



WHEATLEY HOUSING GROUP LIMITED

SC426094

MEETING OF THE BOARD OF DIRECTORS

Wheatley House, Glasgow

on Wednesday 28 August 2024 at 10.30 am

Directors Present: Jo Armstrong (Chair), Jo Boaden, Lindsey Cartwright, Maureen Dowden, Bryan Duncan, Caroline Gardner, Eric Gibson, Bernadette Hewitt, Manish Joshi, Alison McLaughlin and Alastair Murray

In Attendance: Steven Henderson (Group Chief Executive), Anthony Allison (Group Director of Governance and Business Solutions), Pauline Turnock (Group Director of Finance) and in part Danny Lowe Director of Group Repairs, Investment and Compliance

1. Apologies for absence

Apologies for absence were received from John McCraw.

2. Declarations of interest

The Board noted the standing declarations of interest.

3. a) Minutes of meeting held on 20 June 2024 and matters arising.

Decided: The Board approved the minutes of the meeting held on 20 June 2024.

b) Action List

Decided: The Board noted the action list.

4. Group CEO update

The Board were provided with an update on a range of matters including: the high satisfaction levels achieved in the Wheatley Homes South independent tenants satisfaction; the results of our staff internal communications survey; the status of the discussions with the Wheatley Care Trade Union regarding the pay award; the Think Yes Together awards; and fire safety in relation to cladding.

The Board discussed the findings from the Wheatley Home South independent tenant satisfaction survey and acknowledged the work of the staff which has enabled the outstanding 95% satisfaction result.

The Board discussed the upcoming Scottish Government Programme for Government and it was explained that we do not anticipate any immediate implications for capital budgets which would impact us.

5. Chair updates

The Board received updates from the Chairs of the Group Audit Committee, the Group Remuneration, Appointments, Appraisals and Governance Committee and Wheatley Developments Scotland Limited on activity since the last meeting.

The Wheatley Developments Scotland Limited (“WDSL”) Chair advised that the WDSL Board had considered a cost variation within the Calton Village project. The Board was updated on the outcome of the review regarding the cost variation and the planned refinement of our approach based on the review. It was noted that the project would still achieve our Internal Rate of Return threshold.

6. New build and regeneration update (presentation)

The Board received an update on the ongoing regeneration project at Wyndford and the outcome of the Judicial Review. The Board was updated on the legal effect of the outcome of the Judicial Review, the potential next steps and the associated timeline.

The Board further discussed at length the future timetable for the overall project and reiterated that a priority is the time required for community engagement and communications throughout.

The Board was updated on the national funding context for affordable housing and our detailed assessment, by Registered Social Landlord, on the projected impact on our future programme over the next five year. The Board was further updated on the financial modelling of the impact on our business plan.

The Board were updated on the planned next steps, including exploring different funding models and updates to our business plan.

Decided: The Board noted the update.

7. Repairs update

The Board were provided with an update on progress with our repairs service enhancements, our ongoing customer engagement and the repairs budget forecast for 2024/25.

The Board discussed and received an update on how we share learning across our geographic repairs functions, in particular how the changes in the East IT platform and material supplier have been heavily supported by staff from the South.

The Board discussed our approach to damp and mould-related repairs, how we are preparing for changes in season and the potential increase in the occurrence of mould, and our continued focus on awareness raising amongst customers of our zero-tolerance approach.

The Board discussed our approach where there had been more than one instance in a property. It was explained our approach was tailored depending on the circumstances, as it may be in a different location in the property and therefore not be a recurrence of the initial issue or it may have a different root cause.

The Board discussed how we analyse higher-value repairs to understand where we may need a different approach or process.

Decided: The Board

- 1) Noted the progress with our repairs service enhancements;**
- 2) Noted the ongoing customer engagement to inform future service enhancements; and**
- 3) Noted the updated repairs budget position for 2024/25.**

8. Homelessness update

The Board were provided with an update on our progress towards the key commitments within our Homelessness Policy, our contribution to preventing and alleviating homelessness and our response following the declaration of a housing emergency by the Scottish Government on 15 May 2024.

The Board reiterated the importance of us being a strong contributor to the national objective of alleviating homelessness. The Board considered our progress to date with, and that we are on track to support the delivery of, our key homelessness policy commitments.

The Board discussed how we manage the integration of our high proportion of homeless lets within our existing communities, in particular perceptions about what homelessness is. It was explained that this is an area of focus and that we have not had any systemic issues in relation to our letting.

The Board discussed the current proportion of lets to homelessness and the implications any further change would have in terms of our communities and service priorities. The Board were updated on how we hope to, through engagement with Strategic Housing Authorities, explore the viability of more innovative approaches to identifying potential new supply and how it is funded.

Decided: The Board

- 1) Noted the content of this report; and**
- 2) Approved our strategy being updated to increase the target of lets to homeless households to 11,000 by 2026.**

9. Performance update

The Board were provided with an update on performance delivery against targets and strategic projects for 2024/25 to the end of Quarter 1.

The Board discussed performance in relation to lift inspections and our approach in instances where the lift is within an individual's property. It was confirmed that, if necessary, we will force access to undertake such types of lift inspections.

The Board discussed our attendance to reported instances of mould and it was agreed that in future we confirm in what proportion of cases it was over two working days at the customer's request.

Decided: The Board noted the report.

10. Financial Statements 2023/24

The Board received the financial statements and was updated on the adjustments made between the year-end management accounts and the final audited accounts.

The Board reviewed the financial statements and noted they had been prepared in line with the relevant accounting standards.

Decided: The Board

- 1) Approved the 2023/24 Group financial statements;**
- 2) Confirmed the preparation of the financial statements using the going concern basis;**
- 3) Approved the Letter of Representation to KPMG and note the related letter of representation from the Group CEO to the Group Chair;**
- 4) Approved the appointment of KPMG LLP as auditors for the 2024/25 financial year at the Annual General Meeting;**
- 5) Approved the provision of a parent company guarantee to Companies House on the audit exemption taken by West Lothian Housing Partnership;**
- 6) Noted the CBG draft 2023/24 Financial Statements; and**
- 7) Noted the 2023/24 Group Report on Environmental, Social and Governance.**

11. Annual Assurance Statement

The Board were provided with our Annual Assurance Statement.

The Board received assurance that our internal assurance team has confirmed that there are no areas of material non-compliance. This reflects our ongoing focus on strong governance and compliance.

Decided: The Board approved the 2024 Annual Assurance Statement for submission to the Scottish Housing Regulator.

12. Approach to appraisal and Board effectiveness review

The Board were provided with an update on our approach to appraisals and Board effectiveness reviews.

The Board discussed our proposed approach noting that it reflects the changes we made to the last strategic governance review.

Decided: The Board

- 1) Noted the approach to the Board effectiveness review for 2024;**
- 2) Noted the proposed approach to individual Board member appraisals for 2024; and**
- 3) Approved the approach to the Group Chair appraisal.**

13. Governance update

The Board were provided with an update on governance-related matters.

Decided: The Board

- 1) Agreed to call our Annual General Meeting for Wednesday 25 September 2024 at 2pm;**
- 2) Noted a Board meeting will be held following the Annual General Meeting;**
- 3) Approved the Parent representatives for the subsidiary General Meetings as set out in the report and instruct them to vote in favour of all resolutions;**
- 4) Approved the re-designations of Board members and the associated remuneration levels;**
- 5) Approved the Modern Slavery Statement on behalf of the Group;**
- 6) Approved the CBG LLP Modern Slavery Statement;**
- 7) Provided member approval to CBG's training college lease from Glasgow City Council; and**
- 8) Agreed the updates to the Group Scrutiny Panel Terms of Reference as set out in paragraphs 4.29 to 4.32.**

14. Finance report

The Board were provided with an overview of the financial results for the period to 30 June 2024 and the quarter-one forecast.

The Board discussed the submission of the RSL Borrower Group's management accounts to 30 June 2024 to our bank lenders as part of our quarterly covenant returns and the revision to the interest cover loan covenant and associated golden rule measures.

Decided: The Board

- 1) Noted the Group management accounts for the period ended 30 June 2024 at Appendix 1;**
- 2) Approved the RSL Borrower Group accounts at Appendix 2 for submission to the Group's lenders; and**
- 3) Approved the interest cover golden rule at 205% and the introduction of a second golden rule measuring underlying surplus not to be less than 110%.**

15. [redacted]

16. **AOCB**

No other items of competent business were raised.

Signed: **(Chair)**

Date: