- 6.31. In response to this, we further strengthened our commitment to being a key national partner in our 2021-26 strategy. This included a new commitment to house 10,000 households over the life of the strategy.
- 6.32. This commitment was codified through our new Group homelessness policy which increases our proportion of lets to a target of 50% to homeless applicants.

Staff wellbeing and morale

- 6.33. Along with protecting our customers, our staff wellbeing was a key priority throughout the pandemic. The report sets out in further detail the challenges we faced in terms of health and safety protocols and securing PPE in a rapidly changing operating environment.
- 6.34. Our response reiterates the importance of our organisational foresight, agility and early planning. Examples include:
- Changing our finance procedures to ensure we secured rare PPE equipment
 - Repurposing our offices to act as storage and distribution facilities for PPE
 - 14 week supply lines for PPE
- 6.35. Our support for staff went significantly beyond the physical. The pandemic has impacted the mental health and wellbeing of individual’s, ranging from social isolation to the devastating loss of loved ones.

- 6.36. We rapidly expanded our range of wellbeing support, including influencing external agencies such as the NHS. The welfare calls so vital with our customers were replicated with staff. This meant that we were able to offer support to staff in acute, and at time immediate, need.
- 6.37. The pivotal role of the Family Hub in not just supporting staff but retaining our connection with furloughed staff is highlighted in the report. Engagement through the Family Hub was high throughout the pandemic.
- 6.38. Our wellbeing activity was supported by the deployment of a bespoke communications strategy, including a significant increase in the level of communication as well as a whole new type of content. This included a host of new features, including:
- Weekly update to all staff and Boards from the Group Chief Executive
 - 'A day in the life of' blogs
 - '15 minutes with' blogs
 - Daily Uplifts
- 6.39. The report observes that *"the response from frontline and support staff was unprecedented.....knowing they were not alone helped, but so too discharging their small successes"*
- 6.40. As part of the process, Campbell Tickell interviewed our two main Trade Union Branch Secretary's about our response to the pandemic and support for staff. The Trade Unions were not only very positive about our response, but offer a sharp parallel about the response outwith the Group.

Lessons learned and business changes

- 6.41. As we transition to our new operating model, we are or have already mainstreamed many of the internal communication and wellbeing approaches that have proven so popular. The range of new internal communications listed at 6.38 are now permanent features.
- 6.42. Our new Operating Model reflects staff feedback that flexibility in our blended working model allows them to achieve a better work life balance. This is also reflected in our new Wheatley House Centre of Excellence, which has a dedicated wellbeing area. We also continue to heavily promote our wellbeing support to staff.
- 6.43. We recognised from the pandemic that different styles of leadership are required in a home and blended working environment. We have already developed a new Leadership Development programme that will focus on equipping staff to lead in a blended model. We have also expanded the number of staff who will participate in our Leading in a Digital Era programme.
- 6.44. As already indicated, we have expanded our stock levels of PPE from 16 to 36 weeks.

Against all odds

Cube

- 6.45 During the pandemic, over 1100 Cube customers voted to join Loretto in our tenant ballot which had an overwhelming majority of Cube tenants vote in favour of the proposal and the benefits it will bring to their communities.
- 6.46 Cube customers joined Loretto on July 28th 2021 and will bring a number of promises, in what is an exciting time for our customers including:
- limiting rent increases to no more than 1% for this year and for the next two years.
 - over £7 million being invested in modernising and improving thousands of homes over five years;
 - building hundreds of additional new homes
 - the creation of hundreds of new jobs, apprenticeships and training opportunities for tenants and their families; and
 - an even stronger voice for tenants.

Care and support

- 6.47. The most vulnerable in society during the pandemic have been residents in care homes and who need day to day home support. The report underlines a relentless focus on protecting the People We Work For, digital agility and innovation, and standing firm with Commissioners and Local Authorities.
- 6.48. The commitment of staff in care is recognised, with the willingness of staff to change roles, spending less time with their own families to protect customers, and travelling by any means necessary to provide vital support.
- 6.49. A particular highlight is our refusal to accept anyone being discharged from hospital without a negative covid test case. This caution is reflected in the remarkable achievement of no deaths in regulated care. This is in stark contrast with the national picture.

Lessons learned and business changes

- 6.50. The pandemic has shown that appetite for digital engagement amongst the People We Work For is higher than might have been expected. As part of our strategy we have now included plans to have at least 20% of outreach services delivered through a blend of face to face and digital over the next 2 years.

Welfare support

- 6.51. At the start of the pandemic, a major risk identified was an increase in rent arrears as customers faced unprecedented financial challenges. This included a huge increase in customers having to access Universal Credit, many for the first time.

- 6.52. Our existing infrastructure, including a dedicated Universal Credit team, a secondment from the DWP and data management and reporting, were in place well before the pandemic struck.
- 6.53. The value of this support to senior staff and their staff supporting our customers is evident in their accounts in the report. This translates into what is described as *“At a more fundamental level, Wheatley housing officers are all now experts in helping tenants newly unemployed or in changed circumstances to claim universal credit”*.

Lessons learned and business changes

- 6.54. We recognise that supporting our customers back into work will be increasingly important, with the labour market also likely to change post pandemic. As part of our 2021-26 strategy we have committed to increasing the level of support for customers, including employment support and the expansion of Wheatley Works.

New ways of working

- 6.55. As the report concludes in recognising we are already well advanced in grasping the lessons learned from the pandemic. This ranges from mainstreaming innovations such as virtual lettings to our new Ways of Working
- 6.56. The opening of our first Centre of Excellence in Wheatley House will underpin the transition to our hybrid working model. We are in the process of formally consulting tenants on our new ways of working which include significant changes to the Customer First Centre, the way we engage and, in some cases, our physical footprint.

7. Digital transformation alignment

- 7.1 As is recognised in the report, our digital transformation programme has played an important role in our response to the pandemic.

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

- 9.1 There are no legal or regulatory implications associated with this report.

10. Equalities implications

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

11. Environmental and sustainability implications

- 11.1 As is recognised in the report, our new ways of working and increased use of technology will support us reducing our carbon footprint, particularly in relation to travel.

12. Recommendations

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

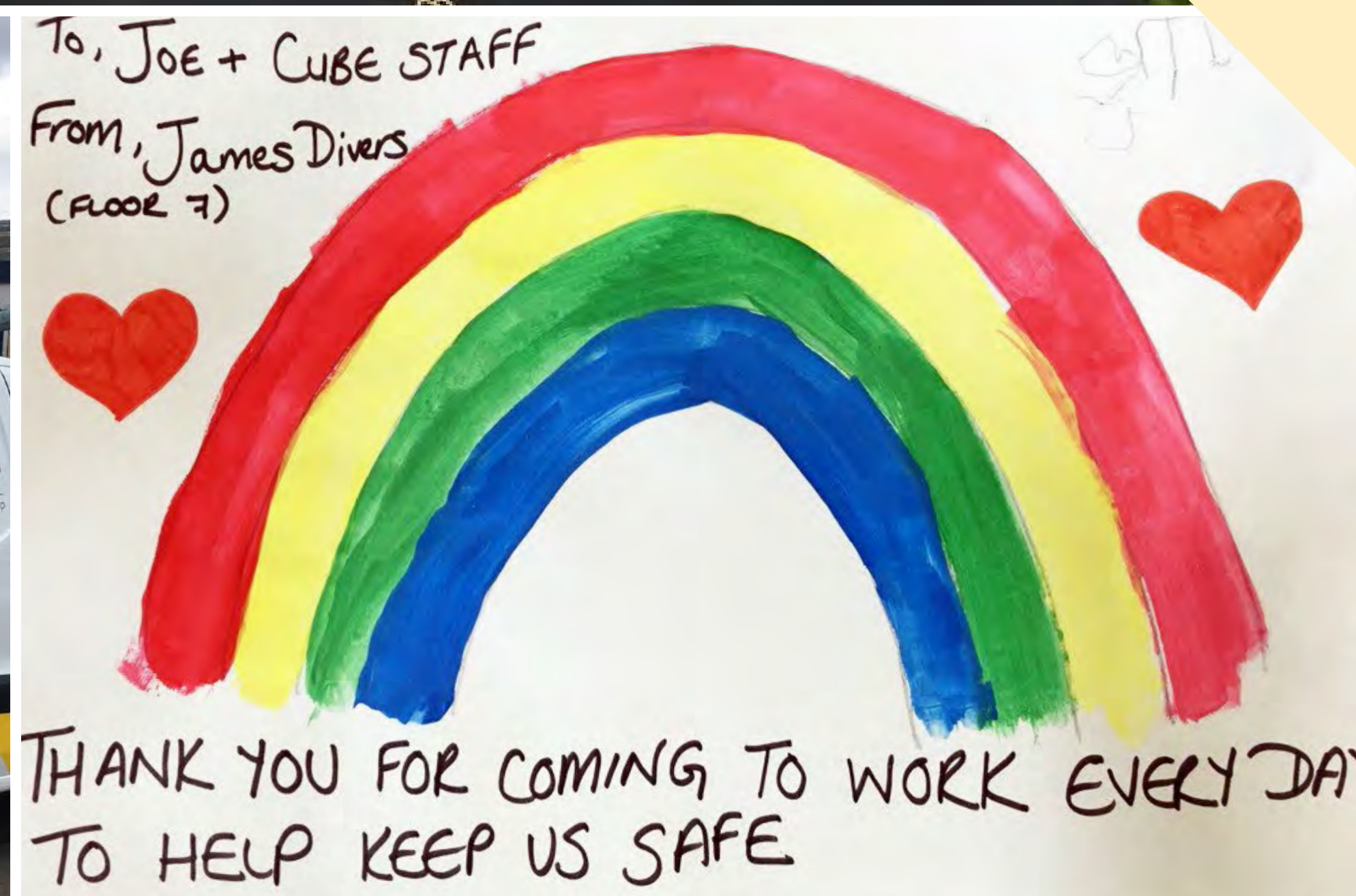
LIST OF APPENDICES:

Appendix 1 - Nobody Left behind – Wheatley through the pandemic and beyond

Nobody left behind

Wheatley through the pandemic and beyond

Dedicated to the memory of those tenants and customers of Wheatley Group who passed away from Covid



'What I'll remember most is the calls I made in the early days, to people who had nothing, being able to say I can fix this for you, and get someone to them within the hour. In those early days people were hopeless, they were hungry. They had nowhere to turn and we really saved lives. I am so proud to work for an organisation that was able to do that for so many vulnerable customers.'

Lorraine McLaren, director of Wheatley Foundation





Contents

Page 4	1: Introduction by Sir Harry Burns, chair of the Wheatley Foundation	Page 49	7: Oversight and accountability All hands on deck Customer voice
Page 6	2: Covid's advance guard	Page 54	8: Remobilising: a lingering virus
Page 8	3: Strategy and leadership Testing the wind Lockdown preparations	Page 57	9: Fast forward: new ways of working Hybrid working Wheatley hubs The new thinking
Page 12	4: Motivation: protecting our customers We're here for you Hunger Poverty Homelessness High-rise safety	Page 63	10: Reflections
Page 25	5: Motivation: staff wellbeing Protected The union assessment Round the clock support Morale	Page 67	11: Afterword Alastair MacNish, outgoing chair Martin Armstrong, chief executive
Page 36	6: Against all odds The new partner: Dumfries & Galloway Housing Partnership Ahead of the curve: care and support Balancing the books: the welfare experts Signed, sealed, delivered: new homes	Page 69	12: Timeline: the global spread of Covid 19
		Page 74	13: Twenty facts about Wheatley

Our thanks

Our sincere thanks to all those whose generous donations, cash or in-kind, helped fund our work to help vulnerable people in Scotland during the pandemic. Please turn to page 75 for the full list.

This report was written for Wheatley Group by Lisa Thompson and James Tickell of Campbell Tickell. Our sources were Wheatley staff from executive level to frontline staff and some of the many volunteers who serve on Wheatley Group's boards. We thank all those who spoke to us for their time and openness.

Wheatley gives special thanks to staff who worked for the group in the run-up to and during the pandemic, but have since left, for their immense contribution. Among them are:

Alex Adrain Managing director of Wheatley 360

Yvonne Flynn Director of marketing and communications

Jackie McIntosh Director of property development and initiatives

Elaine Melrose Group director of resources

Pauline Thomson Furnishing services manager

Catherine Wilkie Housing advice, homelessness and customer support lead



Introduction by Sir Harry Burns

Chair of the Wheatley Foundation

Many charitable organisations focus on only one aspect – whether that’s homelessness, drugs or alcohol. Wheatley has shown it will support people in a whole range of ways, as was shown – and needed – during the pandemic.

Whether it be the impact of poverty through people losing their jobs or supporting children who weren’t able to go to school, Wheatley was there to help.

COVID 19 had and continues to have a huge impact on people at the lower end of the socioeconomic spectrum. They’ve been more likely to get the virus, more likely to get severely ill and more likely to die of it. Our poorer communities suffered financially through the impact on the job market with many high-street shops closing or reducing staffing levels. At the same time, people who had to stay at home struggled with mental health issues.

The pandemic has turned our lives upside down. It has transformed the way we live our lives and that lack of routine, that change to routine, can be very disturbing for people.

It’s important we have people at Wheatley who can knock on doors or pick up the phone and ask, ‘Can we help you?’ Wheatley staff are trained to do so and want to help people.

I’m immensely proud of the support we were able to offer our customers. The 30,000 emergency food parcels supplied by the EatWell programme, which was supported by funding from the Scottish Government, was life-changing for many people. Wheatley did this at a time when the House of Commons was voting not to give food vouchers to families for their children because they would spend it on the ‘wrong’ things.

At Wheatley and at the Foundation if we hear stories of people needing food then we get it to them quickly. We act while others debate.

During the early stages of the pandemic we provided technology and equipment for children to learn. We also provided books and puzzles. We supported the young, the old, those living alone and the families struggling to put food on the table.



What I expect to see from now is that Wheatley residents we supported will do better as a result of the Foundation's investment in them, whether that be in time, effort, supplies and so on.

People in our communities know we care about them – and we have the financial and wraparound support services to make a difference to their lives.

We made sure homes were warm. We handed out activities to keep kids from getting bored and depressed when they were in lockdown. We helped older people with phone top-up cards to prevent isolation. We put food on the table.

That's what makes the difference - and that's the culture of the Wheatley Foundation.

Sir Harry Burns has - since 2014 - been chair of our charitable arm, the Wheatley Foundation. He is currently president of the British Medical Association and has since 2014 been professor of global public health at the University of Strathclyde. From 1994 to 2005 he was chief medical officer for Scotland and earlier, from 1994 to 2005, was director of public health at the Greater Glasgow Health Board and from 1974 to 1994 at the Glasgow Royal Infirmary, initially as a surgeon but for the last five years as medical director.

'Throughout and prior to the pandemic, organisations such as Wheatley have made a real difference to people and communities. The Scottish Government's view is no one should go hungry or have to rely on charitable food provision in a country as prosperous as Scotland. We recognise that food insecurity is primarily driven by insufficient and insecure incomes which is why we take a human rights approach and prioritise action that prevents food insecurity through social security, fair work and reducing the cost of living. The coronavirus pandemic has exacerbated many of the financial pressures on households but our response and the new ways of working between sectors and services has also accelerated action toward our national mission to eradicate poverty. We know more must be done, and will bring forward a national plan outlining the steps we will take to end the need for food banks as a primary response to food insecurity, listening to people with direct experience.'

Anyone who is worried about affording essentials like food or fuel should contact the national helpline on 0800 111 4000 where they will be put in contact with local advice and support, including the Scottish Welfare Fund.'

Scottish Government



The new coronavirus arrived in Scotland as it had elsewhere, without an operating manual. Its first host, a holiday maker from Tayside, had recently returned from northern Italy. But long before his case was diagnosed, on 1 March, the World Health Organization had declared the virus a global health emergency.

Covid 19 first surfaced in Wuhan, China, in late December 2019, formally identified as a new virus by Chinese researchers on 2 January 2020. Within three weeks it had infected people in South Korea, Japan, Thailand and the USA. By the end of the month 213 – at least – had died.

The scale and reach of global trade and tourism fueled its journey. The UK confirmed its first two diagnoses on 28 January 2020. Both were safely contained. But elsewhere in Britain, case numbers doubled, then tripled. By mid-March 55 were dead and 10,000 infected.

Laboratory testing linked most cases to holiday makers returning from Spain, Italy and Austria. By late February Italy had imposed its first local lockdowns. On 9 March the entire country shut down. Spain followed a week later. Health services in both countries were soon overwhelmed.

Through that first year we had little understanding of how the virus spread. Testing was sparse, often primitive, and diagnoses slow. Medical treatment was experimental and rarely effective. We had no cure. Conjecture and conspiracy theories were rife. Proven ways to protect ourselves less so.

Not everyone infected by the virus fell ill. Researchers in Italy were early to note that people infected but with no symptoms had passed the virus onto others. But where people did fall ill, Covid 19 attacked multiple organs, mainly the lungs. People fought to breathe and of those hospitalised or seriously ill at home, many lost that struggle.

To many in the UK, the response of our governments felt painfully slow. Others felt the risks overblown and the virus was likely to do just that – blow over.

In Scotland one organisation had already recognised Covid 19 for what it was and remains - a very serious danger to health and to life. When on 23 March the UK and its devolved governments announced a nationwide lockdown, the Wheatley Group was several steps ahead.

‘Social landlords played a vital role during the pandemic, with a flexible and innovative approach to supporting tenants experiencing difficulties. The Scottish Government is grateful to the Wheatley Group and its staff for their excellent work, in particular the outstanding efforts to help those experiencing homelessness, with a large number of empty homes being provided for temporary accommodation.’

‘We provided Wheatley with £350,000 to help tenants access food and other essentials, as part of our package of more than £140 million to tackle food insecurity during the pandemic. In total we invested more than £1 billion last year to help people affected by COVID 19 and to build resilience in public services. We are now providing £39 million worth of housing support to ensure those experiencing financial difficulties as a result of COVID 19 are able to keep their homes.’

‘We look forward to working with the Wheatley Group and the wider social rent sector as we continue our recovery from this pandemic.’

Shona Robison, Cabinet Secretary for Social Justice, Housing and Local Government



3 Strategy and leadership



Testing the wind

Wheatley had begun the new year with a demanding schedule. Just weeks earlier it had taken on a new partner in Dumfries & Galloway Housing Partnership, one in pressing need of a root and branch overhaul. It was reorganising its housing support and care services after merging substantial sections of two subsidiaries. And chief executive Martin Armstrong had for some time flagged up his plan to move on that year, leaving Wheatley in new hands.

Only that last plan was delayed. No one at Wheatley would claim to have a crystal ball. But they recognised in Covid 19 a clear risk that business might not continue as usual. ‘The country took a real and concentrated hammering from the Beast from the East storm in March 2018,’ recalls Tom Barclay, group director of property and asset management.

The upside of lessons learned from that and from earlier crises including swine flu, he says, was a sharper, stronger business continuity management plan. ‘We could see what was happening in Italy and Spain and knew it was only a matter of time for the UK.’

The virus had already attracted the attention of Wheatley’s health and safety team. ‘I talked to my then group director [Elaine Melrose] in February saying we really should get arrangements in place,’ says health and safety lead John Crooks.

Elaine Melrose and John Crooks quickly pulled together a presentation for senior colleagues on what was then known about the new virus. ‘It raised the prospect of difficult decisions ahead, including scaling back some services.’

The next step was preparing a business continuity risk management matrix. That informed a consensus view that the risk was real and, despite confusing signals from government, lockdown inevitable. If the timing was vague, Wheatley’s preparations were anything but.

Crucially, chief executive Martin Armstrong agreed to stay in post for another year. He was not alone. Nine board members had been nearing the end of their terms of service, Wheatley Group chair Alastair MacNish among them. ‘I and every one of our board members agreed to an extra year,’ says Alastair MacNish. ‘We understood that continuity through this pandemic was vitally important.’



‘Decision-making had to be rapid so it was absolutely vital that people of the highest quality stayed on. But the real talent and skill was identifying so early on that the country was facing a very, very serious situation because of Covid.’

‘Martin galvanised the organisation from day one,’ says group director of corporate affairs Graham Isdale. ‘He showed leadership of the highest standard. He understood clearly that in every part of the organisation people needed to understand how we were going to respond and what that meant for them personally.’

John Crooks also vividly recalls Martin Armstrong as the driving force: ‘In meetings well before lockdown he was urging managers to accelerate their thinking around home-working and IT and to programme for it.’

‘I think he realised very early on we were going into lockdown and the thinking was: We’ve got vulnerable customers out there. What services do we need to maintain? What can we maintain?’

‘The executive team made an early call, quicker than anybody else,’ says Lorraine McLaren, director of the Wheatley Foundation, the group’s charity. ‘So we had the infrastructure, we had bold leadership and we had financial backing. That made us move quickly and I will be forever grateful.’

Lockdown preparations

Crucial to Wheatley's plans were comprehensive advance planning, a sophisticated and expertly supported digital technology network, fast and effective communications, and a skilled, motivated and valued workforce.

In every corner of the Wheatley Group detailed planning began in earnest in February. 'When we discussed what was primary, humanitarian aid came to the fore,' adds Tom Barclay. 'In the absence of clear direction from government, as an executive team we knew we had to be clear and decisive. The focus was on keeping staff safe so they could keep our customers safe.'



A date was set for a newly reconvened business continuity management team to meet. But an air of urgency had already overtaken Wheatley. In advance of that first meeting the managing directors of every Wheatley subsidiary and service had drawn up detailed plans showing down to the smallest detail how their reshaped services would run.

Underpinning the move to home-working demanded rapid acceleration of one strand of Wheatley's five-year business strategy. 'It had been planned for about 2024/25,' says group finance director Steven Henderson. 'Among other things we had to buy laptops in quantity and get those out very quickly to critical users such as our new call centre operatives.'

Tom Barclay adds: 'There was a huge logistical and frankly heroic effort by the IT team to get a business of our size all home-working within a very short window. It wasn't just moving the housing teams but all the back office services too, from treasury and litigation to the communications team and People Services.'

'Before we even knew how the coronavirus would affect us we were having briefings and conversations about how we keep ourselves, our staff and our customers safe,' says Laura Henderson, then head of Loretto Housing. 'We moved to weekly and then quickly to daily meetings. We prepared for every eventuality.'

Staff were part and parcel of that. 'We'd take a key member of staff to our academy and take them through how the home-working model would look,' Laura Henderson said. 'We put in place guidance documents and changed our processes so staff knew what to do and how to work safely.'

'It was such a smooth transition,' she says. 'We were in a very strong position from day one. We had a call centre, our IT was all in place and all housing officers had, at the very least, a phone and an iPad, and access to all our systems.'

In common with all housing providers, repairs were to take a back seat, reduced to emergencies only. The risk of cross-infection to staff and customers was too high, and a government ban on entering properties would in any case rule out even vital safety checks for some months.

It was a brutal introduction to a new job for Matt Foreman, Dumfries & Galloway Housing Partnership's new managing director. 'The one memory I go back to is of the first two days in my third week working on the emergency plan.'

'It was the only week I got to meet all my senior team – flipcharts everywhere, lists of things to do, priorities, keeping their teams updated. It was frenzied, almost like a war room. We'd disappear for three hours and then it was, "Right, back here at 2 o'clock."

'I felt sorry for certain higher management because they wanted to make decisions that were right for the workers, for the manual workers. That wasn't easy. It was about people's health.'

Douglas Wilson, factored owner with Lowther and member of Wheatley's scrutiny panel

'After three days all the staff and the senior team left. Having been so excited about the new job I was the last person to walk out of the building. It felt like I was shutting everything down although I was doing the opposite. It was surreal. I thought, bloody hell, this is real.'

'We'd decided we were going to shut down and send everyone home far before Boris Johnson called the shutdown,' recalls group director of housing and care Olga Clayton. 'A lot of people were still very complacent but I remember Martin walking into my office and we could see directly into the council building across the way. Everyone there was still working.'

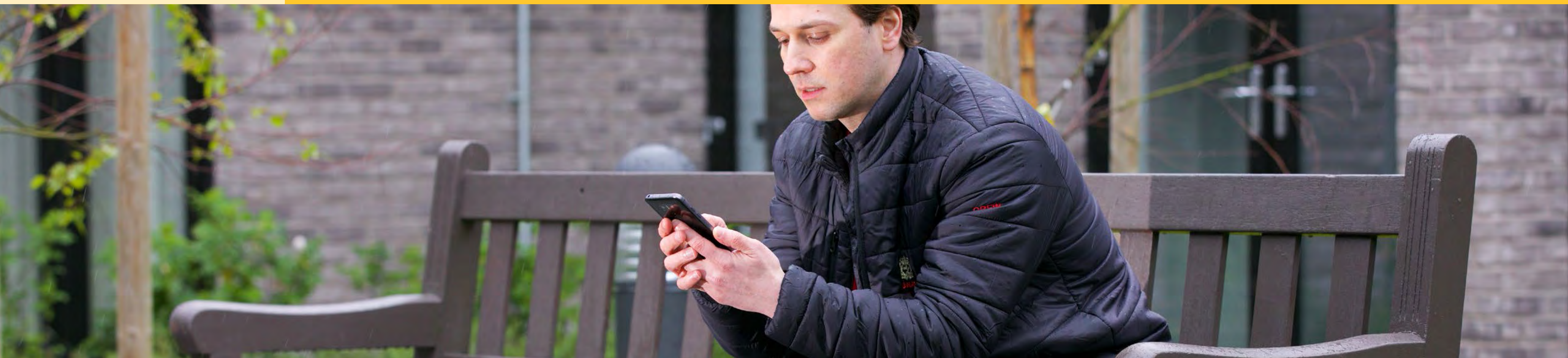
In their own office the IT staff were packing at speed equipment to be shipped to staff at home.

'You can have as many leaders as you like but if they're not leading there's no use being in that position. Martin has been terrific in my opinion. Had Martin Armstrong not been in the position he was, I'd have worried. Martin has been a leader throughout this and he's about the positives. As soon as a leader is negative, the whole workforce is negative.'

Mick Keeney, GMB branch secretary at Wheatley Group

'Critically for customers they set up what they called the virtual call centre, and in about three weeks. But even before that a letter from the chief executive had gone to every single tenant in the group explaining, "This is different for us all, here's what we're doing. If you need us here's the freephone number."

Bernadette Hewitt, GHA tenant board chair, Wheatley Group board member



‘Our first focus for housing officers wasn’t business. It was relationships. They phoned every customer individually just to say, “How are you?” and “Do you need anything?”. That was very deliberate. Sometimes all they needed was a chat. Their housing officer became the link that kept them out of isolation.’

Olga Clayton, group director of housing and care

Wheatley’s size is not universally admired. Seen from the outside the organisation is slick, business-like, corporate. But Wheatley’s service is anything but impersonal.

‘Martin started his career as a housing officer and that seeps through all decisions,’ GHA managing director Jehan Weerasinghe says. ‘He has instilled in the organisation a “think yes” ethos, so it may not be GHA policy but is it right for the customer?’

Underpinning that ethos in housing and care services is a notably small housing officer patch size, with 200 properties to every housing officer.

‘You really do own that patch. It’s yours, and that one-to-200 means you get to know and understand your customers,’ Olga Clayton says. ‘You can draw on support from other parts of Wheatley but you are empowered to do a lot and we expect you to do a lot: design services, engage with the repairs service, engage with outside agencies.’

With a phone and iPad linking them to Wheatley’s systems, housing officers set about phoning customers. ‘They went straight into calling the most vulnerable customers first,’ says Hazel Young, Dunedin Canmore’s managing director. ‘“Are you OK, have you got food, what’s your situation?”.’

The calls found good reason to justify rapidly scaling up some budgets and services. ‘They exposed a lot of hardship,’ says Lorraine McLaren, ‘often from people who had just lost low entry jobs. It wasn’t people already out of work, who probably knew where to get help, that were struggling.’

‘We heard some awful stories from customers,’ says Laura Henderson. ‘Some will stick with me forever. I can’t imagine what it would have been like for those customers if we hadn’t been able to be there for them, and I don’t think we’d have been able to do that if we weren’t part of the group.’



'The patch size is phenomenal. You'd know your customers' shoe size. That starting point held us together as a business - no two ways about it. Knowing where your vulnerable customers are right from day one, whether it's medical needs or struggling with addictions or domestic violence.'

Bernadette Hewitt, GHA tenant board chair,
Wheatley Group board member

'We know our customers and they know us. We're not some faceless organisation so we knew who had lost their job. They needed help and we knew how to help them. Then there were others who didn't have family to turn to or whose family lived too far away and we understood the stresses for those who were having to look after others in the same home.'

Lynsey Fotheringham, head of housing,
West Lothian Housing Partnership

“We’re here for you”

‘I remember getting a letter from Martin Armstrong and in it he said: “Although things will change, and we’ll only be able to do essential repairs we’ll be putting in place things available to all tenants and all customers. Nobody will be left behind.” I thought that was an honest, genuine letter.’

Douglas Wilson, factored owner with Lowther

Communicating with customers came first. A personal letter from the chief executive went to every single household. Its message was simple: we’re here for you.

‘We’d been weeks in the planning for the moment we had to close the doors. Our IT was all in place, all the housing officers had access from home to all our systems and we had a call centre. Nothing stopped but face to face contact,’ says Loretto managing director Laura Henderson.

‘We got a call from our call centre,’ says John McCraw, a tenant board member at Dumfries & Galloway Housing Partnership. ‘We were told what was happening and were we okay, did we need anything. They were very good, the call centre, pretty sharp about calling. I don’t think we’d have got that before we transferred to Wheatley.’

‘It was a crisis so we went into command and control mode,’ says Dunedin Canmore managing director Hazel Young. ‘Our aim was pushing out messages consistently about safety.’ The communications team, she adds, were always on the ball, updating all of the housing association websites daily. With safety advice from the Scottish government and Public Health Scotland changing daily, an early attempt to explain it on each website was soon replaced with links to government and NHS advice lines.

‘The number of customers going online to shop, bank and contact us rose significantly through the pandemic, driven by the lack of an alternative,’ says communications manager Stuart Darroch. ‘But for those without digital tools we produced A4 newsletters that could be printed out on any standard printer.’

For almost all tenants the phone remained the lifeline so Wheatley paid for phone top-ups for customers unable to pay themselves and even bought smart phones for vulnerable customers to enable video talks with Wheatley staff.

‘I had people shout across the street when we first went into lockdown: “I got my letter from Martin Armstrong today!” And you know they’re being told it’s not business as usual and here’s the reason. We’re not able to do this and this is why but what we are doing is this, and if you need x, y or z, we’re here for you.’

Bernadette Hewitt, GHA tenant board chair and Wheatley Group board member

Hunger

‘Even before lockdown we were hearing rumblings from our frontline staff about people having to shield or self-isolate, having no money and no food. I started to think something here was about to go massive.’

Wheatley Foundation director Lorraine McLaren.

Rumblings quickly became alarm bells. ‘Welfare calls by our housing officers were exposing widespread hardship,’ Lorraine McLaren says, ‘often from people who’d had a part-time job in a bar, a part-time cleaning job and another part-time job, earning just enough to pay the rent. All those jobs went overnight and they had no savings and no family to fall back on.’

‘This was no less than a battle for survival, getting food out to people who suddenly found themselves with little or no money to buy food and often with their power cut off so they couldn’t cook or keep their families warm,’ Tom Barclay says.

‘It was the big thing coming back from customers,’ agrees Matt Foreman in Dumfries & Galloway. ‘As people went into lockdown or isolation it was, “How do I get food? I’m scared to go to the shops,” or “I’m shielding and haven’t been picked up for support.”’

Welfare calls by housing officers were finding cases of tenants who had not eaten for days. ‘The executive team made a couple of very bold decisions,’ says Lorraine McLaren. ‘One was to buy food so we could control what we had and not be dependent on donations. The other was to close some of the charity’s programmes and ringfence the money for food.’

Could the statutory authorities step in? Government and local authorities were struggling with the twin challenges of multiple statutory priorities and moving their own vast operations to home-working.

‘Foodbanks had people self-isolating or volunteers with covid,’ Lorraine McLaren says. ‘Even in the fortnight running up to lockdown FareShare, which relies heavily on donations, was warning us it couldn’t guarantee a food supply because supermarket shelves were being emptied by panicky over-buying. It was a perfect storm.’

FareShare had long been Wheatley’s partner in small food poverty operation EatWell. But the service was tiny. ‘FareShare donated the food and we provided trainees and premises. We’d deliver maybe 100 food parcels a week to people who’d been sanctioned as a temporary measure to get them back on their feet.’

With most of the Wheatley Foundation staff furloughed it was all hands on deck. Crucial to the effort were staff redeployed from the neighbourhood environmental teams (NETs).

‘I’m so proud of my colleagues because it was scary. Nobody knew how this virus was spreading and the number of deaths was spiralling out of control,’ Lorraine McLaren says. ‘But here they were making up and delivering food parcels. They wanted to help and we couldn’t have done it without them.’

Not everything worked. ‘We tried some bizarre ways to get food early on. I called restaurants asking if we could buy surplus food. Eventually we found a supplier to restaurants and hotels and negotiated trade prices with them.’

Budgeting £30 for a single household, a typical parcel contained pasta, tins, bread, milk, fresh eggs and meat, fresh fruit and vegetables from a different supplier, along with toilet and kitchen rolls and cleaning materials.

At one point the tins served another purpose. 'I ended up in A&E because I dropped a supermarket trolley full of tins on my foot and fractured it,' Lorraine McLaren says. 'They did ask why I'd bought 50 tins of carrots.'



Demand for the parcels rose sharply. 'For the first three weeks we delivered 1,000 parcels a week rising to 4,000 at the peak.' Seven days a week Wheatley vans were despatched from Stranraer to Fife, some delivering a parcel within hours of a distress call.

A network of Glasgow hubs, where need was highest, was supplemented by two refrigerated trucks donated by Braehead Foods in Kilmarnock, to serve Edinburgh and Dumfries as mini-hubs.

Lorraine McLaren calculates the cost of the service at over £1m - 'all on food'. An initial £350,000 from Wheatley was soon very publicly matched by the Scottish government, announced live on TV by First Minister Nicola Sturgeon during her daily Covid briefing.

'Within days of close down we'd made a bid to government to support the work the foundation was already doing to provide food because we knew the need was greater than the resources we'd then committed to it,' Tom Barclay says.

Wheatley contractors and suppliers also donated, with Barclays Bank boosting the coffers by £100,000. When Scotland returned to a second lockdown, Wheatley's subsidiary housing associations raided their budgets.

While demand for food parcels has dropped, food poverty remains widespread and acute. But Lorraine McLaren says they now instead send out supermarket vouchers. 'It's about food dignity. I was very mindful that some people felt it was a handout and we were choosing what food they would have.'

'We lived up to our buzzwords agile and nimble' says group director of corporate affairs and Wheatley Foundation Graham Isdale. 'In the hubs there were staff assembling food packs who in normal times would have been mowing lawns, cleaning closes, and cleaning empty properties for reletting.'

'I drove a van delivering parcels because I wanted to experience it myself. Knocking on the doors of people who were anxious or ill really drove home to me the importance of what we were doing.'

'I didn't want preferential treatment but we didn't have the extra £5 to order deliveries from Asda or Tesco and it was very hard to get a slot to buy online. I phoned up to explain that I was self-isolating and my mum has major health problems. Within five hours I had a package delivered of basic necessities to last four or five days. More came in the following weeks. My mum had worked in foodbanks but we'd never been on the opposite side. It was very humbling - at times I was crying. I am so grateful for that from Wheatley Group.'

Douglas Wilson, factored owner with Lowther and member of Wheatley's scrutiny panel

'We've been funded by GHA for a number of years to put on community activities to divert young people away from a negative lifestyle. But early in lockdown a lot of people across north Glasgow were struggling badly so Wheatley Group funded our drop-in centre food parcels and we gave out thousands between mid-March and the end of August.'

It was also a way for us to engage with people. A lot were suffering from isolation so it was just having a friendly face to talk to. We also did deliveries because some, if they were older pensioners or young mothers or families at risk shielding, couldn't get out at all.'

There was very little in the shops so we might turn up and find 50 or 60 people already queueing. It was very depressing but we got a lot of support from our young volunteers. They couldn't play football so viewed running up and down the high-rise block stairs with parcels as their daily exercise.'

Paul Fletcher, chief operating officer, Achieve More Scotland

'I've just had my first meal in three days - scrambled eggs on toast. It's all thanks to Sharlene from Mosspark housing officer who arranged for a gentleman to deliver food supplies to me. I'm housebound and as a rule get food deliveries weekly from Asda. I've followed the rules and not bought extra so when on 20 March I only received a third of my order I knew I would struggle. I put in another order but the first available date was 7 April. I know it's not a normal GHA service but I am very very grateful.'

Posted on GHA's Facebook page

‘Wheatley Group were at the forefront of the response across Glasgow. Initially they gave Fare £10,000 and we in turn spent £1.5m on food parcels. But Wheatley Group was dishing parcels out across the city during the first lockdown. They were heavy duty involved. Their response was very quick off the ground, supporting some of the most vulnerable people with food, cleaning materials and assistance with their mental health. I’d say Wheatley Group were pretty on the money, pretty sharp.’

Jimmy Wilson, chief executive of Fare Scotland

‘I have heard compelling stories of how well we have responded to the challenges we faced. While I am sure we made some mistakes along the way, in the grand scheme of things, responding as fast as we could to the pandemic, I hope they have been minor.’

‘Wheatley Group has in my view come out of this a better organisation. We have delivered services to thousands of vulnerable and often frightened people without needless trauma. We have kept staff safe with PPE and with good, informed precautions. That in turn protected tenants and allowed crucial services to continue.’

Jo Armstrong, incoming Wheatley Group chair

Poverty

Sheer pressure of poverty triggered the adaptation of a second Wheatley Foundation programme. Home Comforts had long given donated furniture a dash of spit and polish before passing it onto to people newly housed after being homeless. Covid safety rules made the service unviable. It was given a new role: that of emergency response fund.

The number of Wheatley customers found to be lacking even basic household items was rising fast. Lockdown was piling on their deprivations.

‘Most of our work was around poverty,’ Lorraine McLaren says. ‘Housing officers needed help quickly for the homeless people we were housing so we paid for white goods, carpets, and beds for them. We also paid for mobile phone top-ups because they couldn’t call the universal credit line to lodge a claim.’

Both the foundation and the housing associations made successful bids to the Scottish government’s wellbeing fund, adding £330,000 to the emergency response fund.

‘Some of our customers were in a terrible position early on,’ says Dunedin Canmore managing director Hazel Young. ‘We stepped in to help anyway, hoping we’d get grant money but at the time we did it at risk.’

The government top-up was welcome, Lorraine McLaren says: ‘We were able to send out knitting packs, puzzles and quite a lot of gardening tools and equipment. We were very proactive around high rise flats and older people’s housing – anything that would improve wellbeing and stop isolation.’

She recalls paying for a lot of fuel, gas and electricity top-ups. ‘Fuel prices were rising so people were sitting at home with no heating and no way to cook.’

‘We found families struggling because they didn’t have devices for children to do schoolwork, so we provided a lot of tablets,’ says Laura Henderson. ‘They were also struggling to find ways to keep their kids occupied so we provided activity packs.’

‘We paid for white goods. People whose washing machine had broken had been taking washing to a relative’s house and now couldn’t. Some had no cooking facilities. All these stories we were only hearing now.’

Staff were encouraged to think outside the box, even hungry cats and dogs were fed. Nappy wipes, nappies and baby grows were sent out to parents with new-borns and in the run-up to Christmas staff sent supermarket vouchers worth £20 for each child.

There was a very human element to what we did says West Lothian Housing Partnership head of housing Lynsey Fotheringham. ‘People suffered significant losses or were bereaved for other reasons so we’d call just to say, “How are you?”’

‘We sent hampers to customers who had a particularly difficult year. But there were also happy events. One couple had their 60th wedding anniversary. We had flowers delivered and they were quite shocked that we remembered.’

‘People had funerals but couldn’t afford to attend them,’ Olga Clayton adds. ‘We bought them clothes and gave them money and vouchers so they could. Within safety guidelines, staff even arranged family reunions.’

‘The absolute agility of our people,’ says Jehan Weerasinghe at GHA. ‘Even staff who wouldn’t have credited themselves as being digitally savvy were leading customers with smart phones through Zoom or Teams sessions.’

Smart phones for virtual support

Smart phones became a vital part of Wheatley Care's armoury. In the run up to lockdown Wheatley invested £0.5 million in Android phones for Wheatley Care's 700 staff as part of its digital upgrade. They could now, like their colleagues, connect with other staff and with Wheatley's systems.

They also had a new, safer way to engage with customers. Wheatley's emergency response fund paid for smart phones for many of its most vulnerable customers so they could hold audio and video conversations with staff.

The staff phones were not, says Wheatley Care managing director Laura Pluck, costed into any contract. 'Those budgets are so tight. There are no margins.'

But she hints at possible change to come. 'Now we've gone down the technology track we're starting to hear commissioners talk in quite different ways about what we've learned from the pandemic.'

'There are other ways you can provide support – you don't always need to be face-to-face. It is not for everybody and would never replace in-person contact but some people are more receptive to that approach.'

The most noticeable interest, she says, came from outreach customers. 'Where we moved to virtual support our engagement increased quite significantly. Historically it has been very difficult to engage with some homeless individuals.'

'We found engagement went up. We've tracked the evidence but need to understand whether that was the result of people feeling vulnerable because of the pandemic or because we worked with them in a different way. A phone call or WhatsApp video call is much less intrusive than someone on your doorstep.'

'We think it's a bit of both but definitely when you first start to engage with someone after they've been referred, doing the virtual bit lets you build up the relationship in a different way to chapping their door.'

Very early in the pandemic, maybe week two, we recognised that people were working in quite different ways so invested £0.5m in Android phones for 700 care staff. It meant they could be connected wherever they were and do video calls. It made a huge difference.'

Laura Pluck, managing director of Wheatley Care

Homelessness

‘On average we let 3,500 homes in Glasgow every year. All that had to stop. The only lettings we did in the first lockdown were 439 temporary furnished lets to Glasgow City Council to tackle homelessness. Part of our intervention was flipping tenancies to permanent under the Housing First model. We committed to a further 100 to 300 during lockdown and have done by far the most Housing First cases in Scotland.’

Jehan Weerasinghe, GHA managing director

Within days of the first lockdown, Wheatley Group made a very public offer of shelter for homeless people. ‘We said to local authorities, “Have all our empties.”,’ says Olga Clayton, director of housing and care. ‘That wasn’t the government asking us.’

There was widespread public concern early in lockdown over the plight of Scotland’s homeless people. While few enjoyed the order from above to stay at home, the situation for people with no adequate shelter, from the virus or the elements, was fraught.

‘The housing minister said at the time he wanted to see 90% of all lets going to homeless people,’ Olga Clayton says. ‘But that wasn’t because of the pandemic, it was the issue of homelessness in Scotland generally and the very high number in temporary accommodation.’

It also had a flaw. ‘We said homeless people tend to be single people or a parent with one child. They’ll need one or two bedroom properties so if they’ve got three or four

bedrooms they’re not suitable and some are for wheelchair users.’

Within two months 304 Wheatley homes had been made available to local authorities, including 232 in Glasgow and 61 in Dumfries & Galloway. In Edinburgh, where empty homes are in shorter supply, they came up with another 10 and in West Lothian, Lowther offered one of its rental flats.

Since the start of the pandemic, GHA alone has made 1,659 homes available for people who were homeless. Of these, just 31 tenancies have ended. Across Wheatley Group, the number of homeless people housed rises to nearly 2,500.

Wheatley also had to prepare for much greater call on its ‘wraparound’ support. This is offered, almost as a blanket, to especially vulnerable customers. ‘It has an impact on your services when 60 to 65% of your new customers are coming through the homeless route,’ Olga Clayton notes.

The Scottish government had at the start of lockdown resorted to emergency measures for homeless people. Hotels and bed and breakfasts had in great numbers been signed up to take them in. The plan was now starting to unravel.

Hotel rooms are neither designed nor appropriate for extended stays, lacking privacy and basic living facilities. And the new guests had multiple vulnerabilities and support needs. So a temporary move to homes like those on offer from Wheatley was one solution.

Wheatley Care was one of those which rose to the challenge of helping organise the onward move. ‘In Glasgow we redesigned one of our biggest outreach services so we could work with Glasgow City Council staff in hotels being used for people experiencing homelessness,’ says managing director Laura Pluck.

‘These teams had never worked in a hotel as a care service so really had to think outside the box about how to support and care for people but in a regulated way. They worked with them 24-hours-a-day in two hotels so we could move people on to separate accommodation and close the hotels.’

The team, she says, excelled themselves. ‘They just rolled up their sleeves, doing 12-hour shifts, night shifts. Really just over and above, routinely administering antidotes for drug overdoses. They’d never done that in their job before. They were just fabulous.’



Of the 600 homeless people then in Glasgow hotels, Wheatley Care’s outreach team supported 120 in one hotel and 60 in another. Both hotels were emptied, allowing the council to decommission them.

Was it a uniform success? ‘The majority went to homes,’ Pluck says but notes that helping people who have become homeless is fraught with complexities. ‘It’s not always a straightforward fix, so some didn’t.’

Elsewhere in Glasgow, Wheatley Care had another task on its hands. ‘In February this year we bought the Belgrove Hotel, right in the middle of a pandemic,’ Laura Pluck says. The hotel is little short of notorious. ‘It was being used as a homeless hostel and we have supported all of those people to move on, with just 10 now still there.’

All Wheatley subsidiaries prioritised homeless people during the pandemic. ‘For homeless people that could mean they got anything from temporary furnished flats to Housing First tenancies,’ Jehan Weerasinghe says.

With Housing First, tenants gained security of tenure from day one. With it comes an offer of intensive ‘wraparound’ from Wheatley Care or another specialist service.

‘If they take up the support package great but if they don’t it has no bearing on their tenancy.’ Most of those moving from the Belgrove did. A second measure was flipping to permanent the temporary tenancies given to homeless people in furnished flats under the agreement with Glasgow City Council.

The now well established online Choice-Based Lettings service in part had to be bypassed ‘We found homeless customers were very poor at bidding for properties this way,’ says Olga Clayton. ‘It meant they were staying longer than needed in temporary accommodation so we agreed with the council that we would just match them to suitable homes directly.’

Since the lifting of a government ban on lettings to all but the most needy cases, GHA has carried on putting homeless households front of the queue. ‘We have now let close to 3,000 homes overall,’ says Jehan Weerasinghe, ‘and have exceeded the target agreed with the Scottish government of letting 65% to people who are homeless.’

Home after Belgrove

16 moved to a supported tenancy commissioned from another provider

14 given a Wheatley tenancy with support package

13 given a Wheatley Housing First tenancy

4 moved to Wheatley LivingWell home

4 given a Wheatley tenancy

2 moved into a Wheatley care home

2 moved back in with family

1 moved to England

1 housed by Trust Housing

From homelessness to security

126 flats to homeless tenants on temporary lets were ‘flipped’ to give the tenant permanent security of tenure

Wheatley properties offered as a temporary home between 17 March 20 and 31 March. 21

Local authority	Total properties accepted and tenancy created for use as a temporary furnished home
Glasgow (* includes one Lowther flat)	397
Dumfries and Galloway	73
Edinburgh	12
South Lanarkshire Council (*all Lowther)	5
West Lothian Council	8
TOTAL	496

High-rise safety

Immediately after lockdown, former Cube Housing tenant board member Robert Keir got a letter explaining a new rule for tenants in multi-storey blocks: only one person in the lift at any one time.

‘I thought it would be a problem. People would object. But it’s been amazing. For the last 18 months the discipline of the lift has been maintained.’

His building has a second lift, which makes the rule a little less inconvenient. The early, and generally better observed, lockdown rule of only one outing for exercise daily will also have lessened numbers using the lift.

But with six flats on every one of the 17 floors in his multi-storey block, Robert’s account suggests a healthy awareness among his neighbours of the danger of air-borne viral transmission. ‘People still do it,’ he says. ‘They stand back and say, “On you go.”’

One in five of GHA’s tenants live in multi-storey blocks, a legacy of the rush by Glasgow’s earlier planners to build cities in the sky. GHA has, collectively, the largest number of high-rise tower blocks in all Scotland.

The rule on lift use was one of several early Covid safety measures for all blocks of flats. In lifts but also in enclosed stairwells, the risk of inhaling droplets breathed out by someone carrying Covid 19 was magnified.

‘We really stepped up the frequency of cleaning in communal spaces so they, and especially lifts and lift buttons, were getting disinfected every couple of hours,’ health and safety lead John Crooks says. ‘In many we also put hand sanitiser in the reception area for customers to use.’

Though none of Wheatley Group’s multi-storey blocks have the cladding that proved viciously fatal at Grenfell, a fire at any level is a sobering thought. ‘We sat and watched Grenfell on the television here,’ Robert Keir says. ‘You can imagine how we felt.’

Preventive measures are an over-riding priority for GHA managing director Jehan Weerasinghe. He lived, he says, just a five-minute walk away in west London when horror descended on Grenfell.

‘Our concierge services, including regular fire safety patrols, have never stopped. We also had an intensive fire risk assessment right through lockdown for all our multi-storey flats,’ he says.

Other measures during lockdown have included fitting 5,000 new high grade doors that block the spread of fire and smoke. Also ongoing has been work with the Scottish Fire and Rescue Service and community investment partnership. Even before lockdown this had cut the number of accidental fires in homes by 10%.

‘Though it’s not yet the norm, I’m starting to see an incidence of barbecues in multi-storeys,’ Jehan Weerasinghe adds. ‘We always take fast and very firm action and have very robust procedures for dealing with any accidental fire.’

Wheatley Group’s GMB branch secretary Mick Keenan was personally proud of the enhanced hygiene and other safety measures brought in for high-rise residents. ‘I’ve been a multi-storey concierge for 22 years. I worked out there so I know my stuff.’

‘I got calls from some of my members saying: “This housing association’s sending the men away home.” I said what about the health and safety of the tenants in the multi-storey flats if no one is inspecting the buildings all the time? This is not just about a virus, we’ve also got to look after our customers’ health and safety.’



Protected

‘At no time was any employee not properly suited and booted. This was understanding that the best quality PPE was essential for our staff, but not just keeping them well equipped but also trained and guided to operate safely in the community and in homes, without endangering the people living them.’

Graham Isdale, group director of corporate affairs and Wheatley Foundation

Between health and safety lead John Crooks and his counterpart in procurement Laurie Carberry, it’s a tough call to decide whose team did more to keep staff and customers safe during the deadliest pandemic in 100 years.

‘I never even contemplated a pandemic like this in my risk management thinking,’ John Crooks says. ‘In February we tried to gear up so that managers were aware of coronavirus, how you prevent it and what was good practice. Within four weeks we were in lockdown.’

Laurie Carberry says one of her team, later crowned Wheatley PPE Queen, had early on warned her colleagues something was up: ‘Carol Ballingal was one for watching world news and she’s very socially aware.

‘She came back after Christmas and said, “Something’s happening in the Far East. I think we’re in for something.” She was stocking up herself and I thought, what are you doing? But we took a punt. We genuinely took a punt.

‘We looked at Italy and there was an incident very early on in Edinburgh involving a sportswear shop that was kept quiet. Carol caught wind of it and said, “It’s here now.” I said go for it.’

The upshot was Wheatley being among the first to start bulk-buying hand sanitiser. ‘We got a good head start,’ Laurie Carberry says. ‘We bought five-litre tubs, pump dispensers and little bottles and started decanting.’

The health and safety team meanwhile was undertaking the head-spinning task of trying to follow emerging guidance from the Scottish government and Public Health Scotland. ‘Our priorities changed sharply as we went into lockdown,’ John Crooks says. ‘Everything became reactive but our focus was on essential services.’

His team, which includes 18 health and safety advisers overseen by two managers, had its work cut out. ‘We created the business continuity management team to steer us through the pandemic so it had people with authority in the organisation. It was a tight team and it made decisions locally but also strategically. That fed up to the executive team and chief executive.’

Each Wheatley business has its own operational safety manual (OSM) covering work procedures, and risk assessments. ‘We updated all our procedures and the OSMs giving advice, information and guidance on how to reduce risk, like socially distanced workplaces, using PPE, wearing face masks,’ John Crooks says.

Very early use of face masks followed a risk assessment. ‘We knew of the two ways you could become infected, one was through droplets and close proximity so we wanted to protect staff from inhaling them,’ John Crooks says, adding: ‘We were using them in care settings long before they became compulsory.’

One early mistake, he says, was trying to turn official guidance into a managers’ guide. ‘It was pointless. You were constantly updating it.’ Instead they added a link for information for care premises and work settings to the staff intranet, WeConnect, so managers could direct their staff to the latest guidance.



Home working safety was a challenge given how little was known of each employee's home set-up. Some had appropriate space and furnishings, others had to improvise. Some also had children home-schooling or had parents or children also newly working from home.

The health and safety team shipped out furniture and equipment from the now empty offices, including chairs, desks, document holders and keyboards. 'If they needed kit they could ask for it through their manager on WeConnect,' John Crooks says. 'We got about 300 requests.'

They also had to complete a mandatory e-learning course then a home-working self assessment, which would be added to their file by their manager. 'Anyone having any difficulty with their set-up could flag it up with my team.'

Another e-learning course based on Scottish government guidelines was a coronavirus awareness course on risks, spread, preventive measures and sensible precautions. All staff have to do the course.

Perhaps most critical to the team's work has been PPE, once an acronym known only to a few but now familiar to us all. 'We already had a few supplies we used anyway, so disposable gloves, masks and overalls for Wheatley Care,' John Crooks says. Also in the store was protective gear for the environmental teams and leftovers from swine flu.

Anticipating a huge increase in demand, he drafted a specification for materials and products and set up an audit track and trace. The finance team changed its procedures to help secure rare shipments of products with upfront payments.

Over in the procurement team, it was Operation PPE. 'All hands on deck now,' Laurie Carberry says. 'We took it very seriously knowing this was for essential services for our colleagues and friends on the frontline, in housing, the NETs services but especially care services.'

Audit, Laurie Carberry says, became vital. 'It became shark-infested water. There was a quick buck to be made selling counterfeit goods, out-of-date materials or products with no certification.' Other organisations, she said, were hit by scams like crates of out-of-date sanitiser and containers filled with gloves with counterfeit British kitemarks.

Six hubs in Glasgow used by frontline staff, became Wheatley's storage and distribution centres. Meanwhile the team's search for the right products was taking them world-wide.

When the USA swallowed up the entire yearly output of a leading Thai supplier of nitrile gloves, they tracked down new supplies in the Philippines and Vietnam. 'They're an organic product made of rubber and all the plantations are in the Far East,' Laurie Carberry says.

A long-standing supplier of specialist workforce clothing in Bristol was and remains a highly trusted source of PPE. 'They were delivering van loads of PPE to us overnight,' she says.

Despite stocking up on hand sanitiser early, with the population of the entire UK soon competing, the resilience of stocks at one point looked shaky. 'We started running dry,' recalls Laurie Carberry. Gin rode to the rescue.

'We got a new supply free from a gin distillery in Dumfries and Galloway, where we've got a good name. And the Edinburgh Gin Company donated materials. There was a nice spirit in that and it really gave us a lift.'

As a precaution, all PPE stock levels were raised so even if deliveries slowed or stopped there would be sufficient for all Wheatley staff for at least 14 weeks. Laurie Carberry says Wheatley's size proved an advantage for both price and continuity. 'Our stock came from wholesalers and manufacturers, not smaller distributors.'

'The procurement team were fantastic,' says Dunedin Canmore's Hazel Young. It is a tribute all of her colleagues echo. 'They've got supplies to us right the way through and very quickly. The supply chain has never stopped.'

It's no surprise that spending on PPE skyrocketed, from £35,000 a year pre-pandemic to £800,000 from March to December 2020 alone, though in that figure are also other health and safety measures including signage for offices once those reopen.

After the first lockdown eased, John Crooks was one of the first to return to a now spooky head office to set up signage. 'It was a wee bit like Armageddon. There was nobody there until we started to work up some of the remobilisation plans and even then it was more like a touchdown base for staff to use in an emergency,' he recalls.

Offices were reorganised to allow for socially distanced seating, signposted one-way systems put in place, chairs removed, desks sterilised and sanitiser stations set up. In a small number of offices, too small for one way systems, a new 'Working Safely' guide explains the options. All staff have been sent information prepping them for what to expect and how to behave in a Wheatley 'hub'.

How effective have the combined measures been? Wheatley People Services has closely monitored staff infection rates, in part to identify riskier work areas.

'It has shown that all of the PPE and health and safety practices have been spot on,' says wellbeing lead Gillian McLaughlin. 'We haven't had a single case where you could say that a staff member contracted Covid at work.'

It feels safe to say Wheatley's health and safety and PPE teams have done themselves proud. 'The guys worked flat out,' says John Crooks of his team. 'It would have been so easy for them to point to what someone else is doing and say follow them but no, they were working hard at their computers every day. They've done really really well.'

For Laurie Carberry thanks from colleagues say it all. 'Personal messages from people who don't know us from Adam. We were the back office function. We've had flowers, cards. It was lovely and that to me meant the most. For people to sit down and write an email no one asked for or pushed for, that's just lovely.'

'As a trade union member you're always looking for fault. The standard of the health and safety team was so much higher than in other companies. The only thing you could pick out was: you've made a spelling mistake. They did what was expected and that wee bit more.'

Paul Stuart, Unison branch secretary

Visiting customers: the protocol

Can you engage with them by phone or video call so you don't have to meet face to face?

If you need to visit the property can you talk from outwith?

If you have to go in, wear full PPE, maintain your 2m distance and sanitise your hands. Then dispose of your PPE after you come out.

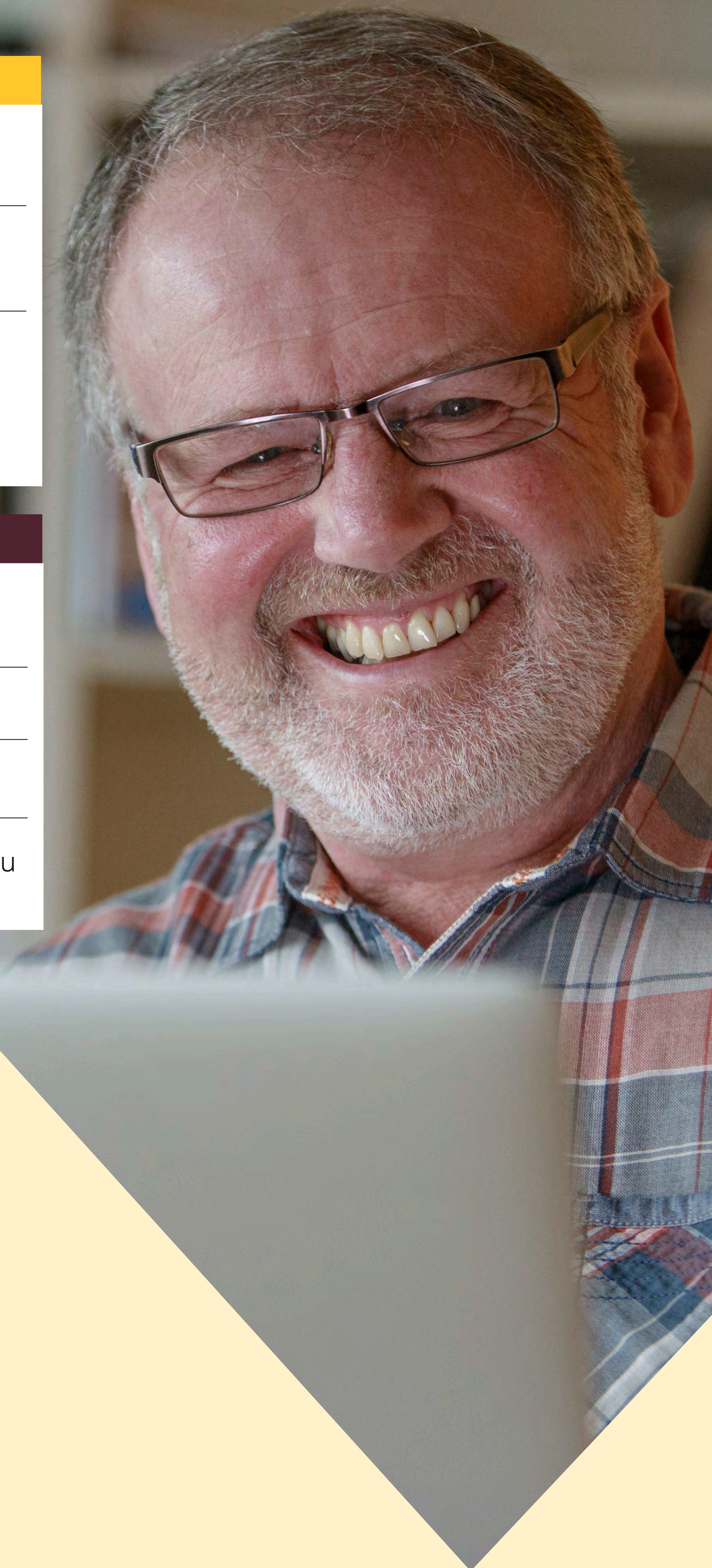
Carrying out emergency repairs: the protocol

Only enter wearing full PPE (mask, gloves, shoe covers etc).

Ask the customer to go to another room.

Open windows and doors.

Sanitise your hands and dispose of PPE after you come out.



The union assessment

The two unions representing Wheatley Group employees in trade roles, care and office functions, are unusually willing to praise the group's approach.

'I don't think they could have done much more at the beginning,' says Unison branch secretary Paul Stuart. 'We really were winging it. Management was talking to us but there was also the question of how we keep the business running. We've got vulnerable people in our homes and we may be the only contact for some of them.'

Even long working hours gets a pass. 'Carol in PPE was one of our stewards. She was doing some 14-hour days, starting at 11pm if she knew suppliers were getting stock in so she could be first in the queue.'

'Morally it's the right thing to do. No one at Wheatley has the nine-to-five mindset. It's whatever we need to do to get this right.'

GMB branch secretary Mick Keeney concurs: 'There's a balance between health and safety and saving jobs and looking after the very vulnerable.'

Some solutions he says were sensible. 'Martin Armstrong had us delivering food parcels but it was put it on the doorstep and walk away. No contact – that was very clever.'

'I think Martin, Lesley [Wilkinson, director of employee relations] and the unions got a good balance. We looked after people's health and safety without losing any jobs. We actually gained staff because we're doing interviews the now.'

Wilson says union members he represents in other housing associations tell horror stories. He reels off: 'PPE held in a cupboard under lock and key or being told to wear a mask twice. That's like turning your dirty socks inside out.'

Some have underlying health conditions, he adds, and were told to go back into an office where there is no distancing and without a Covid risk assessment. 'It's not hard to find that. It's on the Scottish government website.'

Wheatley, he says, has shown no inclination to push staff back into offices – and positively encourages staff to wear PPE for personal safety outside work. 'If you're going to the supermarket, wear this mask. Stay safe.'

He has minor gripes but adds that hindsight is a wonderful thing. One is inconsistent people management. 'Managers were told to keep in contact with furloughed staff on a weekly basis. Not all did but, on the flip side, what were the staff doing about it?'

Some managers, he said, were not always emotionally aware and failed to pick up when staff were struggling under pressure or sick. 'If we find ourselves in a situation like this again, the message has to come from the top that you must make sure your staff are getting sufficient time off.'

His last observation is the slow rollout of display screen equipment assessments. 'There's a lot of folk now with musculo-skeletal issues or back and hip problems. We had a lot of other things going on as well but maybe could have been quicker off the blocks.'

Round the clock support

‘We knew at the outset that if we were going to manage this pandemic in a way that protected staff we had to absolutely know inside out our 3,000 people and how they were being affected. We did not wait until our door was chapped. Right at the start we put in a 24-hour service so staff could contact us with any question.’

Lesley Wilkinson, director of employee relations

‘Staff were panicking, staff were struggling to adapt to working at home, some felt isolated. We had staff extremely worried about their own relatives. And we had some who absolutely started to enjoy the new working model,’ Wilkinson says. ‘They could make their kids dinner.’

She admits she was one of the latter, working for the first time alongside her daughter, employed in another part of the Wheatley Group. ‘A mother who’s worked since her baby was born and I’ve never spoken to her about my job in all my years. That was fantastic for me.’

For those who weren’t absolutely enjoying it, the 24-hour phone service was there for them, with calls answered by usefully married team members Gillian and Paddy McLaughlin.

In preparation Lesley Wilkinson and her team had allocated themselves clearly distinct functions. ‘One was recording from day one information on who was furloughed, who was shielding, who had Covid, who could work from home with Covid, who was dealing with sick relatives and so on,’ she says.

‘That information allowed us to shape services to support and protect staff so they could carry on serving customers. Priorities changed continually so it did feel as if our heads were spinning.’ But it quickly became apparent what staff needed, and why.

‘It was really tough at the beginning,’ says wellbeing lead Gillian McLaughlin, ‘especially before they brought in Covid testing. But people were suffering anxiety, more than ever.’

The virus has always behaved unpredictably but accounts from hospital intensive care workers throughout the pandemic have been chilling.

‘We had harrowing calls from some who lived alone and had tested positive,’ Gillian McLaughlin says. ‘Which was why the director of employee relations was in Tesco at six in the morning, doing a big food shop for staff,’ adds Lesley Wilkinson

Some staff, they say, have suffered devastating loss. In response the team adapted an existing service, one they expect will stay in demand as hybrid working becomes the norm.

‘We put together a bank of specialist therapists so we can signpost staff if they need that little bit of extra help,’ Gillian McLaughlin says. It was, she says, for staff whose circumstances wouldn’t normally justify an EAP (employee assistance programme).

‘It has helped staff with problems that were deep-rooted or had just come to the forefront, from relationship matters to eating disorders or trauma in childhood.’

In extreme cases, she said, they were able to rapidly set up counselling, on one occasion after emergency calls from a colleague alerted them to a suicidal colleague.

Staff can self-refer to the EAP, she says. 'When they come through our counselling and support line they just say whether it's therapy for themselves or as a couple or a family.'

Gillian McLaughlin says they've also been able to persuade NHS bereavement therapists to accept as clients staff who weren't able to be with their parents at the end of life.

'The NHS doesn't offer therapy until six months after a death,' Gillian McLaughlin says. 'We argued that where a parent had been in a care home they'd already been kept apart for six months or longer.'

Another phone service newly set up takes callers through to an occupational health nurse. It has proved especially helpful for staff self-isolating after an alert from Test and Trace, their child's school or more.

'Our employee relations team was able to provide free confidential care for staff and our people were brilliant about asking for help when they needed it. What's different about Wheatley is there are no layers of management in the housing teams: you've got housing officers and the locality housing director. No team leaders, no area housing manager, so they were able to keep a close eye on the welfare of those teams. And occasionally they got calls from the chief executive or senior managers like myself to let them know we were for them during periods of bereavement or crisis, whatever the cause.'

Jehan Weerasinghe, managing director of GHA

Line managers across Wheatley Group are expected to check on their own staff but People Services, again in the form of the McLaughlins, were early on supplementing this with their own welfare calls.

'You didn't know what you were calling into,' Gillian McLaughlin says. 'On numerous occasions we'd get through to someone who'd just lost a family member or they'd had a call from a hospital. We've been able to keep them on our radar.'

Furlough, she says, has been useful for helping staff in crisis. Wheatley was unusual in the sector for using furlough but it has been vital given the size of the workforce, many in front-facing roles with a high risk of cross-infection.

At its peak some 750 staff were furloughed, some for roles not needed with the offices closed but also for staff suffering crisis or extreme stress. Wheatley supplements the furlough payment so no staff lose out.



Family Hub: the lighter side of lockdown

Shortly into lockdown Wheatley's People Services team asked their communications team colleagues for help setting up a brand new feature on the staff intranet. Family Hub was born.

'We wanted to engage with people but we'd never done anything like this,' says Lesley Wilkinson. 'Our plan was activities for families but we also knew some staff were living and working alone.'

They wanted it to be all singing and all dancing. 'We came up with all sorts of things to bring people together, to make them feel they were still in touch with colleagues, and with their families,' says wellbeing lead Gillian McLaughlin.

'A lot of staff had kids at home so we gave them a platform. They hosted *Wheatley Young Stars* every Tuesday morning. "This morning we're gonnae make banana bread!" So we novices would be in our kitchens making banana bread along with them. It was fantastic.

'We did Bingo, *Play Your Cards Right*, *Catchphrase* - anything to bring people together. We had knitting club, book club, walking, running and cycling clubs, yoga.'

'TikTok for families,' adds Lesley Wilkinson. 'The kids would put you to shame. Everything short of a drinking club though on the Friday night quiz you could spot the odd glass of wine. That was okay!'

'FamilyHub was just fantastic - there was so much in there,' says Lynsey Fotheringham at West Lothian Housing Partnership. 'It was people bringing their news to 3,000 colleagues and we've probably gotten to know each other so much more. It's so nice that we still feel connected when we probably haven't seen them for 16 months.'

Family Hub was also a way to connect with staff on furlough through the Reconnect programme. All furloughed staff were encouraged to continue training and learning during the pandemic. But this eight-week bespoke programme took them through the new working environment, with information, training and advice specific to what they would find. 'We ran it continuously so they didn't feel like new starters,' Lesley Wilkinson says. 'It all ran very smoothly.'



Morale

‘Martin has since the start of lockdown put out a weekly message to all staff and that continues to this day. He recognised from the start that it was not just letting people know what was happening in all parts of the group, but keeping the organisation together and keeping morale high. He understood that furloughed staff as much if not more than other staff needed to know what was happening and feel reassured that they were still valued by Wheatley.’

Graham Isdale, group director of corporate affairs and Wheatley Foundation

When on Monday 23 March thousands of Wheatley staff woke up to find they were already at their new home office, first class communication became essential. The communications team had a strategy and it had a plan. Now these were being tested in real time.

The strategy had four prongs. First was getting staff engaging with colleagues, with internal and outside systems and, vitally, with their customers. Second was letting customers know what was happening, why, when and where, and what help was available and how to get it.

Linked to that was support for those among the customer group who were in any way vulnerable. Staff were still there for them but their methods of contact might have changed to protect customers and staff against the virus. Then there was Wheatley’s reputation.

The starting point for staff was and still is WeConnect, Wheatley’s intranet service, and email. ‘Our internal communications turned on its head overnight,’ says communications manager Stuart Darroch.

‘We had to make sure they were getting all the information they needed to do their job well, we had to keep morale high and we had to keep the workforce together.’

On a near daily basis an update was emailed to all staff, alerting them to important news and changes to services. Once a week, chief executive Martin Armstrong sent out his own ‘herogram’ message.



The response from frontline and support staff was unprecedented. Housing officers and call centre staff calling customers were coming across some very distressing situations. Knowing they were not alone helped, but so too did sharing their small successes.

‘Over the first few weeks something changed,’ Darroch says. ‘Our staff have a tendency to not blow their own trumpet. You know what you do but telling other people feels like bragging. But they do good for people every day. It’s their job.’

‘They started sharing good news stories and posting photos. The message that sent out was: “look what a difference we can make”. Having a job with a purpose, a value that makes a genuine difference to the lives of others is hugely under-valued.’

New features on WeConnect like *The Daily Uplift* gave staff a way to share with colleagues all manner of things, from accounts of their work to demonstrations of their more creative side.

A Day in the Life sparked discussions about what staff were doing at work and in their own time. A blog by care worker and keen runner Caroline from Wheatley Care’s homeless outreach group in Glasgow even encouraged other staff to start running for better health.

‘They updated WeConnect weekly,’ says Laura Henderson. ‘So we had direct contact and weekly updates from the chief executive. You name it, it was there because the role staff played was key but they were going through the stresses of the pandemic too.’

Even the leaders had their spot in the limelight. Retiring Pollok locality housing director Joanne Diamond used her feature to reveal an enduring love of lemon drizzle cake, making as well as eating it.

‘A lot of people agreed there was more communication and it was better,’ says group director of housing and care Olga Clayton. ‘We’re also hearing a lot that they felt closer to other members of the group.’

‘It’s interesting the assumption that if you work in the same building you communicate with colleagues when your contact might be limited to passing on the steps. When you have to put in a little effort it becomes more purposeful.’

‘Some of the best things went right across Wheatley Group,’ Lynsey Fotheringham adds. ‘The news updates on the intranet and weekly messages from Martin really made us feel united. We’re a huge beast with so many staff you never normally come across but you could read what they were doing in *A Day in the Life* or *The Daily Uplift*.’

The Daily Uplift is brilliant and I like getting communications from the CEO. It makes you feel you are part of something bigger.’

‘The support has been fantastic, with regular communication from the chief executive, weekly updates on Covid, updates from the unions, Daily Uplift stories and videos that bring teams together and the Family Hub offers something for everyone.’



The new partner: Dumfries & Galloway HP

‘The organisation needed lots of change, lots of leadership and investment and it had the support and dynamic of Wheatley Group so I could draw that down too. The job sounded great. I thought I’ll go for it. After I joined we had three weeks of business as normal.’

Matt Foreman, managing director of Dumfries & Galloway Housing Partnership

Maureen Dowden retired from her job as Wheatley’s director of governance on a Friday in April 2018. On the Monday the Scottish Housing Regulator called her at home. Could they chat about Dumfries & Galloway Housing Partnership?

DGHP was, like GHA, created by transferring council homes to a new non-profit organisation. The regulator suspected some problems. There had been a whistleblower. So maybe quite a lot of problems. Would Maureen take a look? There was also the small matter of outstanding loans of £160m and, with 11,000 homes, DGHP being Scotland’s second largest housing association.

Co-opted within weeks onto DGHP's board, and quickly labelled the 'chief investigator', Maureen Dowden found little of comfort for the regulator. There were major flaws in governance, alarmingly low levels of compliance with safety law and staff 'in a state of civil war'.

'My view is the problems had been there for years,' Maureen Dowden says. 'If DGHP failed the fallout would have been huge. But more to the point: this is about people's lives, what's important to them, and their living conditions.'

Over the next year Maureen Dowden, backed by the regulator, removed five board members and the chair and a new interim chief executive was appointed to knock into shape investment in DGHP's properties.

DGHP, remarkably, had £18m earmarked for the latter, £50m sitting in the bank, an untouched landbank, and hadn't built a new home in years. So Maureen Dowden set off on a road trip of the two counties' patchwork of small towns.

'I wanted to see what had worked well for investment or development and what had not.' It was sobering and at times shaming. Wigtown, famous for its book festival, had 'just behind the main street void properties and horrible grey houses – all ours'. It was a pattern repeated elsewhere, with few exceptions.

Strategic options review by an outside company confirmed Maureen Dowden's assessment and, with the regulator's backing, a partnership proposal was put together.

Maureen Dowden had from the outset declared her personal links to Wheatley. She made it clear again to tenants when she set about asking what, if in her shoes, they would ask of the organisations now bidding to be the new landlord. She says: 'What struck me most, and I'm paraphrasing, was they wanted: job opportunities, decent wages and to see our towns thrive again.'

In the October 2019 ballot, Wheatley's bid got 95.5% of tenants' votes, boosted by a promise of 500 new jobs, capped rent increases and a substantial investment in new and better homes.

In December, DGHP transferred to Wheatley Group. The board, now chaired by Maureen Dowden, appointed in late January a new managing director. 'Matt came to his first board meeting at the end of February,' she recalls. 'That was the last time we physically saw him.'

What Matt Foreman has achieved since has almost all been done at one remove, initially from Newcastle after lockdown made impossible a move to a caravan on the coast he'd bought for that very purpose.

Under the interim leadership of Alex McGuire, a new transformation programme had been drawn up and Wheatley's finance team had renegotiated the £160m in loans, having done the preparatory work even before the vote.

It made £99.8m available to be invested in new and improved homes and services across the two counties. 'All' that was left for Matt Foreman to do was set the programme in motion and start investing. Well almost.

'The finance director left, followed by Alex after a one-week handover. Then a week before lockdown I recruited new heads of investment and repairs, because that part of our business needed people quickly. I met them once.' Matt Foreman was also thrown head first into planning for lockdown, with critical posts still to be filled and only 28 housing officers for 52 posts. 'Communication became incredibly important,' he said. In part it was for reassurance. 'The pandemic had become very scary. They needed solid and visible leadership, even though I couldn't physically see them.'

By week two of lockdown, the transformation programme was halted to focus on a new priority: getting staff at home connected and supported, and calling customers. 'We did have phone numbers for pretty much every tenant because it's predominantly rural here and our contact centre was good.'

'At that point it was a matter of making best use of our skills and resources. We needed people with empathy who could talk to customers and use the IT.' Engagement officers and members of the assets team now twiddling their thumbs were among those who got dialling.

'I think they enjoyed the slightly different roles,' Matt Foreman says. The new teams were divided into clusters, each headed by an experienced housing manager and including some housing officers, with support from finance and assets. 'We had capacity, and enough checks and balances.'

The benefits of being part of Wheatley Group rapidly became evident. 'Staff got instant access to EatWell and a wellbeing fund because people were struggling with energy costs,' Matt Foreman says. 'We thought demand for EatWell would be about 20 people a year. In the first year alone we delivered 4,000 parcels.'

By June, when Scotland emerged blinking from the first lockdown, matters had calmed somewhat. Matt Foreman also had a new team (virtually) around him, recruited via Zoom with added due diligence. He was now the longest serving member of the management team. 'It made all the baggage historical.'

Wheatley's proudest achievement under lockdown has been completing the first new DGHP homes in more than four years, including five houses for farm workers in the tiny rural hamlet of Monreith. Two more schemes are in hand, one in Stranraer and one outside Dumfries.



Matt Foreman also now has a full complement of staff. The board has approved a new Dumfries hub and DGHP's new in-house repairs service is to be the model for all Wheatley's repairs services. 'We inherited a huge amount of problems,' he says. 'We haven't solved them all but we're a long way down the road.'

Delivering on the jobs pledges is critical, he says, but also well in hand. 'The Wheatley Foundation is working with and sponsoring people to get jobs with local employers and we've got bursaries for local people in higher education. We will outdo the promised 500 jobs and training opportunities over five years.'

Maureen as chair, he says, has been a huge asset. 'She's very clear, straightforward and also very supportive because she knows the journey DGHP has been on and knows we have some way to go.'

‘It’s falling into place despite lockdown,’ says Maureen Dowden. ‘What Matt has achieved has been remarkable. From the start, taking it down to what is important for customers – and our tenants’ feedback has been so positive.’

Maureen Dowden adds: ‘We never wanted to win that ballot marginally – we wanted to win it significantly. It gave our tenants promises and our transformation programme sets out how we’ll deliver each promise.’

But she adds: ‘We could not have done this without Wheatley. When lockdown happened, Wheatley engulfed us – wraparound services, delivering food parcels, and other help to tenants. Tenants knew they were not on their own. We might have attempted that, but we could never have done it by ourselves.’

Tenant John McCraw, recruited to the board in late 2019, says new jobs are being found for local people, calls to DGHP are handled faster and calls back are speedy. ‘So we are getting the promises they made. It’s looking pretty good,’ He stops and laughs. ‘I say that as a tenant but as a board member too. We’ll get it in the neck if they don’t come through.’

‘We’re getting a lot of refurbishment done to our properties and they need it badly and the Wheatley Foundation is doing a great job. We advertised jobs with the environmental teams on our Facebook page and other social media and the housing manager says there are two or three from around my area who’ve been taken on.’

John McCraw, tenant board member of DGHP and the Wheatley Foundation

The new team’s achievements in lockdown include, but are not limited to:

- agreeing with a new board line up DGHP’s first ever five-year strategy, backed by the investment plan, for honouring promises to tenants
- launching a high tech new repairs service in a deal with City Building
- vastly improved relationships with the local authority, police and health services with managers now on forums covering drug and alcohol addiction, homelessness, domestic abuse and crime, and carrying out targeted interventions
- delivering the first of the promises decently paid, secure jobs and training for tenants including a first modern apprentices scheme and training and starter jobs for people referred through probation services
- hugely increasing compliance on gas and other safety measures, with 100% likely by August and starting works to comply with the Scottish Housing Quality Standard.
- buying new offices in central Dumfries, now being converted into a hub to support hybrid and collaborative working
- completing a systematic review of the landbank, and finding few sites had been assessed for viability, demand or value for money or given adequate board oversight
- starting a strategic stock review to inform future investment and regeneration.

Dumfries and Galloway Council relies on close working relationships with our community planning partners to ensure vital services are effectively delivered to residents and their local communities. Since the start of the coronavirus pandemic, the support provided by DGHP has been vital and we welcome the increased resources they have channelled into schemes to help vulnerable residents. Many local people have experienced reduced incomes during this time, and project initiatives replicated from the Wheatley Group like EatWell have meant families were able to put food on the table. The council's Housing Options welfare services are also working closely with DGHP to support tenants struggling to pay rent so they can sustain their tenancies.

During the strictest lockdown measures, when house moves were heavily restricted, the additional prioritisation of homeless applicants and safe working procedures provided secure homes for people and families in need. Delivering new homes has also been a significant challenge, however the development of five new homes in rural Monreith, supported by additional funds from the council, and 12 accessible homes in Sanquhar show DGHP is committed to building high quality accommodation, even in difficult circumstances. As Council Leader, I look forward to continuing this strong partnership working, particularly projects like Lochside Collaborative Regeneration, to achieve shared priorities and deliver positive outcomes for local people.'

*Cllr Elaine Murray, leader of
Dumfries & Galloway Council*



Ahead of the curve: care and support

‘We were ahead of the curve most of the time. Our care workers were already wearing masks all of the time and socially distancing two months before the Scottish government ordered it.’

Laura Pluck, managing director of Wheatley Care

Wheatley Care was set up just weeks before the pandemic hit, formed by uniting in one body the care arm of Loretto Housing and Barony Housing. ‘It’s a very small part of our turnover but employs around 800 staff,’ says housing and care director Olga Clayton.

‘We had a stock transfer in the first year of the pandemic, taking on Barony’s non-care properties between May and October. It was a change in all but name – customers had a new landlord but were dealing with the same staff. We used to joke about which jacket we were putting on, the Barony or the WLHP jacket.’

Lynsey Fotheringham, head of housing, West Lothian Housing Partnership

The very nature of Wheatley Care’s work means all of its customers are especially vulnerable. ‘We’re a little bit different to other parts of the group,’ explains managing director Laura Pluck. ‘We have 30 contracts across 11 local authority areas and all are different. There is no one-size-fits-all in care.

‘With Covid it wasn’t let’s just find a fix and roll with that. It was what’s effective for all these different parts of the business but also what the local authority or health and district partnership wants. A huge amount of work was done.’

To the fore came patient safety and, given in many cases unavoidably close contact with staff, protection for them too. ‘All our buildings are different so even reducing footfall, still meeting fire regulations and social distancing, it was a mine field. And every three, four, five days the guidance changed.’

Most services, says Laura Pluck, were reduced to life and limb. ‘For a lot of our customers though that meant more face-to-face support rather than less. The other thing was staff anxiety, worried they might pass on the virus as much as contract it.’

Some staff had underlying health conditions themselves and/or family shielding, she says. ‘We flexed as much as we could, and moved those staff to roles where they could work from home but we had staff who were seeing their children far less to protect customers. I heard that a lot – staff responsible for people’s personal or intimate care terrified they would bring something in.’

The willingness of staff to adapt to totally new roles, she says, continues to amaze her. ‘We couldn’t get cleaning staff for our care homes in the first few months for love nor money.’ Support workers took on infection control.

Of all Wheatley Group's services the need for faultless and reliable supplies of PPE was vital. 'The sheer quantity the guys in care were going through was staggering,' says Laurie Carberry, procurement lead at Wheatley Solutions.

'But if you think, every time you administer care to a customer, you might go through 10 pairs of gloves. You're dealing with all sorts of ailments and people need to be cleaned.'

Securing the specialist PPE care staff needed was a struggle early on but the bar was set high. 'John Crooks in health and safety wrote up what we could and couldn't accept for each social care role,' Laurie Carberry says.

'Science was limited in the first lockdown,' she adds, 'but care staff got the absolute best and that correlated with a low sickness absence. There were very few incidences of them contracting Covid. We also had to be strict so if you saw someone cutting grass wearing very expensive nitrile gloves, they're not for you! They're for care staff.'

The FFP3 masks ordered for care staff caused at least one local authority to object. 'We'd spent £30,000 on them and they're vital when you're working with people overdosing,' Laura Pluck says. 'People need to be safe so we pay it. We manage our finances very robustly but having Wheatley Group behind you is definitely a cushion.'

Helped in part by Covid sustainability payments from the Scottish government, every regulated care service from Fife down to Dumfries and Galloway was staffed throughout. 'Where people were shielding or unwell their colleagues got on with it. There was lots of innovation: how do I make this right for this person?'

Among the many inconveniences staff bore with stoicism was travelling to and from work with minimal public transport available and the added risks of night journeys. 'People were working to 10, 11 at night and had to get home. We flexed: they got taxis and we hired cars.'

Not all Wheatley Care services were able to stay open so staff came up with new ways to help those customers. In Fife and Edinburgh three mental health day care centres were deemed non-essential.

'We have three contact points that aren't regulated in the way of formal care and support. Up to 200 people use them weekly just to drop in or for therapeutic activities,' Laura Pluck says. 'And they're critical for the people who use them.'

Unable to help people in person, contact point staff turned to their new smart phones. 'They're used to going out and giving people food parcels. Instead they called everyone who uses the service two, three, five times a week using Zoom or Teams.'

Customers were triaged according to levels of concern and, where warranted, local mental health teams alerted.

'They had to work in a very different way but they really felt responsibility for people, some of them suicidal, some self-harming. They were incredibly isolated and our staff were sometimes the only people they spoke to.'

Both Olga Clayton and Laura Pluck mention feedback from the Fife services. 'These are people with quite serious mental health problems,' Olga Clayton says. 'We've been supporting them remotely but the letters are fantastic.'

‘I got a lovely letter from one three weeks ago,’ Laura Pluck says. ‘She said she’d moved to Fife just before the pandemic. She had no family and should have been picked up by statutory services because she really struggles at times. Her letter really made me emotional, saying we’d saved her life. You can’t overstate that.’

Perhaps the bottom line for Wheatley Care is: were customers protected? After a very sad early start, three frail older Living Well customers were lost to Covid, including two already in hospital when they were diagnosed. Since then, rates have been notably low, at just 0.64% from March 2020 to May 2021, with not one death in regulated care.

In large part she says that was down to care home managers standing their ground very firmly. ‘They were fighting a battle with commissioners and local authorities because they were trying to discharge people from hospitals. Our managers said absolutely not. Give us a Covid test that’s negative.’

One commissioner, she said, even threatened to stop payments. ‘We said negative test and they self-isolate for 14 days or we don’t take them. We kept that up until the instruction came through that people had to self-isolate.’

‘It’s not my job to be proud of my staff,’ says Laura Pluck, ‘but they absolutely blow my mind. Every team has responded in a way that works for their people when they’ve also personally felt isolated, under pressure - all the things we’ve all experienced, and wearing PPE all day.’



Balancing the books: the welfare experts

One of the big surprises for Wheatley Group during the pandemic has been a drop in rent arrears. It was not expected. One factor, managers say, is the proactive work by frontline staff early in the pandemic that has greatly strengthened customer and staff relations.

At a more fundamental level, Wheatley housing officers are all now experts in helping tenants newly unemployed or in changed circumstances to claim universal credit. For that thanks must go to Wheatley's universal credit team, headed by Kirsty Ward.

'That team has been absolutely fantastic during the pandemic,' says Olga Clayton. Loretto's Laura Henderson concurs: 'The universal credit team has provided so much support and guidance to frontline staff that universal credit is now seen as just another payment method.'

'Every single housing officer knows how to help and support a customer moving onto universal credit for the first time and in Wheatley 360 we also have welfare benefits advisers to help customers who aren't able to make the claim themselves.'

Kirsty Ward, the universal credit team lead, was herself once a housing officer. 'When I took on the job I started by admitting I'm not an expert in universal credit,' she says. 'But we've got a team of highly, highly skilled benefit advisers who know it inside out.'

'Secondly, we wanted to up-skill the housing officers so they'd know exactly what to do to support their customers. Our role is strategic so we support the housing officers but also customers directly.'

Kirsty Ward's team is made up of a mix of Wheatley's tenancy 'wraparound' services and a universal credit solutions coordinator/data analyst.

The team was set up nearly one year before the UK went into lockdown, motivated by Department of Work and Pension plans to migrate all Glasgow residents still claiming housing benefit onto universal credit.

Their efforts got a very welcome lift when the DWP agreed to an invitation from Wheatley to second to the team one of its own managers.

'Wheatley is the biggest housing provider in Glasgow and our rental income was taking a hit,' Kirsty Ward says. 'We and the DWP have a shared customer group. If the customer gets what they need quickly and easily it saves a lot of back and forth so it works for them and it works for us too.'

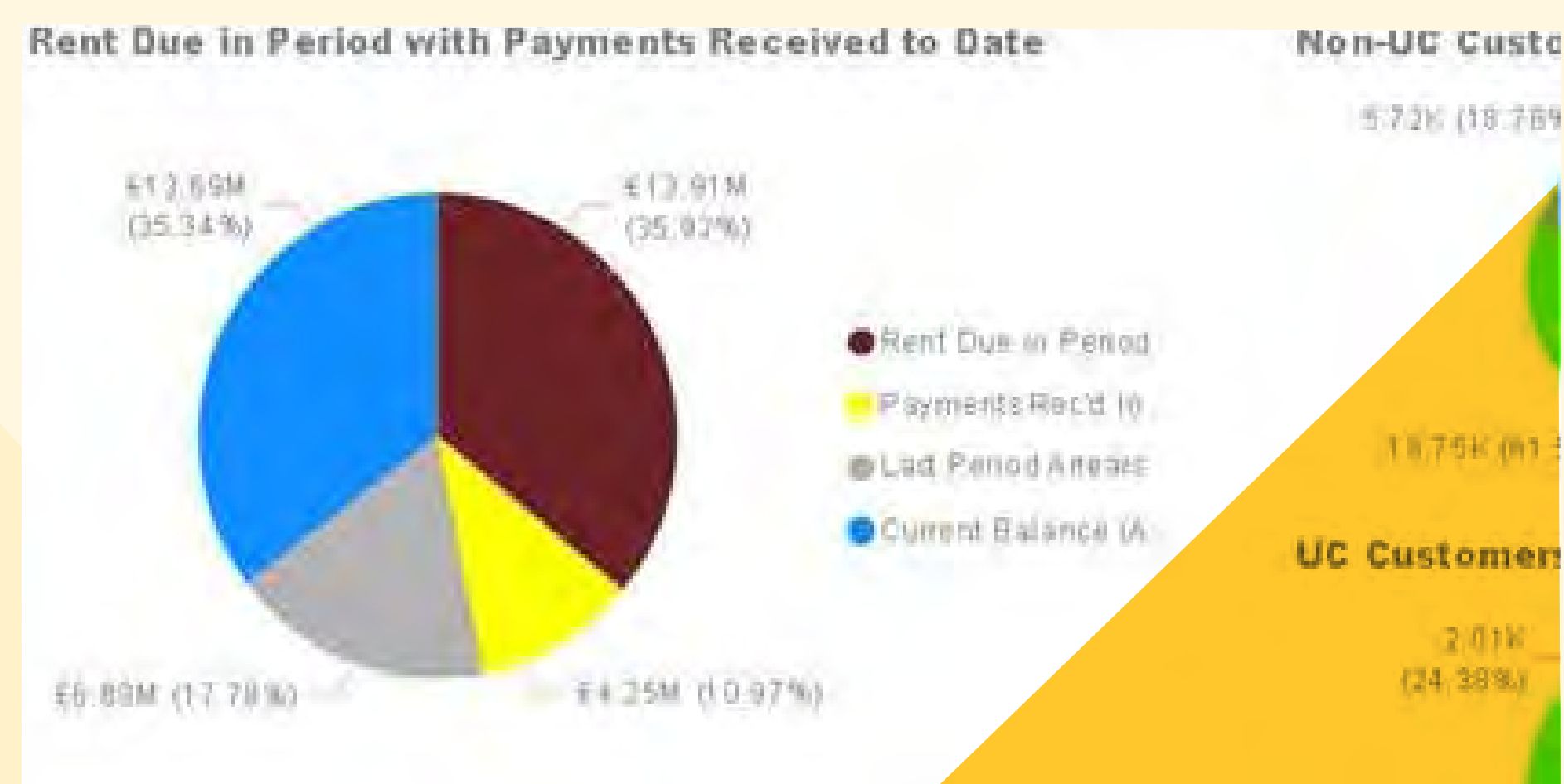
Having Andrew Weir on board has given her team a better insight into the workings of the DWP, Kirsty Ward says. The DWP has also, in response to a suggestion by her team, modified its portal, easing the process for claimants.

It has not been able to remove easily the most punitive aspect: the five-week wait before a payment is made.

'Where necessary we refer customers to our welfare benefits advisers or to Tenancy Support Service Plus, which was set up for customers who need a bit more hand-holding, like helping them set up a bank account,' Kirsty Ward says.

'We also have Helping Hand,' says GHA managing director Jehan Weerasinghe, 'and that's money we can give to customers who are struggling to pay the rent.'

But perhaps the biggest tool in the universal credit kitbox, developed and refined by Kirsty Ward's team, is data. Remarkably, it is given to housing officers in a format with striking visual appeal.



'We take reports from our housing management systems and transfer them to Microsoft PowerBI to make visual tools and reports for housing officers,' Kirsty Ward says. 'So we get the data, crunch the numbers and produce dashboards.'

'They show housing officers payments coming in, payment types and methods, who is on universal credit, who is in arrears and which universal credit customers are in arrears.'

'It's broken down to patch level. So as a housing officer I can see I have x number of customers on universal credit at the touch of a button. I can see the impact on rental income in my patch and I can easily manipulate it using filters and PowerBI.'

'The key to data management is how you present it,' says finance director Steven Henderson. 'Can we give something to staff that is intuitive to interpret and use? The universal credit dashboard is a good example. It is really useful and a credit to Kirsty and her team.'

'It's been a slog but we've worked hard to get to the point where we now see universal credit as just another method for customers to pay their rent,' Kirsty Ward says. 'It's been a journey but we've done it pretty well so far.'

'As restrictions ease and the government winds up its managed migration to universal credit it will give us a different angle to work from but we'll have a back-up plan money-wise and we'll adapt. We'll get benefits maximised as well. Hopefully the virus won't get bad again but if it does and people need our support, we're here.'

'When universal credit first came in it was a big mind shift, really difficult for us and our customers,' says Olga Clayton, 'and the five-week wait is horrendous but is it now the problem we thought it was going to be?'

'There are still problems but it's a much slicker process. Our customers have become slicker and we've become much slicker and we understand more about the portal.'

'My team have been absolute superstars,' Kirsty Ward adds. 'They took to home-working like ducks to water so we were well-placed to help customers when they really needed it. It still feels a bit odd sitting in a room talking virtually but we had the tools and adapted accordingly.'

During lockdown, she adds, her team also attended 160 tribunals for customers, all virtually. 'Most succeeded and there was no drop in our success rate. My team get screeds of praise from the people they help but they don't seek it out. They just get on with doing the job for our customers.'

Job-losses fuelled welfare claims

The number of people claiming universal credit rose sharply at the start of the pandemic due to widespread job losses in retail, hospitality, personal services, cleaning and more. The caseload in Glasgow alone, says GHA managing director Jehan Weerasinge, is now 11,400.

In Edinburgh Hazel Young says her housing officers resorted to talking through new claims with customers using Zoom. ‘But we also got such a lot of help from the DWP. That was totally unexpected.’

‘Going into the pandemic we probably had the highest proportion across the group of customers whose rent was paid by direct debit,’ says West Lothian Housing Partnership’s Lynsey Fotheringham.

‘So a high percentage were in retail or hairdressing or self-employed plumbers, commercial cleaners or carpet fitters whose jobs meant going into homes. All those jobs went overnight leaving them with absolutely no income. They’d never claimed universal credit and had no idea how to do it.’

New claims also for the first time came from Lowther customers, though the percentage is relatively low. ‘Maybe 30 to 50 have gone onto universal credit,’ says Lowther Homes Managing Director Heather Voisey.

‘Our tenants are middle income, on £21-40,000 a year, but all would have been working beforehand and a lot lost jobs in retail or hospitality. Some were self-employed hairdressers or beauticians who could no longer work and didn’t have recourse to furlough.’

Kirsty Ward says the move to home-working in fact freed up some time for her team. ‘So we were able to quickly step into help Lowther customers. We’d never had demand from Lowther before because their customers had always been able to work to pay their rent.’

‘A few we were able to help claim benefits they’d had no idea they were eligible for as salaried workers, such as disability support.’



Signed, sealed, delivered: new homes, safer homes

‘It has been an almost unbelievable achievement for us: new housing supply, a new repairs service and compliance with the Scottish Housing Quality Standard. How did the men and women who work for us manage to keep services going and at a very high level during the pandemic?’

Tom Barclay, group director of property and development

Wheatley put the finishing touches to 420 new homes in the first year of the pandemic. It was, says Tom Barclay, achieved despite construction being massively disrupted. ‘The industry closed down for five months at government direction but came back in a way that was planned, safe and structured. Our people hit the ground running.

‘Our hope this year is to deliver the best part of 670 homes for people who need them, right across Scotland. That is no small order in the middle of a pandemic but it’s a business focus – coming back strong.’

‘We were supposed to complete the last property at our Whitburn development in the week we went into lockdown,’ says Lynsey Fotheringham. ‘They’d all been allocated so as soon as we were allowed to let homes again we really went for it. Our new tenants were delighted when they finally moved in in July.’

The first new homes built in Dumfries and Galloway were, says DGHP chair Maureen Dowden, remarkable. ‘It was small but so symbolic for tenants, for Dumfries & Galloway Council, and for the government.’

The council and regulator, she adds, had long given up on DGHP’s ability to develop. ‘Our credibility was non-existent. Repairs, investment in housing stock and development were the three big things DGHP had failed in.

‘We had a landbank and they had spent literally nothing. I had no confidence in what the board had been told on compliance. Asbestos, gas safety, electrical checks – all fundamental. And we needed a new repairs service.’

DGHP set up with City Building a new in-house repairs service at the heart of the pandemic. ‘They’ve now got the group’s best system,’ says group finance director Steven Henderson. ‘We’re having to replicate it for the others.’

DGHP managing director Matt Foreman credits interim MD Alex McGuire for during his brief tenure quickly identifying how far off DGHP was from compliance. ‘It picked up everything from gas servicing to play park inspections - the cycle, the amount, the frequency and checks and balances in reporting to the board.’

New head of investment and compliance Lorna McCubbin, he says, is very technically focused and driven to make sure those programmes now happen. Doing this as and when restrictions happened, he adds, was awkward.

‘There were a few moments where Lorna and I would spend the first five minutes of a call cursing. You’d just got the contractors in place, got the plan mobilised and new restrictions would be announced.’

Procedures were changed to work as safely as possible for customers and contractors. ‘In one case a shielding customer didn’t trust us to come into the house so we asked if they’d trust someone locally who was Gas Safe registered. But generally access was easier than we expected because we were talking about safety rather than compliance.’

Paring back all of Wheatley's repairs services to life and limb while access to people's homes was restricted has had some knock-on effects for all group members. The effect was probably most painful for Lowther, whose clients are largely home owners, many retired, and middle or full market renters.

'Around 25,000 of our customers are factored owners,' says Lowther Homes Managing Director Heather Voisey. 'These are mostly people who brought a flat through right to buy so you might get a block with two private owners and the rest are GHA tenants. You need a factor to help organise and negotiate splitting the cost of repairs and insurance.'

During the pandemic, that gave rise to widespread dissatisfaction. 'We couldn't cut the grass or do stair cleaning for long periods so had to refund money paid in advance or people just didn't pay. To a lot of people paying their factor isn't as important as paying the mortgage.' Some, she says, were understanding, others less so.

A new challenge for Lowther, which like Wheatley's other subsidiaries also has new building plans underway, is a shortage of building materials for those and for upgrading and repairing properties.

The shortage, now even the cause of empty shelves in DIY stores, is the combined result of Covid affecting manufacturers world-wide, Brexit hitting imports from Europe and a US drive to build its way out of Covid. Building materials world-wide have been snapped up by the USA in bulk, says Tom Barclay.

New building is however still forging ahead. 'We've got about 24 sites live now,' Tom Barclay says, 'with 1,200 homes in some stage of construction. Again, in a pandemic.'

The cost of works to improve existing stock will in part be offset by a restructured loans portfolio. 'We took advantage of underspend in the first year of the pandemic to fund this,' group director of finance Steven Henderson says, 'and it has reduced our interest payments. It gives us more latitude to do catch-up investment and means we can and will keep a lid on future rent increases.'

Looking ahead, Steven Henderson says, the biggest financial impacts will be two-fold. The Scottish Housing Regulator has set an ambitious target for greening homes. 'The regulatory standard says all of our properties have to be zero carbon by 2032. We can't afford that. We'll need a lot of grant.'

On a more optimistic note he adds that Scotland's government has listened to representations by, among others, Shelter and the Scottish Federation of Housing Associations.

'Earlier this year the Scottish government announced a target of 100,000 affordable new homes and 70% are to be social rent. They've also put their financial might behind that. It will mean a big increase in our new build programme. The most we've built in anyone year has been 900. It'll go up to 15,000.'

'Our first new build scheme was in Winchburgh in 2018 and we've been growing at a rate of knots ever since. We've another two developments on site now to be handed over in autumn. The largest is on the site of the old police station in Livingston, right in the centre. We're also just starting our first homes in Linlithgow.'

Lynsey Fotheringham, head of housing,
West Lothian Housing Partnership



All hands on deck

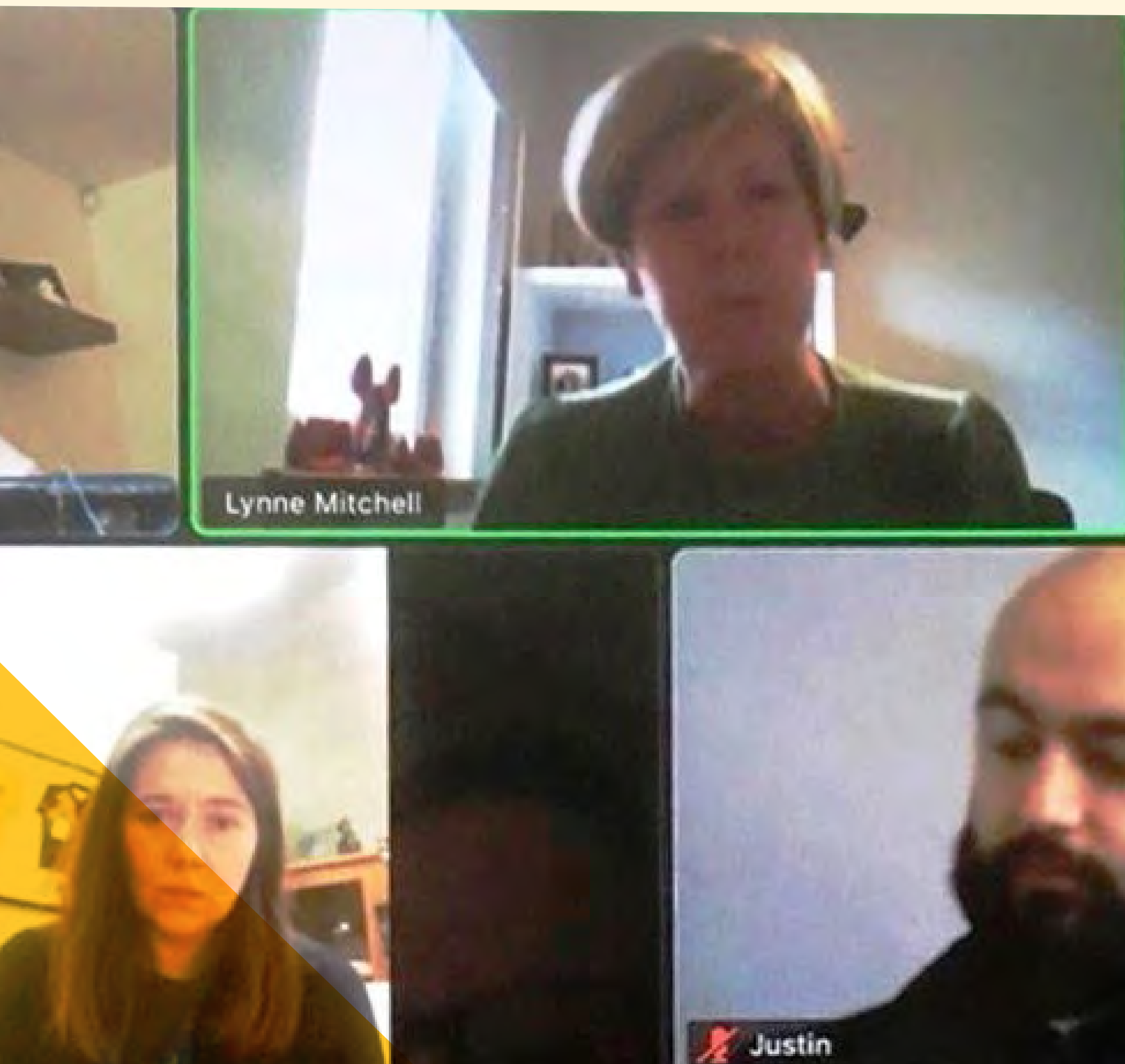
‘Wheatley’s board takes group-wide responsibility, looking at the financial health of the organisation as a whole. That includes governance, risk, compliance, financial health and funding arrangements for the whole group. The subsidiaries are about that front-facing part of the organisation – the customer – and seeing that all the subsidiary services are delivered for tenants. It has worked exceptionally well over the years.’

Maureen Dowden, chair of Dumfries & Galloway Housing Partnership and Wheatley Group board member

Wheatley entered the pandemic having of necessity cancelled its March and April board meeting cycles. The Scottish Housing Regulator was quick to see that board decision-making could not continue as normal.

But the need to make decisions, and be accountable for them, was urgent. ‘Huge amounts of money needed to be moved around very quickly into areas we’d never have contemplated two years ago,’ says Wheatley Group board chair Alastair MacNish.

But how to meet? First came the conference call. ‘That was a laugh!’ recalls Bernadette Hewitt, tenant chair of GHA’s board and a group board member. ‘You can’t see anyone so there’s no signal. You don’t know when to speak. We were grateful but it was terrible.’



Though at first resisted, fearing board members might lack the technology or willingness to download apps, the move to Teams and Zoom followed rapidly. ‘It was a bit hand-knitted at the start but we had brilliant training and it allowed us to carry on all that important business,’ Bernadette Hewitt says.

‘There’s been an efficiency from Teams and Zoom,’ says board member Jo Armstrong, who in September will take over as chair from Alastair MacNish. ‘We’re much more focused and much more respectful of not butting in, but you don’t get to read the room.’

The board also agreed to a division of board roles, with a whittled down board with a narrower set of skills relevant to the lockdown operation deciding essential matters.

The same papers would go to their fellow board members for discussion at a separate meeting. Alastair MacNish would chair both meetings, and both would be attended by the executive team. Sixteen months of pandemic later, it was only ever intended as a temporary fix.

The new model has proved functional. And it was backed up by a comprehensive plan for communicating. ‘This was identified as a main focus very quickly by Martin and the executive team,’ says Bernadette Hewitt. ‘What’s the message and how will people who need to know the message hear it?’

‘I think we’ve kept our boards up to speed with very good, very regular communication through the chief executive and the executive team and that has paid off dividends because we’ve had very, very good support back from them,’ says Tom Barclay. ‘It’s also been very difficult for them, making sure we do the right things at the right time.’

‘From the start Martin has been sending out a weekly board update and, separately, a weekly staff update so staff and board members at every level know what the issues are and what is being done with them,’ Alastair MacNish says.

Also put on ice were plans to recruit replacement members to boards where members were due to stand down, most having served their maximum nine-years of service. Continuity, members agreed, was instead more important.

Of Wheatley Group’s board, Alastair MacNish says he has not one criticism. ‘They have been way ahead of what I would expect and have given their commitment at the drop of a hat.’

He has high praise in particular for subsidiary group chairs. ‘Bernadette has been sensational and the changes at Dumfries & Galloway have been unbelievable.’

‘We have strong chairs at subsidiary level,’ agrees Jo Armstrong. ‘They make sure they’re doing the best for their tenants but equally they understand it’s a group decision-making process so ultimately the group decides.’

She has no plans to alter the current structure. ‘It’s an evolving process so will probably continue to evolve,’ Jo Armstrong says. ‘But when we started off with subsidiaries it was clear there had to be a dividing line between what the group decides and subsidiaries decide.’

‘We have individual business plans for each subsidiary, we monitor against that at subsidiary level and decisions made at group level are first taken up at subsidiary board level. That gives a clear understanding that our subsidiaries, the tenants and the people we care for have a serious input and a real voice in what’s happening.’

The system, she says, offers a mix of insight and oversight. ‘The way the executive team manages that process is a really strong way of us having that local connection while also having scrutiny at group level.’

‘My input during the pandemic has been far greater than at any time in the past five years,’ says Alastair MacNish. ‘I speak to Martin by phone every working day and have met by Zoom every week for the past year, just to go over things with him checking that I am happy with them.’

‘He has never made a decision without clearing it with me,’ Alastair MacNish adds, ‘though he knows far better than me what would be good and what bad.’

Jo takes over the Wheatley Group chair in September 2021. ‘I take over from Alastair, which means big shoes to fill, both metaphorically and physically,’ says Jo Armstrong. ‘I will be aiming to build on what he has done and use his approach to help the new Wheatley strategy.’

‘I have no doubt behind the scenes things have been hard. Alastair and Martin have had difficult decisions to make but reinforcing each other to do the right thing has been fundamental to taking Wheatley through the pandemic.’

‘In Martin we have someone who is driven by the ethos of helping tenants. What he has delivered, considering the state of the organisation when he took over, is amazing. He will be hard to replace.’

‘My priority as chair will be building on its success and that is down to its chief executive and executive team giving staff the power and drive to do the right thing.’

Customer voice

Tenants have long influenced Wheatley's work. Bernadette Hewitt has chaired the board of GHA, Scotland's largest housing association, since 2016 but is also vice chair of City Building and sits on committees overseeing other areas of Wheatley's operation including audit.

'The core values are very simple but keep us grounded, on track and authentic,' Bernadette Hewitt says. 'There's a singular focus on customers and I've always been struck by the pace, the speed at which things are tackled and delivered. It is super impressive and super important. I love it.'

She enjoys the strategic aspect of being on the board. 'I try to reflect what it is to be a customer and bring that to discussions at the top table and to decision-making, to make sure they get the bigger picture.'

Collectively she says Wheatley represents a phenomenal group of people: 'The staff, the board members and those who dwell in their houses – that's a great untapped resource.'

Loretto tenant board member Allan McGinness is one of many whose involvement at board level was a progression via the tenant scrutiny panel. He returned to Glasgow to be closer to his elderly mother some years back after a career in finance that took him as far afield as Singapore, Europe, the USA and Dublin and now also chairs a local charity.

'I was first involved in the scrutiny panel but was invited to join Loretto's board,' says Allan McGinness. 'I've always felt I could ask senior management anything and they'd reply. I've never found them not willing to answer questions and Martin is very approachable. He's solid, a good leader.'

Allan McGinness was also one of the panel that presented Wheatley's case to the Dumfries & Galloway HP panel that saw DGHP join the group even as the pandemic began to unfold.

'That was an amazing experience. Myself and other tenant board members from other subsidiary boards doing something together at a strategic level for the group.'

'The attraction of Wheatley for DGHP and, indeed back in the day Loretto,' he says, 'was you have all this infrastructure that very quickly you can tap into but there is also this absolute commitment to the brand and the moral ethos.'

In West Lothian joining the board of Dunedin Canmore followed an earlier role on the complaints panel for Jane Menzies. A tenant of seven years, she is now retired.

'The service tenants get from Canmore is way above what most other social landlords get but, during lockdown, well I'm friends with some on the board and we kept in touch. So it was like, "What's it like over there?" to see if you've got the same, not issues but silly things like the stairs,' Jane Menzies says.

'Obviously they weren't getting cleaned because of the pandemic but that really riled people. I actually said to my housing officer I'll clean them myself but was told someone might slip after I washed the floor.'

Her Livingston home is a little removed from Dunedin Canmore's core Edinburgh stock but that, she adds, had benefits. 'There were no empty shelves in the local wee shops. The only difference at first really was you looked out the window and there were no people, no traffic.'

Factored owner Douglas Wilson has been a member of the scrutiny panel for 11 years. He lives with his mother in a flat they bought under right to buy from Glasgow City Council and pay Lowther to handle repairs and shared services.

‘They take the burden off us. I’ve always felt secure and safe with a factor like Lowther.’ Douglas Wilson has also been deeply touched by the help given him and his very ill mother in lockdown. ‘I didn’t want to ask for help but when I did it was there – no questions asked.’

He brings to his role on the panel a long-held belief in the value of social housing. ‘We look at particular aspects of the work like repairs, estate management and antisocial behaviour. We’ve had a lot of training and support and we are valued and listened to.’

Antisocial behaviour reports did rise during the pandemic, in part due to fewer staff being out and about. ‘We had a few calls from customers clyping on neighbours for breaking Covid rules in the first lockdown,’ says Hazel Young, ‘and complaints about antisocial behaviour went up but people were at home a lot more than they’d normally be. It made them much more stressed.’

‘There were times when there was antisocial behaviour, addiction problems or young people thinking I’ll have a few friends around,’ Douglas Wilson says. ‘But overall the housing officers were there, with police back up, to say, “You really need to consider everyone in your building.”’

‘Our tenants will continue to have a strong voice at the centre of whatever we do,’ says Jo Armstrong. ‘We’re here to make sure our tenants are looked after when they need looking after, that they are facilitated when they are more able to look after themselves and they have a home that is affordable but fit for purpose in this world.’

‘Affordability remains absolutely crucial in all we do and making sure the services we offer are what tenants want. We need to communicate with our tenants and listen to them. We must give them what they want in a way that makes our business plan affordable and keeps our funders content with us.’

‘We have a tried and tested process,’ she adds. ‘We build on it, we do not revolutionise it but we do not stand still. Opportunities will arise, as will problems so we will need the right staff to cope and our tenants will continue to need to have a strong voice at the centre.’



‘We’ve had the ability to flex between remobilisation and demobilisation based on pockets of rising infection rates. We’re encouraging our people to be more visible in communities, out and about more often so customers may see housing officers on their doorstep but not in their home unless the circumstances warrant.’

Jehan Weerasinghe, managing director of GHA

By mid-July 2021 the promise of a return to ‘freedom’ was gaining traction. All the Covid safety measures of the past 16 months would be lifted, Westminster promised.

Scotland has been a little less gung-ho, bruised by soaring infection rates, driven by the Delta variant. On 2 July, Covid infections were confirmed in close to 2,000 of the football fans who two weeks earlier had travelled mask-free by coach and train to cheer on the Scottish team’s Euro2020 match against England at Wembley Stadium.

A count by Wheatley Group that same day showed of all infections over the past 16 months rates had been highest in staff working in the neighbourhood environmental teams, with 56 cases over 16 months. Wheatley Care staff followed at 52, and there had been 41 cases in the more back office functions of Wheatley Solutions.

Infection rates are rising again, health and safety lead John Crooks says, but 80% are now in people aged 44 or younger, and most are male. 'Those that were in the highest risk group have probably had their two vaccinations now.'

GMB branch secretary Mick Keeney says he's not surprised by the overall figures. 'We're dealing with the public after all.' He cautions against linking cases to exposure at work. 'I could phone up and say I caught Covid at GHA but how can you prove it? A lot of my men have second jobs and some are out and about at the weekend.'

John Crooks fell ill after catching it from a family member. The same even befell Wheatley Group chief executive Martin Armstrong. John Crooks says he had one week he would rather not remember but Armstrong was fortunate in avoiding serious illness.

Unison branch secretary Paul Stuart says, with mock outrage, that having avoided the virus right through all the earlier lockdowns he caught it at the gym in May 2021. A little regretfully, he concedes he'd been a bit blasé.

Gillian McLaughlin, wellbeing lead in People Services, said she had been ultra cautious. 'I'd had the first vaccination, but started to feel unwell a few days after I'd been out. No one else around me tested positive.'

Scotland's Covid rates have continued to rise, with the Office for National Statistics estimating 117,300 people infected in the week ending 3 September alone. It was, said ONS, the highest of the UK nations and the most ever recorded.

'The number of people who've come to me in the last four weeks and said, 'I was at a family funeral and I've got Covid,' Gillian McLaughlin says. 'Or they've been to a wedding. And you think that'll be you and every other guest who was there.'

Hope that the vaccination programme will help Scotland's people evade the worst persists, though the percentage of adults given both jags in Glasgow and Edinburgh, the two most densely populated cities, was by late July well below 70%. Hospital admissions have also risen again, as have deaths in younger groups.

Wheatley has declined to insist staff be vaccinated, though refusals are low in number and the reasons mainly religion or wanting to get pregnant. 'We've only really tracked it in care, where it matters,' says Olga Clayton. Some of those staff, she adds, have been shifted to new roles.

'Some of our outreach services have moved to a blended model using more digital interaction as well. Customers liked it so we're keeping it. I think we will still be wearing PPE for some time and safe working will be in place,' Olga Clayton says. 'It will also be interesting if customers start to ask if our staff are vaccinated.'

GHA tenant board member Robert Keir says he and his other retired mates will probably err on the side of caution. 'We're trying to pluck up the courage to go to the pub.' In the meantime they're sticking with Zoom. 'We all used to go to the pub on a Friday night. My brother set us up on Zoom so we sit in our homes with a glass at our side and shout at each other.'

'None of us have liked living under restrictions,' says Dunedin Canmore tenant board member Jane Menzies. 'But you do it not just to keep yourself safe but everybody else safe. You've got to remember, what if it was my brother or sister who was immuno-compromised?'

Loretto tenant board member Alan McGinness, who is immuno-compromised, says of his neighbourhood: 'There is a real nervousness around lifting restrictions but I can detect a real desire to take back some of the more social aspects.' Housing officers he adds, 'need to have early doors some form of visibility'.

His chief dread, though, is Wheatley holding AGMs via Zoom. 'Having organised my own organisation's AGM that way, it really doesn't work. You can't see people's reactions and faces like you can in real life.'

'Listening to me droning on for 20 minutes was hellish for me so imagine how it was for everyone else? If it hadn't been for the charity requirements I would have waited.'

Covid has not departed, points out DGHP tenant board member John McCraw from his home in Dumfries. 'The workmen can now come into our homes more easily but it's got to work both ways. Do what you promised but do it safely.'





Going into lockdown Wheatley suspended some services, rapidly reworked others and fast-forwarded operations long in the planning. Long-missed services are now catching up but the pandemic has done much to change attitudes to technology.

‘Right through the pandemic we have tried new things. We have said ‘yes’ rather than ‘can we?’,’ says incoming chair Jo Armstrong. ‘We have delivered and delivered well because our street credibility in helping those in need is paramount and our finances are strong. It’s what we do.’

‘Our staff have gone far beyond what might have been expected. They have a passion for the organisation and they have a passion for their tenants, the people they care for and those they facilitate in the private rented sector. I think we’ve done well.

‘Just before the pandemic we were looking at many new things and digital was always in our strategy,’ says Lowther Homes Managing Director Heather Voisey. ‘But now we’ve got acceptance where before there was resistance. It’s not just Lowther – the whole group is moving in that direction.’

Wheatley says its business plan has always been driven getting the right model for customer service and keeping costs down. Bringing in new staff with fresh ideas and experience, it says, has always worked well and will continue.

‘We’re a big outcomes-focused business,’ Tom Barclay says. ‘We start from a focus on the business outcome then work back. That tells you the destination we want to get to and whether it’s fast change or a bigger strategic change.’

Lockdown he says forced them to change at speed and on a scale it would never in normal circumstances have tried. ‘If before the pandemic we’d seen what we were going to have to do in a couple of months we’d have gone, “My god!” but we were in the heat of it,’ Tom Barclay says ‘It was about intervening for people who were terribly vulnerable. That was right at the heart of it.’

‘We’re now in a period of adjustment, looking back on how we coped through the pandemic and what was effective,’ says Lynsey Fotheringham. ‘Covid did give us the freedom to find different ways of working to make things better for our customers and staff. If something didn’t work we changed it but we couldn’t go back to the old way.’

The new working model will be hybrid working, with home-based staff meeting colleagues weekly for collaboration and training in one of Wheatley’s new hubs. Use of digital technology and in-house expertise and technical support will expand massively. ‘We doubled our IT budget when we took it to the board in February,’ finance group director Steven Henderson says. ‘It’s here to stay.’

One of the biggest work streams for IT, he says, is ITHome, making sure all staff have the kit to work well wherever they are. Without it we will lose staff goodwill.’ For customers without the technology or the ability or inclination to use it, he adds: ‘We’ll always keep in person, we’ll always keep phones and we’re expanding our call centre.’

Hybrid working

Wheatley’s future operating model will see staff working from home or out and about in their neighbourhoods for most of the working week, visiting hub offices as and when needed or for creative, collaborative meetings with colleagues and training.

The package will come with perks and benefits fine-tuned during the pandemic:

- flexible home-working, so staff can plan their day around children, dependent relatives and other domestic responsibilities
- in-house IT expertise given by phone or video-conferencing
- realigning housing officer patches so they work closer to home, cutting journey times and Wheatley’s carbon footprint
- an annual payment for furniture and other items needed for a home workstation
- a monthly payment to cover bills pushed up by more intensive use of the home
- bespoke e-learning and health and safety advice and support.

‘People will come together for collaboration only, for meetings and innovation. We recognise that it is a giant experiment. Nobody knows where this is going to go and we have to be careful of some of the things we might be losing and some of the challenges that come from it as well.’

Olga Clayton

‘We’ve told them this is not our operating model. It is lockdown and there are things that will change and things we’ve learnt that we can take through to the new world. There will be time in the hubs for colleague collaboration and it is down to people like myself to engender team spirit in that environment once it is safe to do so.’

Jehan Weerasinghe, GHA managing director

‘We have effectively accelerated our use of digital solutions and communications by three years. We have also discovered how we could accommodate a hybrid way of working. Both will have to be monitored, tested and amended but that is part and parcel of our ‘think yes’ approach.’

Jo Armstrong, incoming chair

‘The Loretto team are really excited about it because they can really see the benefits of homeworking. They’ll be able to get out into their communities, have a place where they can come together as a team but also have the flexibility of working from home. Our office was in Glasgow but most of our properties are outwith the city. Not having that long commute into Glasgow is probably the biggest benefit.’

Laura Henderson, Loretto managing director

‘I’ve got the smallest team of all the Wheatley subsidiaries and we are very sociable in work and outside. We really missed ribbing each other but we had online morning meetings three times a week so we could catch up with all the banter. Some staff would even set up Zoom or Teams for no reason other than to have someone working alongside you – just the normal things you miss about the office, like bouncing ideas off each other.’

Lynsey Fotheringham, head of housing,
West Lothian Housing Partnership

Wheatley hubs

Before lockdown Wheatley had 25 Glasgow offices. ‘Most were tiny with little footfall,’ Steven Henderson says. ‘We had long planned three offices in Glasgow supporting agile working. In our minds it was probably going to happen in the mid-2020s. But why go back to offices for two years then return to home-working?’

In Dumfries Wheatley inherited offices in a location near impossible for customers to reach and with a floor layout it says actively hindered collaborative working. That office has been disposed of and a new one in the centre of Dumfries is being transformed into a modern workhub.

Wheatley House in central Glasgow is likewise being extensively remodelled and will remain the group’s flagship. Two other offices in the city and another in Edinburgh will be rebuilt along the lines of the Dumfries hub.

The Wheatley hubs will feature:

- collaborative spaces for creative and innovative thinking
- meeting and training rooms for staff and tenants
- booths for housing officers to meet in privacy with customers for any reason, from explaining how to use an app to discussing a tenancy or support matter
- an IT support and repairs service modelled on Apple bars.



Rethinking services

In-house IT expertise

In-house expertise is being substantially increased, with staff recruitment already underway. Half of the team will give support and advice on technical matters to home-based staff via phone or video-conferencing. A core element will be developing sophisticated new applications to enhance Wheatley's housing, care and repairs services.

Remodelled, IT-enhanced repairs service

The new repairs service launched in Dumfries & Galloway is to be the model for repairs services across the group. City Building, Wheatley's joint venture with Glasgow City Council, runs the Dumfries & Galloway service under a new contract. All services will be further enhanced by apps developed in-house. One being planned will track in real time the location of the tradesperson coming to do repairs.

Resolution hub

Wheatley has long had a 24-hour, seven-day-a-week call centre. The resolution hub will take this one giant step further, by taking on staff with highly specialist skills using sophisticated data information systems.

'The focus will be resolving problems. If you call us at 3am our ambition is you will get your answer. Part of that is making sure you have the right expertise, not generic call-handling skills.'

Tom Barclay

Virtual lettings model

Lowther Homes staff are fine-tuning plans for a new service that will let them show properties for middle or full market rent to prospective

customers without the need for an escort from Lowther. The advantages include Covid-safety, better time management and less car travel.

'Getting instant feedback from our customers has long been part of our strategy and it will now happen, but at an accelerated pace. The tenant part of my client base is much more tuned into digital but I have older factored owners who want more digital services too. The pandemic forced so many older customers to do more things on line so it has allowed us to do things like this at a faster pace.'

Heather Voisey, Lowther Homes
Managing Director

Making data management intuitive

Building on work done by the universal credit team, data-based and information systems will be made simpler to use, more intuitive and better presented. Performance data will be available at the touch of a button and easy to use and understand. Spreadsheets will be relegated to the back seat.

'Under lockdown we have of necessity had a much greater focus on information technology and digital access. It has really made us sharpen up how we think about data and information management. We've made good progress much faster than we would have done otherwise.'

Steven Henderson, group finance director
Wraparound services

Wheatley has a menu of service options to help make each tenancy a success. The menu changes regularly, with some options replaced and others refined. The starting point is the factors that lead to people ending a tenancy. A new area of work will use predictive analytics to try to anticipate what forms of support, help and guidance someone may need before they take on a Wheatley tenancy.

Focused skills training for frontline staff

Wheatley housing officers are expected to think on their feet, deciding what they feel is best for each customer. Recent training reflected the substantial rise in customers housed after being street homeless. It explained the damage caused by trauma and first childhood experience, how to communicate sensitively and the principles of evidence-informed practice.

An app for care leavers

Work is in progress on a new app for young people called *The virtual home through care*. The app is a game designed to give a better understanding of what it is like to be a tenant, supporting them through potential pitfalls.

New model homes

Even pre-pandemic Wheatley was working on a new model smart home – Wheatley 2024. Many of the features proposed will stay: independent living in older age, energy efficiency, and smart technology. The challenge will be trying to accommodate likely changes to the way people now use their homes, notably home-working and, if future outbreaks of Covid or new viruses demand, home-schooling.

‘New housing models had been on our agenda for quite some time pre-pandemic. Ideally you wouldn’t want people living in high-rise but in Glasgow we’re pretty landlocked, despite being agile when land becomes available. We’ve looked at tenure types, to make communities are blended and not ghettos. We’ve demolished a lot and invested in low rise but the truth is you can’t build as many houses. Over the stresses and strains of the pandemic antisocial behaviour in high rise was noticeable. Tempers fray, people unravel – you can’t get away from it. If you have no environment conducive to learning, how does that work? If governments really want to do the best for future generations, if you don’t get the housing part right I don’t think you can genuinely talk about attainment and achievement.’

Bernadette Hewitt, tenant chair of GHA and Wheatley Group board member



'We kept new housing supply coming, we kept compliance going, we kept a massive focus on health and safety and we did the humanitarian thing. I'd like to find another organisation that has hit so many touch points during a crisis.'

Tom Barclay, group director of property and development

'By far the worst has been people suffering or struggling with bereavement, not just related to Covid. And the isolation - we are social animals. My much happier memory is of our team Zoom meetings. The way we've been able to work together visually has been such a good thing and their team spirit is absolutely going to be my abiding memory. I'm not usually one for corporate videos but the one our communications team made has really captured how we've felt.'

Hazel Young, managing director of Dunedin Canmore

'Getting the money from the Scottish government was quite a milestone but it was a collective effort. What I'll remember most is calls I made in the early days, to people who had nothing. Being able to say I can fix this for you, and getting someone to them within the hour. In those early days people were hopeless, they were hungry. They had nowhere to turn and we really saved lives. I am so proud to work for an organisation that was able to do that for so many vulnerable customers.'

Lorraine McLaren, director of Wheatley Foundation

'I think considering how quickly the government changed the rules and regulations, Dunedin Canmore absolutely stepped right up there, quickly changing things to adhere to the new guidelines for tenants and staff and making sure you had what you needed.'

Jane Menzies, tenant board member at Dunedin Canmore

‘My team were outstanding. The pandemic was difficult for everyone but we rallied and kept each other’s spirits up and it kept us together as a team. But what I’ll remember most was the response from right across the Wheatley Group to the floods in the Broxburn last August and our ability to step in quickly to help customers who had to leave their homes. It wasn’t just my team but staff from Dunedin Canmore, from customer services in Glasgow, the Wheatley Foundation and more. They helped in so many practical ways, from booking hotel rooms to taking sodden belongings to the dump. Our customers weren’t just coping with the pandemic they had a devastating disaster as well.’

Lynsey Fotheringham, head of housing,
West Lothian Housing Partnership

‘I remember how intense it was at the beginning, just working out what was needed then getting it done and even just making sure we remobilised when the Scottish government’s route map changed our way of working. But the biggest thing for me was what we were able to do for our customers.’

Laura Henderson, managing director of Loretto
(now managing Wheatley 360)

‘Through very terrible times there was a can-do attitude. I would say to everyone in Wheatley Group, thank you very much. You really did do great work. The majority of tenants in my area knew where the help was coming from and were really grateful. Wheatley staff had a very very difficult time but went, not the extra mile, but the extra 100 miles.’

Douglas Wilson, Lowther factored owner
and scrutiny panel chair

‘I don’t think any of us could foresee how devastating it was going to be. We know some providers just downed tools, not very many because the sector is pretty special in my opinion but some couldn’t get their workforce mobilised because people were terrified. We heard from staff who friends or family working in other care services that they were being sent out without the right PPE especially in the first four months. We never had an issue with PPE and the standards were over and above what we asked for. It meant staff could do their job but we were also able to make sure they were fed properly, took time out when needed. But people needed our support and Wheatley Care’s 796 social care workers did an absolutely phenomenal job. Phenomenal.’

Laura Pluck, managing director of
Wheatley Care

'I've heard cries, and from myself included, for Wheatley to provide free or low cost broadband going forward, and that's a must-have across the group. I know how much I'm paying and what my mum's paying and we can afford it there are people who can't afford £40 or £50 a month. It's got to be a basic utility, like water and electricity and if Wheatley continues its massive drive to get more things done on-line, they have to provide the tools.

Allan McGinness, tenant board member at Loretto

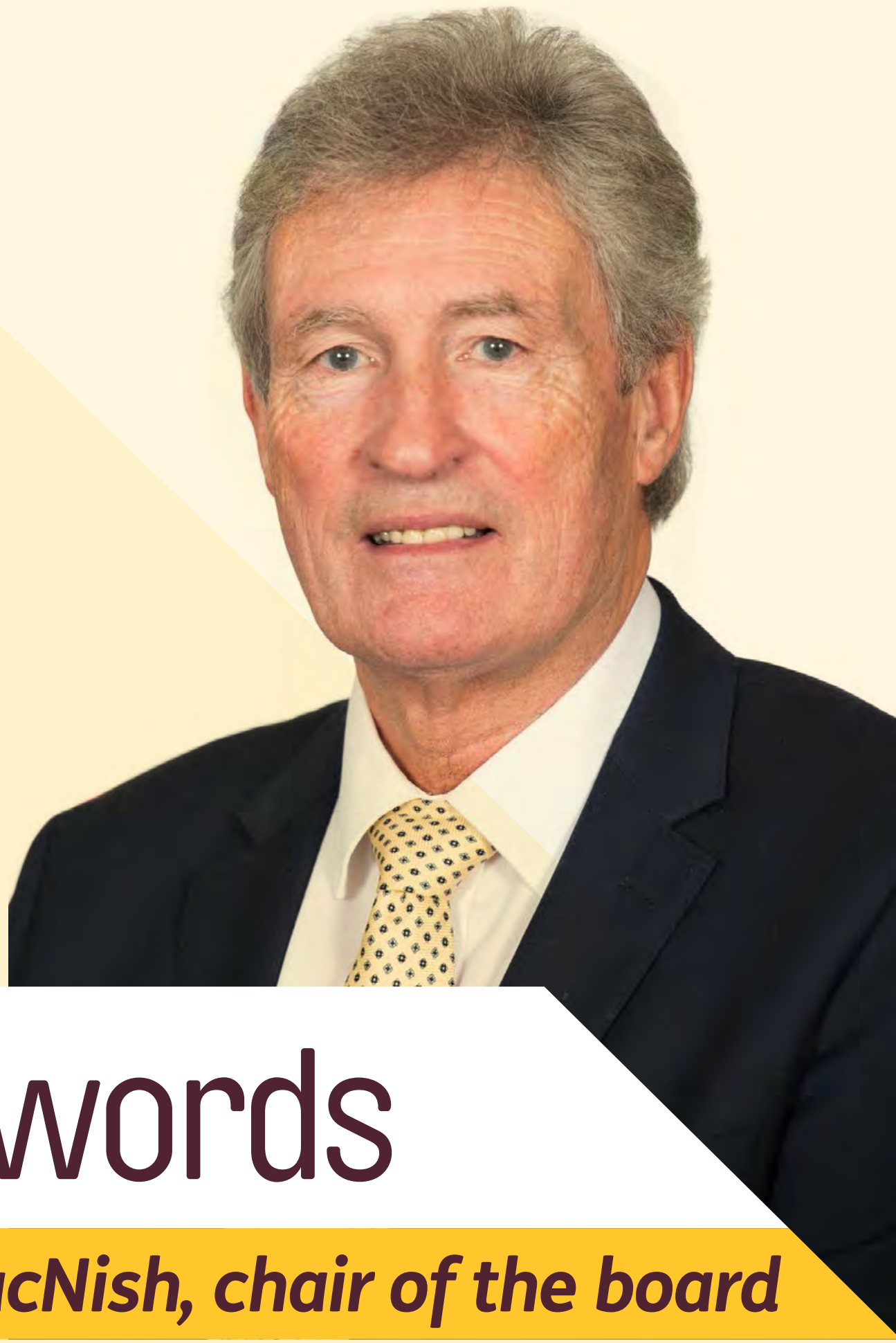
'I was very glad they didn't flap. It was, "Let's get ready for this." instead of going into a tailspin. And what I loved? Our NETs staff on duty right from the very first day. They weren't cutting the grass or washing the close steps but delivering enormous numbers of food parcels right across the country.'

Bernadette Hewitt, GHA chair and Wheatley Group board member

The pandemic brought people right across Wheatley much closer. There was a strong spirit of mucking in together.

Steven Henderson, group finance director





Afterwords

Alastair MacNish, chair of the board

I will leave Wheatley Group this year proud of what has been achieved over the past decade and particularly the way the group came together so superbly well in its response to a pandemic that shook the world.

Nobody knew Covid would wreak such havoc, have such devastating consequences and last so long. It is to the eternal credit of staff and board members, several of whom agreed to stay on an additional year as a result of the pandemic, that Wheatley customers and communities have been so comprehensively and consistently supported.

At a sector level too, as integral members of Scottish Government's Housing Resilience Group, Wheatley made its presence count, using its size, scale and determination to act swiftly and efficiently, to such positive effect.

It is remarkable how well the group retained its shape in the most daunting of circumstances. What was evident from the beginning was that strong, decisive and proactive leadership was needed to confront the challenges presented by Covid. I am pleased to report that Martin Armstrong, his executive and leadership teams rose to that challenge and went above and beyond to support and protect the physical and mental wellbeing and safety of customers and frontline, support and furloughed staff alike.

As we look to the future, I have no doubt Wheatley and all its component parts will go on being the tremendous force for good it has shown to be since it came into being. Scotland and the social housing, care and property management sectors will continue to be much better for its presence and outstanding efforts on behalf of the quarter of a million people plus it works for across Scotland.

Our new five-year strategy sets a whole series of ambitious targets and objectives, from being carbon neutral by 2026 to making a huge contribution to Scottish Government's plans to build the affordable homes so badly needed in all parts of the country. The dedication and incredible outcomes delivered by the group over the past year and a half give me complete confidence Wheatley will again rise to all of the many the challenges it faces.

Alastair MacNish joined the board of the Wheatley Group board in 2012, shortly after standing down as chairman of the Accounts Commission and Audit Scotland. He was appointed Wheatley Group board chair in 2015. His service as a board member was extended by one year in 2020 in response to the pandemic.



Afterwords

**Martin Armstrong, Wheatley
chief executive**

Team Wheatley's response to and performance through the pandemic has been truly inspirational. Also inspiring has been the support, oversight and guidance provided by board members and all other parts of group governance.

In crisis, an organisation's true colours are there for all to see. The way in which Wheatley reacted to the most difficult of circumstances has been quite exceptional. From the outset, we came together to protect colleagues, the people we work for and the business itself – and stayed together, despite all of the enormous challenges posed by Covid. I firmly believe we are emerging stronger and even more resilient.

As everyone knows and accepts, nothing stands still at Wheatley and that ingrained agility and adaptability have served us well over the past year and a half. Covid has put us to the test as never before, and continues to do so. We have not been found wanting.

The Wheatley way is to trust staff – frontline, support and management – to do the right thing, knowing change is the only constant on our 'Journey to Excellence', and beyond. Instinctively, when the crisis struck we recognised action – not fine words and good intentions – was needed, and needed urgently.

Thousands of households in Wheatley communities, some facing adversity for the first time, became vulnerable overnight – through illness, isolation and anxiety, reduced finances or no money at all, without support or food. Our response was instantaneous in the face of government guidance and instructions that closed housing offices, depots and some care facilities. A new service model with a restricted range of emergency and essential services was designed and launched within a couple of weeks.

This led to over 800 employees being equipped to work from home, supported by an IT team, with other colleagues working around the clock and hundreds more supplied with all the PPE necessary to continue working in our communities. A virtual call centre was created, with advisers at home – including a specialist team helping customers manage all impacts of the crisis – providing a 24/7 service.

Wheatley Foundation stepped up too, notably through its hugely-expanded EatWell service and emergency response fund. The former supported no fewer than 11,325 vulnerable households in the first 12 months, delivering more than 33,000 emergency food packages or supermarket vouchers. The latter provided essential household items to over 6,750 homes in need.

As Alastair MacNish said at the height of the pandemic: 'What should define us is not the pandemic, but how we responded to the extreme challenges it posed.' I couldn't agree more.

2019**20 December**

Chinese Center for Disease Control and Prevention publishes article announcing discovery of ‘pneumonia of an unknown cause’.

31 December

China is now treating ‘dozens’.

2020**2 January**

Confirmed that Chinese researchers have identified a new virus. Central hospital of Wuhan bans staff from talking about or using technology to record evidence.

8 January

China agrees to work with World Health Organization scientific team.

11 January

China reports ‘first’ known death.

20 January

Virus confirmed in cases in South Korea, Japan and Thailand.

21 January

First case in the US is a man in his 30s recently returned from Wuhan

23 January

Wuhan is isolated in China as 17 now dead. Taiwan is added to the list with known cases.

24 Jan

In Scotland five people are tested and an incident team set up. All test negative.

30 January

WHO declares global health emergency.

First confirmed cases in UK diagnosed by Hull hospital. One who returned from Hubei in China developed symptoms on 26 January. Her son had returned on 6 January. Both recover quickly and infection is contained.

31 January

First two cases identified in Italy. Globally 213 now known to have died and 9,800 infected.

1 February

First diagnosis in Spain’s Canary Islands.

11 February

Virus officially named Covid 19

14 February

France confirms its first death and Egypt its first case.

21 February

First cases are reported in Iran.

22 February

Covid is made a notifiable disease

23 February

Italy lockdowns part of north as cases rise to 150.

24 February

In Iran, 12 are known to have died and 61 infected.

26 February

Brazil confirms its first case is a traveller returned from Italy.

26-27 Feb

US delegate at a Nike conference in Edinburgh hotel tests positive on return to USA. Officials deny any onward transmission occurred.

28 February

First British death is a passenger on a cruise liner, one of two now badly hit by infections. UK confirms first known case where patient contracted Covid in-country. WHO world alert upgraded to highest level.

1 March

First confirmed case of Covid of an adult male resident in Tayside, recently returned from northern Italy.

4 March

Biggest one-day jump in cases across UK, up from 34 to 87. Two more cases in Scotland, one returned from Italy and second after contact with known carrier.

5-6 March

Scottish cases double to 11.

9 March

Scotland cases rise to 23, after 2101 tests.

10 March

UK deaths rise to 6.

11 March

First known case of community transmission in Scotland, not linked to travel or a confirmed case.

13 March

First death in Scotland. Confirmed cases rise to 85.

16 March

Prime minister holds first daily Covid briefing, recommending home-working and avoiding pubs and restaurants.

UK now has 55 dead and estimated 10,000 infected. NHS Scotland health boards report 171 cases.

18 March

Devolved governments in Scotland, Wales and Northern Ireland announce schools to close from Friday 20 March

20 March

Scotland closes cafes, pubs and restaurants. Chancellor announces furlough scheme, paying 80% of salary of workers at risk of being laid off.

23 March

Westminster announces UK lockdown, with just one hour permitted exercise per day.

Worldwide, 11,000 people are now known to have died, 14 in Scotland and 335 across UK. CMO Catherine Calderwood says: 'This is no longer a rehearsal for something that might happen.'

25 March

Scotgov sets up Covid-19 advisory group to supplement Sage.

1 April

Scotland's infection rate tops 2,000 and 76 have died in hospital.

9 April

Death rate in UK hits 938 in 24 hours.

5 June

Calderwood resigns after twice breaking lockdown rules travelling to second home in Fife.

6 April

Coronavirus (Scotland) Act 2020 introduced as an emergency bill on 31 March gets Royal Assent.

20 April

Scotland cases reach 8,400 with 915 deaths in hospitals.

25 April

Cases of Covid in Scotland pass 10,000.

28 April

Sturgeon advises voluntary use of non-medical cloth face masks in shops and public transport, but not elsewhere.

1 May

More than 11,500 cases now diagnosed in Scotland. In hospitals 1,515 have died. Goal of carrying out 3,500 tests daily is reached and new target set of 80,00 by mid-May

9 May

Scottish Ambulance Service reports that of 242 call-outs, 157 are taken to hospital with suspected Covid.

10 May

Westminster government raises possibility of lockdown lifting. Scottish government takes more cautious approach but loosens one-hour/once a day rule on outdoor exercise, but still with social distancing.

11 May

England lifts lockdown. Devolved governments stick with it.

18 May

Anosmia is added to list of Covid symptoms. Anyone in Scotland aged five or over with symptoms can now get tested.

21 May

Scottish government publishes its roadmap out of lockdown.

28 May

First easing of lockdown in Scotland. People can meet outside socially distanced in groups of up to eight.

19 June

Bubbles announced in Scotland: single people can now meet another household indoors, without social distancing. Face coverings made mandatory on public transport and travelling further than five miles from home for exercise is banned.

29 June

Indoor workplaces reopen, street-access shops and outdoor markets, outdoor sports and playgrounds, zoos and parks. People are allowed to move house. Social distancing is still in place.

3 July

Five-mile rule lifted and some holiday homes allowed. Visits to care homes of one key visitor are permitted but outdoors and at a 2m distance. Social distancing is dropped for under 12s.

6 July

Beer gardens and outdoor cafes reopen.

10 July

Face coverings in Scottish shops are made compulsory. Air travel reopens. Outdoor meeting rules are further relaxed.

11 August

Scottish pupils returning to school not made to wear masks or socially distance. Teachers must if close to others and they are expected to socially distance.

31 August

Guidance changes so school pupils must wear masks in corridors, canteens and shared areas.

1 September

Restrictions reimposed on Glasgow, East Renfrewshire, West Dunbartonshire as infections rise.

11 Sept

NHS Protect Scotland launches app for iOS and Android enabling contact tracing.

22 September

First minister warns new restrictions to start on 25 September.

23 September

New cases rise to 486 in 24 hours, the highest daily total ever. Glasgow University puts 600 students in isolation after 124 test positive, warning actual cases will be higher.

1 October

MP Margaret Ferrier is suspended after travelling symptomatic from Scotland to Westminster while waiting for test results. After test proves positive returns home by train.

5 October

Scotland reports another 697 positive cases, with hospitals treating 218 as in-patients and 22 in intensive care. First minister raises prospect of two-week circuit breaker.

2 November

New five-level tier system introduced with different restrictions across Scotland. Senior school pupils told to wear face masks in classrooms and shared areas in level 3/4 areas.

9 November

Pfizer and BioNTech announce new vaccine is proven 90% effective against Covid-19.

19 November

Jeanne Freeman announces vaccine programme, with frontline health and social care staff first, followed by older care home residents, care home staff, people aged 80 plus and unpaid carers and personal assistants plus vaccinators.

20 November

Eleven Scottish councils move up to level 4 and non-essential cross-border travel is banned.

24 November

Four nations declare coordinated Christmas plan. Three households can meet indoors, at a place of worship or outdoors over 23 to 27 Dec.

19 December

Spread of new Kent variant sees plan cancelled. Already 17 cases of new strain have been detected in Scotland. First minister bans travel outwith Scotland except on Xmas Day

26 December

Level four restrictions imposed across Scotland and school reopenings are delayed to 11 January.

2021**5 January**

Return to lockdown. Travellers to Scotland must self isolate for 10 days.

10 February

Press reports that 1 million Scots have now had at least one jab.

24 June

After steady rise in case numbers over May, most new infections reported to be males aged 15 to 44, with 21918 diagnosed in June to date. Figure for women is 426. The May ration was 50:50.

11 July

Scottish health minister announces Scotland is 'past the worst'.

source: British Foreign Policy Group, The Scotsman, The Herald, BBC, Scottish Financial Review, Public Health Scotland dashboard

10 facts about Wheatley during the pandemic

- We delivered 33,000 food parcels or supermarket vouchers to 11,325 households, from Dumfries to Fife
- 6,751 customers got a one-off essential purchase like a fridge or mobile phone
- 77 bursaries of up to £1,500 went to Wheatley customers at college or university
- Wheatley provided a home for 2,500 people who were homeless
- Wheatley's welfare benefits advisers helped customers claim more than £9m in benefits and tax credits
- Advice to customers from Wheatley fuel advisers together saved them £1m on gas and electricity bills
- We sent close to 5,800 books to 619 children under five through our partnership with the Dolly Parton Imagination Library
- Almost 15,800 supermarket vouchers worth £30 were sent to 8,260 households with children in the run-up to Christmas
- 1,690 people got advice on their finances through My Great Start
- Our Home Comforts service gave 440 households free upcycled furniture and white goods.

10 facts about Wheatley Group

- Wheatley Group's mission is to make homes and lives better for customers
- Wheatley owns or manages more than 94,600 homes
- Wheatley Group provides homes and services to over 210,000 people in 19 local authority areas across Scotland
- Wheatley Group was the UK's biggest builder of social homes for four consecutive years (*Inside Housing*, July 2017 to July 2020)
- GHA is the biggest social landlord in Scotland, with 43,000 affordable homes in Glasgow
- Wheatley has around 2,700 staff working across central and southern Scotland
- Since 2015, Wheatley has built more than 4,300 homes, with another 5,500 to be built by 2026
- In one decade, Wheatley's social landlords, with their partners, have created more than 11,000 jobs and 2,000 training places
- Wheatley is one of only of six organisations globally to hold the European Foundation for Quality Management (EFQM) 7-Star status award
- GHA's transformation of social housing in Glasgow has boosted the Scottish economy by £2 billion and supported thousands of jobs.

Our sincere thanks to all those whose generous donations, cash or in-kind, helped fund our work to help vulnerable people in Scotland during the pandemic.

Ofgem Redress fund (Covid-19)	Fuel poverty	£900,000**
Scottish Federation of Housing Associations fuel top-ups	Fuel poverty	£500,000*
Scottish Government Food Fund (Covid-19)	Eatwell	£350,000
Scottish Government Wellbeing Fund (Covid-19)	Emergency response fund	£330,000
Scottish Government strategic agreement	MyGreatStart/Wheatley Works	£250,000*
Glasgow City Council COVID fuel top-ups	Fuel poverty	£160,000*
Barclays (COVID 19)	Emergency response fund	£100,000
Dunedin Canmore Foundation (Covid-19)	Emergency response fund	£56,000**
Dumfries & Galloway Council (Covid-19)	Fuel poverty	£45,000
Covid-19 donations	Eatwell	£34,775
Community Recovery Fund	Homelessness	£23,062
Contractors' Christmas donations	Emergency response fund	£12,715
Morrisons Foundation (Covid-19)	Emergency response fund	£10,000
Lintel Trust	Emergency response fund	£10,000
Foundation Scotland (Covid-19)	Emergency response fund	£9,800
Cash for Kids (Covid-19)	Emergency response fund	£735
Groundwork UK -Tesco bags (Covid-19)	Eatwell	£500
Braehead Foods, Kilmarnock	loan of two refrigerated trucks for EatWell project	
	** 2019/2022	* 2021/22



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Report

To: Loretto Housing Board

By: Anthony Allison, Director of Governance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Annual Assurance Statement

Date of Meeting: 8th November 2021

1. Purpose

1.1 To update the Board on the Annual Assurance Statement to the Scottish Housing Regulator.

2. Authorising context

2.1 Under the Group Standing Orders, the Group Board is responsible for agreeing the overall governance Framework for the Group. This is reflected in the requirement for the Annual Assurance Statement (“AAS”) to be submitted to the Scottish Housing Regulator (“SHR”) at Group level. As such, the statement is reserved to the Group Board for approval.

2.2 The Group Board approved the statement for submission at its meeting on 27 October 2021.

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”. This reflects our risk appetite in relation to laws and regulation, which is “averse”, with the avoidance of risk and uncertainty is a key organisational objective and a priority for tight management controls and oversight.

3.2 Our strategic risk register contains the risk *“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 mitigate this risk through having clearly defined roles and responsibilities across our governance framework and regularly updating the Board on governance related matters.

3.4 Our Internal Audit team, working with independent experts, have undertaken a review of our AAS self-assessment. This includes reviewing the evidence which supported the self - assessment.

4. Background

- 4.1 Each year we are required to review and provide a statement about our compliance with the SHR's regulatory standards and requirements of its Regulatory Framework ("the Framework").

5. Customer engagement

- 5.1 As a corporate governance related matter, there has been no direct engagement with customers.

6. Discussion

Annual Assurance Statement

- 6.1 As with the previous year's Statement, it covers all RSLs in the Group. It is for the Group Board to determine how to conduct the assurance exercise, but it should enable us to reach an objective and evidence based judgement on compliance, with sufficient evidence, information and independent assurance where necessary.

Self-Assessment

- 6.2 We undertook a self-assessment of our compliance against the regulatory standards and the requirements set out in the Framework. As part of this process, we develop an evidence base to support the determinations within the self-assessment. In order to provide an additional layer of assurance for the Board, the self-assessment and supporting evidence was subject to an independent review by our Internal Audit Team.
- 6.3 The SHR requires the statement to be short and succinct, either confirming compliance or otherwise. For this year's statement, the SHR also requires RSLs to provide a specific update on Equality and Human Rights to include an assurance that they *"have appropriate plans to implement an effective approach to the collection of equalities information and that they have started to consider how they can adopt a human rights approach in their work"*.
- 6.4 The SHR's guidance also explains that it requires areas from improvement to be recorded in the statement, but only where these are of such materiality and significance that we are unable to say confidently that we are complying with a particular requirement. It is for the Group Board to determine whether, under the circumstances, any non-compliance is sufficient to be considered 'material'. When assessing materiality, the SHR's Statutory Guidance states that RSLs should consider whether the issue could:
- seriously affect the interests and safety of tenants, people who are homeless or other service users;
 - threaten the stability, efficient running or viability of service delivery arrangements;
 - bring the landlord into disrepute, or raise public or stakeholder concern about the organisation or the social housing sector; and
 - put at risk the good governance and financial health of the organisation.

- 6.5 A copy of the self -assessment and details of the evidence supporting the assessment is attached at Appendix 1.
- 6.6 Following the review, there are no areas of material non-compliance that require to be disclosed in the statement. The Internal Audit Team has also provided assurance that, based on their review of the evidence, they are satisfied there are no areas of material non-compliance.

Equalities and Human Rights

- 6.7 The Scottish Federation of Housing Associations published “Collecting Equality Information: National Guidance for Scottish Social Landlords” on 19 August 2021. This was much later than initially planned due to the pandemic.
- 6.8 Prior to this being published, the SHR wrote to all RSLs in June 21 acknowledging this delay and that for RSLs *“it will take time for landlords to consider the guidance when it is published and what changes they may need to make to their approach”*.
- 6.9 Rather than wait for the guidance, we adopted a proactive approach. This included commissioning an Internal Audit advisory review to consider our approach and plans in relation to Equalities and Human Rights. As part of this process we agreed a plan for our approach and associated timescales, which were reviewed by the Group Audit Committee.
- 6.10 To date we have introduced a new Equalities Impact Assessment process and guidance, rolled out Equality, Diversity and Inclusion staff training and reviewed a number of our people related policies. We also plan to bring a refreshed Equality and Human Rights policy to the Board in the first half of the 2022 calendar year and have included Equality and Diversity in our 2022 Board CPD schedule.
- 6.11 We are progressing with the agreed plan, including incorporating the SFHA guidance. In addition to this, as part of the strategic governance review we commissioned Campbell Tickell, working with Internal Audit, to consider our approach and identify good practice which can support our approach. We intend to draw on this good practice as we implement our plan.

Social Housing Charter

- 6.12 The Social Housing Charter, distinct from the Framework, contains a total of 16 outcomes and standards that social landlords should aim to achieve. As two of the standards only apply to Local Authorities, 14 apply to us. The Statutory Guidance in relation to the Statement requires us to also include a statement of compliance with the Charter. A copy of the outcomes is attached at Appendix 2.
- 6.13 The SHR sets a wide range of specific performance measures RSLs must collect as part of compliance with the standards in the charter. The measures form what we report to the SHR each year as part of the Annual Return on the Charter.

- 6.14 The Charter measures are augmented by the SHR prescribing a wide range of specific questions that RSLs must ask as part of their tenant satisfaction surveys relating to the Charter standards. It is not a requirement to conduct this survey annually therefore our approach for this year does not impact our compliance.
- 6.15 We have in place a very robust approach to assurance and evidence of how we are performing relative to the charter through our core performance reporting framework. One issue which remains is DGHP's Scottish Housing Quality Standard ("SHQS") and Energy Efficiency Standard for Social Housing ("EESH") compliance levels.
- 6.16 As noted in last year's statement, the stock numbers not fully compliant represent less than 2.5% of our overall stock. As such, it was agreed this was not 'material'. The pandemic severely impacted our programme in DGHP and full compliance is now expected to be achieved by June 2022.

All relevant legislative duties.

- 6.17 This requirement of the statement is, by its nature, very wide ranging. Our approach to compliance in this area is a combination of the legal framework for our activities and our internal policies, which give substance to the respective laws and regulations. Policies are reviewed by expert internal staff and, where appropriate, by external advisors. We also routinely engage external expertise in complex, non-core areas such as fundraising and FCA related activity.
- 6.18 In order to monitor compliance, we operate a 4 Lines of Defence Model that provides assurance to senior management and Board members about the operation of internal controls in place to confirm the Group's meeting legal obligations.
- 6.19 Beyond our core 4 Lines of Defence Model, we are subject to external scrutiny for example through the annual external audit process in specific areas of legislation and spot inspections, such as HMRC.
- 6.20 We have not had any instances where a judgement has gone against the Group that we materially not meeting legislative duties.

2021 Assurance Statement

- 6.21 Based on the above, the Group Board agreed the following Statement:

The Group Board considered evidence at its meeting on 27 October 2021 and confirmed we have appropriate assurance that all Registered Social Landlords which are part of Wheatley Housing Group Limited (being Wheatley Housing Group, GHA, Dunedin Canmore Housing, Dumfries and Galloway Housing Partnership, Loretto Housing Association, West Lothian Housing Partnership and Cube Housing Association) materially comply with:

- *all relevant regulatory requirements set out in Chapter 3 of the Regulatory Framework;*
- *all relevant standards in the Scottish Social Housing Charter; and*
- *taking into account the guidance and restrictions relating to the Covid 19 pandemic over the course of the reporting period, all relevant legislative duties*

The Group Board confirms that we have appropriate plans to implement an effective approach to the collection of equalities information and human rights.

7. Digital transformation alignment

7.1 There were no digital transformation alignment implications as part of this report.

8. Value for money implications

8.1 There are no direct value for money implications arising from this report.

9. Legal, regulatory and charitable implications

9.1 The report independently confirms that we have strong governance arrangements and provides evidence to support our compliance with the SHR regulatory framework.

9.2 Our Assurance Statement has been independently reviewed by our Internal Audit team and is supported by detailed evidence of our compliance.

10. Equalities implications

10.1 There are no equalities implications arising from this report.

11. Environmental and sustainability implications

11.1 As set in the report, given the significance of this area it is intended this is reflected in our governance arrangements in future. This includes dedicated focus via the Wheatley Solutions Board coupled with a themed Board meeting during 2022.

12. Recommendations

12.1 The Board is asked to:

- 1) Note the 2021 Group Annual Assurance Statement

List of Appendices

Appendix 1 – Assurance self-assessment

Appendix 2 - Social Housing Charter outcomes

Requirements for RSLs	Self-Assessment Commentary	Evidence and sources of assurance	Self Assessment
Assurance & Notification			
Prepare an Annual Assurance Statement in accordance with our published guidance, submit it to us between April and the end of October each year, and make it available to tenants and other service users.	This year's statement takes into account the SHR's Regulatory Framework and associated guidance in relation to the preparation of Annual Assurance Statements. This includes the additional statement required in relation to equalities and human rights. Details are both clearly set out for the Board in the report seeking approval.	Our existing Assurance statement is published and available to all tenants and other service users via our own and the SHR's website.	Compliant
Notify SHR during the year of any material changes to the assurance in its Assurance Statement.	There were no material changes to the previous statement during the year	Not applicable	Not applicable
Have assurance and evidence that it is meeting all of its legal obligations associated with housing and homelessness services, equality and human rights, and tenant and resident safety.	In practical terms the Group operates a 4 Lines of Defence model that provides assurance to senior management and Board members about the operation of internal controls in place to confirm the Group's meeting legal obligations in these areas. This includes an IA function that delivers risk-based audits that test operation of Line 1 and Line 2 controls in specific areas. In these particular areas where there is defined legislation, we have Group wide policies which codify how we will meet our legislative requirements. Policies are reviewed by expert internal staff and, where appropriate, by external advisors. The Group employs sufficiently qualified individuals to effect the policies, including legal, health and safety and housing. Legal implications set out in all Board reports to ensure any obligations are identified - supported by a team of in house solicitors and external legal advisors. This area has remained under review during the pandemic to take account prevailing legislative requirements and guidance from the UK and/or Scottish Government. All Boards have been provided ongoing updates on these matters. Our Equality, Diversity and Human Rights policy and our Group Equality Impact Assessment (EIA) template ensures that we meet our legal obligations in this area, as does online training modules for staff. We have introduced a new approach to EIAs to ensure we comprehensively assess the potential impact of relevant policies/strategies/projects on the protected characteristic groups in an evidence based manner. Our Group approach to Equality, Diversity and Inclusion was recently reviewed by our Internal Audit team to assess preparations for compliance with the SHR requirements in this area. From this review, areas of good practice were identified and recommendations agreed as a pathway to meeting this requirement, which will be monitored via the Group Audit Committee. Our plans will incorporate, where appropriate, the 'Collecting Equality Information: National Guidance for Scottish Social Landlords' published by the SFHA in mid August.	Group policies and associated documents - Group Board approved Health and Safety Policy detailing legal requirements - Group Policy Framework on Advice and Letting - Group Fire Mitigation Framework - Group Anti Social Behaviour Framework (reviewed in 2021) - Group Homelessness Policy (Reviewed in December 2020) - Group Equality, Diversity and Human Rights Policy Board reporting - Group Health and Safety policy Board report, followed by update reports and specific reports relating to the pandemic - Board and Group Audit Committee update reports on Fire Safety - Board updates during the pandemic on compliance related activity - Board updates during pandemic on service levels and remobilisation relative to the then prevailing pandemic related legislation and/or restrictions - Risk appetite and analysis sections in Board reports - Strategic risk registers - Equality Implications sections in Board reports (and full EIA carried out if deemed required) Independent assurance - Internal Audit activity External assurance - engagement of independent experts on asbestos	Compliant
Notify SHR of any tenant and resident safety matters which have been reported to, or are being investigated by the Health and Safety Executive, or reports from regulatory or statutory authorities, or insurance providers, relating to safety concerns.	These circumstances have not arisen in year.		Not applicable
Make its Engagement Plan easily available and accessible to its tenants and service users, including online.	Scottish Housing Regulator Engagement Plans are available on each RSL website.	The plan can be accessed via individual RSL websites in the 'about us' and 'get involved' sections.	Compliant
Register all requirements for providing data to us with the Information Commissioner's Office as a purpose for which they are acquiring data under the Data Protection Act 2018.	Privacy Impact Statements confirm the purposes for which we hold and use data, including for regulatory requirements. All RSLs are registered with ICO.	ICO registration is verifiable via its website.	Compliant
Scottish Social Housing Charter Performance			
Submit an Annual Return on the Charter to us each year in accordance with our published guidance.	The Annual Return requires to be submitted via the SHR Portal. The ARC return is reviewed and agreed by relevant Boards and reviewed internally against the SHR technical guidance.	The SHR Portal documents receipt of our ARC return and the SHR also publishes our Charter return on their website.	Compliant
Involve tenants, and where relevant other service users, in the preparation and scrutiny of performance information. It must: - agree its approach with tenants - ensure that it is effective and meaningful – that the chosen approach gives tenants a real and demonstrable say in the assessment of performance - publicise the approach to tenants - ensure that it can be verified and be able to show that the agreed approach to involving tenants has happened - involve other service users in an appropriate way, having asked and had regard to their needs and wishes.	At the most senior level, we have tenants on our Boards. The ongoing level of involvement of our Local Committees, Registered Tenant Organisations, and Communities of Interest has been impacted for part of the year by the pandemic, however the approach itself is established and embedded. We engage with our Tenant Scrutiny Panel on a bi-monthly basis. The Panel was recently involved in the preparation of our Annual Report to Tenants, provided their comments in consultation regarding the Charter 5-year review and provided valuable feedback as we developed our new draft Customer Value performance measures. We have also begun implementation of our new engagement framework which further involves our customers in the scrutiny of our performance and in our decision-making to ensure our services are co-created to truly reflect their needs. This is being enabled through the recruitment of our new Stronger Voices team. Importantly, we are consulting all tenants on our proposed engagement approach.	Governance Framework - RSL constitutions reserving Board places to tenant members - Tenant Scrutiny Panel Terms of Reference Board/Committee/Forum discussions and reporting - Group Scrutiny Panel meeting agendas External - Quality Scotland external independent support provided to Group Scrutiny Panel Other - RSL websites publicly set out the report - Stronger Voices, Stronger Communities - Group Engagement Framework	Compliant
Report its performance in achieving or progressing towards the Charter outcomes and standards to its tenants and other service users (no later than October each year). It must agree the format of performance reporting with tenants, ensuring that it is accessible for tenants and other service users, with plain and jargon-free language.	We publish an annual report to tenants, the format of which has been agreed by Boards and the Group Scrutiny Panel. This year's report was issued in line with the SHR Regulatory Framework.	Prior year published Annual Report to Tenants in October 2020.	Compliant
When reporting its performance to tenants and other service users it must: - provide them with an assessment of performance in delivering each of the Charter outcomes and standards which are relevant to the landlord - include relevant comparisons – these should include comparisons with previous years, with other landlords and with national performance - set out how and when the landlord intends to address areas for improvement - give tenants and other service users a way to feed back their views on the style and form of the reporting.	Included in the last Annual Report to Tenants and will be incorporated in this year's, due by the end of October. The relevant comparisons will be dependent on the availability ARC performance data for the sector.	Annual Report to Tenants issued in December 2020.	Compliant
Make the SHR report on performance easily available to its tenants, including online.	This is published via our website	Performance published on RSL websites (Home/About us/How we do business/Performance)	Compliant
Whistleblowing			
Have effective arrangements and a policy for whistleblowing by staff and governing body/elected members which it makes easily available and which it promotes.	We have a Group Whistleblowing policy in place. The policy is easily available to all staff on our intranet. The review of the policy is reserved to the Group Audit Committee.	Governance Framework Group Whistleblowing Policy Committee reporting Audit Committee report and minute of discussion and approval of whistleblowing policy	Compliant
Tenants and service users redress			
Make information on reporting significant performance failures, including our leaflet, available to its tenants.	We have a link to the significant performance failure SHR leaflet available on all RSL websites (contact us/complaints and compliments) The SHR leaflet also available in Local Housing Offices as part of the core leaflet suite	RSL Websites (Contact us/complaints and compliments) Complaints handling procedure on websites (publication scheme) RSL Social Media (Contact us) RSL Complaints Leaflets (make reference to significant performance failures)	Compliant
Provide tenants and other service users with the information they need to exercise their right to complain and seek redress, and respond to tenants within the timescales outlined in its service standards, in accordance with guidance from the Scottish Public Services Ombudsman (SPSO).	The Group Complaints Policy is based on and complies with SPSO guidance. All Boards are made aware that SPSO guidance applies to the complaints handling. Our complaints procedure is set out on RSL websites, our complaints leaflet is available in Local Housing Offices as part of the suite of core leaflets	Group Complaints Policy Board report and record of Board approval Complaints Leaflets RSL Websites (Contact us/complaints and compliments)	Compliant
Ensure it has effective arrangements to learn from complaints and from other tenant and service user feedback, in accordance with SPSO guidance.	Our complaints policy builds in requirement to review and Boards routinely updated on this. Boards received bi-annual updates on complaints and what lessons we are learning from them. This performance data and analysis is also published on the website. There is a lessons learned field within ASTRA which should be completed to record lessons learned for every complaint received. New complaints reports will capture lessons learned and allow for further analysis of lessons learned including the information recorded by staff within Astra. The standard Board bi-annual report has been delayed post pandemic as business has focussed on more essential activity however complaints performance has remained under review.	Policy - Group Complaints policy Reporting and monitoring - Board performance reports which include measure on complaints handling Public reporting - Complaints data published on RSL Websites - link on performance page to published board reports containing performance information Other - ASTRA	Compliant
Equality and Human Rights			
Have assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of internal and external policies, and in its day-to-day service delivery.	The SHR has worked with representative bodies, the Equalities and Human Rights Commission, and Scottish Human Rights Commission ("SHRC") to develop a 'guidance framework' for the collection of equality data. The impact of the pandemic led to this guidance being delayed and as was only published on 19 August 2021. We are integrating the recently published guidance with the existing plans already reflected in the recent Internal Audit advisory review. In advance of the guidance, we have already taken a number of steps to strengthen our approach and the implementation of our Equality, Diversity and Human Rights policy. This included engaging external expertise via IoD Scotland to support the robust implementation of this policy. We have taken steps to strengthen our organisational approach towards equality, diversity and inclusion, including a communications campaign to raise staff awareness and highly publicised staff training. We have also implemented a more comprehensive, robust Group-wide approach towards Equality Impact Assessments to ensure we thoroughly consider the impact of our decisions, policies and service on the protected characteristic groups and remain compliant with equalities legislation. Equalities is an area our Boards have indicated a desire for increased visibility. To reflect this it a topic included in our	Policy - Group Equality, Diversity and Human Rights Policy - Review of all HR policies by Burness-Paul to ensure inclusive content and language Reporting and monitoring - Internal Audit Advisory review of equalities and human rights - Equalities Implications section included in Board reports (And EIA carried out if deemed required, for example the Group Homelessness policy) Other - Comprehensive Equality Impact Assessments, accompanied by training and guidance - Staff Training - Equality, Diversity and Inclusion - Awareness raising through blogs and videos on intranet - Number of Equality, Diversity and Inclusion internal initiatives by People Services Team - Equality, Diversity and Inclusion/EIA training included in our Board CPD Programme, to be delivered by external expert	Compliant

<p>To comply with these duties, landlords must collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting lists, governing body members and staff. Local authorities must also collect data on protected characteristics for people who apply to them as homeless. Landlords who provide Gypsy/Traveller sites must collect data on protected characteristics for these service users.</p>	<p>Board CPD Programme for 2022, which was developed based on feedback from Board members across the group.</p> <p>Our People Services Team have progressed with a number of Equality, Diversity and Inclusion initiatives including an external review of all HR policies to ensure these are inclusive in language and content.</p> <p>In addition to this, an Internal Audit Advisory review considered our wider organisational approach to equalities and human rights. This review was an opportunity to consider our plans and preparation, with added value input from Internal Audit.</p>		
<p>Requirements for RSLs Only</p>			
<p>Each RSL Must:</p>			
<p>Comply with the Standards of Governance and Financial Management and associated statutory guidance.</p>	<p>See commentary and evidence provided for each of the seven standards of governance and financial management.</p>		
<p>Comply with, and submit information to us in accordance with, our guidance on:</p> <ul style="list-style-type: none"> - notifiable events - group structures - consulting tenants where tenant consent is required - financial viability of RSLs: information requirements - determination of accounting requirements - preparation of financial statements. 	<p>See commentary and evidence provided for each of the seven standards of governance and financial management.</p>	<p>Landlord Portal</p>	
<p>Keep up to date organisational details in the Register of Social Landlords, by maintaining the information provided through the Landlord Portal.</p>	<p>Organisational details up-to-date and regularly maintained via the SHR Landlord Portal</p> <p>All updates are monitored by Company Secretary and control checks are in place, specifically the portal is reviewed and updated monthly and after every Board cycle</p>	<p>Landlord Portal SHR Website</p>	<p>Compliant</p>
<p>Make publicly available, including online, up to date details of:</p> <ul style="list-style-type: none"> - who is on its governing body - the date when they first became a member/office holder - how to become a member of the RSL and of the governing body, and - minutes of governing body meetings. 	<p>About us section of RSL websites includes information about who is on the governing body and the date they first became an office holder.</p> <p>The 'getting involved' section of each RSL website sets out how to become a member of the RSL (where applicable).</p> <p>The Associations are required to send intimation of the intended date of the Annual General Meeting and information on the nomination procedure for Board Members to all our Members not less than 28 days before the Annual General Meeting.</p>	<p>RSL websites - 'about us' and 'get involved' sections. Published membership policy via website Published minutes via website</p>	<p>Compliant</p>

Regulatory Standards of Governance and Financial Management	Self-Assessment Commentary	Evidence and sources of assurance	Self Assessment
Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.			
1.1 The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's business plan to achieve its purpose and intended outcomes for its tenants and other service users.	The Group Standing Orders formally define the Board's role in this regard, with the approval of the strategy (strategic direction) and business plan reserved to Boards for approval. The business plan is always considered within the context of outcomes it contributes to achieving for tenants and its implementation is overseen by the budget and finance reports monitored thereafter. We have also additionally reflected on our 5 year strategy since the onset of the pandemic over the course of a number of Board workshops, where the impact on tenants has been at the forefront. Following the review and agreement by the Group Board, we have subsequently begun implementation of the revised 5 year strategy, Your Home, Your Community, Your Future.	Governance Framework - Group Standing Orders - Governing Body Members Handbook Board discussions and reporting - Board strategy workshop materials - Board reports on strategy development process and associated minutes - Board report on business plan and associated minuted confirming Board approval - Board reports detailing implications for financial projections during pandemic External validation/corroboration - Campbell Tickell 2018 governance review findings - Campbell Tickell 2021 governance review - Campbell Tickell 2021 Pandemic Response review	Compliant
1.2 The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.	The Group Standing Orders detail respective roles and responsibilities of the Group and subsidiary Boards in the Group Authorising Framework (GAF) and the Group Authorise, Manage, Monitor Matrix (GAMM) as well as detailing the Scheme of Financial Delegation and delegations to Group CEO. Board member roles and responsibilities are set out in the Standing Orders and the Governing Body Member Handbook.	Governance Framework - Group Standing Orders - Governing Body Members Handbook External validation - Campbell Tickell governance review - IIP Accreditation - Campbell Tickell 2021 governance review - Campbell Tickell 2021 Pandemic Response review	Compliant
1.3 The governing body ensures the RSL complies with its constitution and its legal obligations. Its constitution adheres to these Standards and the constitutional requirements set out below.	The RSLs are appropriately constituted and the Group Standing Orders set out effective decision making processes. Board minutes and reports will provide details of how constitutional compliance is ensured where applicable.	Governance Framework - Individual entity constitutions - Group Standing Orders - Board report template External validation - External legal advisor engagement in the process of drafting and revising constitutions	Compliant
1.4 All governing body members accept collective responsibility for their decisions.	This is enshrined in the Code of Conduct as a requirement and re-emphasised in the governing body member handbook. No governing body members have breached the code of conduct in this regard, as such no action has been taken.	No issues raised or identified during the year of a Board member not accepting collective responsibility Board appraisal forms and interviews - issue not raised Signed Codes of Conduct	Compliant
1.5 All governing body members and senior officers understand their respective roles, and working relationships are constructive, professional and effective.	The respective roles are set out in the Group Standing Orders and reinforced by the Governing Body Members Handbook which sets out roles clearly and is explicit about the distinction between the role of management and the role of the Board. A comprehensive induction programme is in place, with discussion about the role of the Board and Management. This area is also explored and tested as part of the annual appraisal process.	Governance Framework - Recruitment and Selection Process and Induction Programme - Group Standing Orders - Governing Body Members Handbook - Governing Board Members Appraisal Policy External Validation - Campbell Tickell interviews with Board members as part of previous governance review - IoD interviews as part of Board effectiveness	Compliant
1.6 Each governing body member always acts in the best interests of the RSL and its tenants and service users, and does not place any personal or other interest ahead of their primary duty to the RSL.	The Standing Orders set out clearly the relationship between the parent Board and subsidiaries and the division of responsibilities. All Board Members are required to sign the Code of Conduct and complete a Governing Body Member Declaration of Interests form which covers this and the organisation maintains a register of interests. There is a standing Board meeting agenda item regarding declaration of interests. Board appraisal has a specific question regarding decision making being in the best interests and no issues have been identified regarding independence of decision making.	Governance Framework Board Code of Conduct Group Standing Orders Arrangements in place in respect of conflicts and declarations of interest - standard Board agenda item and Register of Interests form Other Annual Board appraisal - no issues raised by any Chair or Board member	Compliant
1.7 The RSL maintains its independence by conducting its affairs without control, undue reference to or influence by any other body (unless it is constituted as the subsidiary of another body).	The Group Standing Orders set out clearly the relationship between the parent Board and subsidiaries and the division of responsibilities. The composition of the Board is such that no other body exercises undue control or influence over the group and this is formally documented in Intra Group Agreements The requirement to act in the best interests of the group is reflected in the Group Code of Conduct. All Board Members complete a Governing Body Member Declaration which covers this and the organisation maintains a register of interests.	Governance Framework Group Code of Conduct Register of Interests form Group Standing Orders Arrangements in place in respect of conflicts and declarations of interest Intra Group Agreement External validation Independent legal advice for RSL subs on Intra Group Agreement with Parent and on relevant transactions eg MMR stock disposal and GHAI lowther equity	Compliant
Standard 2 The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities. Guidance			
2.1 The RSL gives tenants, service users and other stakeholders information that meets their needs about the RSL, its services, its performance and its future plans.	Each RSL within the group has a website which includes an 'Access to Information' section and a Publication Scheme. This explains clearly and comprehensively what information is available (with links) and how to obtain information which is not published, including fees applicable. Provided via a combination of: - Website - annual report to tenants - newsletters - consultations We ask tenants as part of our Tenant Satisfaction Survey what tenants think about being kept informed.	Publications Subsidiary and group websites Tenants newsletters (e.g. The Key) Information on performance, future plans eg investment and satisfaction results published on websites Annual Report to Tenants External validation BMG Tenant Satisfaction survey	Compliant
2.2 The governing body recognises it is accountable to its tenants, and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages its accountabilities.	Governing Body Handbook recognise the Group's governing bodies' accountability to tenants and service users (section regarding the role of the Board). Each RSL subsidiary publishes an Annual Report to Tenants, setting out how it has performed. Our Publication Scheme ensures that we provide a significant amount of information, supporting accountability.	Governance Framework Governing Body Members Handbook Annual Report to Tenants Wheatley Group Annual Report and Financial Statements Subsidiary and group websites (investor relations section of website gives information on use of funds, including public funds) Group Code of Conduct Group Engagement Framework	Compliant
2.3 The governing body is open and transparent about what it does, publishes information about its activities and, wherever possible, agrees to requests for information about the work of the governing body and the RSL.	We are committed to being transparent and open about the way we work, the services we provide and the decisions we make. One of the ways we do this is through our publications scheme under The Freedom of Information (Scotland) Act 2002. We are bound by the Environmental Information (Scotland) Regulations 2004 which gives the public the right to access environmental information we hold.	EVIDENCE: Provided via a combination of: - Website - Annual Report to Tenants - newsletters	Compliant
2.4 The RSL seeks out the needs, priorities, views and aspirations of tenants, service users and stakeholders. The governing body takes account of this information in its strategies, plans and decisions.	We are implementing our new 2021-2026 Group Strategy, as well as our 2021-2026 subsidiary strategies. These seek to give tenants more power and control to effect changes in the organisation directly, and have increased involvement in decision making. As part of our updated Performance Management Framework for our new strategy period, we engaged with our Tenant Scrutiny Panel to seek their feedback on our new Customer Value Measures. These views were then presented to the Board before the initial phase of measures were agreed. Our Engagement Framework incorporates a variety of ways customers are engaged across the group to shape what the group does. We do this via a combination of: - Stronger Voices team - community governance structures - locality planning - use of complaints - annual satisfaction surveys - consultations - tenant members on boards representing service user views Tenant board members bring customer insight to strategic decision making. The Locality Plans have been developed through engagement with customers and stakeholders. The Group operates customer segmentation to understand their customer base and shape services accordingly.	External validation - Staff satisfaction surveys and results - Meetings between senior management and stakeholders - Direct Board engagement with key stakeholders eg Housing Minister - BMG independently facilitated rent setting workshops for 2020/21 rent setting process Decision making - Annual Board strategy workshop briefing packs detailing background information - Board composition includes tenants - builds in feedback at decision making point - Board report on rent setting - documents extensive consultation feedback Board reporting and monitoring - ongoing Board reports on key areas of tenant feedback, including complaints - customer engagement section included in Board reports Engagement Framework - Locality plans, including the range of engagement and feedback events facilitated during the process	Compliant
2.5 The RSL is open, co-operative, and engages effectively with all its regulators and funders, notifying them of anything that may affect its ability to fulfil its obligations. It informs the Scottish Housing Regulator about any significant events such as a major issue, event or change as set out and required in notifiable events guidance.	We have high engagement and as such meet the SHR on a regular basis as well as having an ongoing line of communication. Regular meetings held with Funders. We notify SHR of 'Notifiable Events' in accordance with requirements of SHR Notifiable Events guidance.	SHR Quarterly Meeting agendas Funder meeting agendas Group Engagement Plan - published by WHG and SHR	Compliant
Standard 3 The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay. Guidance			

<p>3.1 The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times.</p>	<p>The Standing Orders set out clear financial delegations and there is an appropriate Treasury Management Policy in place. The Treasury Management policy was reviewed and refined this year and financial information is regularly reported to the Board including compliance with golden rules and covenants.</p> <p>In addition to this we regularly report to Boards and have an extensive discussion each year on financial projections and treasury management, including liquidity. This has been heightened during the pandemic, with scenario testing on potential adverse Covid-19 impacts undertaken and reported to Boards.</p>	<p>External validation</p> <ul style="list-style-type: none"> - Review by Rathbones of core business planning assumptions - Group Treasury Management Policy was reviewed by our external treasury advisors - External audit process <p>Governance and Policy Framework</p> <ul style="list-style-type: none"> - Treasury Management Policy - Group Value for Money framework - Group Whistleblowing Policy - Fraud, Corruption and Bribery Policy - Group Standing Orders including financial delegations <p>Ongoing reporting</p> <ul style="list-style-type: none"> - Quarterly treasury report to Group Board on funding requirements and liquidity - Covenant compliance - Internal Audit core programme of auditing key financial controls - Finance reports to Boards 	<p>Compliant</p>
<p>3.2 The governing body fully understands the implications of the treasury management strategy it adopts, ensures this is in the best interests of the RSL and that it understands the associated risks.</p>	<p>There is a suitable treasury management policy in place, which was reviewed by the Board during the last 6 months.</p> <p>The Board skills matrix is takes into account the need for membership to include Non-Executives with relevant skills and experience in this area.</p> <p>Boards routinely seek sufficient external independent guidance to ensure its decisions are in our best interest, with significant input from external legal advisors.</p>	<p>Board membership</p> <ul style="list-style-type: none"> -The Board succession planning specifically seeks to ensure we have individuals with skills and experience in this area <p>Policy Framework</p> <ul style="list-style-type: none"> - Treasury Management Policy - Quarterly treasury update to Wheatley Group Board <p>External validation</p> <ul style="list-style-type: none"> -Treasury Management CPD Session (Rathbones) held on 31 October 2018 (slides from session) - Extensive external legal advice on any major funding transactions, specifically in relation to the risks 	<p>Compliant</p>
<p>3.3 The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively. The RSL considers sufficiently the financial implications of risks to the delivery of plans.</p>	<p>Business planning process takes into account a wide range of variables, which are reflected in Board reports eg sensitivity testing, assumptions. These were reviewed and tested during the pandemic to reflect the change in risk profile.</p> <p>Financial performance is reported to Board as a standing item detailing performance relative to business plans and budgets.</p> <p>Reports to the Board on financial projections as part of the business planning process set out comprehensive and clearly explained information including appropriate context, detailed financial projections and details of projected compliance with golden rules and covenants.</p> <p>Minutes demonstrate a good level of Board engagement with financial projection reporting. Regular reporting to Board provides clear information about financial performance across the group including all subsidiaries as well as performance against covenants and golden rules.</p>	<p>External validation</p> <ul style="list-style-type: none"> - Independent Quality Review of Internal Audit by PwC <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Annual stress testing of business plan as part of Board approval process - Pandemic specific scenario testing on financial projections - Risk register considered by the Group Audit Committee at every meeting and by each Board periodically - Comprehensive review of risk register by Group Audit Committee and Group Board during pandemic - report and associated minutes - Board reports regarding Financial Performance - Treasury management reports 	<p>Compliant</p>
<p>3.4 The governing body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what tenants can afford to pay and feedback from consultation with tenants on rent increases.</p>	<p>Our assumptions are validated externally where appropriate and always subject to sensitivity analysis. As part of agreeing our financial projections each year the rent increase is subject to specific separate report which takes into account affordability for tenants.</p>	<p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board reports regarding Financial Performance and Financial Projections - Report to Group Board on treasury update and policy - Financial performance report to Group Board and Subsidiary Board meeting - Minutes of Group and Subsidiary Board meetings - Risk Registers -Tenant rent setting consultation results 	<p>Compliant</p>
<p>3.5 The RSL monitors, reports on and complies with any covenants it has agreed with funders. The governing body assesses the risks of these not being complied with and takes appropriate action to mitigate and manage them.</p>	<p>We have an on-going process and report compliance as part of finance report to Group Board in addition to projected compliance being a consideration when assessing and agreeing our financial projections.</p>	<p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Financial performance and treasury reports to Group Board - Report to Boards on financial projections 	<p>Compliant</p>
<p>3.6 The governing body ensures that employee salaries, benefits and its pension offerings are at a level that is sufficient to ensure the appropriate quality of staff to run the organisation successfully, but which is affordable and not more than is necessary for this purpose.</p>	<p>All staff gradings are subject to an internal assessment using defined criteria by Employee Relations.</p> <p>The pension arrangements are routinely reviewed by the Board/RAAG and this included changes for auto enrolment to not offer SPF to all incoming employees. This was on the basis that it was not necessary to attract employees.</p> <p>Overall staffing costs and their impact are considered as part of the financial projections.</p>	<p>Governance Framework</p> <ul style="list-style-type: none"> - Group Standing Orders <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Confidential minute of RAAG report to Board on Chief Executive's remuneration - Financial projections - Dual pension arrangements in place for GHA 	<p>Compliant</p>
<p>3.7 The governing body ensures the RSL provides accurate and timely statutory and regulatory financial returns to the Scottish Housing Regulator. The governing body assures itself that it has evidence the data is accurate before signing it off.</p>	<p>All returns are submitted to the SHR. Where appropriate, Regulatory returns (such as 5 year financial projections, loan portfolio) are included on the agendas for all RSL Board meetings in May. The same is also true of the Annual Return on the Charter (also May.) Governing Body requires formal Board reports to be provided with clear recommendations about sign-off.</p>	<p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board papers and agendas 	<p>Compliant</p>
<p>Standard 4 The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p>			
<p>Guidance 4.1 The governing body ensures it receives good quality information and advice from staff and, where necessary, expert independent advisers, that is timely and appropriate to its strategic role and decisions. The governing body is able to evidence any of its decisions.</p>	<p>Board reports are structured in a Board approved standard format with specific headings to ensure appropriate information is contained in key areas such as finance, risk and legal/regulatory.</p> <p>Board feedback on reports is received during meetings as well as part of the annual Board appraisal.</p>	<p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board reporting template - Board meeting papers - Board and Committee minutes <p>Governance Framework</p> <ul style="list-style-type: none"> - Group Standing Orders and Scheme of Delegation <p>External Assurance</p> <ul style="list-style-type: none"> - Campbell Tickell review of governance arrangements, including the quality of Board papers. 	<p>Compliant</p>
<p>4.2 The governing body challenges and holds the senior officer to account for their performance in achieving the RSL's purpose and objectives.</p>	<p>This is primarily discharged via Board meetings.</p>	<p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board Reports and associated minutes 	<p>Compliant</p>
<p>4.3 The governing body identifies risks that might prevent it from achieving the RSL's purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.</p>	<p>We have a clearly defined risk management framework. This is reviewed on an ongoing basis. Risk analysis is a specific element of all Board papers and therefore embedded in our decision making at Board level.</p> <p>Where there is a particular risk there is an enhanced level of Board reporting on specific risks as has been in place throughout the pandemic.</p>	<p>Group policies</p> <ul style="list-style-type: none"> - Risk management policy <p>Governance framework</p> <ul style="list-style-type: none"> - Group Standing Orders and Audit Committee Terms of Reference <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Reports to Group Audit Committee and all RSL Boards - Minutes relative to the above 	<p>Compliant</p>

<p>4.4 Where the RSL is the parent within a group structure it fulfils its responsibilities as required in our group structures guidance to: (a) control the activities of, and manage risks arising from, its subsidiaries; (b) ensure appropriate use of funds within the group; (c) manage and mitigate risk to the core business; and (d) uphold strong standards of governance and protect the reputation of the group for investment and other purposes.</p>	<p>The role and controls of the Parent are codified in all subsidiary constitutions, along with the roles and responsibilities set out in Intra Group agreements and the Group Standing Order.</p> <p>Examples of this include Parent approval rights over areas such as Board appointments, constitutional changes, policy and funding.</p> <p>In addition to this, our standard reporting arrangements are such that the Group Board always receives Group wide performance information as well as details of any material issues at individual subsidiary level.</p>	<p>Governance Framework</p> <ul style="list-style-type: none"> - Constitutions - Group Standing Orders - Intra Group Agreement <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board packs 	<p>Compliant</p>
<p>4.5 The RSL has an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. It has arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that it meets its assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where the RSL does not have an audit committee, it has alternative arrangements in place to ensure that the functions normally provided by a committee are discharged.</p>	<p>We have a clearly established Group Audit Committee with a remit including oversight of internal audit.</p> <p>The IA team is required to have an External Quality Assessment at least every 5 years to give the AC assurance on the quality and effectiveness of the Internal Audit function. (Last completed in 2015 and 2018)</p>	<p>Governance framework</p> <ul style="list-style-type: none"> - Audit Committee Terms of Reference <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Assurance Update Board Reports - Group Audit Committee reports <p>External</p> <ul style="list-style-type: none"> - IA EQA 	<p>Compliant</p>
<p>4.6 The governing body has formal and transparent arrangements for maintaining an appropriate relationship with the RSL's external auditor and its internal auditor.</p>	<p>This is clearly defined via the Group Standing Orders, mainly within the purview of the Group Audit Committee</p>	<p>Governance framework</p> <ul style="list-style-type: none"> - Audit Committee Terms of Reference 	<p>Compliant</p>
<p>Standard 5 The RSL conducts its affairs with honesty and integrity.</p> <p>Guidance</p>			
<p>5.1 The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector.</p>	<p>The Wheatley Group Code of Conduct sets out expectations.</p> <p>Staff are also bound by the Code of Conduct and HR Policies. We have a Whistleblowing Policy and Anti-fraud, Corruption and Bribery Policy.</p> <p>This has been strengthened for the Group Board via stronger provisions for dealing with any suspected breaches, with the power now in place to enforce vacation of office.</p>	<p>Governance framework</p> <ul style="list-style-type: none"> - Group Standing Orders - Group Code of Conduct (governing body and staff) - Whistleblowing policy 	<p>Compliant</p>
<p>5.2 The RSL upholds and promotes the standards of behaviour and conduct it expects of governing body members and staff through an appropriate code of conduct. It manages governing body members' performance, ensures compliance and has a robust system to deal with any breach of the code.</p>	<p>We operate a Group Code of Conduct which all members are required to sign up to. It includes arrangements to deal with any breach of the code. An appraisal system is in place to manage governing body performance. Similar arrangements are in place for staff via HR policies and the Staff code of conduct.</p>	<p>Governance framework</p> <ul style="list-style-type: none"> - Group Code of Conduct and Conflicts Policy - Governing Body Appraisal Policy 	<p>Compliant</p>
<p>5.3 The RSL pays due regard to the need to eliminate discrimination, advance equality and human rights, and foster good relations across the range of protected characteristics in all areas of its work, including its governance arrangements.</p>	<p>Our leaders empower all employees to live the Wheatley Group values; Trust, Community, Excellence and Ambition. The values are integrated into the My Contribution appraisal process.</p> <p>This is also embedded in our HR policies and in our governance arrangements through Equality Impact Assessments.</p>	<p>Group policies and associated documents</p> <ul style="list-style-type: none"> - Wheatley Group Values - HR policies including Dignity at Work and Employee Code of Conduct - Group Governing Body Member Code of Conduct and Conflicts Policy - Group Equality, Diversity and Human Rights policy 	<p>Compliant</p>
<p>5.4 Governing body members and staff declare and manage openly and appropriately any conflicts of interest and ensure they do not benefit improperly from their position.</p>	<p>We operate a register of interests and declarations of interest is a standing item on Board meeting agendas.</p>	<p>Group policies and associated documents</p> <ul style="list-style-type: none"> - Group Code of Conduct - Group Conflicts of Interest Policy - Register of Interests form - Group policy on gifts, hospitality, payments and benefits <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Minutes of Board meetings - Example of standing item on Board meeting agendas 	<p>Compliant</p>
<p>5.5 The governing body is responsible for the management, support, remuneration and appraisal of the RSL's senior officer and obtains independent, professional advice on matters where it would be inappropriate for the senior officer to provide advice.</p>	<p>Group CEO appraisal is undertaken by Group Chairman and remuneration levels are set by the Board based on previous SHR Recommended practice such as relevant benchmarking and metrics such as pay per home.</p> <p>The Board accesses independent professional advice and holds discussions without the Group Chief Executive where appropriate.</p>	<p>Group governance framework</p> <ul style="list-style-type: none"> - Group Standing Orders <p>Board reporting</p> <ul style="list-style-type: none"> - Reports to RAAG Committee and Group Board on Group CEO terms and conditions. 	<p>Compliant</p>
<p>5.6 There are clear procedures for employees and governing body members to raise concerns or whistleblow if they believe there has been fraud, corruption or other wrongdoing within the RSL.</p>	<p>We have specific Whistleblowing and Fraud, Bribery and Corruption Policies in place, approved by the Group Audit Committee.</p>	<p>Group policies</p> <ul style="list-style-type: none"> - Group Whistleblowing policy - Group Fraud, Corruption and Bribery policy 	<p>Compliant</p>
<p>5.7 Severance payments are only made in accordance with a clear policy which is approved by the governing body, is consistently applied and in accordance with contractual obligations. Such payments are monitored by the governing body to ensure the payment represents value for money. Alternatives to severance must be considered including redeployment.</p>	<p>Our existing approach to ER/VR consists of two elements: our individual policies on Early Retirement and Redundancy and affordability criteria we apply agreeing any form of what may be classified as a 'severance payment'.</p> <p>We engage external legal advice in relation to any settlement agreements.</p>	<p>Group policies and associated documents</p> <ul style="list-style-type: none"> - Policies on redeployment, redundancy and early retirement linked to redundancy (GHA, Cube, Loretto, WLHP, and Dunedin Canmore) - Legal Advice regarding severance 	<p>Compliant</p>
<p>5.8 Where a severance payment is accompanied by a settlement agreement this must not be used to limit public accountability or whistleblowing. RSLs must take professional legal advice before entering into a settlement agreement.</p>			<p>Compliant</p>
<p>Standard 6 The governing body and senior officers have the skills and knowledge they need to be effective.</p> <p>Guidance</p>			
<p>6.1 The RSL has a formal, rigorous and transparent process for the election, appointment and recruitment of governing body members. The RSL 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.</p>	<p>We have undertaken a comprehensive review of our succession plans in light of the pandemic to ensure we maintain an appropriate and effective composition.</p> <p>Recruitment vacancies are always advertised and subject to:</p> <ul style="list-style-type: none"> - the process set out in constitutions - recruitment policy - RAAG committee agreement <p>The Board undertake an annual appraisal process.</p>	<p>Group governance framework</p> <ul style="list-style-type: none"> - Group Standing Orders Appendix 3A Governing Body Recruitment Policy and Procedures - Group Standing Orders [Appendix 3B Governing Body Appraisal Policy and Group Succession Planning Policy - Sub Board skills matrices and succession plans 	<p>Compliant</p>
<p>6.2 The governing body annually assesses the skills, knowledge, diversity and objectivity it needs to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, deliver good tenant outcomes, and manage its affairs. It assesses what is contributed by continuing governing body members, and what gaps there are that need to be filled.</p>	<p>Annual appraisal is in place and the policy includes self assessment together with a 1-2-1 review with Chair to evaluate performance. The Group has an appropriate Succession Planning Policy in place.</p>	<p>Group governance framework</p> <ul style="list-style-type: none"> - Constitutions - Group Standing Orders [1 - Appendix 3B Governing Body Appraisal Policy and Group Succession Planning Policy] <p>Board reporting and monitoring</p> <ul style="list-style-type: none"> - Board appraisal report to Group Board; - RSL Board Succession Plans - Board induction process - Subsidiary Board reports on appraisal and succession 	<p>Compliant</p>

6.3 The RSL ensures that all governing body members are subject to annual performance reviews to assess their contribution and effectiveness. The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans. The governing body ensures that any non-executive member seeking re-election after nine years' continuous service can demonstrate their continued effectiveness.	An annual appraisal process is in place and the policy includes self assessment together with a 1-2-1 review with the Chair to evaluate performance. During last year we reappointed a small number of Non-Executives beyond 9 year's service. In agreeing this the Board specifically gave consideration to the individual's ongoing effectiveness and independence.	Group governance framework - Constitutions - Group Standing Orders [1 - Appendix 3B Governing Body Appraisal Policy and Group Succession Planning Policy] - Board induction process - Board CPD Programme Board reporting and monitoring - Board appraisal report to Group Board; - 3-year Succession Plans including specific agreement to extend beyond 9 years and assessment of continued effectiveness to support this	Compliant
6.4 The RSL encourages as diverse a membership as is compatible with its constitution and actively engages its membership in the process for filling vacancies on the governing body.	Our approach was reviewed last year and agreed by all relevant Boards taking into account this Regulatory Standard	Group policies - Membership Policies Group governance framework - Constitutions Board reporting - reports to individual Boards regarding membership changes and assessing compliance with this standard as part of the changes agreed	Compliant
6.5 The RSL ensures all new governing body members receive an effective induction programme to enable them to fully understand and exercise their governance responsibilities. Existing governing body members are given ongoing support and training to gain, or refresh, skills and expertise and sustain their continued effectiveness.	We have a structured approach to board induction and CPD. In addition to this, we take into account operating context, with tailored CPD delivered during the pandemic on virtual meetings.	Induction and training - Induction process - CPD programme - Institute of Directors (IoD) induction programme session on the Role of a Non-Exec Director	Compliant
6.6 If the governing body decides to pay any of its non-executive members then it has a policy framework to demonstrate clearly how paying its members will enhance decision-making, strengthen accountability and ownership of decisions, improve overall the quality of good governance and financial management and deliver value for money.	The Group Governing Body Remuneration Policy sets out the Group's approach to remuneration - which is to remunerate non-executive positions in order to attract and retain those with the right talents, skills and experience. The remuneration is based on a number of principles, which are set out in the Policy.	Group policy framework - Governing Body Remuneration Policy - Governing Body Member Remuneration Benchmarking Report Board reporting and monitoring - Board reports	Compliant
6.7 The governing body is satisfied that the senior officer has the necessary skills and knowledge to do his/her job. The governing body sets the senior officer's objectives, oversees performance, ensures annual performance appraisal, and requires continuous professional development.	This is overseen via the Group Chair, who undertakes and annual appraisal of the Group Chief Executive and provides feedback to the Group RAAG Committee and Group Board.	Board reporting and monitoring - Confidential minutes of RAAG report to Group Board.	Compliant
Standard 7 The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants. Guidance			
7.1 The governing body discusses and scrutinises any proposal for organisational change and ensures that the proposal will benefit current and future tenants.	The Cube transfer was reviewed and approved by the Cube, Loretto Housing, GHA and Group Boards taking into account the implications for tenants.	Board reporting and monitoring - Board reports - Board minutes	Compliant
7.2 The RSL ensures that its governance structures are as simple as possible, clear and allow it to meet the Standards of Governance & Financial Management, Constitutional Requirements, and Group Structures guidance.	We operate a relatively flat and simple corporate structure. Governance Review with advice from Campbell Tickell, supports recent decision to rationalise the Group by dispersing activities of Cube and ultimately winding one entity up. We have now also agreed to consider the Group structure further as part of the governance strategic review. Intra-group agreements are in place between the parent and each subsidiary.	Group governance framework - Group Standing Orders - Intra-Group Agreements External validation - Campbell Tickell Governance review Board reporting and monitoring - Board packs	Compliant
7.3 The RSL ensures adequate consultation with, and support from, key stakeholders including tenants, members, funders (who may need to give specific approval) and local authorities as well as other regulators.	The Cube change involved significant engagement with key stakeholders, including Local Authorities and customers.	Board reporting and monitoring - Board reports Other - Exchanges with Local Authorities and customers	
7.4 The governing body is satisfied that the new (or changed) organisation will be financially viable, efficient and will provide good outcomes for tenants.	This was assessed fully in relation to Cube, as well as the Barony that occurred last year. In the case of DGHP this was pre Group.	Board reporting and monitoring - Board reports - Board minutes	
7.5 The RSL establishes robust monitoring systems to ensure that delivery of the objective of the change and of commitments made to tenants are achieved (for example in relation to service standards, operating costs and investment levels).	This applies within the Cube, Barony and DGHP context. We have clear monitoring arrangements in place for ensuring commitments to tenants are monitored and delivered. These will also be reported to the relevant Boards on an ongoing basis. As the more significant change, the DGHP commitments are reported at DGHP and Group Board level as part of the Transformation Programme	Board reporting - Reports to DGHP and Group Boards - Reports to WLHP and DCH Boards on Barony tenant commitments such as rent increase levels - Reports to GHA and Loretto Boards on Cube tenant commitments such as rent increase levels	Compliant
7.6 Charitable RSLs seek consent/ notify OSCR of changes to their constitution and other changes as appropriate.	OSCR approval sought prior to Cube Transfer of Engagements and dissolution	Formal notification documents to OSCR	
7.7 The governing body ensures that disposals, acquisitions and investments fit with the RSL's objectives and business plan, and that its strategy is sustainable. It considers these taking account of appropriate professional advice and a consideration of value for money - whether as part of a broader strategy or on a case by case basis.	This is not an ongoing requirement, rather a requirement to be met if and when such activity happens. Such activities remain reserved to the Board unless otherwise delegated under very clear criteria.	Board reporting and monitoring - Sub Board report	Compliant
7.8 The RSL complies with regulatory guidance on tenant consultation, ballots and authorisation.	This has applied to the Cube reorganisation in year. As part of this process we engaged throughout with the SHR and reviewed the regulatory guidance in advance of agreeing the key milestones.	Board reports relating to the Cube reorganisation and the associated tenant consultation documentation.	
7.9 The RSL notifies the Regulator of disposals in accordance with regulatory guidance.	We have a clear, robust internal process in place for ensuring that all disposals are notified to the SHR. All staff who are potentially involved in disposals are clear on where this triggers a notification requirement.	SHR Portal holds records of all notifiable disposals.	Compliant
7.10 The RSL only agrees fixed or floating charges where the assets are used to support core activities. This should exclude providing security in relation to staff pensions.	The Group funding structure is split between 'RSL' and 'Others.' Wheatley Funding No. 1 Limited (WFL1) was formed as a special purpose vehicle to facilitate funding the Group RSLs from bond issuance and bank lenders. WFL1 borrows funds from the bond issuer and banks and on-lends them to the RSLs within the Group in accordance with the criteria set out in the Intercompany Loan Agreements. The Bond is secured against Group Properties. These Charged Properties are named in the Bond Trust Deed and there are requirements to notify the Trustee if the Group wants to add, substitute, release or dispose of a property charged against the Bond loan value. A Secured stock spreadsheet is maintained by the Treasury Team. Annual Valuations on the Group Assets are undertaken by JLL including separate valuations for each funder against assets. In addition, Prudential Securities provides its own report on funding against the Group Assets which Treasury reconcile quarterly against their own records.	Corporate records - Financial records of RSLs and WFL1 - Security spreadsheet	Compliant

The constitution of the RSL must comply with all legislative requirements under the 2010 Act (which are not replicated here) and the following regulatory requirements:	Self-Assessment Commentary	Evidence and sources of assurance	Self Assessment
	All RSL rules take into account the SFHA Charitable Model Rules, subject to us ensuring that they reflect our own needs. All constitutions are subject to a) review by individual Boards b) review by our external legal advisors, and c) agreement by members.		Compliant
1. It sets out clearly the RSL's purpose, objects and powers.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
2. The RSL is able to fulfil its obligations in terms of its legal status and (if relevant) its obligations as a registered charity. These obligations and how they will be met are set out in the constitution.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
3. There is a system for keeping accounts and ensuring an independent audit by an appropriately qualified person. There is a proper procedure for appointing an auditor. The governing body should take whatever measures are necessary to ensure the continuing independence of the auditor including periodic review of the need for audit rotation. The RSL must send a copy of its accounts and the auditor's report to us within six months of the end of the period to which they relate.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
4. It is clear what investments and borrowing the governing body can authorise.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
5. There is a procedure for dealing with disputes on matters contained within the constitution.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
6. It is clear how changes can be made to the constitution.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
7. It is clear how the RSL can be closed down.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	
8. The RSL can demonstrate its governance and financial arrangements are such as to allow the Regulator to regulate effectively, and exercise our full regulatory powers.		All RSL Rules/Articles of Association and supporting Board papers at time of approval. Harper MacLeod are involved in the preparation of all constitutional changes.	Compliant
In relation to an RSL within a group structure:			
9. Each organisation within the group must have a distinct legal identity and separate constitution. The constitutional and financial relationships between all organisations in the group (registered or non-registered) must be documented formally and in terms that are transparent and understandable.		All RSL Rules/Articles of Association	Compliant
10. If any of the organisations within the group are charities, the RSL's role and relationships with other group members are consistent with charity law.		All RSL Rules/Articles of Association	Compliant
11. The constitutions of group members must enable the parent to exercise control and to take corrective action where required.		All RSL Rules/Articles of Association	Compliant
12. There are procedures in place designed to avoid conflicts of interest, particularly where members of the subsidiary's governing body are also members of the parent's governing body.		All RSL Rules/Articles of Association	Compliant
13. Where it is constituted as a subsidiary of another body, the RSL's constitution permits control by the parent but with sufficient independence to carry out its business, within limits set by the parent.		All RSL Rules/Articles of Association	Compliant
With regard to the governing body of the RSL and the members of the governing body:			
14. Recruitment to the governing body is open and transparent. It is clear who is eligible to become a member of the governing body and how to become a member of the governing body whether by election, nomination, selection, etc and how membership is ended. There is a procedure for removing members from the governing body.		All RSL Rules/Articles of Association	Compliant
15. There is a procedure by which members stand down from the governing body to allow for a turnover in membership. Governing body members are appointed for specific terms subject to re-election or re-appointment.		All RSL Rules/Articles of Association	Compliant
16. The membership of the governing body must be no fewer than seven and not normally exceed 15 members, including co-opted members. Names of the governing body members must be accessible to the public.		All RSL Rules/Articles of Association	Compliant
17. The powers and responsibilities of the governing body are clearly set out.		All RSL Rules/Articles of Association	Compliant
18. The roles, powers and responsibilities of governing body office bearers are set out. And any delegation to committees or staff are clearly set out in standing orders and delegated authorities.		All RSL Rules/Articles of Association	Compliant
19. There are provisions for the RSL to remove a governing body member who does not sign up to the code of conduct and to take action against or remove a governing body member in breach of the code.		All RSL Rules/Articles of Association	Compliant
20. Where the constitution allows executive staff on to the governing body, they must be excluded from holding office, and cannot form a quorum or a majority. Executive members of the governing body should not receive any additional payment for their governing body role over and above what they are entitled to under their contract of employment.		All RSL Rules/Articles of Association	Compliant
21. It is clear what types of meetings can and should be held and their purpose. There are clear procedures to call all meetings, and it is clear what the quorum of meetings should be, how resolutions will be passed, and decisions recorded, and how many meetings should take place each year, subject to a minimum of six governing body meetings a year.		All RSL Rules/Articles of Association	Compliant
22. The governing body cannot act for longer than two months if its membership falls below seven. If at the end of that period it has not found new members then the only power it will have is to act to bring the governing body members up to seven.		All RSL Rules/Articles of Association	Compliant
23. There is a clear process to identify and address any conflicts of interest on the governing body.		All RSL Rules/Articles of Association	Compliant
24. The Chairperson's role is set out formally; the Chairperson is responsible for the leadership of the governing body and ensuring its effectiveness in all aspects of its role. There is a clear process to select the Chairperson, who cannot be an executive member, and must not hold office continuously for more than five years.		All RSL Rules/Articles of Association	Compliant

<p>25. If the RSL pays any of its non-executive governing body members then it must ensure that:</p> <p>a) the governing body takes account of independent guidance in setting payment amounts and can demonstrate value for money;</p> <p>b) the payments are linked to specified duties and there is a clear process for assessing performance in carrying out these duties;</p> <p>c) details of governing body payments are published in the RSL's annual accounts; and</p> <p>d) where an RSL has subsidiaries it must ensure any payments and benefits to subsidiary governing body members are included in the policy.</p> <p>Charitable RSLs must comply with the Charities and Trustee Investment (Scotland) Act 2005 and any associated guidance from the charity regulator when considering payments or benefits to charity trustees.</p>		All RSL Rules/Articles of Association	Compliant
<p>26. The role and status of co-optees is set out. Co-optees do not form part of any quorum required for meetings of the governing body and may not vote on matters directly affecting the constitution and membership of the organisation or the election or appointment of its office bearers.</p>		All RSL Rules/Articles of Association	Compliant
<p>With regard to the general membership of the RSL:</p>			
<p>27. It is clear who is eligible to become a member of the RSL and who cannot, and it is clear how to become a member and how membership is ended. Names of the members must be accessible to any other member or anyone with an interest in the RSL's funds.</p>	<p>This is detailed through a combination of constitutions and membership policies</p>	<p>All RSL Rules/Articles of Association - Membership policies</p>	Compliant
<p>28. Membership of the RSL should reflect the purpose and objects of the RSL.</p>	<p>Members for GHA and WHG are the Board, so by definition reflect the purpose and objects as they set them - Other RSLs have membership policy which set out the membership. Membership primarily open to tenants, Board members and the Parent .</p>	<p>All RSL Rules/Articles of Association - Membership policies</p>	Compliant
<p>29. There is a clear procedure, including the quorum and voting procedure, for the membership of the RSL to meet and it is clear what business the membership can discuss and what decisions it can make, subject to a minimum of one annual meeting.</p>	<p>Clearly detailed within each constitution</p>	<p>All RSL Rules/Articles of Association</p>	Compliant



The Scottish Social Housing Charter

April 2017



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SCOTTISH GOVERNMENT

The Scottish Social Housing Charter

Table of contents

	page
1. Introduction	2
2. Charter outcomes and standards	5
3. A note about language	12

1. Introduction

1 Status of the Charter

1.1 As required by section 31 of the Housing (Scotland) Act 2010, the Scottish Ministers, in this Scottish Social Housing Charter, set the standards and outcomes that all social landlords should aim to achieve when performing their housing activities.

1.2 The first Charter came into effect on 1 April 2012 and was reviewed during 2016. This revised Charter was approved by resolution of the Scottish Parliament on 8th February, has effect from 1 April 2017 and continues to apply until the Parliament approves a further revised Charter.

1.3 Before submitting the revised Charter to the Scottish Parliament for approval, and as required by section 33 of the 2010 Act, the Scottish Ministers consulted the Scottish Housing Regulator; tenants in social housing and their representative bodies; social landlords; homeless people; and other stakeholders about the Charter's contents. They have taken account of all their views to ensure that the outcomes in the Charter:

- describe the results that tenants and other customers expect social landlords to achieve
- cover social landlords' housing activities only
- can be monitored, assessed and reported upon by the Scottish Housing Regulator.

1.4 The Charter does not replace any of the legal duties that apply to social landlords, but in several cases the outcomes describe the results social landlords should achieve in meeting their legal duties.

2 Purpose of the Charter

2.1 The Charter helps to improve the quality and value of the services that social landlords provide, and supports the Scottish Government's long-term aim of creating a safer and stronger Scotland. It does so by:

- stating clearly what tenants and other customers can expect from social landlords, and helping them to hold landlords to account
- focusing the efforts of social landlords on achieving outcomes that matter to their customers
- providing the basis for the Scottish Housing Regulator to assess and report on how well landlords are performing. This assessment enables the Regulator, social landlords, tenants and other customers to identify areas of strong performance and areas needing improvement.

2.2 The Regulator's reports also help the Scottish Government to ensure that public investment in new social housing goes only to landlords assessed as performing well.

3 Scope and content of the outcomes and standards

3.1 The Charter has seven sections covering: equalities; the customer/landlord relationship; housing quality and maintenance; neighbourhood and community; access to housing and support; getting good value from rents and service charges; and other customers. It contains a total of 16 outcomes and standards that social landlords should aim to achieve. The outcomes and standards apply to all social landlords, except that number 12 applies only to councils in relation to their homelessness duties; and number 16 applies only to councils and registered social landlords that manage sites for Gypsy/Travellers.

3.2 Each section is accompanied by a short description of the context of the outcome or standard, including the areas of activity to which it applies and any relevant legal duties connected with it. The description is not part of the outcome, and does not tell social landlords how to achieve it. That is a matter for each landlord to decide in consultation with its tenants and other customers.

3.3 During the Charter review, many stakeholders said that all the standards and outcomes should be reflected across the whole of a landlord's activities. For example, the communication outcome requires landlords to manage their businesses so that tenants and other customers find it easy to communicate

with their landlord and get the information they need about their landlord. This information would include how and why their landlord makes decisions and provides its services; how it communicates its plans for providing repairs, maintenance and improvements; how it provides information on housing options; and how it helps tenants sustain their tenancy.

4 Assessing social landlords' achievement of the outcomes

4.1 Social landlords are responsible for meeting the standards and outcomes set out in the Charter. They are accountable to their tenants and other customers for how well they do so. They should ensure their performance management and reporting systems show how well they are achieving the outcomes; identify any areas where they need to improve; and enable them to report to their tenants and other customers and the Scottish Housing Regulator.

4.2 Under the 2010 Act, the Scottish Housing Regulator is responsible for monitoring, assessing and reporting on how well social landlords, individually and collectively, achieve the Charter's outcomes.

5 Reviewing and revising the Charter

5.1 Unless stakeholders raise urgent and significant concerns about how the Charter is working in practice, the Charter will apply for five years from 1 April 2017. In consultation with stakeholders, the Ministers will review its effect during 2021 on the quality and value of social landlords' services, and its value to tenants and other customers, social landlords and the Scottish Housing Regulator.

2. Charter outcomes and standards

The customer/landlord relationship

1: Equalities

Social landlords perform all aspects of their housing services so that:

- *every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.*

This **outcome** describes what social landlords, by complying with equalities legislation, should achieve for all tenants and other customers regardless of age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex, or sexual orientation. It includes landlords' responsibility for finding ways of understanding the rights and needs of different customers and delivering services that recognise and meet these.

2: Communication

Social landlords manage their businesses so that:

- *tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.*

This **outcome** covers all aspects of landlords' communication with tenants and other customers. This could include making use of new technologies such as web-based tenancy management systems and smart-phone applications. It is not just about how clearly and effectively a landlord gives information to those who want it. It also covers making it easy for tenants and other customers to make complaints and provide feedback on services, using that information to improve services and performance, and letting people know what they have done in response to complaints and feedback. It does not require landlords to provide legally protected, personal or commercial information.

3: Participation

Social landlords manage their businesses so that:

- *tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.*

This **outcome** describes what landlords should achieve by meeting their statutory duties on tenant participation. It covers how social landlords gather and take account of the views and priorities of their tenants, other customers, and bodies representing them such as registered tenant organisations; how they shape their services to reflect these views; and how they help tenants, other customers and bodies representing them such as registered tenant organisations to become more capable of involvement – this could include supporting them to scrutinise landlord services.

Housing quality and maintenance

4: Quality of housing

Social landlords manage their businesses so that:

- *tenants' homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) when they are allocated; are always clean, tidy and in a good state of repair; and also meet the Energy Efficiency Standard for Social Housing (ESSH) by December 2020.*

This **standard** describes what landlords should be achieving in all their properties. It covers all properties that social landlords let, unless a particular property does not have to meet part of the standard.

If, for social or technical reasons, landlords cannot meet any part of these standards, they should regularly review the situation and ensure they make improvements as soon as possible.

5: Repairs, maintenance and improvements

Social landlords manage their businesses so that:

- *tenants' homes are well maintained, with repairs and improvements carried out when required, and tenants are given reasonable choices about when work is done.*

This **outcome** describes how landlords should meet their statutory duties on repairs and provide repairs, maintenance and improvement services that safeguard the value of their assets and take account of the wishes and preferences of their tenants. This could include setting repair priorities and timescales; setting repair standards such as getting repairs done right, on time, first time; and assessing tenant satisfaction with the quality of the services they receive.

Neighbourhood and community

6: Estate management, anti-social behaviour, neighbour nuisance and tenancy disputes

Social landlords, working in partnership with other agencies, help to ensure as far as reasonably possible 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 this is needed. It also covers the role of landlords in working with others to tackle anti-social behaviour.

Access to housing and support

7, 8 and 9: Housing options

Social landlords work together to ensure that:

- *people looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them*
- *tenants and people on housing lists can review their housing options.*

Social landlords ensure that:

- *people at risk of losing their homes get advice on preventing homelessness.*

These **outcomes** cover landlords' duties to provide information to people looking for housing and advice for those at risk of becoming homeless. This could include providing housing 'health checks' for tenants and people on housing lists to help them review their options to move within the social housing sector or to another sector.

10: Access to social housing

Social landlords ensure that:

- *people looking for housing find it easy to apply for the widest choice of social housing available and get the information they need on how the landlord allocates homes and on their prospects of being housed.*

This **outcome** covers what social landlords can do to make it easy for people to apply for the widest choice of social housing that is available and suitable and that meets their needs. It includes actions that social landlords can take on their own and in partnership with others, for example through Common Housing Registers or mutual exchange schemes, or through local information and advice schemes.

11: Tenancy sustainment

Social landlords ensure that:

- *tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and by other organisations.*

This **outcome** covers how landlords on their own, or in partnership with others, can help tenants who may need support to maintain their tenancy. This includes tenants who may be at risk of falling into arrears with their rent, and tenants who may need their home adapted to cope with age, disability, or caring responsibilities.

12: Homeless people

Local councils perform their duties on homelessness so that:

- *homeless people get prompt and easy access to help and advice; are provided with suitable, good-quality temporary or emergency accommodation when this is needed; and are offered continuing support to help them get and keep the home they are entitled to.*

This **outcome** describes what councils should achieve by meeting their statutory duties to homeless people.

Getting good value from rents and service charges

13: Value for money

Social landlords manage all aspects of their businesses so that:

- *tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.*

This **standard** covers the efficient and effective management of services. It includes minimising the time houses are empty; managing arrears and all resources effectively; controlling costs; getting value out of contracts; giving better value for money by increasing the quality of services with minimum extra cost to tenants, owners and other customers; and involving tenants and other customers in monitoring and reviewing how landlords give value for money.

14 and 15: Rents and service charges

Social landlords set rents and service charges in consultation with their tenants and other customers so that:

- *a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them*
- *tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.*

These **outcomes** reflect a landlord's legal duty to consult tenants about rent setting; the importance of taking account of what current and prospective tenants and other customers are likely to be able to afford; and the importance that many tenants place on being able to find out how their money is spent. For local councils, this includes meeting the Scottish Government's guidance on housing revenue accounts. Each landlord must decide, in discussion with tenants and other customers, whether to publish information about expenditure above a particular level, and in what form and detail. What matters is that discussions take place and the decisions made reflect the views of tenants and other customers.

Other customers

16: Gypsy/Travellers

Local councils and social landlords with responsibility for managing sites for Gypsy/Travellers should manage the sites so that:

- *sites are well maintained and managed, and meet the minimum site standards set in Scottish Government guidance.*

This **outcome** includes actions landlords take to ensure that: their sites meet the Scottish Government guidance on minimum standards for Gypsy/Traveller sites, and those living on such sites have occupancy agreements that reflect the rights and responsibilities set out in guidance.

All the standards and outcomes in the Charter apply to Gypsy/Travellers.

3. A note about language

We use some key phrases throughout the Charter, which we explain below.

Housing (Scotland) Act 2010, section 31

Section 31 of the Act says that:

‘Ministers must set out standards and outcomes which social landlords should aim to achieve when performing housing activities.

‘The document in which those standards and outcomes are set out is to be known as the “Scottish Social Housing Charter”.’

Long-term aims

The Scottish Government has five long-term aims, known as the strategic objectives. Everything it does should contribute towards making Scotland:

- wealthier and fairer
- healthier
- safer and stronger
- smarter
- greener.

The Charter supports the aim of creating ‘A safer and stronger Scotland’.

Outcome

- An outcome is a result we want to happen.
- The Charter sets out the results that a social landlord should achieve for its tenants and other customers.
- The Charter is not about what a landlord does or how it does it. It is about the customer’s experience of using a landlord’s services.

Scottish Housing Regulator

The Regulator is the independent body that the Scottish Parliament created to look after the interests of people who are or may become homeless, tenants of social landlords, or users of the services that social landlords provide. The Regulator monitors, assesses, and reports on how landlords are performing against the Charter's outcomes and standards.

Scottish Housing Quality Standard (SHQS)

The SHQS is the Scottish Government's main way of measuring the quality of social housing in Scotland.

Energy Efficiency Standard for Social Housing (ESSH)

The ESSH aims to improve social housing's energy efficiency in Scotland. It will help to reduce energy consumption, fuel poverty and greenhouse gas emissions. The standard will also contribute to reducing carbon emissions by 42% by 2020, and 80% by 2050, in line with what's required by the Climate Change (Scotland) Act 2009.

Social housing

Housing provided by councils and housing associations under a Scottish Secure Tenancy or Short Scottish Secure Tenancy.

Social landlord

- A council landlord.
- A not-for-profit landlord, registered with the Scottish Housing Regulator (for example, a housing association, or co-operative).
- A council that does not own any housing but provides housing services, for example services for homeless people.

Stakeholder

A person or organisation with an interest in social housing and the way it is regulated. The following are some examples of stakeholders:

- The Scottish Housing Regulator.
- Tenants of social landlords and bodies representing their interests.
- Homeless people and bodies representing their interests.
- Users of housing services provided by social landlords and bodies representing the interests of those users.
- Social landlords and bodies representing their interests.
- Secured creditors of registered social landlords and bodies representing those secured creditors.
- The Accounts Commission for Scotland.
- The Equalities and Human Rights Commissions and other bodies representing equal opportunities interests.

Standard

A level of quality that every social landlord should achieve.

Tenants and other customers

- People who are already tenants of a social landlord.
- People who may become tenants in the future – for example, someone who has applied for a tenancy.
- Homeless people.
- People who use the housing services provided by a social landlord – for example, home owners who pay a social landlord to provide a factoring service, or Gypsy/Travellers who use sites provided by a social landlord.



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W W W . G O V . S C O T

Report

To: Loretto Housing Association Board

By: Hazel Young, Managing Director

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

Subject: Performance report quarter 2 2021/22

Date of Meeting: 8th November 2021

1 Purpose

- 1.1 This report provides the Board with an update for Quarter 2 on the performance measures and projects in the performance framework and strategy.
- 1.2 Dashboards with the measures included in all three sub-sections for the five themes are attached as Appendix 1. A summary of progress delivering the strategic projects is presented in Appendix 2.
- 1.3 This report also provides a mid-year update on the Wheatley Solutions Business Excellence Framework performance measures.

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 us and Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, this Board is responsible for approving regulatory returns including the Charter. It is also responsible for monitoring performance against agreed targets. This includes the on-going performance of our services. In addition, the Group Authorising Framework states that the Board is responsible for approving any changes to our Service Delivery Model or arrangements which it may consider necessary to deliver these targets and projects.

3. Risk Appetite and assessment

- 3.1 The 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 Boards and providing the Board with regular updates in relation to progress against these targets and projects.

4. Background

- 4.1 The 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 Delivery Plan, as at the end of Quarter 2, 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.
- 4.3 As Cube properties have now joined us, rent-based performance measures will now show our previous Cube properties as Loretto B.

5. Customer Engagement

- 5.1 We presented a summary of the validated 2020/21 performance against our key Charter measures to the Tenant Scrutiny Panel in October, along with a comparison with the national average and an update on performance in the first part of 2021/22. We also consulted the Tenant Scrutiny Panel on the new customer value approach that underpins the current Performance Framework.

6. Discussion

Performance Update

- 6.1 This section outlines our performance as of the end of Quarter 2.
- 6.2 The following table presents our results in key measures. The majority of our measures below and in Appendix 1 are meeting target despite the challenging delivery circumstances we have had during the Covid 19 pandemic.

Indicator	Target	Current Performance	
Gross Rent Arrears – Loretto A	4.03%	2.89%	
Gross Rent Arrears – Loretto B	4.03%	3.81%	
Average Days to Re-Let Properties	20	11.36	
Number of Gas Safety Checks not met	0	0	
Tenancy Sustainment	90%	90.41%	
Average Emergency Repairs Times	3	3.08	

Gross Rent Arrears

- 6.3 We continue to meet target this quarter in our Gross Arrears target throughout Loretto A and B combined as we have achieved 3.33% against a 4.03% target. We are currently 0.70% better than the 4.03% target, which has been revised to take account of the impact of the Cube stock transfer. We are also 0.36% better than the 3.69% projected performance for the period which includes our 4 weekly Housing benefit payments as our technical arrears increase throughout the year.



- 6.4 This can be further broken down to 2.89% for Loretto A and 3.81% in Loretto B and our overall Gross Rent Arrears is currently £384,979. We continue to see an increase in Universal Credit claims and we now have a combined caseload of 626 customers on Universal Credit. Our Housing Officers and Welfare benefits advisors have continued to support customers transitioning to Universal Credit. Our current value of UC arrears is £68,780 and 35.94% of our UC customers are in arrears.

Average Times to re-let properties

- 6.5 We have successfully allocated 39 properties in an average of 11.36 days against a 20-day target year to date. Our Housing Officers have been jointly working with our colleagues in City Building on all void properties including restarting joint inspections to agree works required together at each property as well as continuing with our weekly video call meetings. With this joint working we have continued to ensure that we have a quick turnaround where possible on all properties, which has also allowed us to progress with signups for our new customers and minimising wait time to move into their new homes.
- 6.6 We have also achieved 53.9% of our 39 new tenancies this period being allocated to homeless applicants which exceeds our 50% target for 20/21. This is a direct result of our continued close working relationships with our 9 local authorities to receive the appropriate homeless nominations whenever suitable.

Tenancy Sustainment

- 6.7 Our percentage of new tenancies sustained for more than a year has seen an increase from 89.57% in Quarter 1 to 90.41% in Quarter 2. We are now meeting our 90% target for sustained tenancies. Our main reasons for unsustainable tenancies are customers who have unfortunately deceased, had ill health or medical reasons or due to their own personal family circumstances changing.

- 6.8 Our Housing Officers have also been carrying out settling in visits this quarter to support all our new customers who have signed up over the past year. Initial feedback has been very positive with customers advising that they are extremely happy in their new homes and Housing Officers have taken the opportunity to assist customers further with help from referrals to our wrap around services.

Repairs

- 6.9 Our position against the strategic objective to reduce the volume of emergency repairs by 10% by 2026 compared to the baseline year of 2019/20, as shown in appendix 1, is on target. We have carried out 1,862 YTD repairs, this has met our 10% reduction target by achieving 17.13% reduction.
- 6.10 The average time taken to complete emergency and non-emergency repairs is currently outwith target. We are seeing high levels of demand through our Customer Service Centre, which is mostly customers requesting repairs following the change in legislation which has allowed us to mobilise a full service again. As a result of this pressure on our service, our non-emergency repairs have been carried out in an average of 5.9 days against a 5.5 day target. We hope to see this come back within target as the demand settles back.
- 6.11 This increased demand as well as shortages of materials has led to a delay in completing some non-emergency repairs and we have been working through a detailed action plan to complete these jobs, this has included City Building deploying extra trades resource (including additional subcontractors), offering overtime to all staff and procuring materials from alternative sources. We are seeing good progress from these actions and expect the situation to return to a normal operating position in the next four weeks.
- 6.12 We have also maintained target in Quarter 2 for our Right First-time measure with 97.72% against our 97% target.

Gas Safety

- 6.13 In Quarter 2 we achieved 100% Gas servicing on our Charter indicator following 12 months with all customers having a valid Gas CP12 certificate. We had previously been reporting a higher figure due to the suspension of our Gas Servicing during the start of the pandemic; however, all properties have had valid certification and remained 100% compliant with no expired certificates since August 2020.

Medical Adaptions

- 6.14 Our Medical Adaptions performance has improved this Quarter from 115.11 days in Quarter 1 to 67.03 days in Quarter 2 against our 35-day target. We have now completed 74 Medical Adaptions year to date following our remobilisation and continue to see a higher than usual performance due to the initial backlog being completed. However as we are up to date with our requested Medical Adaption requests, we anticipate that we will see a normal performance result in Quarter 4 as the majority of historic delayed medical adaptions (measured through a rolling year) will come out of the figures from March 2022.

Sickness Absence

- 6.15 We are reporting that our levels of sickness absence have decreased in Quarter 2 from 4.67% in Quarter 1 to 3.34% in Quarter 2 against a 3% target. We have one staff member currently off on long term absence for family reasons which has impacted this measure this quarter. 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.

Wheatley Solutions Business Excellence Framework Performance Measures

- 6.16 As part of the renewal of our Services Agreement with Wheatley Solutions, we agreed a Business Excellence Framework that contained several Key Performance Indicators. It was agreed these would be reported to the Board bi-annually.
- 6.17 Performance for the year to date is set out in Appendix 2. The vast majority of measures are being delivered, with the two main exceptions being the Customer Service Centre and IT service desk.
- 6.18 The Board has already agreed plans for a new Customer First Centre as part of our new Operating Model consultation, which is designed to improve performance. Our IT service model and the associated KPIs were developed pre-pandemic and as such was always going to require to be redesigned to reflect our hybrid operating model.
- 6.19 This process is well underway, including the recruitment of additional resources, a reconfiguration of the service model and on-site support built into the new Centres of Excellence Model.
- 6.20 As our new operating model continues to bed in, the Managing Director will be working with Wheatley Solutions senior staff to agree the Insight Day programme for 2022 along with how our staff are fully engaged Communities of Excellence.
- 6.21 In advance of the next bi-annual update we will also undertake a review of the KPIs in the Framework to ensure they reflect our requirements of Wheatley Solutions under our new operating model.

Delivery of Strategic Projects Update

- 6.22 Appendix 3 contained the most up-to-date progress on the strategic projects in the Delivery Plan.
- 6.23 All projects are on track to deliver on time including:
- Implement new engagement framework - Phase 1
 - Refine Repairs Delivery Model
 - Wheatley Green Investment Plan
 - Establish digital maturity approach and assessments
 - Deliver a group wide Antisocial Behaviour Prevention & Mitigation Framework (ASBPMF) that maps out our approach to preventing, managing and mitigating ASB – **Complete**
 - Deliver new leadership development programme – **Complete**

Key Issues and Conclusions

6.24 This report outlines strong performance in the majority of our targets and the delivery of projects. Particularly in our rent collection, average days to let and tenancy sustainment means that the economic impact of the pandemic was mitigated by our response. Repairs continue to perform well under challenging service delivery circumstances. Key areas of focus as we continue in 2021/22 will be on maintaining our rental performance, focusing on our customer engagement and the delivery of our 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 We are developing further measures for environmental and carbon performance.

12. Recommendations






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

LIST OF APPENDICES:






- Appendix 1 Board performance measures dashboard
- Appendix 2 Business Excellence Framework KPIs
- Appendix 3 Board strategic projects dashboard


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

1. Delivering Exceptional Customer Experience











Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
Average time for full response to all complaints (working days) - Stage 1	2.89	3.39	5	
Average time for full response to all complaints (working days) - Stage 2	19.5	20.29	20	
% new tenancies sustained for more than a year - overall	90.27%	90.41%	90%	
Group - Average waiting time (seconds)	64.38	132.54	60	
Group - % of first contact resolution at Hub	91.79%	89.72%	80%	

2. Making the Most of Our Homes and Assets

Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
Reduce the volume of emergency repairs by 10% by 2025/26	April to September 19/20 - 2,247	1,862	-17.13%	
Average time taken to complete emergency repairs (hours) – make safe	2.8	3.08	3	
Average time taken to complete non-emergency repairs (working days)	4.61	5.99	5.5	
% reactive repairs completed right first time	96.84%	97.72%	97%	
Number of gas safety checks not met	114	0	0	


Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
Average time to complete approved applications for medical adaptations (calendar days)	119.39	67.03	35	

3. Changing Lives and Communities







Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
% lets to homeless applicants	57.1%	53.9%	50%	
% lets to homeless applicants (ARC)	38.5%	39.3%	N/A	
Number of lets to homeless applicants (contributes to 10,000 for Group by 2025/26)	42	22	N/A	
% ASB resolved	100%	100%	98%	
Group - Over 70% of customers live in neighbourhoods categorised as peaceful by 2025/26	69.4%	69.5%	68%	
Total number of jobs, training places or apprenticeships created including Wheatley Pledge	0	5	4	
Group - 100% of relevant properties have a current fire risk assessment in place	100%	100%	100%	
Group - The percentage of HMOs that have a current fire risk assessment in place	100%	100%	100%	
Group - Non-relevant properties with current fire risk assessment in place	Programme started October 2020	34.27%	37%	
Number of accidental dwelling fires recorded by Scottish Fire and Rescue	19	5	N/A	

4. Developing Our Shared Capacity

2020/21	YTD 2021/22
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Measure	2020	2021		
	Value	Value	Target	Status
Sickness Rate	0.87%	3.34%	3%	

5. Enabling Our Ambitions

Measure	2020/21	YTD 2021/22		
	2020	2021		Status
	Value	Value	Target	
% lettable houses that became vacant	8.28%	6.52%	8%	
% court actions initiated which resulted in eviction - overall	No evictions	No evictions	25%	
Average time to re-let properties	35.18	11.36	20	
Loretto A - Gross rent arrears (all tenants) as a % of rent due	3.05%	2.89%	N/A	
Loretto B - Gross rent arrears (all tenants) as a % of rent due	N/A	3.81%	N/A	
Loretto Combined - Gross rent arrears (all tenants) as a % of rent due	N/A	3.33%	4.03%	

Service Aspect	Measure/Commitment	LHA	Additional information/comments
Legal advice and support	100% of court case submissions completed within agreed timescales	100%	
Accounting and financial management	Monthly finance review meetings with leadership teams, to discuss and provide advice on its financial position and emerging themes, opportunities, issues and risks.	√	
	Finance report provided to every Board meeting	√	Standing scheduled Board agenda item
Funding & Treasury Management	100% of covenant returns completed and submitted on time	√	
	Compliance with Treasury Management Policy	√	
	Valuations for annual accounts and lenders completed on time	√	
IT infrastructure and essential business support	98.5% availability of critical systems	√	Astra - 99.69% Iworld - 99.8% Desktop/Infrastructure - 99.98%
	Funding and delivery, in conjunction with operational teams, of the IT investment and systems necessary to implement strategy	√	Delivered through technology plan, which is monitored additionally by Wheatley Solutions Board
	Ensure robust cyber security is in place and tested annually	√	Update report was provided to Board in May
Employee availability and relations	90% of vacant roles recruited within target timescale agreed by management	√	
	Staff absence levels at or below agreed annual target		LHA below target- 3.34%
Staff wellbeing	90% of staff satisfaction with wellbeing support		
Payroll	100% of payroll runs administered on time	√	

Facilities management	100% of Sub facilities risk evaluated	√	Confirmed and records in place
	Operational Safety Manuals in place for 100% of Sub corporate estate	√	Confirmed and records in place

Service Aspect	Measure/commitment	LHA	Comments
Statutory accounting	100% of statutory returns completed and submitted on time	√	
	Unqualified Audit opinion by external auditors	√	Confirmed via KPMG report at August Board
	All key accounting estimates and judgements reviewed annually	√	Not due until Feb 22, however was completed in Feb 21 for the 20-21 financial statements
Assurance	Chief Internal Auditor Annual Assurance Statement	√	Received by Board in August
	Sub specific reviews reported to Board within 1 Board cycle		Not applicable during year to date
	All whistleblowing allegations fully investigated and reported to the Board within 1 Board cycle		Not applicable during year to date
Performance	Quarterly Performance reports issued 7 days before applicable meetings	√	Standing Board agenda item each quarter
	Annual Return on Charter prepared for Board approval and submitted in line with regulatory deadlines	√	Approved by Board in May 21
	Annual benchmarking reports	√	Limited to intragroup benchmarking for this year. Future strategic project to enhance our benchmarking approach
	Monthly management reports on performance indicators.	√	Monthly performance reporting system in place, including at Executive level

Business continuity	Business Continuity and disaster recovery plan in place and tested annually	√	Board have been updated throughout pandemic. We are in the process of revising our approach to business continuity to reflect learning from the pandemic and current good practice.
	100% of recommendations from annual review implemented within agreed timescales		Not yet applicable
Security management	All security incidents will be managed to a successful and safe outcome	√	Security incidents management and reporting processes already in place
Governance	100% of statutory returns completed and submitted on time (pre-approved by the Board where appropriate)	√	
	All board papers will be issued at 7 days before Board meeting	√	


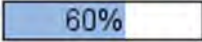
Service Aspect	Measure/commitment	LHA	Comments
Contact handling	75% of calls answered in less than 30 seconds		Board have agreed new Customer First Centre approach as part of enhancing performance
	80% of transactions resolved at first point of contact		
Accounts Payable	95% of invoices will be paid with 30 days of receipt	86.57	
	99% availability of help desk		
IT help desk	95% of issues resolved at the first point of contact		New service desk approach being implemented to reflect our hybrid operating model.
Land and property acquisitions and disposals	All acquisitions and disposals registered with Registers of Scotland and security pools updated as	√	
Complaints, FoISA and data protection requests	100% of enquires dealt with within statutory timescales	√	
	100% of reportable data breaches reported to ICO.	√	Target met and also reported to Group Audit Committee


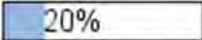


Service Aspect	Measure/commitment	LHA	Comments
Supporting on-going change and innovation	All strategic projects delivered within a 5% time and budget variance	Ongoing	
	Annual Satisfaction survey, compliant with SHR technical requirements, completed and reported to Board		The Board agreed not to have one for this year - not applicable
Insight	Sub staff engaged in 100% of Group Communities of Excellence		Memberships being reviewed at present and to be achieved within the financial year.
	4 themed insight events per annum available to Sub staff		2021 approach has been impacted by pandemic. 2022 programme to be agreed with Managing Director.
IT development	100% delivery of strategic support agreed with Sub Management to migrate onto group systems to unlock new technology for Sub service delivery.	√	LHA is currently on all relevant group systems
Tenant engagement	Annual engagement programme		Initial plans in place and to be taken forward as part of new engagement model post tenant consultation.
	Increased range in Sub tenants engaging		
	100% of tenant consultations meet legal and regulatory requirements	√	Recent tenant consultation in line with requirements
Learning and development	100% of staff have a My Contribution performance and CPD plan in place		My Contribution is currently being refreshed and measurement will commence when this is available.
	40% of promoted posts are filled by internal candidates	n/a	Reported annually at year end, not yet due.
Procurement	Expenditure on behalf of Sub is compliant with procurement rules	79.67% against target of 99%	


Service Aspect	Measure/commitment	LHA	Comments
Transformation projects	95% of transformation projects delivered on time and on budget	Ongoing	Confirmed via strategic projects/finance reporting
Asset management	Certifiable SHQS and EESSH compliance	√	
	Annual Investment Plan for Board approval	√	Approved by Board in May 21
Business planning and Funding	Annual business plan provided for Board approval		Not yet due - scheduled for February 22
	Sufficient Funding secured to deliver Sub strategy	√	In place as part of existing annual business plan and budget.
Property development	Annual 5-year development programme provided to the Board for approval		Not yet due - annually each February
	The number of units in development programmedelivered		Subject to standalone reporting - see separate agenda item on mid year update and performance



Appendix 3 - Delivery Plan 21/22 - Strategic Projects

1. Customer Experience Strategic Projects



Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Implement new engagement framework - Phase 1			01. Stronger Voices Team structure agreed via workforce planning and recruited	31-Jul-2021	Yes	62 Customer Voices identified as of 30 Sept across RSLs/Lowther. To date, those Customer Voices have been involved in neighbourhood assessments/customer journey mapping/focus groups on services, involving a variety of business leads. In addition, there has been a Group-wide consultation carried out with RSL customers on the new operating model and the new way of engaging (and change of name for GHA to Wheatley Homes Glasgow) Further focus group participants will be identified during October to take part in rent consultation focus groups running in November - those participants will also be asked whether they would be interested in joining the Customer Voice programme as engagement will also be promoted at those sessions. The community app has been developed but there has been a delay in rolling out the community app pilot across the South East of Glasgow due to the requirement for security testing. This will delay the completion of milestone 4. In the meantime, Test and Learn sessions have been carried out using the app with a small number of customers to gain insight into people's views of the app, whether it is easy to use, and what they find attractive in terms of functionality.
			02. Engagement plan for Customer and Community Voices developed	31-Aug-2021	Yes	
			03. Customer and Community Voices recruited - 50	30-Sep-2021	Yes	
			04. My Community App piloted, evaluated and preferred solution identified and agreed by ET	31-Jan-2022	No	
			05. Customer and Community Voices recruited - total 100	31-Mar-2022	No	


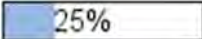


Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Develop a Wheatley Whole Family approach			01. Scoping stage completed	31-Aug-2021	Yes	Potential consultant to lead project identified and discussions underway to commission project.
			02. Consultant appointed and Group project team identified	31-Oct-2021	No	
			03. Review of all primary insight and report on initial findings	31-Dec-2021	No	
			04. Customer and staff engagement undertaken	28-Feb-2022	No	
			05. Final report and action plan produced and approved by ET	28-Feb-2022	No	
Introduce new cloud based telephony system			01. Carry out a review of telephony vendors and system capability	31-Jan-2022	No	This project will improve the infrastructure supporting our Customer First Centre. We are now in in early engagement with various vendors to test the market and functionality available to us. This work will be complete by the timescale identified. Discussion is ongoing with procurement on routes to market and an internal project manager has been assigned to help shape the project and build the business case in line with the planned timescales. We are working with one current vendor to prepare a demonstration of the
			02. Review WFM platforms in line with telephony system	31-Jan-2022	No	
			03. Business case for new cloud based telephony and WFM system approved by ET	31-Mar-2022	No	



Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
			04. Go-live approved by ET	31-Mar-2022	No	product to the Executive Team to show the full range of functionality and how this can support our new operating model and way of working. This demonstration of the product will take place in early November.
Develop new RSL online services model		<input type="text" value="0%"/>	01. Identify a leader plus small team of 2-3 in the business to focus on this work	31-Oct-2021	No	Our suite of RSL online services is being reviewed as part of the new operating model. This will form part of the work led by the Customer First Centre alongside the Group IT and Digital Team.
			02. Review current online service offerings (baseline)	30-Nov-2021	No	
			03. Identify and engage with relevant service leads for 'baseline' services	31-Dec-2021	No	
			04. Use this to define our digital customer offering, approach and roadmap	31-Mar-2022	No	
			05. Develop customer digital engagement approach/strategy	31-Mar-2022	No	
			06. Co-ordinate our activity to promote this to customers	31-Mar-2022	No	

Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Refine Repairs Delivery Model			01 Final 5 year review received from Campbell Tickell	31-May-2021	Yes	Final five-year review from Campbell Tickell was received by deadline and was agreed by the Wheatley Board on 21 June. The review has been endorsed by CBG's Board and an implementation plan is being developed to take forward the recommendations from the review. Workshops have been held involving staff from the repairs service in our West and South areas, with the East to follow, to define our future repairs service. Next milestone due to be reported end of December.
			02 Develop common approach for repairs service across West, East and South	31-Dec-2021	No	
			03 ET and Board approval of proposals	28-Feb-2022	No	


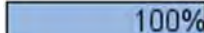


2. Homes and Assets Strategic Projects

Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Implement Group corporate estate model - phase 1			01. DGHP Dumfries Hub developed and approved by ET	31-May-2021	Yes	Wheatley House complete and used for recent Board meeting and Wheatley Way sessions. List of touchdowns agreed with Executive Team in place and available for use. Plans for other sites progressing including elsewhere in Glasgow, Dumfries and Edinburgh progressing.
			02. Wheatley House prototype complete-	31-Jul-2021	Yes	
			03. New Mart Road Hub developed and approved by ET	31-Aug-2021	Yes	
			04. Deliver Touchdown Points	30-Sep-2021	Yes	


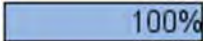


Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
			05. DGHP Dumfries Hub complete	28-Feb-2022	No	
			06. New Mart Road Hub complete	31-Mar-2022	No	
			07. Review Depots with outcome of review and proposals agreed by ET	31-Mar-2022	No	
Wyndford Regeneration			01. Settlement agreement executed	30-Apr-2021	Yes	Agreement reached with GCC on commitment to Wyndford regeneration project. Inclusion of Wyndford in Maryhill TRA boundary remains to be agreed by GCC. Approved by Group Board on 27 October and on GHA Board agenda for 5 November
			02. Stock classification report to GHA Board	31-Aug-2021	No	
			03. Maryhill TRA proposed boundary change to TCG Board	30-Sep-2021	No	
			04. Wyndford masterplan to be agreed with GCC	28-Feb-2022	No	
High Rise Living Framework Year 2			01. Launch You choose Challenge (10% of MSF sites to spend £10m investment)	31-Oct-2021	No	2021 Consultation is already underway in terms of the targeted investment at sites such as Charles Street and Linkwood. Update scheduled for GHA Board at January 2022 Board workshop.
			02. Increase High Rise Living Forum by 25 additional members	31-Oct-2021	No	

Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
			03. Provide an update to ET and Board on progress with the High Rise Living Framework	31-Dec-2021	No	
Wheatley Green Investment Plan			01. Develop Wheatley Green Campaign to align with COP26	30-Apr-2021	Yes	COP related activities progressing as planned including frequent press stories on 'green' projects across group and awareness raising on sustainability among staff.
			02. ET agreement of COP 26 Green Campaign	31-May-2021	Yes	
			03. Green Investment Plan engagement with Scottish Government	31-Aug-2021	Yes	
			04. COP26 related campaign activities ends	31-Dec-2021	No	


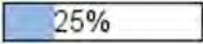

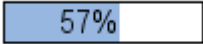
3. Changing Lives and Communities Strategic Projects

Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Deliver a group wide Antisocial Behaviour Prevention & Mitigation Framework (ASBPMF) that maps out our approach to preventing, managing and mitigating ASB			01. Draft ASB Prevention & Mitigation Framework prepared for Executive Team consideration	31- May-2021	Yes	Project complete - the ASB Prevention & Mitigation Framework was approved by the WG Board on 21 June.
			02. Group Board approval of Framework	30- Jun-2021	Yes	
Review Group Fire Prevention & Mitigation Framework including digital solutions			01. Undertake a review and update the Fire Prevention & Mitigation Framework	31- May-2021	Yes	Digital reporting of information developed and deployed using power BI dashboard. Information including through Power BI shared weekly with key staff.
			02. Updated Framework approved by Group Board	31- May-2021	Yes	
			03. Explore & develop a Group response to the new Scottish Fire & Rescue Service 'Safe & Well' model	31- Dec-2021	No	
			04. Group response agreed by ET	31- Dec-2021	No	
			05. Explore digital solutions for capturing, recording, managing & reporting on Group Fire Risk Assessments, Fire Intervention Reports and vulnerable person visits	31- Mar-2022	No	
			06. Digital solutions proposals agreed by ET -	31- Mar-2022	No	

4. Shared Capability Strategic Projects

Delivery Plan Project	Status	% Progress	Description	Due Date	Completed	Update provided by Lead
Develop new leadership development programme			01. Expand existing Leading in a Digital Era programme	31-May-2021	Yes	Project complete. Proposals presented to Executive team in July and agreed. The roll out of the new programme will now start.
			02. New Leadership Development programme developed for all people leaders, reflecting the new operating model	31-May-2021	Yes	
			03. ET approval of new Leadership Development Programme	31-Jul-2021	Yes	
Strategic governance review			01. Scope agreed by Group Board	30-Apr-2021	Yes	The Group Board received initial feedback on review findings from Campbell Tickell at their strategy workshop in August.
			02. External review undertaken	31-Jul-2021	Yes	
			03. Group Board agree recommendation	31-Oct-2021	No	The Group Board considered the Campbell Tickell report on 27 October and agreed the implementation plan.
			04. Group Board agree implementation plan	31-Oct-2021	No	

5. Enabling our Ambitions Strategic Projects

Project	Status	Progress	Description	Due Date	Completed	Update provided by Lead
Restructure funding syndicate			01. Board agree strategy for restructure	31-Oct-2021	Yes	Strategy agreed by Board on 7 th October.
			02. Implementation of restructure	31-Dec-2021	No	
Establish digital maturity approach and assessments			01. Revise baseline of current metrics (revisit Azets review)	31-May-2021	Yes	Project and strategy reviews completed for Q2 projects – update schedule for next Wheatley Solutions Board on 5 November.
			02. Define and establish core maturity metrics across 21/22	30-Jun-2021	Yes	
			03. Define projects and activities/outcomes linked to maturity goals across roadmaps	30-Jun-2021	Yes	
			04. Communicate targets for progression	31-Jul-2021	Yes	
			05. Perform mid-year review	31-Oct-2021	No	
			06. Update on progress to WS Board	30-Nov-2021	No	
			07. Produce end of year report and plan for 2022 for ET approval	28-Feb-2022	No	



Report

To: Loretto Housing Association Board

By: Sarah Stocks, Finance Manager

Approved by: Pauline Turnock, Director of Financial and Legal Services

Subject: Finance Report

Date of Meeting: 8th November 2021

1. Purpose

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

- An overview of the management accounts for the period to 30 September 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 in Loretto's 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 6 months to 30 September 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.

6.2 Period to 30 September 2021

We have reported a statutory deficit of £1,248k for the period to 30 September 2021, which is £204k favourable to budget.

Key variances against budget include:

- Gross rental income is broadly in line with budget, with no new build completions due in 2021/22. Void lost rent is £34k favourable to budget, with changes in referral criteria at one of our temporary accommodation sites having a positive impact since they were implemented in June.
- Direct employee costs are £5k unfavourable to budget due to the creation of Community Engagement Officer post in Loretto. This is offset by lower direct running costs following implementation of our new operating model.
- In repairs and maintenance costs of £1,063k are £57k higher than budget due to the timing of cyclical compliance and property maintenance works. The service is fully remobilised and meeting customer demand for reactive works.
- Bad debt costs are £99k favourable to the budget. The budget for 2021/22 includes a prudent level of provision for costs associated with an assumed increase in arrears levels related to Universal Credit (UC).
- Interest payable is £91k lower than budget, following restructure of WF11's loans in March.

6.3 Net capital expenditure is £2,001k unfavourable to budget. Within this new build spend is £1,443k unfavourable to budget due to reprofiling from 2020/21. The Hallrule, Dargavel, Cobblebrae and Queens Quay sites are all progressing well and driving the higher spend year to date.

6.4 Q2 2021/22 Forecast

The forecast reports a statutory deficit of £2,841k, which is £244k favourable to budget.

Key variances against budget include:

- Within income, void lost rent is forecast to be £50k favourable to budget, following implementation in June of the revised referral criteria at the temporary accommodation sites which is having a positive effect on void levels.
- Total expenditure is forecast to be £47k favourable to budget. Within staff costs an additional provision has been made for the new staff post for the full year which is partially offset by savings in direct running costs reflecting savings to date. Revenue repairs and maintenance forecasts an unfavourable variance

of £70k with a higher level of reactive repairs costs provided for in the second half.

- A saving of £253k is forecast for Interest payable, reflecting Loretto's share of lower interest costs resulting from the refinancing of WFL1 loans in March 2021.
- The core investment programme is forecast to be in line with budget, with the programme being managed within the provision available for 2021/22. Grant income claimed is expected to be £3,491k lower following the reprofiling of new build spend and the grant claims at Cobblebrae and Hallrule sites being made in 2020/21.

7. Digital transformation alignment

7.1 No implications

8. Financial and value for money implications

8.1 The results for the period to 30 September report a statutory deficit of £1,248k which is £204k favourable to budget.

8.2 Underlying surplus after deducting major repairs and interest costs from EBITDA was £509k for the period compared to budgeted underlying surplus of £86k, with the favourable variance driven by the lower levels of revenue and capital expenditure and lower interest costs.

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:

- 1) Note the management accounts for the period to 30 September 2021 at Appendix 1

LIST OF APPENDICES

Appendix 1: Finance report – period to 30 September 2021

Finance Report

Appendix 1 – period to 30 September 2021

1. Operating Statement	2-3
2. Quarter 2 full year forecast	4
3. Management Information	5-10
4. Balance Sheet	11

1. Operating Statement – YTD September 2021

	Period To 30 September 2021		
	Actual £k	Budget £k	Variance £k
INCOME			
Rental Income	5,146	5,138	8
Void Losses	(132)	(166)	34
Net Rental Income	5,014	4,972	42
Other Income	146	143	3
Grant Income	43	60	(17)
Total Income	5,204	5,175	29
EXPENDITURE			
Employee Costs - Direct	867	861	(5)
Employee Costs - Group Services	156	162	6
ER / VR	0	0	0
Direct Running Costs	820	834	14
Running Costs - Group Services	90	117	27
Revenue Repairs and Maintenance	1,063	1,006	(57)
Bad debts	39	138	99
Depreciation	2,446	2,446	0
TOTAL EXPENDITURE	5,480	5,565	85
OPERATING SURPLUS / (DEFICIT)	(276)	(389)	113
Interest Payable	(972)	(1,063)	91
STATUTORY SURPLUS / (DEFICIT)	(1,248)	(1,452)	204

	Period To 30 September 2021		
	Actual £k	Budget £k	Variance £k
INVESTMENT			
Total Capital Investment Income	2,645	3,424	(779)
Investment Works	646	848	202
New Build	6,905	5,462	(1,443)
Other Capital Expenditure	119	138	19
TOTAL CAPITAL EXPENDITURE	7,670	6,448	(1,222)
NET CAPITAL EXPENDITURE	5,025	3,024	(2,001)

Full Year Budget £k
12,188
(393)
11,795
295
167
12,257
2,120
398
0
1,752
287
1,941
328
6,003
12,828
(571)
(2,514)
(3,085)

Key highlights year to date:

Net operating deficit of £276k is £113k favourable to budget. Statutory deficit for the year to date is £1,248k, £204k favourable to budget. The main driver of the favourable variance is lower bad debts and interest payable. The results at September include the activities transferred from Cube Housing Association from 28 July which were budgeted on the same basis.

- Gross rental income of £5,146k is £8k favourable to budget. Void losses in the year to date are 2.57% against a budget of 3.23%. There has been a notable improvement in voids since the implementation of new referral criteria at Broad St, one of Loretto's three temporary accommodation sites.
- Grant income relates to medical adaptations.
- Employee costs are £5k unfavourable to budget, this is due to the unbudgeted Community Engagement Officer's post and handover and training period for a small number of new staff joining the team. Employees recharged from Group Services are for Loretto's share of Wheatley Solutions staff.
- Direct running costs are £14k favourable to budget, with a number of budget lines showing underspends. Group Services Running Costs of £90k represents Loretto's share of Wheatley Solutions running costs.
- Revenue repairs and maintenance expenditure is £57k unfavourable to budget as a result of higher than budgeted cyclical maintenance and communal electricity, this is partially offset with a reduction in reactive repairs costs.
- Bad debts are £99k favourable to budget. A prudent approach was taken when setting the budget.
- Gross interest payable of £972k represents interest due on the loans due to Wheatley Funding Ltd. YTD costs are £91k lower than budget, following the restructure of WFL1's loans in March.
- The net capital position of £5,025k is £2,001k higher than budget. This is due to the timing of new build spend.
- Investment works expenditure of £646k mainly relates to capitalised repairs and core programme works, including capital compliance work and M&E work.
- New build expenditure of £6,905k, is £1,443k higher than budget due to reprofiling from 2020/21 and relates mainly to 4 ongoing sites – Hallrule, Dargavel, Cobblebrae Farm and Queens Quay, with Hallrule and Queens Quay driving the higher spend year to date. Approx. £1.6m of the capital investment income received is for Hallrule, with the remainder being for Cobblebrae (£647k) and Queens Quay £339k.
- Other capital expenditure of £119k 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.

1a. Underlying surplus – P6 September 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 table below therefore shows a measure of underlying surplus which adjusts our net operating surplus by excluding the accounting adjustments for the recognition of grant income and depreciation, including capital expenditure on our existing properties.
- In the period to the end of September 2021, an underlying surplus of £509k has been generated using this measure which is £423k favourable to budget. The variance is driven by the lower levels of core programme investment and interest expenditure. The full year budget reflects an underlying deficit of £83k.

Loretto Underlying Surplus - September 2021				
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks	FY Budget £ks
Net operating surplus	(276)	(389)	113	(571)
add back:				
Depreciation	2,446	2,446	0	6,003
less:				
Grant income	(43)	(60)	17	(167)
Net interest payable	(972)	(1,063)	91	(2,514)
Total expenditure on Core Programme	(646)	(848)	202	(2,834)
Underlying surplus	509	86	423	(83)

2. Q2 2021/22 Forecast

	Full Year 2021/22		
	Forecast £k	Budget £k	Variance £k
INCOME			
Rental Income	12,203	12,188	15
Void Losses	(343)	(393)	50
Net Rental Income	11,860	11,795	65
Other Income	295	295	0
Grant Income	167	167	0
Total Income	12,322	12,257	65
EXPENDITURE			
Employee Costs - Direct	2,135	2,120	(15)
Employee Costs - Group Services ER / VR	398 0	398 0	0 0
Direct Running Costs	1,742	1,752	10
Running Costs - Group Services	285	287	2
Revenue Repairs and Maintenance	2,011	1,941	(70)
Bad debts	328	328	0
Depreciation	6,003	6,003	0
TOTAL EXPENDITURE	12,902	12,828	(73)
OPERATING SURPLUS / (DEFICIT)	(580)	(571)	(9)
Interest Payable	(2,261)	(2,514)	253
STATUTORY SURPLUS / (DEFICIT)	(2,841)	(3,085)	244

	Full Year 2021/22		
	Forecast £k	Budget £k	Variance £k
INVESTMENT			
Total Capital Investment Income	2,769	6,260	(3,491)
Investment Works	2,834	2,834	0
New Build	11,786	11,956	170
Other Capital Expenditure	351	351	0
TOTAL CAPITAL EXPENDITURE	14,971	15,141	170
NET CAPITAL EXPENDITURE	12,202	8,881	(3,321)

Comments:

- This table shows the 2021/22 budget presented to the Board compared to the Q2 forecast for 2021/22, compiled following the September year to date results.
- Operating deficit of £580k is £9k favourable to budget and statutory deficit of £2,841k is £244k favourable to budget, mainly driven by lower levels of bad debts and interest payable.

Key points to note:

- Rental income is forecast to be materially in line with budget as no new build completions are due in 2021/22.
- Void losses are £50k favourable to budget, reflecting the position at September, with a conservative allowance for further favourable performance in Q3 and Q4.
- Employee Costs are forecast to be £15k higher than budget following the creation of the Community Engagement Officer's post in Loretto, offset by a small saving in another post.
- Direct running costs forecast a small saving of £10k following implementation of the new operating model.
- Revenue repairs and maintenance forecasts an unfavourable variance of £70k, due to higher communal electricity costs.
- A prudent approach has been taken, with bad debts forecast in line with budget.
- Gross interest payable forecasts a saving of £253k following re-structure of WFL 1 loans in March.
- New build expenditure and capital investment income are forecast to be £170k and £3,491k lower than budget respectively. This is due to reprofiling of spend, with the full claim for grant at Cobblebrae and Hallrule made in the 2020/21.
- Investment works expenditure is forecast to be in line with budget.

3. Rental and Other Income – YTD September 2021

Income £'000	1 April 2021 - 30 September 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Rental Income	5,146	5,138	8	12,188
Voids	(132)	(166)	34	(393)
Net Rental Income	5,014	4,972	42	11,795
WC Management Fee	101	101	0	203
Mid Market Rental Income	42	38	4	75
Garage/ Lock-ups	3	4	(1)	17
Miscellaneous Income				-
Other Income	146	143	3	295
Grant Income	43	60	(17)	167
TOTAL INCOME	5,204	5,175	29	12,257

Comments

Net rental income

- Rental income of £5,146k includes a 1.7% rent increase (1% for stock transferred from Cube) and is £8k favourable to budget.
- Void lost rent of £132k YTD is £34k favourable to budget and the YTD void rate is 2.57%, versus the budgeted rate of 3.23%. The second table outlines the impact of Loretto's 3 temporary accommodation sites, managed by Wheatley Care, on the void rate, with a YTD void rate of 15.58% against the budgeted rate of 7%.
- At Broad Street, 1 of the 3 temporary accommodation sites, new referral criteria implemented in June allow voids to be filled in the same day they become available. This change has contributed to the temporary accommodation void rate decreasing from 26.33% at June.

Other income

- Management fee income of £101k 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 £43k is in relation to medical adaptations.

Direct Running Costs – YTD September 2021



Direct Running Costs £'000	1 April 2021 - 30 September 2021		
	Actual	Budget	Variance
Equipment and Furniture	0	9	9
Initiatives	110	124	14
Insurance	26	25	(1)
Misc Running Costs	33	58	25
Property Costs	192	149	(42)
Staff Related Costs	8	17	9
Group recharges	451	451	(0)
TOTAL RUNNING COSTS	820	834	14

21/22 Annual Budget
23
256
63
129
310
41
930
1,752

Initiatives £'000	1 April 2021 - 30 September 2021		
	Actual	Budget	Variance
Helping Hand	15	18	3
Tenancy Support Service	26	30	3
Think Yes	3	10	7
Wheatley Foundation	65	66	1
Wider Action	0	0	0
Total	110	124	14

21/22 Annual Budget
41
79
28
99
9
256

Comments

- Direct running costs of £820k are £14k favourable to the budget of £834k.
- The favourable position is reported due to lower spend across a number of categories. The budget is spread evenly throughout the year and we are reporting fluctuations due to timing of spend in a number of lines
- Property costs are £42k unfavourable to budget as a result of a number of repairs to offices utilised by Wheatley Care and the cleaning costs of communal areas at some of Loretto's large supported properties.
- 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 Livingwell 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 Sept 2021



Repairs & Maintenance Expenditure £'000	1 April 2021 - 30 September 2021			21/22 Budget
	Actual	Budget	Variance	
Reactive repairs	408	485	77	843
Cyclical maintenance (compliance)	429	364	(65)	735
Cyclical property maintenance	38	15	(23)	79
Other	14	13	(1)	26
Communal Electricity	173	129	(44)	258
TOTAL R&M Expenditure	1,063	1,006	(57)	1,941

Comments

- Revenue repairs and maintenance spend of £1,063k is £57k unfavourable to the budget of £1,006k.
- The number of reactive repair jobs completed has increased since the beginning of the year reflecting our continued service re-mobilisation and is now at a business as usual level.
- Reactive repairs spend is below budget as a result of the higher value of repairs being capitalised.
- Cyclical Maintenance - Compliance spend relates to gas servicing and the maintenance and repair of any mechanical and electric equipment in Loretto's properties, such a lifts, fire safety equipment and pumps and tanks. Reporting costs are £65k higher than budget due to the timing of some of the compliance works.
- Cyclical property maintenance includes work at former Cube properties in Kirkintilloch and West Dunbartonshire. The current unfavourable variance reported is due to an acceleration of the programme.
- 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.
- Communal Electricity costs are £44k unfavourable to budget, following receipt of invoices from providers not on the Group framework. This has arisen as the project to transition all utility accounts to the Group framework progresses.

Investment Works – YTD September 2021



Investment Works £'000	1 April 2021- 30 September 2021			21/22 Annual Budget
	Actual	Budget	Variance	
Investment Works Grant Income				
Adaptations	43	60	17	167
Total	43	60	17	167
Investment Works Expenditure				
Adaptations	43	60	17	167
Core programme	349	548	199	2,072
Capitalised repairs	126	58	(68)	159
Capitalised staff	36	37	1	88
Void repairs	92	145	53	348
Total	646	848	202	2,834

Comments

- Overall investment works expenditure of £646k for the month of September is £202k favourable to the budget of £848k.
- Core programme works are £199k lower than budget due to the timing of KBR and central heating works, with work impacted by material supply issues. The central heating programme has commenced in September.
- This is partially offset with £91k 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 a more cost-effective option, due to continuing repairs.
- Capitalised repairs are £68k unfavourable to budget, noting that this includes £52k of boiler replacements.
- The cost of adaptations is funded by grant income.

New Build Programme – YTD September 2021



Name	Year To Date			FY Budget
	Actual £s	Budget £s	Variance £s	
Hallrule Drive	1,899	1,218	(681)	2,436
Dargavel	1,952	1,827	(125)	3,045
Cobblebrae Farm	1,208	1,370	162	2,335
McDowall Street	10	0	(10)	65
Forfar Avenue	119	0	(119)	0
Vellore Rd	0	45	45	585
Queens Quay	1,610	813	(797)	2,842
South Crosshill	0	0	0	36
Westcliff	0	0	0	0
Prior year schemes	8	0	(8)	0
Land Acquisition	0	50	50	100
Feasibility	0	0	0	0
Loretto	6,806	5,323	(1,483)	11,444

Capitalised Insurance	0	0	0	0
Capitalised Interest	0	0	0	135
Capitalised Staff Costs	99	139	40	378
Gross New Build Costs	6,905	5,462	(1,443)	11,957

Grant Income	2,602	3,364	(762)	6,092
Net new build costs	4,303	2,098	(2,205)	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: 32 units for over 55s Social Rent. Start on site 16 November 2020. Works are progressing well although an 8 week Extension of Time has been approved due to Covid-19 and material supply issues.

Dargavel: 58 Social Rent units. Site acquired in December 2019. Start on site took place 15 February 2021. Works are progressing well.

Cobblebrae Farm: 21 Social Rent units. Start on site 16 November 2020. Delays being reported due to longer delivery times and procurement of materials. Extension of Time submitted due to material supply issues.

MacDowall Street: 35 Social Rent units. Discussions with Developer are ongoing and will inform discussions with Renfrewshire Council. SHIP notes acquisition FY21/22.

Forfar Avenue c.30 units for Livingwell. Demolition complete and site investigations underway. Contractor being procured early and planning submission anticipated this calendar year.

Vellore Road: 8 Social Rent units, S75 Turnkey proposal with Lovell in Maddiston, Falkirk. Governance and contract progressing.

Where an extension of time has been agreed for Loretto sites, this will impact 2022/23 completions and will be included in the 2022/23 business plan.

*Ex Cube sites transferred to Loretto on 28th July**

Queens Quay: 80 Social Rent units as part of wider regeneration project with West Dunbartonshire Council and Clydebank HA. Extension of Time granted for Covid-19 delays. Handovers anticipated in phases April 22 – August 22.

South Crosshill Rd, Bishopbriggs: 38 Social Rent units, S75 with Barratt Homes. Developer has been successful at planning appeal and the project can progress. Programme awaited but SHIP notes acquisition FY21/22.

4. Balance Sheet

	30 September 2021 £k	31 March 2021 £k
Tangible Fixed Assets		
Housing Properties	70,603	65,498
Investment Properties	1,280	1,280
Other Assets	1,225	1,105
	<u>73,108</u>	<u>67,883</u>
Current Assets		
Rent and service charge arrears	128	93
Intercompany balances	1,077	38
Other debtors	261	543
	<u>1,466</u>	<u>674</u>
Cash at Bank and in Hand	2,422	1,322
	<u>3,888</u>	<u>1,996</u>
Short Term Creditors		
Amounts due within one year	(7,492)	(3,407)
Deferred Income	(4,277)	0
	<u>(11,769)</u>	<u>(3,407)</u>
Net Current Assets	(7,881)	(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>(42,510)</u>	<u>(42,510)</u>
Net Assets	<u>22,717</u>	<u>23,962</u>
Capital and Reserves		
Share Capital	-	-
Revenue Reserve - b/fwd	26,120	25,481
Current year surplus/(deficit)	(1,248)	636
Pension Reserves	(2,155)	(2,155)
	<u>22,717</u>	<u>23,962</u>
Association's Funds	<u>22,717</u>	<u>23,962</u>

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 increased from the year end position of £93k to £128k.
- **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 and £1.6m settlement from the Duke St legal action. Upon completion of the properties or remediation works 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: Corporate Risk Register

Date of Meeting: 8th November 2021

1. Purpose

- 1.1. To provide the Loretto Housing Board (the Board) with a revised Corporate Risk Register at Appendix 1 for approval.

2. Authorising and strategic context

- 2.1. In accordance with the Group Authorise/Monitor/Manage Matrix, the Group Board is responsible for managing and monitoring the Wheatley Group Risk Management Framework. The Board is responsible for managing and monitoring its Corporate Risk Register and Risk Appetite in accordance with the Group Risk Management Framework.
- 2.2. Risk registers are in place across the Group and are reported to each subsidiary board on a bi-annual basis. These capture risks that may impact on the delivery of the Board's strategic aims.

3. Risk appetite and assessment

- 3.1. Each identified risk has been scored in line with the Group's risk management policy and considered using the Group's risk appetite matrix.

4. Background

- 4.1. The Internal Audit team facilitated a risk workshop with Loretto Housing Managing Director and Heads of Housing on the 23rd September 2021. This included training on the risk management framework and review of risks within the Loretto Housing Corporate Risk Register. Any changes as a result of this workshop have been included in this report for approval. This report also includes any changes arising from scrutiny of the Strategic Risk Register by the Group Audit Committee and Wheatley Group Board in August 2021.

4.2. Following completion of risk workshop with all management teams across the Group, we will review the Group's risk appetite statements at risk appetite risk workshops due to be held with Boards during Spring 2022; please note that these have been delayed due to Covid-19. This review will also incorporate any actions relating to the Group's approach to risk management arising from the governance review. A detailed update on the planned approach to the workshops will be presented to the Group Audit Committee in February 2022, for approval.

5. Customer Engagement

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

6. Discussion

6.1. Key strategic risk areas have been identified through a high-level review of our evolving strategies, operational risks and the current operating environment. The following table provides a summary of the changes to the Corporate Risk Register, which is available in full at **Appendix 1**.

Risk reference	Risk Title	Proposed change
LHRR01	Coronavirus vaccination roll-out	Controls and scoring updated in line with SRR to reflect additional measures now in place.
LHRR02	Post-2021 Housing Policy and Grant availability	Risk description and controls updated in line with SRR to reflect potential causes of risk more clearly and additional measures now in place.
LHRR03	Care and Support Services	Minor update to risk description to align with SRR.
LHRR04	Rent arrears, including Universal Credit	Risk description, controls and score updated to reflect challenges associated with continuing Scottish Government pandemic guidance.
LHRR05	Business Continuity/ Disaster Recovery	Risk description updated to align with SRR. Controls updated to reflect review of arrangements that is in progress.
LHRR06	Information and Communications Technology	Risk removed as now captured within 'new operating model' risk.
LHRR08	Customer Satisfaction	Planned controls removed to align to SRR.
LHRR10	Failure to recruit, develop, retain and succession plan	Risk description updated to align with SRR and minor update to controls.

Risk reference	Risk Title	Proposed change
LHRR11	Laws and Regulations	Minor update to risk reflecting consideration of OSCR, Scottish Charities regulator's requirements.
LHRR12	Pension Contributions	Risk title, description and controls updated to align with SRR.
LHRR13	Governance Structure	Risk description, controls and scoring updated to align with SRR and reflect the fact that Subsidiary Board structures may be rationalised from time to time.
LHRR14	Fire Safety	Risk title and description updated to focus on Fire Safety, in line with controls. Additional controls also described.
LHRR16	Supply chain disruption	Risk title and description updated to reflect potential difficulties in sourcing goods. Controls and scoring updated to align with SRR.
LHRR17	Securing new funding and adverse market changes	Risk description and controls updated in line with SRR to reflect additional measures now in place.
LHRR18	Compliance with funder's requirements	Risk description and controls updated in line with SRR to reflect potential causes of risk more clearly and additional measures now in place.
LHRR19	Group Credit Rating	Risk description and scoring updated to align with SRR.
LHRR20	Cyber Security	Risk description updated to reflect potential causes of risk more clearly. Risk scoring updated to align with SRR.
LHRR21	Strategic Partnerships	Risk description and scoring updated to reflect shared Group RSL position.
LHRR22	Commercial Operations	Risk removed as no longer relevant.
LHRR23	New operating model implementation	Controls updated in line with SRR to reflect progress of implementation plans.
LHRR24	Service Remobilisation post Covid-19	Risk removed following the full remobilisation of all services.
LHRR25	Ongoing threat of future waves of COVID-19 and/or another pandemic	Controls updated in line with SRR to reflect additional measures now in place and risk title and description updated to include the potential for another pandemic.

Risk reference	Risk Title	Proposed change
LHRR26	Climate change impact on Group assets and services	Existing risk separated into two new risks- LHRR26 and LHRR27 in line with SRR.
LHRR27	Meeting stakeholder expectations on climate change	New climate change risk.

7. Digital transformation alignment

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

8. Financial and value for money implications

8.1. No direct financial or value for money implications arising from this report.

9. Legal, regulatory and charitable implications

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

10. Equalities implications

10.1. There are no equalities implications arising from this report.

11. Environmental and sustainability implications

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

12. Recommendation

12.1. The Board is asked to review and approve the revised Corporate Risk Register.

List of Appendices

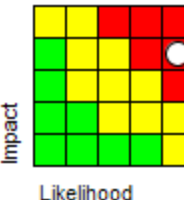
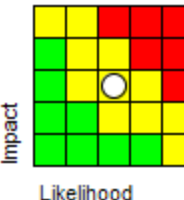
Appendix 1 Loretto Housing Corporate Risk Register - draft for approval

Appendix 2 Risk Scoring Definitions

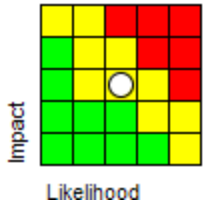
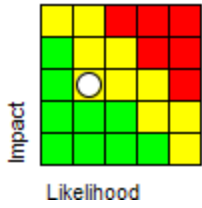
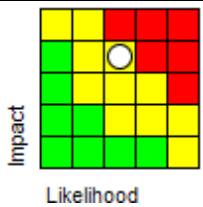
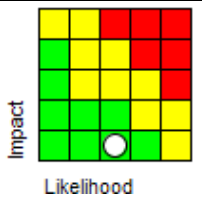
Appendix 3 Risk Appetite Definitions

Loretto Housing Corporate Risk Register (Proposed changes in red text)

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LHRR01 Covid-19 vaccination roll-out	There is a risk that a lack of clarity over employers' responsibilities in relation to the Covid-19 vaccine, including employment law and data protection implications of requiring staff to notify their employer and / or the vaccine being made mandatory for certain roles, results in reputational damage and / or potential breach of employment law or data protection regulations.		<p>The Employee Relations team continues to consult with employment law advisers to obtain ongoing legal advice.</p> <p>The Group continues to liaise closely with trades unions and staff to develop its approach.</p> <p>Data privacy notices for Care staff have been updated to allow the Group to keep a record of which staff have received the vaccine, and work to updated privacy notices for all Group staff continues. Care management is monitoring uptake levels as part of a local risk assessment approach.</p> <p>Where Care staff have not received a vaccine, or unable to wear full PPE, the Group's interim approach is to reassign employees to non-customer facing roles, to safeguard both customers and the employee.</p>		Averse App 2
LHRR02 Post-2021 Housing Policy and Grant availability	<p>There is a risk that a reduction in the availability of grant (both in terms of availability and allocation levels) resulting from a change in Scottish Government Housing Policy after 2021, results in a failure to fully deliver the new build programme and other investment objectives set out within the 2021—2026 Strategy.</p> <p>There is a risk that without sufficient Scottish Government financial support we may be unable to deliver some of the Scottish Government and EEESH2 targets in relation to energy efficiency.</p>		<p>Wheatley Group staff are meeting with Scottish Government representatives regularly to proactively present the case for housing investment to Ministers and senior officials directly and through our representative bodies SFHA and CIH. This includes participating in the Scottish Government review of grant availability.</p> <p>A Green Investment Plan proposal has been developed and will form the basis of direct discussions with the Scottish Government.</p> <p>Financial scenario planning in place to understand potential impact on the new build programme and other investment requirements of a variety of reduced grant allocation scenarios.</p>		Cautious App 2

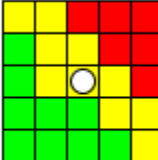
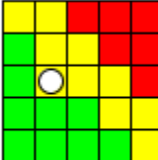
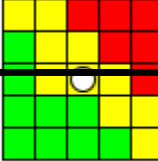
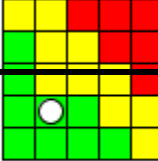
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
<p>LHRR03 Care and support Services</p>	<p>A failure in the care of an individual could result in serious personal harm, leading to risk to life and limb, financial liability and loss of future work due to reputational damage.</p> <p>The commissioning environment relating to care and support services creates risks that funding is insufficient to allow services to break-even while paying staff fair wages.</p> <p>27% of Loretto Housing income comes from Wheatley Care Service Users.</p>		<p>Care and support services governance arrangements, including the authorising environment, are clear and have been approved. These include regular reviews of service financial positions and processes to hand back services which cannot be delivered in a financially viable manner.</p> <p>Care Assurance Framework (which includes monitoring the results from Care Inspectorate service visits and Group Assurance inspections) in place which assesses the quality of care and adherence to Care policies and procedures across Group. During the COVID-19 period, the Care Inspectorate is using video-calls to undertake reviews of Coronavirus controls in care homes. This approach will be rolled out to 'Care at Home' registered services in the near future. There are also regular formal calls between inspection officers and registered managers.</p> <p>Regular management review of service users' care packages to monitor where people are leaving the services and how to redeploy resources or attract new users.</p> <p>The Protecting People Policy Framework sets out arrangement for protecting the People We Work For, including those considered to be vulnerable. Work to deliver against the Framework is reported to the Wheatley Care Board.</p>		<p>Cautious</p> <p>App 2</p>

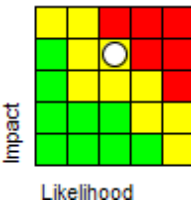
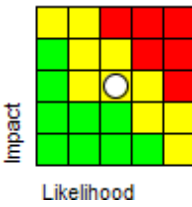
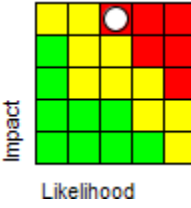
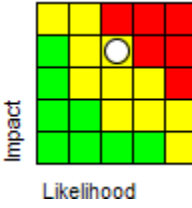
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LHRR04 Rent arrears including Universal Credit	<p>The impact of Covid-19, including legislation to prevent evictions, increased lead-in times and uncertainty around Sheriff eviction decisions, as well as the closure of the Furlough scheme and the continued expansion of Universal Credit, continue to impact on our rental income stream and increase our arrears.</p> <p>This also has negative impacts for customers, with increasing financial hardship.</p>	<p>Impact</p> <p>Likelihood</p>	<p>Staff across the Group – including frontline housing teams, the customer service centre and communications – run ongoing campaigns and programmes of contact with customers affected by financial hardship and with problems in paying their rent, whether caused as a result of Covid-19, the wider issues with Universal Credit or for other reasons.</p> <p>This includes a dedicated Universal Credit team, use of GoMobile for staff to assist customers with online transactions and working with partners to influence the UK and Scottish policy and funding environment.</p> <p>Online service portals are more accessible and housing officers are becoming more available. Our small housing patch sizes provide a key mitigation, allowing staff to work proactively with customers before their debts become unmanageable, drawing in Wheatley 360 support services such as welfare benefits advice, as required.</p> <p>The Group business plan also contains a significant buffer within its assumptions for risk in relation to bad debts and rent arrears. In addition, arrears performance is reviewed by Boards at every meeting.</p>	<p>Impact</p> <p>Likelihood</p>	<p>Averse Cautious</p> <p>App 2</p>
LHRR05 Business Continuity / Disaster Recovery	<p>Loretto Housing The Wheatley Housing Group does not have adequate or tested Business Continuity / Disaster Recovery plans in place for key business activities, (for example: repairs service, care provision/staff cover, customer payment systems/technology) including those with significant contractors, resulting in significant</p>	<p>Impact</p> <p>Likelihood</p>	<p>Business Continuity Plans are in place across all business areas. A business continuity implementation group is responsible for collating, reviewing and designing the Group's Disaster Recovery and Business Continuity Plans.</p> <p>The business continuity framework is being further developed in line with the Group's new business</p>	<p>Impact</p> <p>Likelihood</p>	<p>Averse Minimal</p> <p>App 2</p>

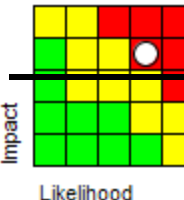
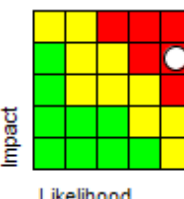
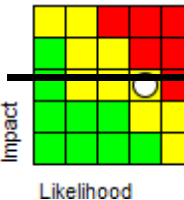
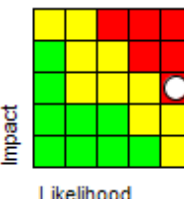
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
	disruption to service and avoidable reputational damage.		operating model and in light of experience through the COVID-19 pandemic. A programme for annual live testing of these plans exists and is monitored by Lead Director. Business Continuity Plans were reviewed at start of lockdown in response to COVID-19.		
LHRR06 Information and Communications Technology	Failure to transform services by the innovative use of Information and Communications Technology to keep pace with the changing demands of internal and external service users.		A Group IT & Digital Strategy (2017 – 2020) is in place which details key delivery milestones to be achieved by responsible managers. New projects have been delivered – Go Mobile, My Housing, iWorld upgrade. Infrastructure and project management disciplines are now embedded. The ET and Wheatley Board continue to monitor the delivery of the Strategy. Group Assurance to provide assurance over the progress of key projects within the Strategy with reports going to the Audit Committee. Proposed Actions: New technology delivery plan for 2021-26 is being drafted.		Cautious
LHRR07 Duke Street resolution	Ongoing legal situation with Duke Street site has unanticipated outcomes for Loretto Housing, including future financial implications, which may impact on the delivery of business objectives.		Duke Street costs are now included in the Wheatley Group business plan. The financial impact for Duke Street in 2021 relates to ongoing external legal costs, counsel costs for court appearances and technical costs, all consultancy/legal revenue costs and all held at the Group Development Team, which will continue until resolution. The Development Team will coordinate and mediate on both legal counsel and technical support over the next 6 months to bring the ongoing issues to a conclusion before this can be progressed within Loretto at a local level.		Averse App 1

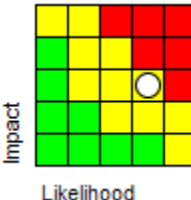
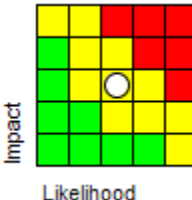
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LHRR08 Customer satisfaction	Customers do not feel our homes and services meet their needs and/or the standards they expect, leading to declining customer satisfaction.		<p>Customer service excellence is a key element of 2021-26 strategy. We use a variety of methods to collect customer feedback, both during the year and annually. This information helps us understand customer views and informs our delivery and investment plans every year. This will be augmented by a range of new approaches to improve satisfaction among particular target groups such as young families. The new performance management framework will also include a stronger focus on measuring drivers of customer value in our key services.</p> <p>Small housing officer patch sizes of 1:200 allow housing staff to deliver personalised services under the ThinkYes approach.</p> <p><u>Planned action</u> Engagement plans will be developed.</p>		Open Hungry App 2
LHRR09 Political and Policy Changes	The risk that political and policy changes (within Scotland and the UK) affect the ability of Loretto Housing to deliver strategic objectives resulting in significant adverse reputational impact.		<p>The current policy and national political environment brings a degree of uncertainty. Loretto Housing has an established stakeholder management framework in place and relevant Managers will be focussed on responding to changes in policy and administration as they arise.</p> <p>The Group's policy of not building homes for sale also mitigates potential property market risk.</p>		Averse Cautious App 2
LHRR10 Failure to recruit, develop, retain, and succession plan	Failure to recruit, develop, retain and succession plan for high quality / qualified staff, resulting in reduced levels of service provision, staff not competent to perform their job to expected standard and achieve strategic objectives.		<p>My Contribution process in place for all staff and integrated with My Academy.</p> <p>Training Logs for all staff and training courses at the Academy and online through the My Academy. Leadership Development programme, succession planning and talent management programme.</p>		Open App 2

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
			<p>HR policies on recruitment and selection. Employee satisfaction surveys. Succession Plan (including for Executive Team members) monitored on an on-going basis. Review of 'Leaders of the Future' programme. IGNITE graduate programme in place to bring in new young talent established across Group RSLs and Wheatley Solutions.</p>		
LHRR11 Laws and Regulations	<p>Non-compliance with statutory laws and regulations, including but not limited to: (i) Scottish Housing Regulator and Care Inspectorate regulations, (ii) Financial Conduct Authority (FCA) regulations, (iii) compliance with Health and Safety Building Regulations, (iv) Freedom of Information (Scotland) Act, and (v) General Data Protection Regulations (vi) OSCR, the Scottish Charities Regulator resulting in adverse feedback, loss in confidence from Regulator, the Scottish Information Commissioner, regulators, funders, customers and potential partners, as well as potential fines and penalties.</p>		<p>A Group wide Scottish Housing Charter Assurance process is supported by the Tenant Scrutiny Panel reviewing outcomes; FCA regulations are considered when new products and services are developed; Qualified personnel undertaking capital improvement works as well as suitable sign off and compliance checks of new installations (e.g. external wall coverings), to ensure these meet relevant building standards; New product offerings follow a clear route to governance, with approval required from the Executive Team before formal approval is requested from the Group Board; Regular reporting to Boards on outcomes of Care inspections and completion of action plans following every inspection; Legal and financial advice is obtained for all financial offerings to customers; Compliance Plan monitored on an on-going basis and any issues raised to Executive Team and Audit Committee on an exception basis. The Group has on-going relationship management with Regulator;</p>		<p>Averse App 2</p>

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
			Group wide approach to how the Group manages information; Privacy Impact Statements to be implemented across the Group; Changes to existing legislation are identified and implemented by identified responsible officers across the Group.		
LHRR12 Pension deficit Pension contributions	Pension deficit—risk that Loretto cannot afford the potential additional contributions to the Pension Fund. Increases in the required pension contributions for all Group pension funds may lead to potential cost pressures for the Group.	 Impact Likelihood	The potential risk of paying additional contributions has been monitored. Pension Fund Managers have intimated that there will be no increase to employer's contribution in the short to medium term. In the meantime, this risk will continue to be monitored. The Group's Pensions Policy sets out a range of measures to manage pension costs. We have established a Wheatley Group defined contribution scheme which is the default arrangement for new joiners and auto-enrolment for most subsidiaries. We are also consolidating SHAPS and LGPS schemes where possible to reduce the risk of cessation liabilities being triggered.	 Impact Likelihood	Open Averse App 2
LHRR13 Governance Structure	The governance structure is not clearly defined, is overly complex and lack of 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.	 Impact Likelihood	Senior Management and staff have clearly defined roles to deliver profits and other key measures. E.T and Loretto Board continue to monitor performance against the strategy and business plan. The Group's authorising environment has been agreed and. The Corporate Strategy highlights the importance of the need for continual Board development enabling the Board and Committee members to remain strategically focused, and governance training is provided as appropriate. Formal succession planning for tenant Board members being developed. Governance	 Impact Likelihood	Cautious App 2

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
		 <p>Impact</p> <p>Likelihood</p>	<p>arrangements regularly reviewed by the Scottish Housing Regulator, external consultants, internal and external audit functions.</p> <p>Subsidiary Board structures may be rationalised from time to time to reduce complexity, eg as has been done with Wheatley Care and Lowther/YourPlace.</p>	 <p>Impact</p> <p>Likelihood</p>	
LHRR14 Building safety Fire Safety	<p>The risk that the health and safety of our customers and staff is put at risk through failure to comply with all relevant building health and safety rules.</p> <p>The continuously changing nature of regulations and guidance in this area, for example in relation to fire safety, elevates the risks in relation to continuing compliance.</p> <p>There is a risk that a failure to comply with relevant fire safety standards for our buildings results in harm to the health or safety of our customers and/or staff, leading to injuries or fatalities, enforcement action and reputational damage.</p>	 <p>Impact</p> <p>Likelihood</p>	<p>External review, commissioned by the Assurance Team, of our Fire Safety arrangements every 2 years.</p> <p>Community Improvement Partnership focused on fire prevention and education.</p> <p>Business Continuity Plans.</p> <p>Group Fire Safety Team focuses on identification of fire preventions actions for implementation by MDs.</p> <p>Quarterly reporting of implementation of actions to Group Audit Committee.</p> <p>Outwith relevant premises, Fire Prevention and Mitigation Framework including our approach to high rise block inspections and Livingwell, and Fire Risk Assessments.</p> <p>Extensive compliance and investment regime to achieve compliance with building safety regulations (as required) and best practice guidance.</p>	 <p>Impact</p> <p>Likelihood</p>	<p>Averse</p> <p>App 2</p>

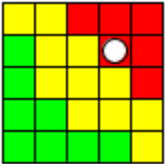
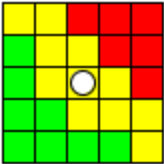
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
<p>LHRR16 Brexit trade deal Supply Chain Disruption</p>	<p>The Brexit trade deal may mean some delays in sourcing materials and goods, whether directly or indirectly via our supply chain This could result in increased costs for new build and property investment and repair works.</p> <p>There is a risk of delays in the sourcing of goods and materials, or of Wheatley Care workforce challenges arising from the impact of macroeconomic events such as the post-Brexit trade deal, Covid manufacturing productivity challenges and global purchasing behaviours such as US/Asia mega-purchasing; resulting in increased costs and / or delays for new build and property investment and repairs works, or negative impacts on the wellbeing and satisfaction of People We Work For.</p>	 	<p>General Procurement procedures include assessment of suppliers' financial health. Proactive monitoring of supply chains by Operational leads with regular contract management meetings. Regular engagement with Scottish Government on cost or delay impact as potential issues emerge. In the event of supplier insolvency, procurement frameworks / approved supplier listings would be used to identify alternative suppliers.</p> <p>Repairs Service Manage stock levels including, where possible advance purchase of components and materials. Engagement with key suppliers. Specific contingency plans for key services e.g. lifts. Local staff directly employed by CBG or DCPS</p> <p>Investment Programme Manage stock levels of components and materials. Engagement with key suppliers</p> <p>New Build Regular engagement with new build contractors where the Group's financial exposure is greatest to test financial standing. Monitor on a site basis the availability and adequacy of contractor's resource on site – consider increased clerk of works site monitoring to ensure quality of workmanship.</p> <p>Operational Supplies Utilisation of Group and 3rd party frameworks to minimise price increase risk Engagement with key suppliers on stock levels.</p> <p>Wheatley Care</p>	 	<p>Cautious App 2</p>

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
			Working with SG via membership organisations to understand potential level of risk. Contingency plans to mitigate locally and maintaining a 16-week stock of PPE.		
LHRR17 Securing new funding and adverse market changes	<p>Wider economic and/or political conditions could cause deterioration in the funding market, for example another banking crisis or constitutional changes causing investor uncertainty. This could limit our ability to raise borrowing at cost-effective rates or raise the required funds to meet our liquidity Golden Rules, thereby increasing the risk that we do not have enough available cash to meet our commitments or achieve our business plan objectives.</p> <p>There is a risk that the Group's ability to raise borrowing at cost-effective rates or raise the funds required to meet our liquidity Golden Rules is limited by wider economic or political conditions such as another banking crisis, rising interest rates, default in the sector, increasing focus on ESG credentials or constitutional changes; resulting in an inability to hold enough cash to meet our commitments or achieve our business objectives.</p>		<p>Our strategy is to diversify funding sources and relationships, providing a range of options for future funding in the event of adverse funding market changes.</p> <p>Our liquidity Golden Rules are designed to ensure that we have sufficient cash available for two years + 25% contingency, and this rule is re-assessed annually by the Group Board. Compliance with these is reported to the Group and WFL Boards quarterly. We also review our approach to hedging in respect of interest rate risk on a quarterly basis.</p> <p>We do not borrow in currencies other than sterling to reduce exchange rate risks, including in the event of a potential future change in currency, nor do we borrow from non-UK domiciled investors (with the exception of the EIB).</p> <p>The Group's Internal Rate of Return (for appraising and approving projects) will be revised if finance costs increase to ensure new build projects do not become less-making.</p> <p>Annual ESG reporting in place with reports issued alongside the statutory accounts. A Sustainability Financing Framework will be issued in Q3 2021/22, which will be accredited by S&P.</p>		<p>Averse Open App 2</p>

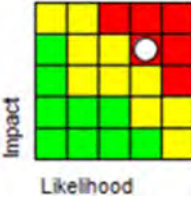
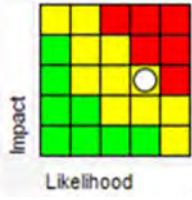
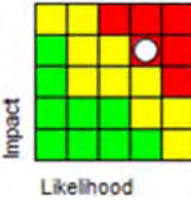
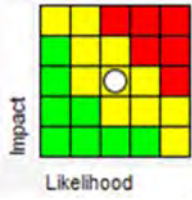
Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LHRR18 Compliance with funders' requirements	<p>Failure to meet/maintain the requirements of funders and investors could have a range of impacts, from default on loan agreements (i.e. covenants) to general loss of confidence. This could adversely impact on our ability to raise new funding to deliver strategic objectives.</p> <p>There is a risk of defaulting on loan agreements as a result of failing to meet or maintain compliance with loan agreements. This would result in withdrawal of the funding, potential for cross-default on other facilities, difficulty in obtaining future funding from other funders and would likely result in higher cost of funding.</p>		<p>Regular meetings with funders and investor representatives to update on financial status of the Group.</p> <p>Financial performance monitored monthly and covenant compliance reviewed quarterly by the Group Board, before being submitted externally to funders.</p> <p>Covenant compliance monitoring tool introduced by Finance. Funder requirements document identifies key dates and requirements.</p> <p>Financial performance is monitored on an ongoing basis through monthly reporting cycle and Group/subsidiary Board review of management accounts.</p> <p>Subsidiary and Group Business Plans are subject to annual updates and review by respective Boards. In addition, ongoing dialogue is maintained with relevant credit rating agencies in order to mitigate the risks of unexpected rating changes.</p>		<p>Averse Cautious</p> <p>App 2</p>
LHRR19 Group Credit Rating	<p>The Group's credit rating is downgraded, adversely impacting our ability to raise funds on the capital markets or potentially impacting on the cost of debt to the Group. External factors such as the UK's credit rating could lead to a down grade in the Group's credit rating. This could trigger potential prepayment of our European Investment Bank loans if the rating falls to BBB+ or below.</p> <p>There is a risk that external factors such as a downgrade of the UK's credit rating or a default by another organisation within the social housing sector results in a</p>		<p>The Group's business plan is designed to maintain a strong stand alone credit rating, for example excluding build for sale. Our financial Golden Rules include maintaining strong levels of liquidity to mitigate refinance risks.</p> <p>Ongoing dialogue is maintained with relevant credit rating agencies in order to mitigate the risk of unexpected rating changes which are controllable.</p> <p><i>Mitigation drafting used in legal clauses</i> - in the event the rating fell to BBB+, the legal clauses are specific that this is not an event of default (thereby avoiding cross-default).</p> <p><i>Negotiation period</i> – the legal clauses provide for a period to negotiate with EIB on mitigating</p>		<p>Averse Cautious</p> <p>App 2</p>

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
	downgrading of the Group's credit rating to BBB+ or below, resulting in a potential requirement to repay our European Investment Bank loans, a reduction in the availability of future borrowing, and/or an increase in the cost of current debt.		measures, such as revisions to covenants or posting of increased security/collateral. <i>Standby funders to replace EIB if necessary</i> - A strong relationship is maintained with EIB to mitigate future risk from external factors causing a credit rating downgrade. Strong investor/lender relationships are maintained with a number of other organisations at all times in case of unanticipated funding need.		
LHRR20 Cyber Security	<p>The Group's approach to cyber security is not robust and staff are not actively engaged due to culture or poor staff understanding; or knowledge of the subject, the Group's response to it or their individual role. This is particularly important with increased home working across the Group.</p> <p>A lack of compliance with the approach and arrangements made could lead to greater opportunity for cyber-attack, resulting in unplanned system downtime, data loss, reputational damage, customer dissatisfaction and potential legislative or regulatory breach.</p> <p>There is a risk that the Group is subject to a cyber attack due to a failure of the Group's cyber security arrangements such as:</p> <ul style="list-style-type: none"> - staff not aware of policies and procedures - technology is out of date - inadequate management of end of life services <p>resulting in an inability to deliver services, and potential financial loss.</p>		<p>IT cyber security live tests undertaken and results reported to ET and Group Board.</p> <p>Group IT has an information and cyber security approach that covers i) overall Information Security Policy for Group, and ii) staff engagement and training across 5 key learning themes.</p> <p>Established processes across key risk areas: Information Security Response / Access Controls / Secure Disposal / Group Data Protection Policy /IT Cloud Services Policy / Vendor Security Assessments.</p> <p>Group IT is externally assessed annually on information security and IT general controls via 3rd party auditors.</p> <p>A Bi-Annual cyber security assessment is conducted by NCC across 20 key control areas.</p> <p>An internal Information Security Working Group has been established within technical teams across Group IT.</p> <p>Biannual cyber security update reported to the Group Audit Committee.</p>		<p>Averse</p> <p>Minimal</p> <p>App 2</p>

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LRR21 Strategic Partnerships	<p>Loretto Housing have strategic partnerships in place where stock is leased to partners. Should Loretto Housing not receive the rental income for these properties this could result in reduced growth opportunities and propose a risk.</p> <p>Strategic partnerships entered in to do not achieve the expected benefits which could result in loss of confidence with Board, Funders, Regulator and potential strategic partners. This could result in reduced future growth opportunities and reputational damage.</p>		<p>Robust performance monitoring arrangements are in place to monitor expected outcomes, including Service Level Agreements/ Management Agreements. These outcomes will be monitored as part of the project management agreements relating to the partnerships with Loretto Housing. Performance will also be monitored by RSL Loretto Housing and Group Boards.</p>		Open App 1
LRR22 Commercial Operations	<p>Failure to achieve financial growth returns in our commercial operations. This results in reduced surpluses available to support the Group's charitable activity, in particular through the Wheatley Foundation.</p>		<p>Robust monitoring arrangements in place to appraise the operational performance and delivery of strategic objectives; and Levels of performance are monitored by Divisional Management Teams (DMTs), Executive Team (ET) and the relevant Boards as well as Group Board.</p>		Open
LRR23 New operating model implementation	<p>The implementation of a new operating model as we emerge from the Covid-19 crisis, including changing staff patterns/places of work, reducing the number of offices and placing greater reliance on technology could be poorly implemented and communicated, leading to staff disengagement and lack of support from our trade union partners.</p>		<p>A clear strategy is in place for consultation with all relevant staff, including through our Trade union partners, who are supportive of the new model. Detailed guidance has been provided to all staff on the health and safety aspects of home working. There will be clear communication of the protocols for accessing new staff hubs and what they should be used for once Scottish Government guidance allows use of non-essential offices once again.</p> <p>The Customer Consultation on the new operating model continues, and results of the completed</p>		Open App 2

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
			<p>consultation will be reported to Boards for consideration.</p> <p>Operational planning for implementation is in progress, including the delivery of the Customer First Centre. A New Business Model Steering Group meets fortnightly to facilitate this planning.</p> <p>Executive team receives regular reporting of plans and has oversight of plans, including for the Customer First Centre.</p>		
<p>LRR24 Service remobilisation post Covid-19</p>	<p>A lack of clear planning, coherence and communication with staff and customers in our service remobilisation planning as we move through the Scottish Government's Covid recovery phases could lead to:</p> <ul style="list-style-type: none"> • poor or inconsistent service outcomes • customer and staff confusion and frustration, including an increase in complaints • risks to customer and staff health and safety (for example if PPE requirements are not properly understood and delivered) • deterioration in trade union and stakeholder relationships 	 <p>Impact</p> <p>Likelihood</p>	<p>Service remobilisation plans must meet strict criteria and be approved by the Exec Team. Governance oversight is provided by all Boards. Services cannot move between different stages of remobilisation without a full review of lessons learned from the previous stage and a further gateway approval from the Exec Team.</p> <p>The following are key components of each service's remobilisation plans and must be approved by the Exec Team at each stage:</p> <ul style="list-style-type: none"> • Health and safety implications/forecast requirements of PPE can be met • Furloughing implications are agreed and understood • Customer views from the previous stage service model have been assessed and any lessons learned understood • Trade union partners have endorsed the proposals for remobilisation 	 <p>Impact</p> <p>Likelihood</p>	<p>Cautious</p> <p>App-2</p>

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
LRR25 Ongoing threat of future waves of Covid-19 and/or another pandemic	The risk of future waves of Covid-19 and/or another pandemic along with the risk of further periods of lockdown (either Scotland wide or by geographical area) may result in previously remobilised services being paused.		<p>Through lessons learnt from previous lockdown and remobilisation, services now have contingency plans (both Group wide and at a local level in place) for future waves and/or another pandemic.</p> <p>These include protocols for different grades of service model depending on the level of government restrictions (according with the levels system), Operational Safety Manual amendments which can be reinstated at short notice depending on the situation and 16-week PPE forward supply stocks being maintained at all times.</p> <p>We have a clear set of links with Scottish Government and other stakeholders through our standing place on the sector resilience group which allows us to quickly input to and understand Scottish Government responses and guidance.</p>		Cautious App 2
LRR26 Climate Change	<p>Climate change poses a number of risks to the Group, including:-</p> <p>Regulatory and legislative compliance — that the scale of cost and/or nature of available technology may not allow us to improve the energy efficiency of our properties to required regulatory standards such as EESSH 2.-</p> <p>Asset resilience — more frequent flooding, seasonal temperature variation or extreme climate events could negatively impact our infrastructure, properties, and operations.-</p> <p>Funding and investment — without a clear plan for how we reduce our carbon and energy use, as part of a wider sustainability</p>		<p>Our strategy includes an objective to reduce emissions from our corporate activities to net zero by 2026.—</p> <p>We have detailed asset information and baseline data, an EESSH 2 plan is under development and we are in discussions with the Scottish Government about funding to accelerate investment in our properties through a Wheatley Green Investment Plan.—</p> <p>Business continuity plans (both at Group and local level) provide for operational responses to extreme weather events such as flooding and severe winter snow (eg “Beast from the East” type events).- We produce an annual ESG report for investors setting out our progress on the environmental agenda, and will produce a</p>		Cautious-

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
	<p>strategy, our ability to access institutional investment may become restricted.</p> <p>Communication — our organisational commitment to contributing to the climate change/sustainability is not sufficiently publicised and could impact external perceptions of our commitment in this area.</p>		<p>sustainability framework for investors to support the raising of sustainability-linked finance in future.</p> <p>In addition to ESG reporting, increased public messaging around our work in relation to climate change.</p>		
LRR26 Climate Change impact on Group assets and services	There is a risk that the Group's inability to adapt to results of climate change results in damage to the value of our assets and our ability to deliver services.	 <p>Impact</p> <p>Likelihood</p>	Business continuity plans (both at Group and local level) provide for operational responses to extreme weather events such as flooding and severe winter snow (e.g “Beast from the East” type events). Climate Impact Assessment report commissioned from external consultants (Foresight report). Performance Reporting team has commissioned report to overlay climate change impacts on Group's geographic locations.	 <p>Impact</p> <p>Likelihood</p>	Cautious
LRR27 Meeting stakeholder expectations on climate change	The Group is not able to deliver climate-change mitigation activities that meet the expectations of key stakeholder requirements and regulatory requirements.	 <p>Impact</p> <p>Likelihood</p>	Our strategy includes an objective to reduce emissions from our corporate activities to be carbon neutral net-zero by 2026. We have detailed asset information and baseline data, an EESSH 2 plan is under development and we are in discussions with the Scottish Government about funding to accelerate investment in our properties through a Wheatley Green Investment Plan. We produce an annual ESG report for investors setting out our progress on the environmental agenda, and will produce a sustainability framework for investors to support the raising of sustainability-linked finance in future.	 <p>Impact</p> <p>Likelihood</p>	Cautious

Code & Title	Description	Inherent risk score	Existing Controls / Monitoring & Check	Residual Risk score	Risk Appetite
			In addition to ESG reporting, increased public messaging around our work in relation to climate change.		

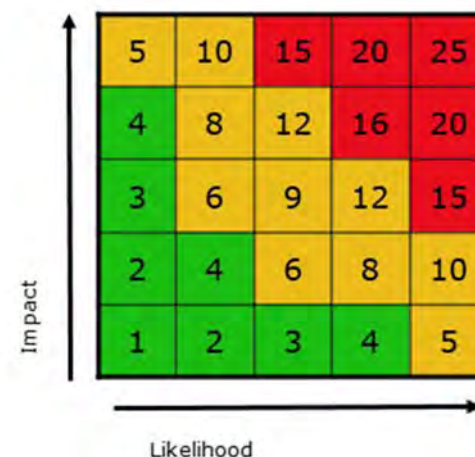
Risk Scoring Definitions

Impact scoring for strategic risks

Risk Rating Score	Impact Classification	Reputation	Health, Safety and Welfare	Finance
1	Insignificant	Managed/reported to Business Unit Local media (short term duration)	Minor injury cleared with first aid treatment	Up to £100,000
2	Minor	Managed/reported to Departmental Management Team Local media (short/medium term duration)	Reportable dangerous occurrence (near misses)	£100,001 to £500,000
3	Moderate	Managed/reported to Team and Board Members Regional media (short/medium term duration)	Reportable over three day injuries or reportable diseases	£100,001 to £500,000
4	Significant	Regional/National media coverage (medium/long term duration)	Major reportable injury or injuries	£500,001 to £1M
5	Catastrophic	Third Party intervention Public Interest Group National/international media (long term duration)	Fatality or permanent disability	Over £1M

Likelihood scoring

Risk Rating Score	Likelihood Classification	Risk Description
1	Remote	Likely to occur greater than 10 years
2	Unlikely	Likely to occur within 5 to 10 years
3	Possible	Likely to occur within 3 to 5 years
4	Likely	Likely to occur within 1 to 3 years
5	Very Likely	Likely to occur within 1 year



Risk Appetite Definitions

Appendix 3

	1 Averse	2 Minimal	3 Cautious	4 Open	5 Hungry
	Avoidance of risk and uncertainty is a key Organisational objective.	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.	Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	Willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc.).	Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).
Risk Category	Example behaviours when taking key decisions....				
Reputation and credibility	<ul style="list-style-type: none"> Minimal tolerance for any decisions that could lead to external scrutiny. 	<ul style="list-style-type: none"> Tolerance for risk taking limited to those events where there is no chance of significant repercussion. 	<ul style="list-style-type: none"> Tolerance for risk taking limited those events where there is little chance of any significant repercussion should there be a failure. 	<ul style="list-style-type: none"> Appetite to take decisions with potential to expose us to additional scrutiny but only when appropriate steps have been taken to minimise any exposure. 	<ul style="list-style-type: none"> Appetite to take decisions that are likely to bring external scrutiny but where potential benefits outweigh the risks.
Operational and Policy delivery	<ul style="list-style-type: none"> Defensive approach to objectives – aim to maintain or protect, rather than to create or innovate. Priority for tight management controls and oversight with limited devolved decision making authority. General avoidance of systems / technology developments. 	<ul style="list-style-type: none"> Innovations always avoided unless essential. Decision making authority held by senior management. Only essential systems /technology developments to protect current operations. 	<ul style="list-style-type: none"> Tendency to stick to the status quo, innovations generally avoided unless necessary. Decision making authority generally held by senior management. Systems / technology developments limited to improvements to protection of current operations. 	<ul style="list-style-type: none"> Innovation supported, with demonstration of commensurate improvements in management control. Systems / technology developments considered to enable operational delivery. Responsibility for non-critical decisions may be devolved. 	<ul style="list-style-type: none"> Innovation pursued – desire to ‘break the mould’ and challenge current working practices. New technologies viewed as a key enabler of operational activity.
Financial / VFM	<ul style="list-style-type: none"> Avoidance of financial loss is a key objective. Only willing to accept the low cost option. Resources withdrawn from non-essential activities. 	<ul style="list-style-type: none"> Only prepared to accept the possibility of very limited financial loss if essential. VFM is primary concern. 	<ul style="list-style-type: none"> Prepared to accept the possibility of some limited financial loss. VFM still the primary concern but willing to also consider the benefits. Resources generally restricted to core operational targets. 	<ul style="list-style-type: none"> Prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to capitalise on potential opportunities. 	<ul style="list-style-type: none"> Prepared to invest for the best possible reward and accept the possibility of financial loss (although controls may be in place). Resources allocated without firm guarantee of return – ‘investment capital’ type approach.
Compliance – legal / Regulatory	<ul style="list-style-type: none"> Avoid anything which could be challenged, even unsuccessfully. Play safe. 	<ul style="list-style-type: none"> Want to be very sure we would win any challenge. 	<ul style="list-style-type: none"> Limited tolerance for “sticking our neck out”. Want to be reasonably sure we would win any challenge. 	<ul style="list-style-type: none"> Challenge will be problematic but we are likely to win it and the gain will outweigh the adverse consequences. 	<ul style="list-style-type: none"> Chances or losing are high and consequences serious. But a win would be seen as a great coup.

Report

To: Loretto Housing Board

By: Ranald Brown, Director of Assurance

Subject: Assurance Update

Date of Meeting: 8th November 2021

1. Purpose

1.1 To provide the Board with an update on the results of Internal Audit work completed in Quarter 1 and Quarter 2 2021/22.

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.

3. Risk appetite and assessment

3.1 The Board's risk appetite in relation to Governance is deemed "cautious" meaning that there is a preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.

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 In May 2021 and August 2021, the Group Audit Committee approved internal audit quarterly workplans that included completion of the following reviews:

- Furlough Scheme
- ESG Baseline
- Annual SHR Assurance Statement
- Complaints Handling
- Voids Management
- Payroll data analytics
- Equalities and Human Rights
- Digital Strategy Follow Up
- Strategic Projects oversight arrangements
- Wheatley Care Financial Management
- Accounts Payable data analytics review

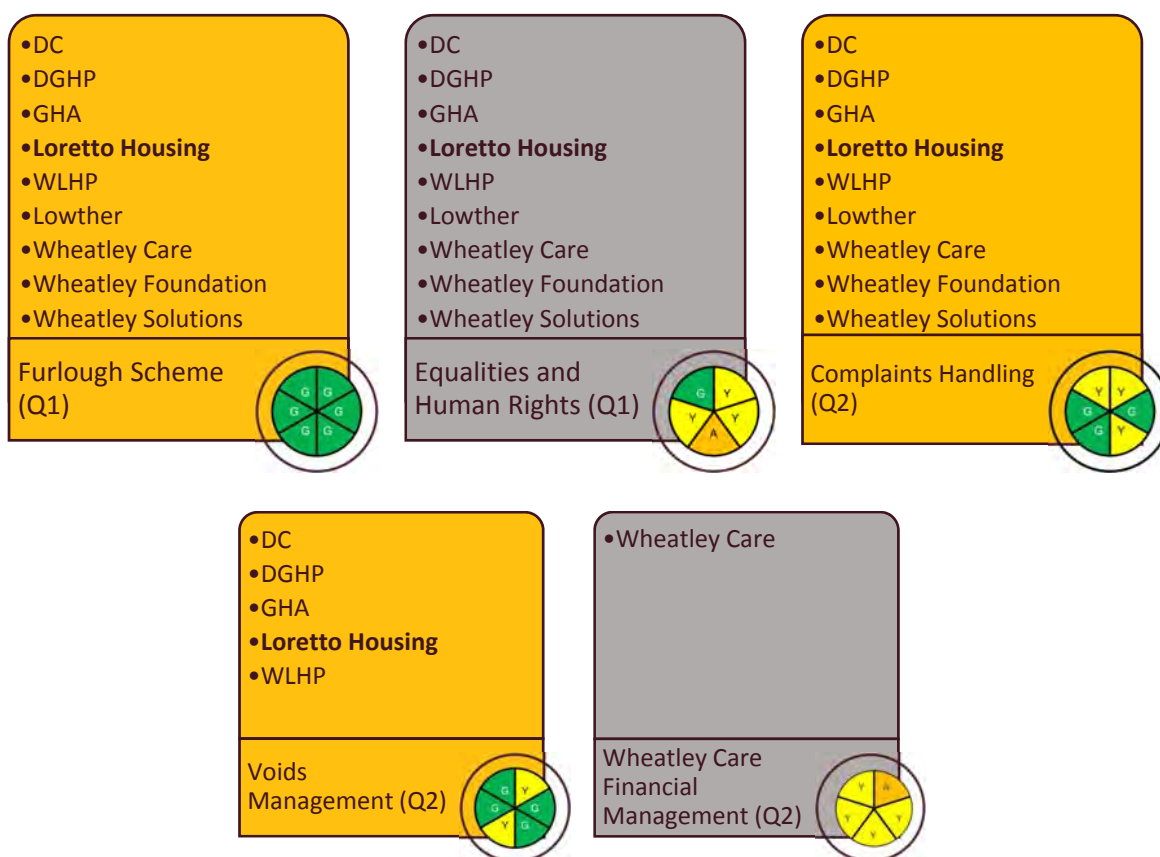
4.2 Apart from the review of Wheatley Care Financial Management, all of these reviews covered controls operating within Loretto Housing.

5. Customer engagement

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

6. Discussion

6.1 This section of the report summarises the results of the reviews listed at paragraph 4.1, as reported to the Group Audit Committee in August and November 2021. The coloured pie-charts represent our assessment of the extent to which the control objectives we audited were achieved.



6.2 The control objective ratings are defined below:

Red	Amber	Yellow	Green
<ul style="list-style-type: none"> Control objective not achieved. Control weaknesses identified 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.

6.3 The findings in the following reviews were not assessed against control objectives. We can confirm there were no significant issues arising in these reports that we would need to highlight to the Board.



6.4 More detail on the key findings for each review are set out in the *Group Assurance Update* at **Appendix 1**. Full reports are available to all Board members upon request.

7. Digital transformation alignment

7.1 The agreed actions within the Strategic Projects oversight arrangements review will help management to confirm that ongoing work to complete strategic projects continues to be aligned with the Group's digital transformation plans.

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.

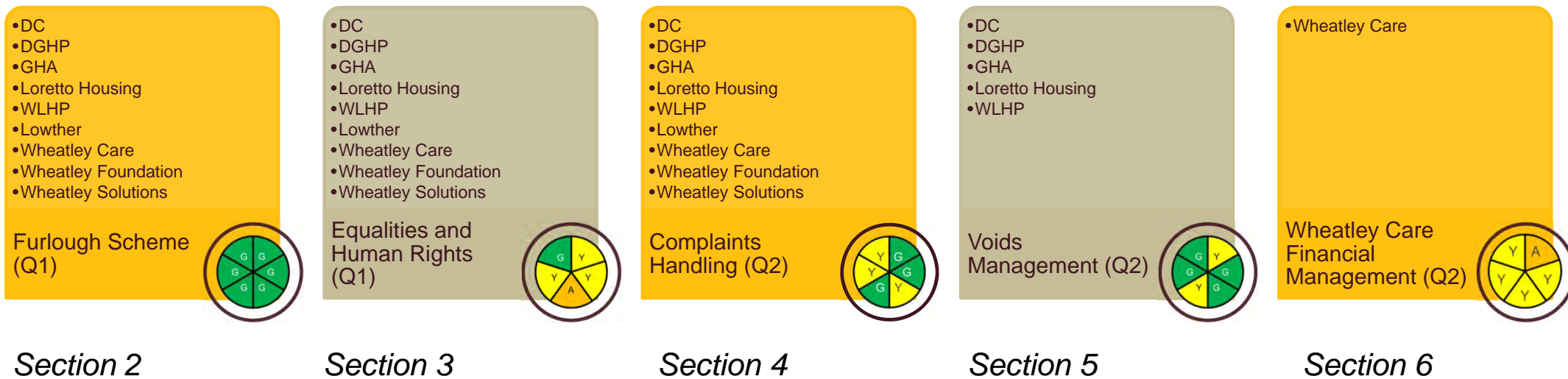
List of Appendices

Appendix 1 – Assurance Update November 2021

Appendix 1 - Group Assurance Update November 2021

1. Summary of Work Performed

This section summarises the results of Internal Audit activity completed during Q1 and Q2 2021/22. 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.



1. Summary of work performed

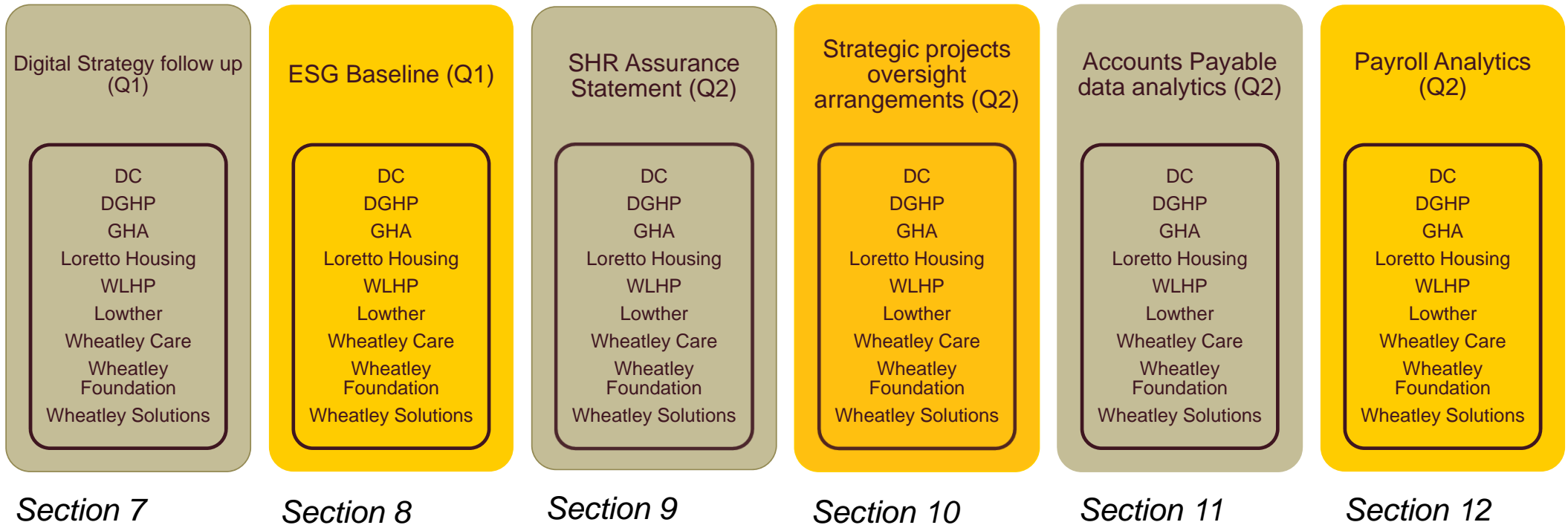
Control Objective Classification:

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.

1. Summary of 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.



2. Furlough Scheme

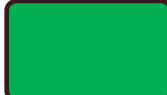
Report Conclusion


This review has assessed the adequacy and effectiveness of controls used by the Group to manage the Coronavirus Job Retention Scheme. The processes in place were subject to change in line with the issue of revised Government guidance at what was a crisis time across the UK. We confirmed that the Employee Relations Team put strong controls in place to manage the furlough scheme; with regular review to confirm the arrangements continued to be aligned with the Government guidance. We tested a sample of 50 furloughed employees and verified that all the controls in place were operating effectively.

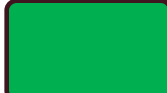
We evidenced staff and managers have been provided with support and guidance throughout the pandemic and regular updates on the use of the Scheme have been provided to the Executive Team and all Boards.


We have identified one minor housekeeping issue that relates to the permanent storage of furlough correspondence with employees.

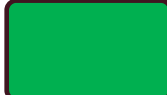
Control Objective Classification


 There was an agreed process in place to identify staff who were eligible for the furlough scheme.

 Decisions to furlough staff were subject to review and approval in line with business needs.

 All furlough claims have been made in line with Government guidelines, including within required timescales.

 Records of furlough agreements and claims made for each employee have been kept in line with furlough scheme requirements.

 Employees affected by furlough received clear communication about the conditions of their furlough and support available.

 Senior Management and the Board received regular updates on the use of the furlough scheme across the Group.

2. Furlough Scheme

Areas of Good Practice

- ✓ The arrangements for the management of the furlough scheme were updated timeously as guidance changed.
- ✓ The Senior HR Advisor reviewed the information on the furlough master control sheet monthly for accuracy and completeness.
- ✓ The Executive Team was provided with daily reports from Employee Relations to allow it to make decisions about the remobilisation of furloughed staff as the Government lockdown rules changed.
- ✓ The Senior HR Advisor reviewed all previous months' claims in August 2020, following the issue of clearer HMRC guidance about application of the furlough scheme rules, in order to identify any over- or under-claims for the preceding periods. This provided the Group with assurance about the correct application of the scheme methodology following the changes in the guidance.
- ✓ Staff have been well supported by Employee Relations with information on WE Connect in relation to advice and support available to manage through the pandemic.
- ✓ The Employee Relations Team and Directors from across the Group conducted coffee mornings to catch up with furloughed staff. This included sessions to prepare staff before their return to work.
- ✓ Senior Management and Boards received regular updates on the use of the furlough scheme throughout the scheme period.

2. Furlough Scheme

Opportunity to Improve (*housekeeping*)

- To ensure compliance with the furlough scheme rules and the Data Protection Act, the correspondence with employees on the furlough scheme, including notification of furlough and confirmation from the employee of receipt of that notice, should be renamed to include the employee name in the file path. This will make identification of such information easier in the future, for example if requested as part of an audit by HMRC or a subject access request.

Other observation

We noted that the Senior HR Advisor has been the lead officer in the Employee Relations Team completing the furlough returns. This Officer now has a detailed understanding of the HRMC's process. We have been advised that the Peoples Service Lead is also able to complete the returns if required.

3. Equalities, Diversity and Human Rights

Report Conclusion

The Scottish Housing Regulator’s (SHR) Regulatory Framework, contains two key requirements in relation to equalities and human rights. The Group is required to:

- have assurance and evidence that it considers equality and human rights issues properly when making its decisions; in the design and review of internal and external policies; and in its day-to-day service delivery; and
- collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting lists, governing body members and staff.

The SHR planned to publish guidance to assist RSLs in complying with these requirements. However, the publication of the guidance has been delayed due to COVID-19. Until the guidance is published, the Group cannot fully assess the adequacy of the processes in place to meet these requirements. This is reflected in the control objective gradings.

In the interim, management have developed and piloted an Equalities Impact Assessment (EIA) approach which has been approved by the Executive Team. When fully implemented, this would provide some evidence towards the first requirement.

Management is also aware that work is required to further develop collection of protected characteristics data within the Group, so that it complies with both SHR regulatory requirements and Data Protection legislation. However, the progression of this area is dependent on the publication of the planned SHR guidance.

Control Objective Classification

Yellow

The Group can demonstrate it considers equality and human rights issues properly when making decisions, designing and reviewing internal and external policies, and in its day-to-day service delivery.

Yellow

The Group has guidance and training materials in place for staff and Board members responsible for considering equality and human rights issues.

Amber

The Group collects accurate data relating to each of the protected characteristics for existing tenants, new tenants and people on waiting lists.

Yellow

The Group collects accurate data relating to each of the protected characteristics for governing body members and staff.

Green

The Group has adequate plans in place to address any gaps in equalities and human rights reporting requirements to allow an update to be provided to the SHR in October 2021.

3. Equalities, Diversity and Human Rights



Areas of Good Practice

- ✓ The Group is committed to enhancing its focus on Equality, Diversity and Inclusion (EDI) and is working with an external Equalities expert to improve existing arrangements and raise awareness of EDI across all staff.
- ✓ An EDI e-learning module was launched to all staff in May 2021 and forms part of a suite of EDI learning resources available on MyAcademy. Blogs and videos were also published on W.E.Connect to highlight what EDI means to Wheatley and the role all staff can play to tackle unfairness at work and in their own lives.
- ✓ A revised Equalities Impact Assessment (EIA) process, with supporting training and guidance, has been approved by the Executive Team. An external review of all the existing Group HR policies is also underway to ensure these are fully EDI compliant.
- ✓ The authority to collect protected characteristic data is included in the Group's Privacy Notices (Employee and Tenants) which specifically refers to categories of personal data and highlights its use for equalities monitoring.
- ✓ The Board paper template contains a mandatory section to report any equalities implications and set out how any proposals made ensure we continue to comply with equalities legislation.
- ✓ The Group is aware of the Scottish Housing Regulator's plans to issue guidance relating to the requirement to collect information on protected characteristics and has put arrangements in place to develop plans in response to the guidance when it is issued.
- ✓ Pending the issue of planned guidance by the SHR, the arrangements the Group has in place will allow it to confirm within the 2020/21 Annual Assurance Statement that there are "*appropriate plans to implement an effective approach to the collection of equalities information and that they have started to consider how they can adopt a human rights approach in their work*", in line with a letter issued by the SHR in June 2021.

3. Equalities, Diversity and Human Rights

Opportunities to Improve

Management is aware that the Group's equalities and human rights arrangements can be strengthened. The following improvement opportunities either represent the next steps in work that was already underway or planned work that is dependent on the publication of SHR guidance on how it expects landlords to meet the equalities and human rights requirements within the Regulatory Framework.

- A timetable for publication of the Group's draft Equalities Impact Assessment (EIA) guidance and roll-out of the associated training should be developed following its approval by the Executive Team.
- Following the publication of delayed SHR equalities and human rights (E&HR) guidance, the Governance team should coordinate the development of a proposed Group approach to E&HR data collection for approval by the Executive Team and Group Board. This will determine which protected characteristics data we will collect as a Group, who we will ask for such data, and how we will use the data to inform our decision making and demonstrate our commitment to Equalities and Human Rights.
- The Governance team should also coordinate the identification of Group IT systems which currently hold E&HR data, and work with the Business Owners of those systems to develop plans to collect data in line with the Group's approved E&HR data collection approach. This will include identification of data already collected, cleansing of that data where required, working with suppliers to collect additional data if required, and introducing arrangements for regular updates of the information held to confirm its continuing accuracy.
- The roll-out of the new E&HR data collection approach will be supplemented by e-learning and guidance for staff to ensure they are aware of the Group's approach to collecting protected characteristic data and can explain to customers how we will use the data.

4. Complaints Handling









Report Conclusion

The Group's arrangements for handling complaints are aligned to the Scottish Public Sector Ombudsman's (SPSO) Model Complaints Handling Procedures (MCHP). The SPSO published a revised MCHP in January 2020, for implementation by April 2021. The revised MCHP includes a 'Resolved' category which allows simple complaints that require little or no investigation to be resolved quickly via an 'on-the-spot' apology, explanation or action to put the matter right. In October 2020, the Group introduced a pilot 'dissatisfaction with service' code in ASTRA to understand more about the nature of complaints and service requests from customers in advance of implementation of the revised SPSO procedures in April 2021.

As lockdown ended and Group services resumed, the Customer First Centre (CFC) has received a greater number of customers requesting backlogged matters are dealt with. In common with calls to many service organisations in current times, these customers are often frustrated, making it hard to distinguish between complaints and first time service requests. This has impacted on the balance and nature of items recorded against this code. Management has advised that lessons learned from this pilot are being incorporated within the new CFC model and the introduction of dedicated Housing Specialist and Commercial Specialist Teams may mean the 'dissatisfaction' code is no longer required.

Work is also required to improve the extent to which the Group identifies and analyses root cause issues and uses learning from complaints and 'dissatisfaction' cases to improve service delivery. Improvement in this area, in addition to a planned increase in proactive customer contact and the introduction of a new Customer Experience Team within the Customer First Centre, will support the Group's strategic aim to deliver exceptional customer experience.

Control Objective Classification

-  The Group's Complaints Policy and procedures are in line with the revised SPSO Model Complaints Handling Procedures for RSLs;
-  Customers have access to clear information about how to complain, what to expect during the process and what to do if they are unsatisfied with the outcomes of the Group's complaint handling process;
-  Staff who deal with complaints understand their role in complaints handling and the actions they should take to resolve issues in line with the Group Complaints policy;
-  Complaints are handled in line with the timescales and required actions set out in the Group Complaints Policy;
-  The Group reviews individual complaints to identify improvement opportunities for Group processes and/or areas where further training or development is required; and
-  Themes and trends in complaints data are identified and shared with business leads to help identify recurring complaint topics and target root cause issues.

4. Complaints Handling

Areas of Good Practice

- ✓ The Group Complaints Handling Policy and Procedure was reviewed in April 2021 to ensure it remains aligned to the updated SPSO Model Complaints Handling Procedure for RSLs. A 'Resolved' category has been added to the Group complaints process to enable staff to 'Think Yes' and take quick action to resolve complaints to the customer's satisfaction, without the need for a full investigation to conclude whether the complaint is upheld.
- ✓ All Group and Subsidiary websites contain clear information on how to complain and what to expect from the Group's complaints process. Customer leaflets are being refreshed for use in our new customer facing office spaces.
- ✓ The Complaints team manages all Stage 2 complaints and provides oversight of the resolution of Stage 1 complaints within policy timescales. Reminder emails are sent to staff and managers receive reports of complaint handling times and detail around the key reasons for complaints arising e.g. repairs, allocations, staff attitude, etc.
- ✓ The Complaints team prepares performance data for subsidiary leads on a monthly basis and meets with subsidiary staff as needed to discuss emerging trends and good practice. Power BI complaints dashboards are being developed to provide better oversight and monitoring of complaints performance and trends.
- ✓ The Group is represented at the SPSO Complaints Handler Network which supports the development and sharing of good practice and benchmarking information across the sector.
- ✓ The new Customer First Centre model includes Housing Specialist and Commercial Specialist Teams which will be tasked with addressing customer complaints. These teams will resolve complex enquiries with a target of 95% first contact resolution. Where first contact resolution is not possible, the teams will liaise with colleagues across Group and, if required arrange follow on work items such as a home visit by a Housing Officer, a follow up repair, etc.
- ✓ The Complaints Team will also become the Customer Insight Team and will be a key component part of the new Customer Experience Team within the Customer First Centre, with more focus on the effective use of customer insight and sentiment to drive continuous improvement and demonstrate learning from complaints and dissatisfaction. A target for the team will be to embed the use of customer insight data across the Group to inform and support decision-making and promote continuous improvement.

4. Complaints Handling

Opportunities to Improve

- As the revised Customer First Centre model is embedded, management should consider whether the 'pilot dissatisfaction with service' code in ASTRA is still required. The introduction of the SPSO 'Resolved' complaint category and creation of dedicated Housing Specialist and Commercial Specialist Teams may remove the need for this specific ASTRA service code. If the code is retained, management should consider renaming it to remove confusion.
- If the dissatisfaction code is retained, formal guidance is needed to clarify the difference between a complaint (*'any expression of dissatisfaction' – SPSO definition*) and a 'dissatisfaction with service' case. It must be very clear when the 'dissatisfaction' code in ASTRA can be used and when a complaint must still be logged.
- Management has agreed to review all 'pilot dissatisfaction with service' cases to determine whether there are any matters that should have been recorded as complaints, and therefore included in the performance figures reported to the Scottish Housing Regulator.
- Customer service excellence training aligned to the new CFC model is in development. This training, and the existing complaints e-learning module should be mandatory for all staff with a role in complaints handling. This will help the Group to meet the SPSO expectation that *'refresher training will be provided for current staff on a regular basis'*.
- Once the revised SPSO performance indicators are published, the Group should review its arrangements for capturing and reporting complaints handling performance data to confirm these are efficient and continue to meet the reporting needs of ET and Board.
- The review of reporting requirements should include an assessment of how additional information about trends and root cause analysis can be built into reports. This would improve the Group's learning from complaints and provide an opportunity to better understand our customers' needs and expectations and identify the root cause issues which affect customer satisfaction.

5. Voids Management

Report Conclusion







This review assessed the operation of Voids procedures introduced at the start of the COVID-19 pandemic. The revised procedures included use of a Voids Tracker spreadsheet, revised arrangements for property inspections and Group-wide use of weekly voids team meetings to review progress against current voids. Overall, we found voids procedures were applied and controls were operating effectively.

As the Group moves towards full implementation of its new operating model, management continues to look for improvement opportunities within the voids process. The continuous improvement opportunities we have identified can therefore be addressed through process developments already being trialed.

In particular, the Group's desire to move to electronic records where possible provides an opportunity to review voids documentation such as letting packs, to improve efficiency and accuracy of data by entering information directly into digital records and the iWorld system.

The updated procedures introduced by management should be supported by updated guidance within W.E.Connect, mandatory attendance at weekly voids team meetings, and enhanced use of groups such as CoEs to further sharing of good practice across the Group.

Control Objective Classification

-  Housing Officers understand and apply the policies and procedures in place for the management of void properties;
-  All voids are identified, and notifications of termination are actioned on Group housing systems promptly, in accordance with the relevant procedure;
-  Void properties are subject to timely inspections, with all required works formally agreed by the Housing Officer and raised on the Group's housing systems;
-  Voids works are subject to agreed oversight with any issues such as delays being escalated for resolution where required;
-  Housing Officers liaise with prospective tenant to progress new tenancy arrangements in line with expected completion dates;
-  Void performance across all subsidiaries is monitored and reported to senior management to allow for effective and timely decision-making.

5. Voids Management

Areas of Good Practice

- ✓ There are Subsidiary-specific flowcharts that clearly outline each step of the void process, with assigned responsibility, available on W.E. Connect.
- ✓ There is evidence of strong team communication at a local level, with weekly meetings taking place between Housing Officers and Repairs teams to discuss void progress and identify any issues.
- ✓ During COVID-19, Managers have been proactive and innovative in designing methods to help them better manage void performance and progress, such as void trackers, Teams sites and weekly performance slide decks.
- ✓ Senior management proactively review void performance at four-weekly allocations meetings. There is also a fortnightly meeting with the Lettings and Homelessness Lead.
- ✓ An improved iWorld structure that would reduce the need for use of manual Voids Trackers is being trialled across 4 Locality Areas. If successful, the updated iWorld Voids tracking will be rolled-out across all Group RSLs.
- ✓ Voids leads are contributing to work across the Group to understand the extent to which additional use of digital technology to make processes more efficient, for example with plans to introduce digital missives, which would reduce the requirement for paper-based lettings packs.

5. Voids Management

Opportunities to Improve

Continuous improvement opportunities

- As voids guidance is updated to reflect recent and planned changes to voids processes, there is an opportunity to standardise the way in which guidance is documented (while retaining RSL-specific variances to the content), so that good practice guidance is available to all teams.
- The planned pilot of new Voids information within iWorld provides an opportunity to review what information is required for the voids process, where it is held and how such information can be recorded once and then used to auto-populate subsequent forms requiring the same data.
- Meetings of housing officers and repairs teams are a strong control in the voids management process. The practice of some teams is to hold these meetings every week and to mandate attendance; this should be adopted across all teams as it has been shown to be effective.
- There is an opportunity to increase knowledge-sharing around voids processes by creating a cross-Group voids working group to improve void performance.

Note: This Internal Audit team included high-level consideration of the completion of any required repairs but did not include detailed testing of this part of the voids process because a separate review of end-to-end Repairs is planned.

6. Wheatley Care Financial Management

Report Conclusion

Since the outset of the COVID-19 pandemic in April 2020, staff in Wheatley Care have provided services to 8,830 individuals. This was a “life and limb” service during the lockdown period, as prescribed by Scottish Government but has since returned to a full service. Provision of services during this period has been challenging, as service managers managed additional COVID-19 health & safety requirements, often with fewer staff due to shielding, sickness, and furlough.

We visited a sample of 10 services during this review and our work found that these COVID-19 challenges have had an impact on the administration and management oversight of Wheatley Care’s local financial processes. This was the case for management of appointee accounts, other financially supported and financially independent people we work for, and petty cash. In each of these areas we found low-level inconsistencies in the application of procedures. We found no evidence of fraud or misappropriation during our review. We also identified local areas of good practice which could be shared across Wheatley Care Services which are detailed in the ‘Good Practice Slide’.

As Wheatley Care moves back to pre-pandemic service levels, there is an opportunity to revise the Wheatley Care Financial Policy and supporting procedures, making use of identified good practice, and with an emphasis on the development of standard electronic templates and the introduction of electronic banking arrangements where possible. This should be undertaken as an overall review of how financial controls are delivered within Wheatley Care, taking into consideration emerging service requirements.

Wheatley Care Services



Provide services across 11 Local Authorities in Scotland



Since April 2020, supported over 8,830 individuals



Care Services include Care Homes, Care at Home, Housing Support Services



Livingwell (active ageing for older customers)



Day Centres (for people experiencing mental health concerns)



Houses of Multiple Occupancy, visiting centres and core and cluster models

6. Wheatley Care Financial Management

Areas of Good Practice

- ✓ Some services have implemented improved local procedures which should be rolled out across all services.
- ✓ At four services, we noted formal monthly audit checklists were completed by Service Managers or Team Leaders for all the service's people we work for, not just for those with appointee accounts.
- ✓ Formal daily balance checks to reconcile monies held for people we work for against the budget recording sheets and monies retained in the office safe.
- ✓ The retention of a blank budget recording sheet in all support folders in case 'emergency' financial support must be provided to a financially independent person we work for, who has fallen ill.
- ✓ All petty cash tins were held securely in services' safes.
- ✓ Dual sign-off of petty cash withdrawals, by both the recipient and Team Leader.

Control Objective Classification

Amber

Wheatley Care has financial management policies and procedures that are aligned to Scotland's Health and Social Care Standards and staff confirm they have read, understood and will apply these policies and procedures.

Yellow

People we work for have formally agreed to financial support arrangements that are documented within care plans and subject to regular management review.

Yellow

Service management complete financial checks and audits to confirm agreed financial support arrangements are delivered as described and evidenced through clear records.

Yellow

All petty cash and purchase card transactions are formally documented, with appropriate receipts, and subject to management review as per Group procedures and HMRC's rules.

Yellow

Management investigates, reports and escalates any financial support anomalies identified within Wheatley Care, including reporting of any confirmed breaches of financial management protocols in line with Group, regulatory and contractual requirements.

6. Wheatley Care Financial Management



Opportunities to Improve

Priority actions

- The Wheatley Care Financial Policy should be updated to incorporate some of the detailed local procedures we identified as good practice. The rollout of the updated policy should be supported by training sessions for Service Managers and Team Leaders, and the Policy should be an annual mandatory read for all Wheatley Care staff. This should be undertaken as an overall review of how financial controls are delivered within Wheatley Care, taking into consideration emerging service requirements.
- Our review of the operation of financial controls over appointee accounts found they were not operating as prescribed on all occasions. We identified weaknesses in relation to budget recording sheets, monthly reconciliations and supporting financial risk assessments. There is an opportunity to improve the effectiveness of these controls through digital record-keeping to allow more central oversight. We also recommend management investigates whether electronic banking can be introduced for appointee accounts.
- Similar weaknesses in controls were identified for other people we work for, including those assessed as financially independent. In particular, there were instances when expected financial risk assessments were not available.

Continuous Improvement actions

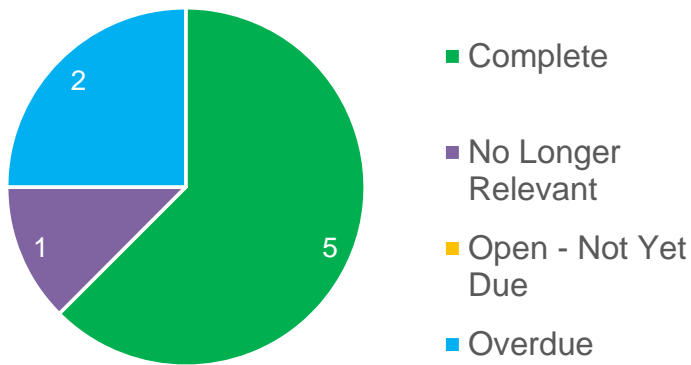
- Management should investigate opportunities to use electronic Purchase Cards in place of petty cash floats. Where this is not possible, services should develop electronic petty cash ledgers and reconciliation processes. The Wheatley Care Financial Policy should include procedures for management oversight of petty cash and detailed guidance on the purposes for which petty cash can be used. This should include the procedures to follow in the event that it is necessary to use Wheatley Care funds to provide temporary support to a person we work for.
- The Financial Policy should also include guidance on the escalation of exceptions noted during routine monthly checks, such as the petty cash anomaly identified at one service, which was resolved following our visit but had not previously been identified during management review of the monthly reconciliation.

7. Digital Strategy Follow Up

Digital Strategy and Working from Home Follow Up Review:

Azets conducted a follow up review in quarter 1 to determine the current status of actions arising from their interim Digital Strategy and Working from Home readiness reviews. All management actions arising from both reviews had due dates of 30 June 2021 or earlier. The areas that have been completed relate to finalisation of the year one digital programme, creation of project scoping documents, finalisation of road maps, creation of a communications plan and developed a role-based user entitlement for IT equipment. A further follow up review is planned for later in the year and a further update will be provided.

Status of Actions at 16 July 2021



The two overdue actions relate to:

- 1) The development and approval of a new internal management oversight and reporting approach for delivery of the digital implementation plan. A proposed structure has been developed and will be approved and implemented. Revised due date: 31/08/21
- 2) Creation of a Working from Home (WFH) culture, including a WFH Policy. Work has been progressed and the WFH Policy is in advanced draft with a small number of matters to agree before it is presented to ET for approval. Revised due date: 31/08/21

8. ESG Baseline

Report Conclusion

Environmental, Social and Governance (ESG) reporting is an increasingly important way for organisations to demonstrate how they are considering the challenges of corporate social responsibility and climate change. There are currently no regulatory standards the Group must follow in relation to ESG reporting, although there are several ESG frameworks against which performance can be measured.

The Group prepares an annual ESG report that meets our funders' requirements, which uses the data currently available within the Group to show performance against a range of ESG criteria. For this review, we have used the voluntary Sustainability Reporting Standard (SRS) for Social Housing in the UK.

While the SRS provides a good baseline for ESG reporting in the housing sector, it may not be the most appropriate framework for the Group to demonstrate all it is achieving around ESG. The Group's various stakeholders may also have differing ESG priorities, and the concerns of these stakeholders may also impact on identification of the most appropriate ESG reporting framework for the Group. The Group should determine which framework will best allow it to demonstrate how it addresses the ESG concerns of the Board, customers and stakeholders.

The Group should also consider how the potential risks of climate change may impact on the achievement of its strategic objectives. This would assist management in prioritising future ESG investment decisions.

This review did not assess the completeness and accuracy of any existing reporting. In addition, management had already identified the need to develop the Group's arrangements for ESG reporting, and so we have not graded the control objectives for this advisory review.

Control Objectives

There is clear ownership and accountability for ESG reporting across the Group;

There is a plan in place to identify and develop ESG reporting requirements across the whole Group;

Gaps in existing ESG reporting information have been considered, and actions developed to gather this information in an agreed format;

Areas to further develop or improve ESG related activity across the Group have been identified by management, with actions developed to progress these; and

There are controls in place to confirm the integrity of ESG reporting data, data owners are aware that the data is being used for this purpose, and that it will be required on at least an annual basis for ongoing ESG reporting.

8. ESG Baseline

Areas of Good Practice

- ✓ The Group publishes an annual report on the Environmental, Social and Governance (ESG) metrics it considers vital for the long-term operational, financial and strategic performance of Wheatley Group. In 2019/20 this reporting was guided by the new Sustainability Reporting Standard (SRS) for Social Housing in the UK.
- Sustainability is a key focus of the Group's 2021-26 strategy with a specific strategic theme of 'setting the benchmark for sustainability and reducing carbon footprint'. Evidence of environmental, social and governance considerations can be tracked through to the Group's strategic projects.
- The Group is working in partnership with other leading businesses and employers to deliver the Sustainable Glasgow Charter, which aims to contribute to green recovery and radically reduce the city's carbon emissions.
- The Group has submitted a 5-year Green Investment Plan bid to the Scottish Government. If the Group is successful in obtaining funding, the Plan will contribute to ESG through deliverables such as job creation, zero carbon construction, a carbon neutral corporate estate and an estimated £272 million social return on investment.
- ✓ The Group is accredited by Planet Mark for carbon reporting, demonstrating its commitment to improving energy efficiency and sustainability. A wide range of data is required to support this certification including information about utility use, fleet mileage and fuel, business travel types and mileage, waste disposal methods and tonnage, and paper use.
- ✓ Board papers now require environmental and sustainability implications to be considered and reported to inform decision making.

8. ESG Baseline

Opportunities to Improve

Recognising that we are at the start of a medium-term exercise to develop the Group's response to climate change and associated ESG reporting, we have identified three key pieces of work to be completed in stages over the next 12 – 18 months. These are summarised in the diagram below. In addition, we would expect to see the development of regular reporting to management and Boards about the progress of these 3 stages as they become embedded in business as usual.

1. Consider how we can best “tell our story” within ESG reporting

2. Consider the risks climate change brings to the Group and how we will mitigate those risks

3. Consider the data we need in order to monitor and report progress in delivering outcomes identified from stages 1 and 2

We have discussed the areas highlighted above during our review and the Director of Assets and Sustainability has agreed they will be progressed as described, with a first paper to the Group Board on progress to date by December 2021. The following slides set out some detail of the background to ESG reporting, and the Group's current performance against the voluntary Sustainability Reporting Standard for Housing.

8. ESG Baseline - Context of Group ESG reporting

This slide provides a high-level summary of the context in which the Group's ESG reporting activity sits at the centre.

It demonstrates that there are a wide range of interlinked factors which must be considered as the Group develops its approach to ESG reporting.

The following slide summarises how the new Group Strategy 2021-26 is aligned to the achievement of national climate change goals and sets out some of the existing ESG reporting standards and frameworks for consideration.



8. ESG Baseline - Group alignment to national climate change goals and reporting standards



Wheatley Group Strategy	We will seek to partner with the Scottish Government to achieve our common climate change goals ensuring we play our part in the transition to a low carbon economy.										
Scottish Government National Plans, policies & strategies	Government Economic Strategy										
	Infrastructure Investment Plan										
	<i>Scotland's Digital Future</i>	<i>Electricity & Heat Generation Policy Statements</i>	<i>2020 Challenge for Scotland's Biodiversity</i>	<i>Scottish Historic Environment Strategy and Policy</i>	<i>Housing Strategy</i>	<i>National Planning Framework & Scottish Planning Policy</i>	<i>Land Use Strategy</i>	<i>Low Carbon Scotland: Report of Proposals and Policies</i>	<i>National Marine Plan</i>	<i>Regeneration Strategy</i>	<i>National Transport Strategy</i>
Scottish Government Planning vision	We live in a Scotland with a growing, low carbon economy with progressively narrowing disparities in well-being and opportunity. It is growth that can be achieved whilst reducing emissions and which respects the quality of environment, place and life which makes our country so special. It is growth which increases solidarity – reducing inequalities between our regions. We live in sustainable, well-designed places and homes which meet our needs.										
Scottish Government Planning outcomes	Planning makes Scotland a successful, sustainable place – supporting sustainable economic growth and regeneration, and the creation of well-designed places.			Planning makes Scotland a low carbon place – reducing our carbon emissions and adapting to climate change.			Planning makes Scotland a natural, resilient place – helping to protect and enhance our natural and cultural assets, and facilitating their sustainable use.			Planning makes Scotland a connected place – supporting better transport and digital connectivity.	
WG Strategic Outcomes	2.2.1 Invest £360 million in improving, modernising and maintaining homes 3.3.5 10% Reduction in the cost of running a home by 2026			2.3.1 Reduce the output of CO2 emissions from our homes by at least 4,000 tonnes per year 2.3.2 Reduce our corporate carbon footprint to net-zero by 2026			3.2.2 Achieve 85% satisfaction with Wheatley Environmental Services 3.2.1 Over 70% of our customers live in neighbourhoods categorised as peaceful			5.3.3 Achieve our targets across the 7 domains of our digital maturity assessment	
ESG Standards/ Frameworks WG currently uses	Planet Mark Certified Year 1 Sustainable Glasgow Partner			Wheatley Group Climate Foresight Report SHR Regulatory Framework			Green Investment Plan Sustainability Reporting Standard (SRS) for Social Housing in the UK				
Other frameworks/ standards to consider	Sustainability Reporting Standard Update to climate change plan 2018-2032: Securing a green recovery on the path to net zero World Economic Forum ESG Approach			Task Force on Climate-Related Financial Disclosures (TCFD) SASB-Infrastructure Sector			Dow Jones Sustainability Indexes Sustainable Development Goals Global Reporting Initiative UN Global Compact CDP				

8. ESG Baseline - Environmental criteria assessment

The following table provides a high-level overview of our baseline assessment of the Group's current ESG reporting and activity against the Environmental SRS criteria.

Key SRS criteria	Strengths	Opportunities	Risks
<ul style="list-style-type: none"> • <i>Climate change:</i> Impact on climate change (EPC ratings, emissions data, climate risk mitigation plan and environmental strategy). • <i>Ecology:</i> Local environment and ecology (managing pollutants, increasing biodiversity). • <i>Resource Management:</i> Sustainable approach to materials in the construction and management of properties. 	<ul style="list-style-type: none"> • Sustainability is a key focus of the Group's 2021-26 strategy with a strategic outcome of '<i>Setting the benchmark for sustainability and reducing carbon footprint</i>'. • 5-year Green Investment Plan with deliverables including zero carbon construction and a carbon neutral corporate estate. • Accredited by Planet Mark for carbon reporting. 	<ul style="list-style-type: none"> • The Group can demonstrate a significant amount of activity in this area, but it requires focus to confirm resource is directed to those activities which will provide the most valuable outcomes for the Group, its customers, and stakeholders. • Data is held across Group systems and teams in a variety of formats. These are currently not sufficiently developed to allow routine reporting and monitoring of all potential ESG criteria. • Develop metrics to demonstrate responsibly sourced procurement. 	<ul style="list-style-type: none"> • Investment to achieve EESSH2 compliance is not aligned to the Group's long term sustainability goals, resulting in additional future spend. • Focus is on the impact the Group can make on climate change, rather than the potential impact of climate change on the Group in future (e.g. increasing occurrence of flood risk / new locations for flood risk).

8. ESG Baseline - Social criteria assessment

The following table provides an overview of our baseline assessment of the Group's current ESG reporting and activity against the Social SRS criteria.

Key SRS criteria	Strengths	Opportunities	Risks
<ul style="list-style-type: none"> • <i>Affordability and security:</i> Provision of long-term homes that are genuinely affordable to those on low incomes. • <i>Building safety and quality:</i> Meeting legal responsibilities to protect residents and keep buildings safe. • <i>Customer voice and support:</i> Listening to, empowering and supporting residents. • <i>Place-making:</i> Well-designed homes and places that meet local needs and provide great places for people to live and enjoy. 	<ul style="list-style-type: none"> • Primary purpose of the Group is to provide affordable social housing. • Largest social housing provider/ scale of new build activity in the UK. • Well-established Gas and Fire Safety arrangements in place. • New Stronger Voices approach to customer engagement is being developed. 	<ul style="list-style-type: none"> • Projects to identify DGHP and Lowther new build growth opportunities should consider the potential impact on the Group's stock by tenure type. • If the Group decides to pursue further Planet Mark accreditation, additional data will be required to meet the social aspects of these. • The planned development of customer engagement technology may allow opportunities for customers to be more involved in placemaking. 	<ul style="list-style-type: none"> • Sustainable investment options (e.g. alternatives to gas boilers) introduce new Health and Safety obligations on the Group which cannot be met with our existing skills set or processes. • Decisions taken to support the achievement of environmental goals and commitments are detrimental to the Group's key social purpose.

8. ESG Baseline - Governance criteria assessment

The following table provides an overview of our baseline assessment of the Group's current ESG reporting and activity against the Governance SRS criteria.

Key SRS criteria	Strengths	Opportunities	Risks
<ul style="list-style-type: none"> • <i>Structure and Governance:</i> Overall structure and approach to Governance. • <i>Board and Trustees:</i> Quality, suitability and performance of the board and trustees. • <i>Staff wellbeing:</i> Staff wellbeing and support measures such as salary, additional support, average sick days. • <i>Supply chain management:</i> Responsible procurement which includes social value and environmental impact considerations. 	<ul style="list-style-type: none"> • Governance arrangements are robust and reviewed within the Annual Assurance Statement to the Scottish Housing Regulator. • Clear commitment to staff wellbeing with numerous resources and support available to all staff. • 5-year Green Investment Plan will deliver an estimated £272 million social return on investment. 	<ul style="list-style-type: none"> • Any opportunities for improvement identified through the planned external review of strategic governance should be considered in future ESG reporting. • Clarify ESG objectives to ensure staff buy-in to strategic priorities. 	<ul style="list-style-type: none"> • The Group's sustainable procurement requirements are not delivered by our suppliers. • The Group is unable to attract future applicants for Board memberships with the required skills and experience.

9. SHR Annual Assurance Statement Self-assessment



Work Performed: In preparation for the submission of the Group's Annual Assurance Statement to the Scottish Housing Regulator (SHR), the Internal Audit team has worked with Campbell Tickell to review of the Governance team's self-assessment of the Group's compliance with the Scottish Housing Regulator's (SHR) requirements. We reviewed the Governance team's self-assessment commentary and the supporting evidence provided to conclude on the extent to which:

- The commentary adequately addresses the SHR requirement;
- The evidence provided supports the commentary; and
- The Governance team's compliance conclusion is supported by the commentary and the evidence provided.

Campbell Tickell was asked to provide an analysis of good practice used by other organisations in relation to Equalities and Human Rights. In addition, the matters covered by Campbell Tickell's recent Governance review were cross-referenced to the findings arising from that review.

Any queries arising from our review were raised with the Governance team during the review for discussion and resolution.

Findings: We found that the commentary provided by the Governance team addressed the SHR requirements and that, following resolution of our queries, the evidence provided supported the commentary. We also found that the Governance team's compliance conclusions were supported by the commentary and evidence provided. We also confirmed that actions arising from our previous review of the Governance team's self-assessment have been completed or superseded by the recent review of Equalities and Human Rights.

Recorded areas of non-compliance within the self-assessment are: DGHP compliance with SHQS and EESSH1 standards, and full compliance with Equalities and Human Rights regulatory requirements. We agreed with management's assessment of the DGHP non-compliance as not material to the Group and therefore not requiring disclosure within the annual Assurance Statement. We also noted that management has followed SHR guidance in disclosing within the annual statement that it has "*appropriate plans to implement an effective approach to the collection of equalities information and human rights*".

Campbell Tickell has provided a report summarising areas in which the Group can further develop existing arrangements around Equalities and Human Rights. These recommendations will be incorporated into the Governance team's workplan.

Next Steps: The Assurance Statement and supporting documentation will be presented to the Board for approval in October 2021, before submission to the SHR in line with the regulatory deadline of 30 October 2021.

10. Strategic projects oversight arrangements

Report Conclusion

Overall, the arrangements in place for oversight of strategic projects are sufficient to allow management and Boards to track the delivery of strategic projects against annual plans. The revised approach to the development of the Group's Strategy and the associated Delivery plans for 2021/22 has allowed the Group to demonstrate a clear link between the Group's **Direction**, plans for **Execution** of that **Direction** and the monitoring of the **Results**, as set out in the EFQM model opposite.

The additional time spent on project initiation, including the identification of project interdependencies, has facilitated joint working on linked projects. The plans in place for Leadership Business Group meetings to facilitate more cross-Group working to deliver projects have also been welcomed by project leads.

There is an opportunity to further develop the strategic project oversight arrangements by refining the progress reporting for projects, reviewing the documentation and measurement of expected benefits and putting in place arrangements for management of day-to-day project interdependencies. This will support the ongoing delivery of the Group's strategic outcomes as delivery moves into Year 2 of the Strategic Plan.



Source: *The EFQM Model*, EFQM 2021

10. Strategic projects oversight arrangements

Areas of Good Practice

- ✓ Strategic Projects, as identified within the Group's Delivery Plans, are clearly aligned to the Strategic Themes and Strategic Outcomes within the Group's Strategy.
- ✓ The Delivery Plans set out how the achievement of Strategic Outcomes will be measured through completion of aligned strategic projects and achievement of target performance for identified strategic Key Performance Indicators. This allows the Group to demonstrate how it applies the EFQM Model.
- ✓ Each strategic project has identified milestones towards completion, and performance against the milestones is reported to senior management and Boards on a regular basis.
- ✓ Work to identify interdependencies between projects has been used to assist in scheduling projects across the five-year period of the Strategy. Similarly, the Strategy Lead and the Director of IT and Digital Services have worked closely together to align strategic project timescales with planned technology developments.
- ✓ The plans for the Leadership Business Group to have a role in oversight of the delivery of the annual programme of strategic projects will provide a useful forum for leaders across the Group to discuss progress and identify any barriers to the progression of projects.

10. Strategic projects oversight arrangements

Opportunities to Improve

Priority actions

- The development of the 2022/23 Delivery Plans (Year 2 of the Strategy) provides an opportunity to introduce more detailed project status reporting for those projects identified by the Executive Team as requiring a business case that covers project finance, interdependencies, stakeholder consultation and resourcing. Such projects should be subject to more detailed monthly exception reporting through DMTs. Existing reporting on progress against milestones should also be refined to include status updates for all milestones each month for all strategic projects.
- The arrangements for recording expected project benefits at the project planning stage, along with measurement of the achievement of those benefits following project completion, should be refined. Those projects identified by the Executive Team as requiring a business case should capture expected benefits and project evaluation arrangements within the business case, while the project scoping documentation piloted during the development of the 2021/22 Delivery Plans, could capture expected benefits for other strategic projects.

Continuous Improvement actions

- The Leadership Business Group should consider more formally aligning the role of groups such as the New Business Model Steering Group (set up as a mechanism to facilitate joint working between leads of a number of projects that contribute to the implementation of the Group's new operating model) with the Group's strategic projects oversight arrangements to clarify responsibilities and avoid duplication. This should include inviting representatives to provide updates to the Leadership Business Group meetings.
- Management discussions on the possible introduction of a group to assess the technology and business model coordination and integration requirements of proposed new services are progressing. If implemented, this group's relationship with other groups in the oversight structure should be clearly defined.
- As part of the bi-annual review of Delivery Plans, the arrangements for reporting the status of projects with final milestones due on 31 March 2022 should be reviewed to confirm that the volume of reporting at that time is manageable at both ET and Board level.

11. Accounts Payable

Planned work:

The Group uses three payment processes for purchasing across the business. For largescale or frequent expenditure, the Group uses procurement procedures to appoint suppliers, who are paid using the purchase-to-pay process captured within the IPOS system. Where expenditure is below procurement limits and for a one-off purchase, the Faster Payments process can be used. The Group also issues purchase cards to approved individuals, and these cards can be used to pay for low value, one-off items that might previously have been paid for through a petty cash float.

This review used data analytics to analyse payments through each payment process. It also considered whether there are any additional controls that could be introduced to direct staff to the most appropriate expenditure process when incurring expenditure. Where appropriate, we supplemented our data analytics with controls testing to verify our conclusions.

Next Steps:

As part of the second stage of this review, we will investigate potential exceptions with management and use the results to agree any required improvement actions. We found no evidence of fraud or misappropriation of funds. The results of this investigation will be reported to the Group Audit Committee in February.

We will also work with management to develop continuous auditing of these payment streams to provide regular assessment of the operation of these key expenditure controls. The results of the continuous audit testing will be reported to each meeting of the Group Audit Committee.

Improved management information is also required to enable better oversight and challenge of the payment methods used. We will work with the Finance team to determine the extent to which IDEA reporting can be used to enhance available management information.

12. 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 Q2 2021/22 we have used IDEA to confirm:

1. There are ***no duplicate employee numbers being used*** (across all payrolls)
2. We identified ***15 duplicate bank account numbers in use during Q2*** (across all payrolls). These were matched to the annual remuneration reports and HR spreadsheet of changes 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 21 employees who received no Gross Pay in a payroll run during Q2. These relate to leavers, staff on maternity leave, and some Wheatley Care staff. We have confirmed with the payroll team that this is due to the nature of the contracts in place for these staff members.

