



THE GLASGOW HOUSING ASSOCIATION LIMITED

BOARD MEETING

Friday 13 August 2021

Lipton House, 170 Crown Street, Glasgow, G5 9XD

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. a) Minute of 21 May 2021 and matters arising
b) Action List

Main Business Items

4. Business update
5. Bellgrove update (Presentation)
6. Update on Single Glasgow vehicle
7. Year Five review of City Building (Glasgow) LLP
8. GHA ASB Framework 2021-2026
9. a) 2020/21 Financial Statements
b) Internal Audit Annual Report and Opinion 2020/21

Other Business Items

10. Finance Report
11. Quarter 1 Performance Report and Delivery Plan Update
12. Governance update
13. AOCB



Report

To: GHA Board

By: Jehan Weerasinghe, Managing Director

Approved by: Martin Armstrong, Group Chief Executive

Subject: Business update

Date of Meeting: 13 August 2021

1. Purpose

1.1 To provide an update on the current business and remobilisation position.

2. Authorising and strategic context

2.1 The Group CEO has responsibility for business operations in GHA. The pandemic has had a significant effect on these operations and to reflect this the Board agreed in 2020 the principles of our approach for how we might continue to develop our service. This approach remained subject to the rate at which Scotland moved through the phases of the Scottish Government's route map.

3. Risk appetite and assessment

3.1 The risk appetite relating to laws and regulations is "averse"; defined as avoidance of risk and uncertainty is a key organisational objective. The strategic risk register identifies the particular risk associated with non-compliance with health and safety requirements.

3.2 Our priority throughout the pandemic has been protecting the health and safety of our customers, our staff and the other people they come into contact with. We continue to mitigate this risk by undertaking rigorous health and safety risk assessments as part of our remobilisation, including compliance with all relevant Scottish Government guidance.

4. Background

4.1 The Scottish Government has continued to progress through its strategic route map to ease restrictions. All of Scotland is currently at level zero, this still entails social distancing and use of PPE.

5. Customer engagement

5.1 As we have remobilised our services, we have been able to increase our customer engagement. As part of this phase of remobilisation we have carried out more home visits, commenced neighbourhood walkabouts with customers or NETs staff.

- 5.2 This has occurred across all 221 patches (including the 17 former Cube Housing Officers). Examples of the kind of outcomes resulting from walkabouts have been a Housing Officers identifying window replacements in North Pollok, where some of the stock has timber windows. Another local priority identified through a walkabout has been slab and fence replacement in Kirkton Avenue.
- 5.3 We have built up the digital methods and processes to support our customers throughout lockdown to enable day-to-day contact. Since June onwards we have been able to re-introduce doorstep visits to customers as part of the blended model of engagement. Housing Officers have made over 250,000 outbound calls to customers throughout lockdown.

6. Discussion

- 6.1 In recent months we have continued to remobilise services where possible. We have largely been able to undertake the remobilisation plans previously outlined to Board (see table below). Our aim is still to fully remobilise by September. This means that we could be able to see some customers in our four Centres of Excellence across Glasgow from September onwards.
- 6.2 We now have a track record and experience of being able to flex out approach as informed by localised increases or decreases in Covid 19 cases.

	June-September	30 September onwards
Repairs	Backlog cleared	Fully remobilised
Investment	Internal investment scales up to full remobilisation	Fully remobilised
Compliance	Fully remobilised	Fully remobilised
Housing Officer	Fully remobilised	Fully remobilised
Income collection	Fully remobilised	Fully remobilised
Allocations/ Homelessness	Fully remobilised	Fully remobilised
Stair cleaning	Fully remobilised	Fully remobilised
Environmental	Fully remobilised	Fully remobilised
Anti-social Behaviour, Group Protection	Fully remobilised	Fully remobilised
Fire Safety Visits	Fully remobilised	Fully remobilised
New Build	Fully remobilised	Fully remobilised
Factoring/MMR/ PRS letting	Fully remobilised	Fully remobilised
Foundation	Fully remobilised	Fully remobilised

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

Repairs, Investment and Compliance

- 6.4 As reported at the last Board, our repairs service is fully remobilised. A safe and cautious approach continues for customers and staff in line with ongoing Scottish Government restrictions. All repair requests are being accepted and completed and are only being delayed where the work required would mean that guidance on social distancing cannot be achieved. Examples of this would be large disruptive multi trade jobs such as rot works or a full kitchen replacement in tenanted property.
- 6.5 All our customers who had a suspended repair request have been regularly updated throughout the current lockdown arrangement. All 5,080 customers who had postponed repair have been contacted at least three times to arrange an appointment to carry out works. Where contact has not been achieved, we would write to the customer advising them that the repair would be closed and encouraging them to re-report the issue.
- 6.6 To date approximately 75% of the 5080 repairs have been completed. The remainder, mainly larger programmed jobs, have all been assessed, with all customers contacted, and are predominately awaiting materials or manufactured items. We still remain on track to have all remaining postponed repairs in the system completed by the end of August/first week in September. Our plans to reintroduce repairs requests via MyGHA (Webb Self Service) account are also currently underway.

Investment

- 6.7 Our investment programme has continued throughout the pandemic in a restricted capacity, with predominately external works such as roof replacements, external wall insulation and environmental works being delivered. With the country moving into Level 0 restrictions, the investment programme has increased with “soft start” internal work such as boiler replacements and windows and doors being commenced.
- 6.8 It is anticipated that despite restrictions having eased, some customers may continue to feel uneasy about providing access to tradespeople to undertake non-essential improvement works within their home. To provide reassurance, we have developed a new 5 step engagement approach, which looks to improve communication with our customers, specifically around our robust health & safety approach. This approach includes calls to every customer due to receive internal investment by a member of our asset teams to discuss the work and to seek their commitment to provide access for the work to take place.
- 6.9 We have communicating with customers who are scheduled to receive internal improvements. Feedback so far has been positive with less than 10% of customers contacted expressing any apprehension. This is similar to the level we would expect under BAU service delivery. Going forward, this approach will continue to be used for all planned internal investment work, with the expected benefit of driving down waste in terms of no access and refusals.
- 6.10 From July onwards more complex tasks such as rewires, kitchen and bathroom replacements recommenced. Pre-commencement work, had been carried out to ensure immediate operational delivery of this internal investment.

Compliance

- 6.11 Our compliance works include programs to keep customer safe, meet our legal and regulatory obligations e.g. gas safety, legionella prevention and smoke and heat detector installations. The status of each is as follows:
- **Gas safety** – we continue to remain 100% compliant in this area.
 - **Legionella testing/water management** – work is continuing as planned with inspection and testing works taking place being completed in line with the programme.
 - **Smoke and Heat Detector Installation** – Smoke and heat LD2 upgrade works have continued throughout the pandemic as these works have been deemed essential. The current Scottish Government deadline for this work stream is February 2022. We continue to aim for this target date. While access for this work can be challenging, we have developed a revised process to help to address this.
 - **Periodic electrical inspections** – work is continuing as planned with inspection and testing works taking place being completed in line with the programme.
 - **Emergency lighting** – our programme for upgrading the lighting in our MSF stock within GHA has continued and we are currently over 60% complete.

Housing Services

- 6.12 During the pandemic we have continued to operate the vast majority of our services with staff largely home based. Contact with customers has been primarily through digital channels. The easing of restrictions by the Scottish Government allowed us to step up mobilisation into our new service model and visit more customers in their communities.
- 6.13 Our new model helps to implement our strategic vision of stronger customer engagement, increased digital service and a way of working which is based primarily among our customers and neighbourhoods rather than in offices.

Housing Officer role

- 6.14 Under Level 0 housing officers have been able to undertake essential visits in customer homes. PPE and social distancing requirements are still very much in place in line with operating safety manuals already used by our repairs staff.
- 6.15 As reported at the last Board, we commenced neighbourhood walkabouts to increase our visibility and to identify issues that would normally have been picked up by housing officers on their patch. These walkabouts generally include the housing officer for the patch, relevant NETs officer and an investment officer. They consider the external condition of buildings, stairs and other communal areas and the general environment. It also provides an informal opportunity for customers to approach our staff out of doors and have a general discussion about issues that matter to them.
- 6.16 In line with our strategy, our new model will mean that customers do not need to come to an office. In most circumstances they will either use digital contact, or housing officers can come to them and meet them on their doorstep.

Income collection

- 6.17 Maintaining our rental income to fund our services and supporting our customers to pay their rent have been a key focus through the pandemic. As a result, we have maintained a sector leading arrears position and have achieved the target for keeping GRA below 5.35% in Q1 i.e. 4.88%. When compared to the combined results of Local Authorities (LAs), we are performing better than the reported 8%-10% GRA performance reported by our comparator group (Housemark).
- 6.18 Whilst the default approach for Housing Officers continues to be a virtual model of support through telephone and digital contact, since easing of restrictions we have been able to visit customers at their homes in relation to rent and associated support. This has been especially important for non-engagers.
- 6.19 The 6-month notice period for Notice of Proceedings and evictions remains in place until 30 September 2021. The escalation processes which we have developed to take account of this are now well embedded. This includes the potential to escalate to Notice of Proceedings where we are satisfied that the household 'won't pay' rather than 'can't pay'. This will only be done following a review of individual cases, including an assessment of any covid-19 impact and any potential vulnerabilities.
- 6.20 As we have remobilised, we have continued to build on the innovation we have undertaken throughout the year. Our housing officers now have access to bespoke reporting which distils complex information into easily readable visuals and data. Work is underway through the Campbell Tickell review to recognise all the learning, adaptation and innovation that has been demonstrated throughout lockdown with a view to informing BAU going forward.
- 6.21 We are continuing our process of upgrading payment methods. We have implemented call secure plus which provides a much simpler experience for customers using card payments. We are about to launch some improvements to our web self-service payment option using Walk Me, our customer overlay tool, to improve the customer payment journey and to gather simple customer feedback to develop further enhancements were identified by the customers using the service. We are expanding our reporting and recording to ensure housing officers and CSC staff can easily see payment methods used by customers to help them support customers to use the best options for them.

Allocations and Homelessness

- 6.22 Providing homes for homeless households and other priority households continues to be the primary focus. The Board previously agreed that 65% of lets would be allocated to homeless households. During 2020/21 GHA achieved this target and this has continued through Q1 of 2021/22. This has provided a major contribution to supporting Glasgow City Council in reducing the number of homeless households in temporary accommodation.
- 6.23 We are continuing our successful matching approach in Glasgow. This directly matches homeless households to suitable alternative accommodation. It has had a significant impact on speeding up the time for households to get a home and has also reduced the number of offers we make which are refused by households.

- 6.24 Mutual exchanges have now resumed. We continue with work to meet other commitments. This includes “flipping” homes which are let as temporary accommodation into permanent tenancies where suitable in order to avoid the disruption of a further move. Similarly, we continue to provide over half of the Housing First tenancies in Glasgow – these are generally for customers with some of the most complex needs related to homelessness.

Stair Cleaning

- 6.25 The stair cleaning programme has been in place since level three restrictions were lifted. The backlog has now been dealt with as of the end of July with most closes having received at least two cleans.

Accidental Dwelling Fires

- 6.26 Across GHA, the number of accidental dwelling fires remains lower than levels last year (49 for Q1). Fire safety visits for vulnerable households were recommenced last summer and have continued through. In addition, fire risk assessments have taken place for multi-storey flats and LivingWell properties.
- 6.27 Our Home Safety, ASB and Group Protection Teams are now well established in their new, primarily digital model. Contact with relevant agencies is almost entirely digital. As with housing officers, officers have been able to undertake doorstep visits from June onwards and essential in-home visits. These have been used where digital methods are not appropriate or have not worked.
- 6.28 There continues to be a particular concern for the victims of domestic abuse during this period – they may have had less opportunity to seek out support. We remain alert for increased reporting of abuse as restrictions ease. Our staff are well trained on domestic abuse and this provides them with the knowledge, skills and experience to best support victims, connecting them to our services or bespoke domestic abuse support. The Group Protection Team provide specialist knowledge and can guide staff dealing with complex cases.

Development

- 6.29 The Scottish Government has committed £3.5bn in the five-year period from 2021/22 to the delivery of affordable housing. This was one of the main pillars within the Scottish Government Housing to 2040 strategy launch.
- 6.30 Contractors and developers we are in contract with across our programme continue to adhere to construction industry guidance for Covid-19. Monitoring and reporting regimes are in place to continue to test Covid-19 compliance. This remains a standing item at all development site meetings.
- 6.31 77 units have handed over in our 2021/22 programme. This includes the completion of three projects: GHA Bellrock, Auchinlea and Kennishead. The contractor for all these sites was Engie. We currently have 841 units under construction across GHA’s live development programme.

Wheatley Foundation

- 6.32 The Foundation has been the vehicle through which we have provided a significant element of our support to customers throughout the pandemic, through Eatwell and the Emergency Response Fund.

6.33 As we move out of the crisis stage, the Foundation is resuming full services with Foundation programmes operational from Q1 onwards having included :

- EatWell continues to support customers across GHA. The introduction of digital supermarket vouchers meant customers could exercise more choice, more quickly and the service has now moved to provide supermarket vouchers as a solution to food poverty.
- Re-introduction of Wheatley Works has seen officers organising new Environmental Roots courses and preparing and advertising for new intakes of Changing Lives trainees and new Environmental and Trades Apprentices occurring throughout Q1.
- The Foundation Board agreed key actions for the year including customers' continued access to Wheatley Works and a range of programmes alleviating poverty; with vulnerable children also benefiting from Foundation partnerships and programmes such as the Imagination Library and Children's University Scotland.

Conclusion

6.34 As we are now at level zero this has allowed GHA remobilise an increasing number of services to near normal. At present, we continue to aim for full remobilisation by September but will keep this under regular review.

7. Digital transformation alignment

7.1 Our remobilisation process takes the best learning from home working through the pandemic to increase digital services wherever possible. In addition to remobilisation of existing services, there are a number of strategic projects underway to progress our digital transformation.

8. Financial and value for money implications

8.1 The cost of remobilising is contained within our existing business plans. As we remobilise we are developing more efficient methods of delivery which will promote increased value for money.

9. Legal, regulatory and charitable implications

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

10. Equalities impact

10.1 We will continue to take special account of those who have underlying health conditions.

11. Environmental and sustainability implications

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

12. Recommendations

12.1 The Board is asked to note this report.



Report

To: GHA Board

By: Jehan Weerasinghe, Managing Director

Approved by: Martin Armstrong, Group Chief Executive

Subject: Update on Single Glasgow vehicle

Date of Meeting: 13 August 2021

1. Purpose

1.1 To update the Board on:

- the progress with welcoming Cube's Glasgow based customers into GHA; and
- the proposed next step in relation to branding, customer engagement and operating model.

2. Authorising and strategic context

2.1 Under the Group Authorise/Manage/Monitor Matrix, the Board has responsibility for authorising new operating/service delivery models in its areas. Transferring Cube's stock in Glasgow to GHA will see changes to how GHA operates as management of the Cube stock is brought into existing GHA structures.

2.2 The strategic significance of GHA and Cube joining together to create a single organisation in Glasgow to further collective ambition, commitment to excellence and transformation means that the proposed transfer has also been approved by Wheatley Group Board.

3. Risk appetite and assessment

3.1 The transfer of stock from Cube 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)".

4. Background

4.1 In early 2021, tenants living in Glasgow of Cube Housing Association– were asked to vote on proposals to become part of GHA. More than 85% of tenants were in favour of the transfer and proposals to kick start more investment, build more new-build housing and create more new jobs. It would also give tenants a stronger voice in decisions.

Since the transfer has successfully taken place the following has been achieved:

- 4.2 The Cube Team integrated within newly created Local Housing Office, Kelvin Wynd. The majority of Cube's Glasgow based homes are managed via this LHO. For the bulk of these customers their housing officer remained the same to provide continuity of service. The remainder of former Cube homes outside of Maryhill have been integrated into the existing GHA LHO structure.
- 4.3 Investment planning has been undertaken taking account of feedback from Cube tenants which was captured as part of ballot consultation for joining GHA. This is reflected in the GHA investment plan which presented at the last meeting which includes meeting the ballot commitment of an additional £25m as part of a total investment of £250m over the next 5 years in the combined stock. Further customer input on investment will be sought through our Customer Voices engagement framework which will ensure that customers can control local investment priorities.
- 4.4 Design work is underway on a new concierge stations for Wyndford and Broomhill that better reflects customer needs and the 24/7 service enjoyed by GHA tenants. High level designs for the sites have been developed by the appointed architect. These designs once developed more fully will be shared with the local community over the Autumn to ensure their views inform the final design and as an early indication of progress in delivering this key transfer commitment.
- 4.5 Arrears performance for quarter 1 for former Cube homes in Glasgow was within the target for GRA i.e. 5.14% against a target of 5.35%. When aggregated with the rest of GHA stock this figure is 4.88% against a target of 5.35%.
 - 4.5.1 Other aspects of this new vision included:
 - Ensuring future rent increases are below 3% throughout the life of the GHA business plan, reducing the rent increase to 1% for over 3,300 existing GHA tenants and for transferring Cube tenants restricting rent increases to 1% for three years;
 - Increasing our new build ambitions with an additional 600 new homes over and above the current assumption of 1,500 in the next seven years of the business plan;
 - Creating at least three new community action regeneration areas including one cover the former Cube stock at Wyndford, expanding our highly successful Transformational Regeneration Area programme in partnership with Glasgow City Council and the Scottish Government; and
 - Increasing investment to at least £250 million in customers' homes over the next five years.
- 4.6 Work on developing regeneration proposal for Wynford four 26 storey towers is continuing, as are our new build development ambitions.

4.7 On GHA Board Strategy Session on 9 July, the following key areas were explored in relation to the new vehicle:

- Changing our name - To reflect the two organisations coming together, we're proposing a new name for GHA.
- Implementing our innovative blended operating model - Our proposals build on the lessons learned from during the pandemic combined with what tenants have told us they want to see in a new service model. Engagement - Our new engagement framework builds on what we have learned during the pandemic to allow more tenants, of all ages, to get involved and have their say. We have looked at the best ways of engaging with customers from across the world to create stronger voices for stronger communities.
- Proposed approach to the future Wyndford and potential options for other Community Action Area regeneration projects across the GHA portfolio; and
- Approach and timeline for tenant and stakeholder consultation on the points above

This paper outlines proposals to for putting these themes into action

5. Discussion

Branding

- 5.1 With GHA and Cube coming together, the proposal is for a new name to better reflect the two organisations uniting and becoming one major force in the city - *Wheatley Homes Glasgow*. 'Wheatley Homes Glasgow' combines the outstanding reputation of being part of Wheatley Group with our strong roots and history in the City of Glasgow.
- 5.2 But it's more than just a new name. It would herald a new beginning as 'Wheatley Homes Glasgow' setting out to deliver more for tenants, revolutionise services and deliver world-class engagement with customers.

Operating Model

- 5.3 Our proposals build on the lessons learned during the pandemic combined with what tenants have told us they want to see in a new service model. The Board previously approved the operating model back in 2020. The transfer of Cube homes into the new vehicle occurred at an equivalent timeline to the introduction of the new operating model. We are yet to engage with customers in the implementation of model. The model has four key components:
- 5.3.1 Customer First Centre – We will launch a new and improved 24 hours a day, seven days a week, centre which will deal quickly with customer enquiries at the first time of asking. The improved centre will resolve up to 95% of customer queries at the point of contact by basing housing experts in 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.

- 5.3.2 More services in your home - Enhancing presence of Housing Officers in communities – The message is you do not need to come to us, we will come to you.
 - 5.3.3 Do more online - Improved online self-services to 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 using web chat and WhatsApp messenger.
 - 5.3.4 Centres of Excellence - If you do want to us at your home, you can choose to meet us at a convenient location, including our network of four Centres of Excellence across Glasgow (which includes Wheatley House). They will be available for customers to use the internet and also for wider community activities and as learning centres.
- 5.4 The proposal is to consult with all our tenants on this innovative blended operating model.

Engagement Framework / Community Governance

- 5.5 We work closely with customers to make sure their voice is at the very heart of decisions about GHA, our strategy, priorities, and services. Working within our engagement framework '*Stronger Voices, Stronger Communities*' which the Board approved in February 2021, the following proposal aims to build co-creation into the heart of all that we do, widen participation, improve diversity, empower customers and commit resources for communities and customers to decide upon spend within their neighbourhoods. Table 1 outlines the 4 pillars of engagement through which all types of engagement can be cast:

Table 1

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

We want to involve **1,000** tenants, of all ages and backgrounds, in our new engagement framework. This figure of involved customers will take the following form:

- 5.5.1 Glasgow 500 / 600 Citywide online panel. Bigger picture – our strategy. A citywide online panel would be made up of around 600 tenants using the latest technology, such as webinars and online chat, to gather views and feedback.
- 5.5.2 Glasgow 300 / 400 – 4 geographical panels segmented Centres of excellence. A tenant group, of up to 400 people, would represent the four geographical areas and focus on the topics highlighted by the citywide panel and other key areas from their region.
- 5.5.3 Glasgow 100 - Additionally, around 100 tenants will be asked to get involved in a new-look Wheatley Group Scrutiny Panel; our environmental inspection teams, and a newly-introduced Glasgow Focus group, which would explore new ideas and services.
- 5.5.4 4x Engagement Panels (transitional & time limited) We will also introduce Engagement Panels for tenants to have their say around repairs, investment, and our performance. Membership is to be sourced through the existing fifteen Local Housing Committees. Membership will also be open to those previously not involved in the LHCs.
- 5.6 Over the next five years, we are proposing to commit £5 million for customers to decide on spend through the above structures. We are committing £1 million each year for the next five years towards this aim. Customers will decide through our website, social media channels or using a new community smartphone app we are developing. Customers can also become involved deciding how investment is spent by joining one of our four Engagement Panels. Over and above the £1 million each year, we will also commit between £250,000-£500,000 each year towards community initiatives through our Better Lives Fund. This will also be decided by the Board or through the Engagement Panels.
- 5.7 The proposals would be that subject to Board approval for this approach, we would consult with all customers on the engagement approach for the single vehicle for Glasgow.

Community Action Areas

- 5.8 A menu of options were presented at the Board Strategy Workshop on 9 July. This ranged from complexes which require additional enhanced investment to a more extensive approach to regeneration. The proposal would be to do the following in relation to all options:
 - Comprehensive appraisal and performance review of stock within the options outlined
 - Determine suitability of stock for investment
 - Establish investment specification where enhanced improvement work required
 - Provide future update and options appraisal to GHA Board by February 2022
 - Consider other options not presented on the day
 - Engage with Strategic Housing Authority

Consultation

- 5.9 Under the Housing Act we have a statutory duty to formally consult all tenants on our new operating model and tenant participation strategy. An omni channel approach to consultation will be the hallmark of this approach. We have still produced a traditional print booklet to be sent to all customers (see **Appendix 1**). We will also utilise email, GIFs through WhatsApp and social media to promote this consultation and encourage customers to participate.
- 5.10 The booklet and consultation content will go out under the new brand of Wheatley Homes Glasgow. The theme of the consultation will be that Wheatley Homes Glasgow will allow us to deliver more for customers and communities across Glasgow. We will do this by transforming and improving engagement, enhancing housing officer presence in the community, and greater choice and control through an enhanced digital offer.
- 5.11 Key dates in proposed consultation launch are:
- GHA Board approval to initiate consultation (this meeting)
 - Consultation runs from 30 August -11 October
 - Initiated through digital channels on August 30
 - Letter and consultation pack mailed to all tenants w/c 30 August
 - Dedicated website area and promotion via Online Services
 - Heavy promotion through digital channels throughout consultation period Proactive calls to customers via the Customers First Centre and local housing staff.
 - Consultation closes 11 October
 - Consultation results presented to GHA Board 5 November 2021

6. Digital transformation alignment

- 6.1 Transferring Cube's stock to GHA and developing a single Glasgow vehicle are not linked to our digital transformation programme. Our digital programme aims for an enhanced digital offer to ensure customers can access services at a time and in a way of their choosing.

7. Financial and value for money implications

- 7.1 The impact of the transfer from Cube has been assessed previously on GHA's business plan. No issues were identified in completing the transfer to impact the assessment made previously and agreed by the Board.

8. Legal, regulatory and charitable implications

- 8.1 There is a legal requirement to consult with RSL tenants on changes to the operating model or tenant participation strategy.

9. Equalities implications

- 9.1 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.

10. Environmental and sustainability implications

- 10.1 Environmental aspects of the investment in former Cube stock that transferred to GHA is included alongside those relating to GHA in the investment paper for consideration at this meeting.

11. Recommendation

The Board is asked to:

- 1) approve the branding, the customer engagement / community governance approach and associated consultation programme and booklet; and
- 2) note the approach to developing regeneration / community action areas for consideration.



Report

To: GHA Board

By: Stephen Devine, Director of Assets and Sustainability

Approved by: Martin Armstrong, Group Chief Executive

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

Date of Meeting: 13 August 2021

1. Purpose

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

2. Authorising and strategic context

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

3. Risk Appetite and Assessment

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

4. Background

4.1 Wheatley became an equal member of CBG, along with Glasgow City Council (“GCC”), in April 2017. As part of the legal agreements that created CBG and to ensure that it was delivering value for Wheatley and our customers, it was agreed that a review would take place on or around the fifth anniversary of the joint venture. The legal agreements also indicated that, amongst other things, the review should:

- be carried out jointly with GCC;
- cover the extent to which CBG is meeting the strategic objectives set for it by Wheatley and GCC, and the priorities in its business plan.

4.2 The proposed Terms of Reference for the Year Five review were agreed by the Group Board at its meeting in September 2020. Campbell Tickell was appointed, in discussion with GCC, to carry out the review. Campbell Tickell’s unique understanding of the drivers for forming the CBG joint venture, gained through supporting Wheatley’s options appraisal before entering the joint venture and the year 1 review of CBG, was the key factor in determining its suitability for the work.

- 4.3 The Year Five review took place between November 2020 and March 2021, to ensure there was sufficient time to take any action in advance of the break point in the joint venture agreement with GCC in April 2022. Structured interviews and focus groups were a key part of the review. These involved staff in Wheatley partners, GCC and CBG. Staff from all Group partners – GHA, Loretto, Cube and Lowther – that CBG serves took part in the review, as did senior leaders and those involved in the strategic and operational management of CBG in our repairs investment and compliance team. Campbell Tickell also analysed various sources of information including performance reports, delivery plans, and board reports, and drew on the experience of its team from considering repairs services elsewhere in the UK in conducting the review.

5. Customer Engagement

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

6. Discussion

- 6.1 Campbell Tickell’s review report is provided at Appendix 1 for information. Two main aspects to the review are drawn out in summary below. These are:

- 1) the extent to which the CBG joint venture is delivering on Wheatley’s stated objectives as set out in the Terms of Reference for the review; and
- 2) areas that Campbell Tickell have identified where improvement action might be considered

- 6.2 Campbell Tickell’s overall conclusion is that the joint venture with GCC is working well and that CBG delivers, in the main a high quality repairs service. The review also highlights that the objectives that Wheatley and GCC had when establishing our CBG joint venture are being met. From considering what Campbell Tickell have identified in its review particular strengths can be noted including:

- the effectiveness of communications and collaboration between Wheatley and CBG staff including as demonstrated by the relative ease with which the repairs and investment service has been able to flex in response to guidance during the on-going pandemic;
- the increasing alignment in CBG with our key service objectives of providing a high quality repairs service, that delivers right first time, with a strong customer service ethos;
- CBG’s on-going ability, except last year due to operating limitations during the pandemic, to deliver the financial performance set through its business plan;
- the level of confidence the joint venture arrangement provides of service continuity at times of change and for the future;
- the direct insight into CBG’s operations that comes through the close working relationship and CBG Board structure that includes three Wheatley representatives.

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

7. Digital transformation alignment

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

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

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

10. Equalities implications

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

11. Environmental and sustainability implications

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

12. Recommendations

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

List of Appendices

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

CAMPBELL
TICKELL



Wheatley
Group



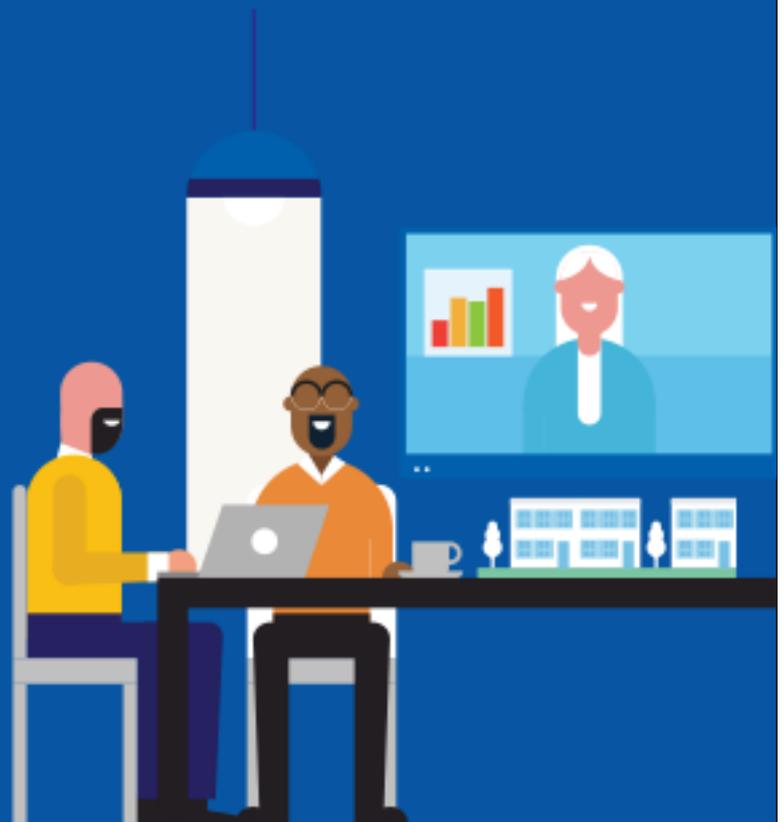
CITYBUILDING
(Glasgow) LLP



Year five review of City Building (Glasgow) LLP

Draft report

March 2021



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1. Introduction

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

2. Review brief

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

3. Executive summary and recommendations

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

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

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

4. Key achievements

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

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

5. Strategic questions arising from the five year review

CBG delivering its Business Plan objectives

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

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

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

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

Effectiveness of CBG as a Repairs Provider

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

Customer satisfaction

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

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

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

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

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

Delivering value for GCC and Wheatley

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

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

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

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

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

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

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

6. Background

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

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

7. Year five review findings

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

GCC objectives:

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

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

Wheatley objectives:

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

GCC Objectives

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

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

Wheatley Objectives

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

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

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

Key areas for consideration

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

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

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

- 7.48 There has been significant improvement in the customer focus culture of CBG with continuing improvements on an already high level of customer satisfaction. There is still a lack of flexibility around the delivery model to meet non-standard requirements. Lowther's requests for an amended service model for its factor residents, potentially with an alternative payment arrangement, does not appear to be under consideration at this stage.
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APPENDIX 1 - WHG

1 WHEATLEY HOUSING GROUP

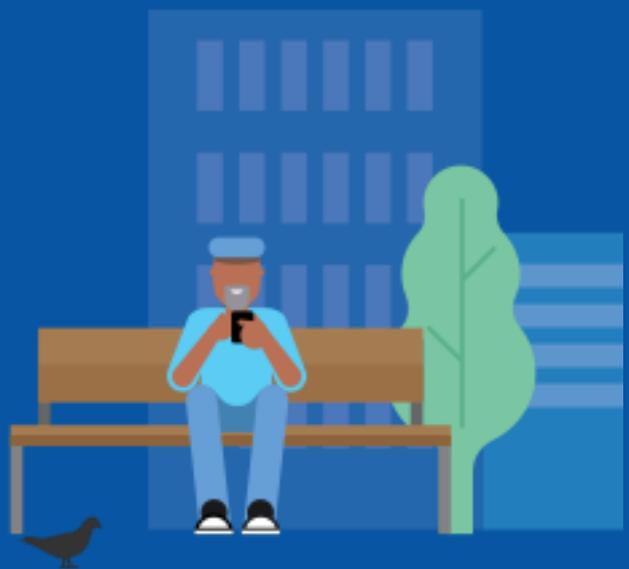
1.1 Wheatley Housing Group is one of UK's largest builder of social rented homes. Collectively, as the parent, Wheatley Solutions employ over 500 staff to provide support services to the following subsidiaries:

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

CAMPBELL TICKELL

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

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





Report

To: GHA Board

By: Jehan Weerasinghe, Managing Director

Approved by: Martin Armstrong, Group Chief Executive

Subject: GHA ASB Framework 2021-2026

Date of Meeting: 13 August 2021

1 Purpose

- 1.1 This report seeks the Board's approval for our new Anti-Social Behaviour Framework, which supports the ambition in 2021-26 strategy to create calm and peaceful communities where people are proud to live.

2 Authorising and strategic context

- 2.1 Our work on Anti-Social Behaviour ("ASB") is a key part of our Strategy 2021-26 "Your Home, Your Community, Your Future". Our approach to ASB and the broad services we deliver are strategic decisions.
- 2.2 The ASB Framework is a strategic commitment directly linked to the '*Delivering peaceful and connected neighbourhoods*' strategic outcome in our overall strategy. Approval of the framework will mark an element of this strategic outcome having been achieved. It is also linked to the delivery of a number of strategic results. This strategic context is set out in more detail within this report.

3 Risk appetite and assessment

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

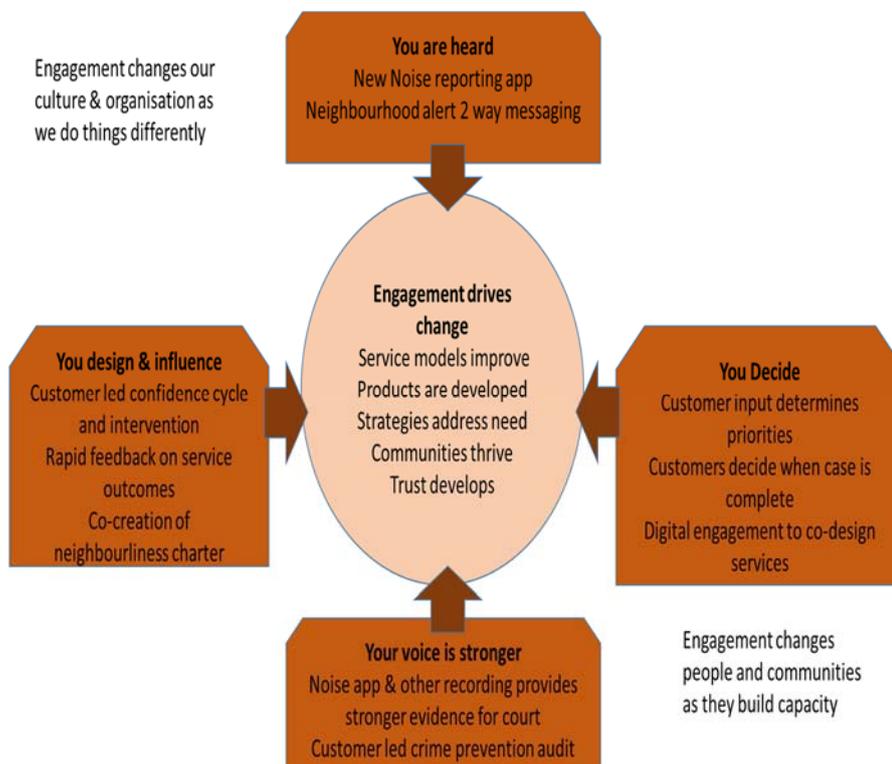
4 Background

- 4.1 The 2021-26 Strategy highlights some key commitments which relate to ASB. The primary action is to utilise our Community Improvement Partnership approach to take communities from being merely safe to ones that are improving, peaceful and with high levels of satisfaction.
- 4.2 This will be based on building a confidence cycle with and for communities. The cycle will support communities to become more resilient through increased confidence to report crimes and instances of ASB. In turn, this information will help GHA and our community partners to support those living there to make their communities stronger and more peaceful.

- 4.3 We know from our customers that anti-social behaviour plays a major part in whether they are happy in their home and neighbourhood, whether they feel safe as well as how satisfied they are with us as a landlord. This can be true whether it is high level crime or issues relating to factors such as noise. Our priority will therefore always be to resolve and reduce anti-social behaviour so that our customers can live peacefully. We will use enforcement wherever necessary to achieve that aim. Our customers will be at the centre of helping us to identify the issues that matter to them and telling us when we have resolved them.
- 4.4 We already have a reputation for leading the sector and creating innovative approaches to anti-social behaviour. In the last few years, we have developed our Community Improvement Partnership within GHA which brings together our Police and Fire in each to provide a co-ordinated approach to issues.
- 4.5 Our “confidence cycle” approach encourages customers to become active in reporting involved in resolving ASB and strengthening communities. This is based on strong data analytics which shows us the key issues and priority areas. We then work with customers to develop targeted plans to deal with the issues in their neighbourhoods.
- 4.6 Our innovation has led to a range of new policies and approaches which have already been approved by the Board including:
- Protecting People Policy;
 - MAPPA policy
 - Child protection policy;
 - Adult support and protection policy; and
 - Domestic Abuse Policy
- 4.7 Our approaches have been widely recognised across the Glasgow and beyond. This includes the Scottish Government’s Divert & Deter, Serious and Organised Taskforce recognising the CIP operating model as best practice – resulting in a delegation from the Home Office visiting us.
- 4.8 Police Scotland’s Partnerships Prevention & Wellbeing Division have recognised the CIP Operating Model and promote our approach to their other partners. They regularly bring visiting forces from across the world to showcase the work they do in partnership with us. Two pre-lockdown examples are the visit of the Deputy Chief Officer from Toronto and of 20 Senior Officers from Beijing.

5 Customer engagement

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



5.2 The **GHA ASB Framework sets out how customers can help co-create our approach to building safe, peaceful and calm communities. We can design this by involving the 1,000 engaged customers across Glasgow**

- Customers should have control over their own lives and be able to direct the design of services.
- Tenants should be helped to sustain their home including receiving understanding of trauma, adverse childhood experiences, substance abuse, mental health issues and the impacts of homelessness.
- Work will be undertaken with communities to co-create a ‘Wheatley Place Measure’ that reflects the criteria our customers identify as crucial to a successful and resilient community.
- Creation of a new community entrepreneurship and resilience programme, demonstrating our faith in people and our willingness to create opportunities for them to thrive.
- Establishing a virtual network and leveraging our physical assets and spaces within communities, such as commercial units and corporate office footprint, empowering communities to come together in creative ways.
- Putting the ‘Neighbour’ back into our neighbourhoods, creating a modern version of ‘Neighbourliness’ as a hallmark of our communities by 2026.
- Creating digital neighbourhoods where our customers can connect virtually to further support each other and co-create local solutions to improve their community.
- Using predictive analytics to improve anti-social behaviour so interventions and wrap around services can be targeted based on AI models. We are currently working with a data analytics company, Brainnwave, to develop this approach. We want to understand our tenants profiles/ behaviours and our communities better, to the point where we know the causes of ASB are so we can strategically tackle and reduce them. Customer focus groups on using AI are scheduled to take place in the Autumn.

6 Discussion

Vision and Aims

6.1 In addition to supporting our strategic vision:

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

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

Vision:

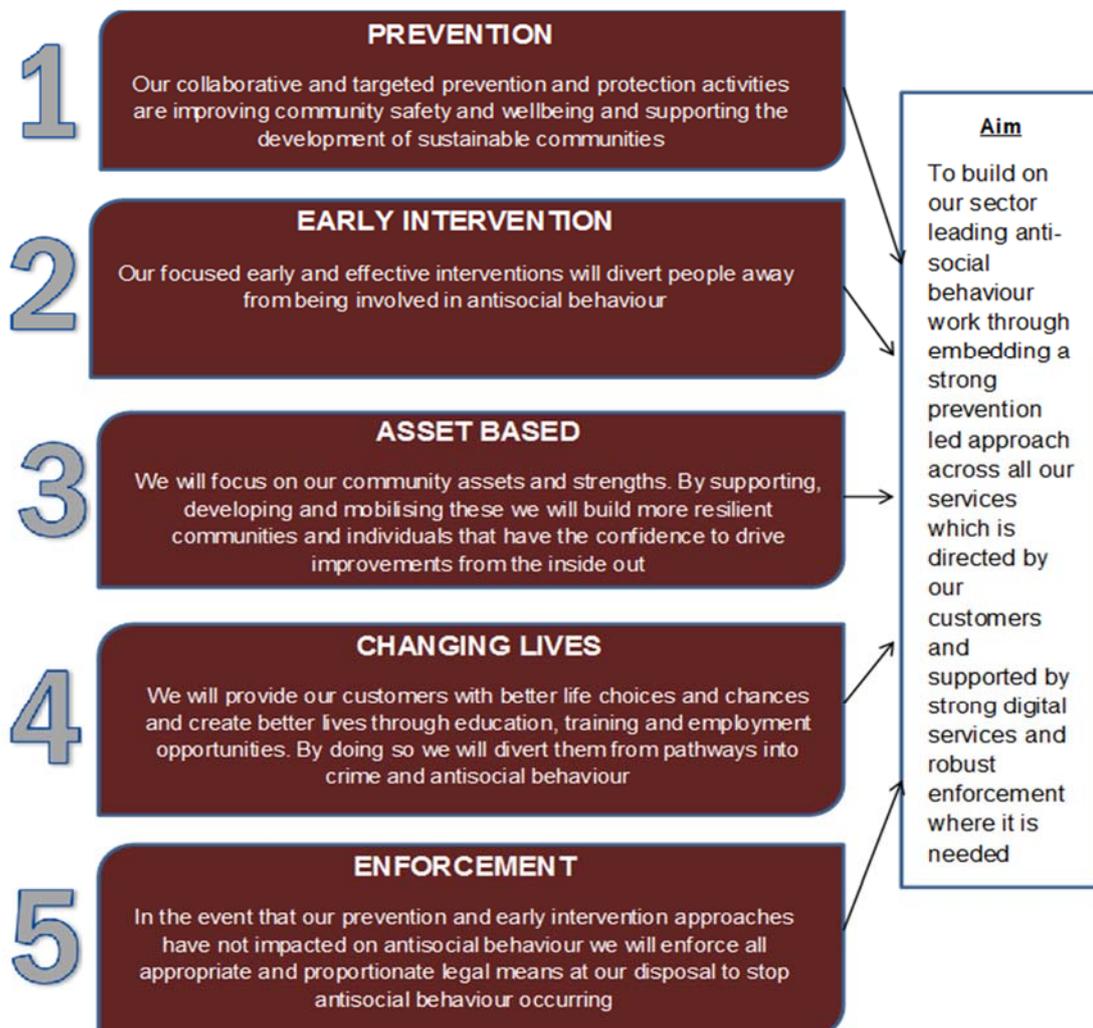
GHA Antisocial Behaviour Prevention and Mitigation Framework will create calm, peaceful and sustainable communities where people are proud to live.

Aim:

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

Our approach

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



- 6.4 This structured approach to anti-social behaviour focuses on ensuring that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. It will support digital provision of services where these are appropriate, recognising that it is important that “no-one is left behind”. In particular, we recognise that those who are living in socially deprived communities may have particular challenges in gaining access to or using digital services.
- 6.5 Success will be dependent on strong relationships with our customers and communities. They must feel confident to report issues and information to us and our partners. Our ability to provide quality resolutions to issues and to respond to customer feedback will be vital to this.
- 6.6 Our “confidence cycle” will be an important element of this approach. This helps increase people’s willingness to provide information and report issues. In turn, the information we receive can be used to target crime, reducing incidence and creating a more peaceful community. This then further encourages the community to have confidence in sharing information with housing officers and police to create further benefit.



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

- 6.8 Excellence is embedded in our DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different and more stretching ways, looking to further improve the aspects of service which matter most to customers.
- 6.9 The actions within the Framework are aligned with our strategic themes. Some of the key actions are outlined in the diagram below:



Measuring Success

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

Delivering exceptional customer experience:
<ul style="list-style-type: none"> ▪ Overall customer satisfaction is above 90% ▪ GHA tenant satisfaction with value for money is increased to 85% ▪ Overall satisfaction amongst households with children is improved to 90% ▪ 90% of customers feel they can participate in the landlord's decision making ▪ 95% of customers actively engaged in shaping services feel they participate in decision making
Enabling our ambitions
<ul style="list-style-type: none"> ▪ Over 50% of customers actively use their online account to make transactions with us

Context

- 6.11 Our extensive experience in dealing with anti-social behaviour, backed up by research in Scotland and elsewhere, has given us a greater understanding of underlying causes. This has shown that the prevalence and type of ASB are often directly linked to issues such as childhood adversity, poverty and vulnerability.

- 6.12 We will use this knowledge to deliver our early intervention and prevention approach. While this will reduce anti social behaviour we will still use appropriate and proportionate enforcement action where it is needed. This will be the case where the issues are so severe that they need to be dealt with immediately or where other action is having no effect.
- 6.13 In some cases, we may need to move the perpetrator to protect the community. This Framework sets out how we will seek to do this through planned pathways wherever possible. Working with partners, we plan to establish alternative accommodation routes to break a cycle of anti-social behaviour and eviction.
- 6.14 Drug and alcohol misuse is a major issue across Glasgow. We also know that drug and alcohol dependencies can increase the likelihood of anti-social behaviour. Being able to support and treat customers to help them overcome or reduce use should be a key part of reducing ASB. Our employability and training options will also help to provide hope and purpose which can often help stabilise misuse or prevent a spiral of decline.
- 6.15 Mental health issues are growing in prevalence in society. It is likely that the Covid-19 pandemic has only further compounded this trend. Our experience is that issues can often arise where our customers have low level mental health issues.
- 6.16 These are often not sufficient for them to meet the criteria for specialist support packages. Despite this, our customers can struggle to live safely in a home and some will also behave in an anti-social way as a result. Using our care expertise and strong partnerships, we will seek to find ways to increase the support to these customers.
- 6.17 The nature of ASB is changing. Technology increasingly enables people to commit and hide crime. Fraud and organised crime are growing and often targeted at those who are vulnerable or poor. Child sexual abuse and exploitation remains at significant levels while reports of adult concern have risen in recent years. Stalking and harassment continue to be an issue and now often involves an element of online activity. In addition, “outing” of sex offenders has become much more prevalent, often using online forums. While the crime element of this trend is dealt with by the Police we increasingly have to support our communities and deal with the outcomes.

7 Digital transformation alignment

- 7.1 The digital element of work in this Framework aligns with two themes in the transformation plan: Providing better online services for our customers and transformation of our housing service delivery. The Framework commits us to providing digital delivery where that is appropriate to the service, while ensuring that no-one is left behind.
- 7.2 The key aspects of this will be the introduction of a new noise app which allows recording and digital reporting of noise and the rapport messaging system which provides 2-way communication for our customers. In addition, we will use the new digital customer engagement tools that are in development to ensure customers are able to co-create and refine our services.
- 7.3 This work is already built into our transformation plan over the next two financial years.
- 7.4 AI models are also being built to inform this approach, based on the work currently underway with Brainnwave. We expect to be able to operationalise this approach by 2022.

8 Financial and value for money implications

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

9 Legal, regulatory, and charitable implications

- 9.1 The Antisocial Behaviour etc (Scotland) Act 2004 is the primary legislation for dealing with antisocial behaviour in Scotland. The Act sets out a range of responses made available to Local Authorities and Police Scotland. The legislative framework that governs how GHA currently interprets and manages antisocial behaviour is contained within *the Housing (Scotland) Act 2014* and *the Antisocial Behaviour etc. (Scotland) Act 2004*. The 2004 Act states that a person is engaging in antisocial behaviour if they:

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

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

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

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

Outcome 6 of the Scottish Social Housing Charter states that:

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

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

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

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

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

10 Equalities implications

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

11 Environmental and sustainability implications

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

12 Recommendations

12.1 The Board is asked to approve the GHA Anti-Social Behaviour Framework.

LIST OF APPENDICES

Appendix 1: Draft GHA Anti-Social Behaviour Framework

GHA

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

P REVENTION

E ARLY & EFFECTIVE INTERVENTION

A SSET BASED APPROACH

C HANGING LIVES

E NFORCEMENT

Our Journey from Excellent to Outstanding

CONTENTS

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

Introduction and background

GHA is Scotland's largest RSL covering the City of Glasgow. It is part of the Wheatley Group - Scotland's leading housing, care and property management organisation. In addition to these organisations, the Group also entered into a joint venture in April 2017 with City Building Glasgow.

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

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

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

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

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

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

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

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

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

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

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

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

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

Our Organisation

By being part of a group structure, GHA customers have unrivalled access to expertise and resources across housing, homelessness, care, support, advice, training, volunteering and employment. The relevant group members are:



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

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



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



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

Building on Our Success

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

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

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

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

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

Dedicated Specialist Resources

We reviewed the way we deployed our seconded policing team using detailed analytics and feedback from our customers and staff. This led to the creation of a two shift police team increasing our coverage at critical times by almost 300%.

A new Police Information and Intelligence Support Unit was created to support the new two team operating model and to ensure our frontline staff received the most up to date police information that was critical to resolving their antisocial behaviour investigations. In the last twelve months this new team have managed more than 2,600 information requests from front line staff, proactively disclosed over 600 incidents of ASB and have processed more than 1,300 community information and intelligence reports. In the past it could take up to four weeks to get disclosure information from local policing.

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

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

Partnership Links

The CIP have a unique relationship with Police Scotland through our seconded police team. The CIP Management Team meet monthly with Police Scotland's Partnership Development Manager who is part of the newly created Partnerships, Prevention & Community Well Being Division. This provides unparalleled access to additional support services and national resources. A recent example of this is the support the division are providing including an additional intervention and patrols within the Wynford Estate in Maryhill where there were increased incidents of ASB..

Innovation & New Technology

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

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

We are collaborating with Police Scotland and the Scottish Community Safety Network to bring to Scotland for the first time an innovative, secure, digital platform 'Community View', This will enable the us to gain a real-time understanding of opinions from customers about our deployments and the wrap around services we are providing. Local engagement has been critical to the success of the CIP and this and other similar developments will take our digital partnership with our customers to the next level.

Anti-social behaviour

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

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

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

Unique Approach to CIP Deployments

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

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

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

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

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

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

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

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

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

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

Our Vision to End Antisocial Behaviour

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

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

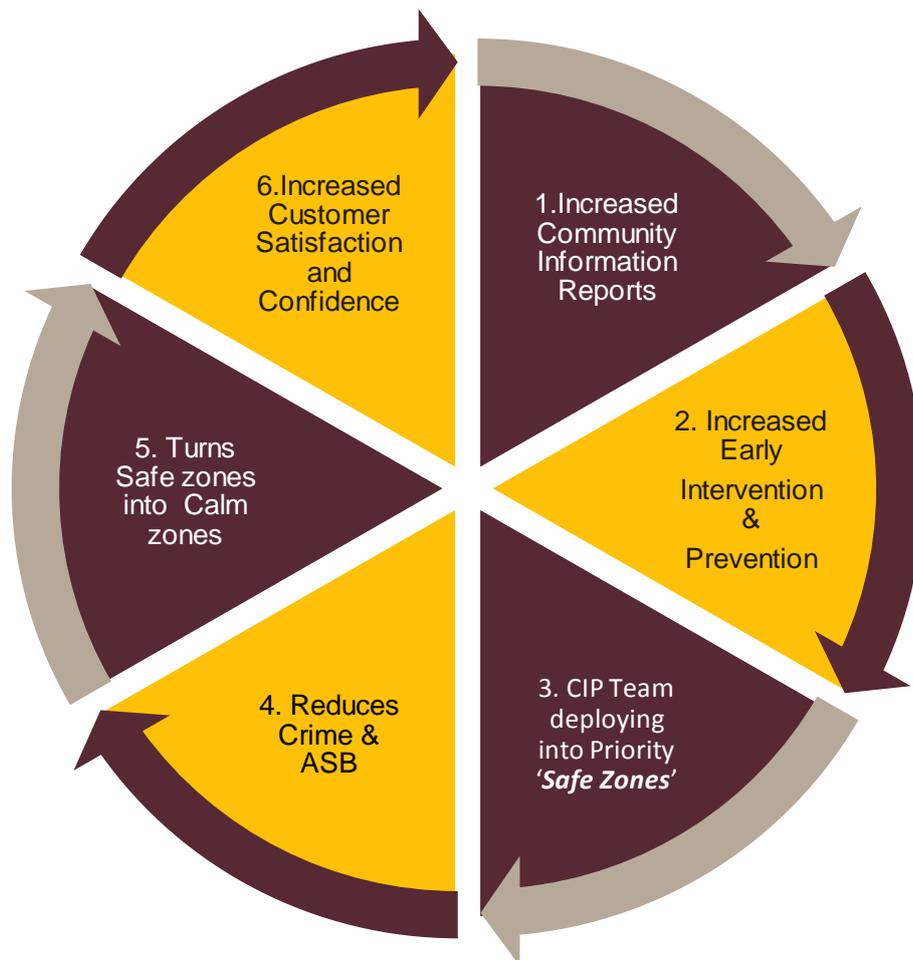
We will deliver this aim by successfully achieving the following five key outcomes:



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

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

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



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

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

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

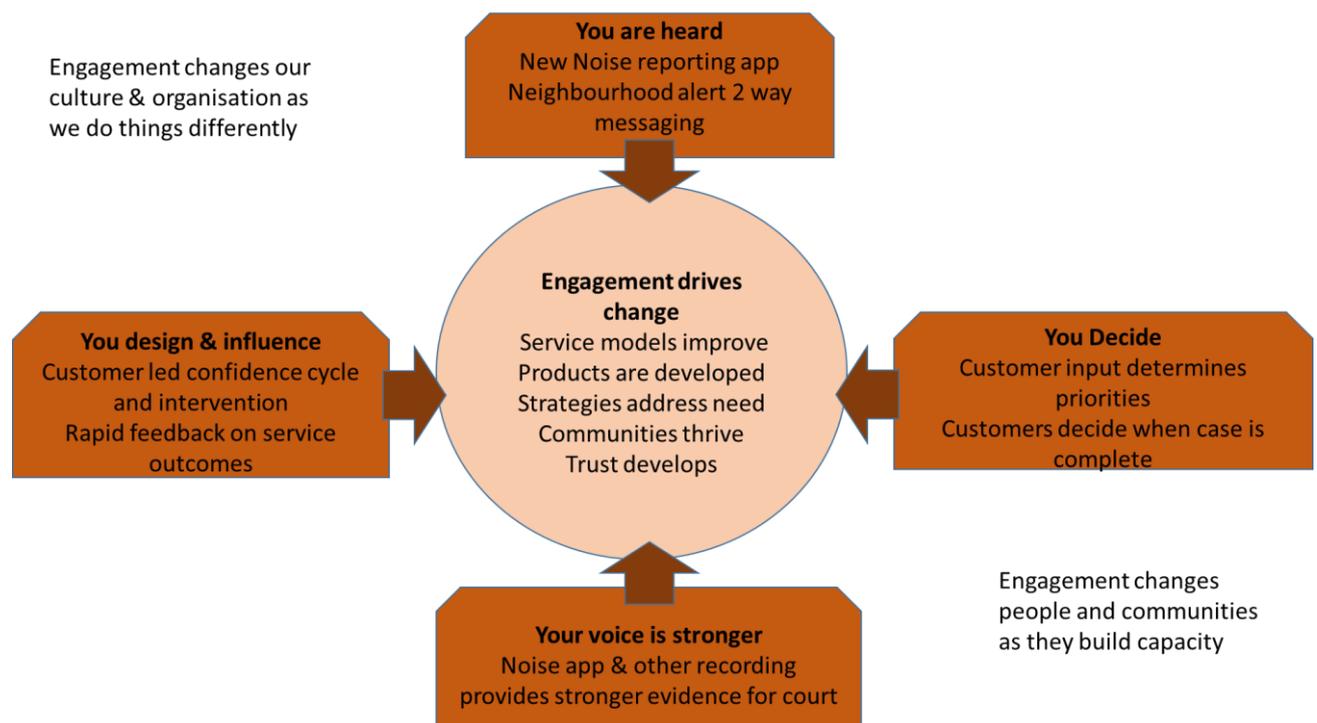
Excellence is embedded in our DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different and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

Voice of the customer

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

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

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



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

The diagram below sets out the key pillars of our approach.



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

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

National Context

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

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

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

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

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

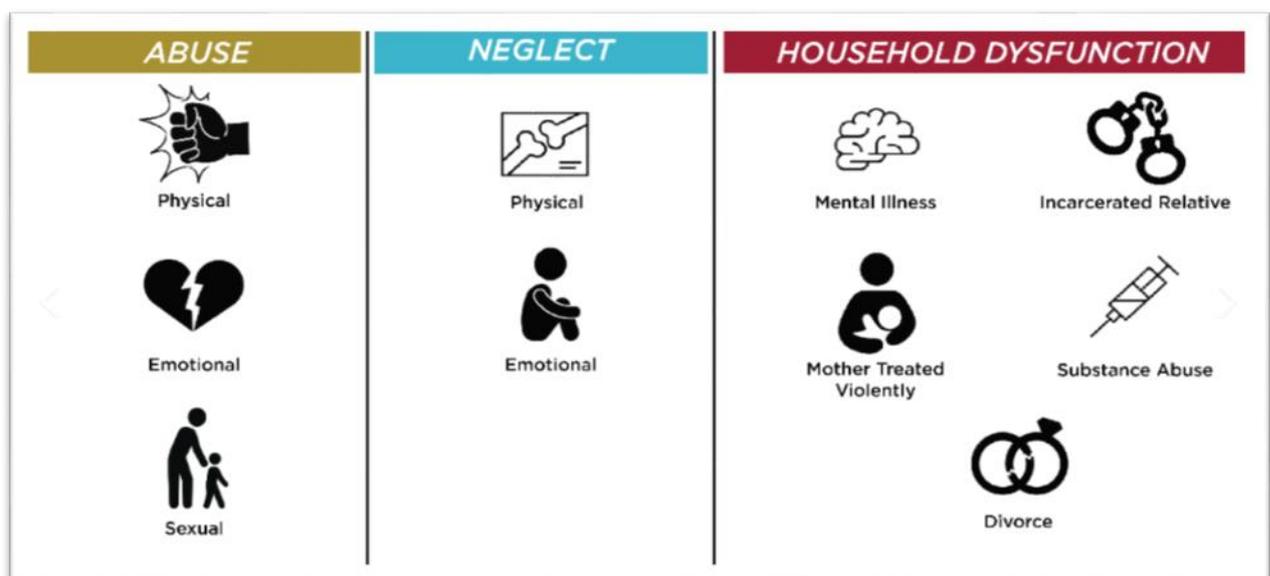
- Levels of ASB have decreased over the past 10 years and the public have noticed this decline in their areas. 29% of adults in 2017/18 thought ASB was common in their area which is down from 46% in 2009/10;
- Those living in the most deprived areas, in socially rented housing and in large urban areas,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

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

International research has shown that a significant number of adult perpetrators of certain crimes and antisocial behaviour have experienced high levels of childhood trauma and maltreatment. These are commonly known as Adverse Childhood Experiences or ACEs. This body of evidence is also reflected within Scottish statistics where we know that:

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

The ten most commonly measured ACEs are categorized as follows:



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

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

We have seen the impact that embedding specialists within the Wheatley 360 teams has delivered in areas such as domestic abuse and suicide prevention. We will expand this approach to work with our Glasgow City Council and health and social care partnership colleagues in relation to addictions. In addition, we will look to bring learning from substance abuse professionals into the training that we will give GHA staff.

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

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

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

Prevalence of crime and anti-social behaviour

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

We know that ASB levels have increased significantly during the pandemic. The Police have recorded an increase in ASB issues of during lockdown of approximately 35% in Glasgow. Most of the increase has been related to noise and the impact of people being at home far more.

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

The data we now have has already allowed us to develop services which target key issues. For example, our increased understanding of domestic abuse issues has allowed us to create the Group Protection Framework with a range of increased supports for victims and actions against perpetrators. Our data has shown that noise issues are the cause of the majority of complaints. These tend not to be a major focus for police work but do have a significant impact on our customers' wellbeing. We have developed a number of strategies to deal with noise issues which will be expanded during the course of this Framework.

The changing nature of crime

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

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

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

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

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

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

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

Our Strategic & Operational Response

Prevention

Our Aim:

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

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

Our four pillars of prevention are:

Community Prevention

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

Developmental Prevention

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

Situational Prevention

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

Criminal Justice Prevention

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

Prevention – Our key measures

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

Prevention – case study

Within our Community Improvement Partnership, Police Team we have Scotland's best qualified Crime Prevention Officer. This newly acquired skill set was recently requested by a Glasgow Locality Director who requested a detailed Crime Prevention report with recommendations on how to impact on local vandalism, graffiti and drug dealing in a particular street within their area. The report was presented within a week and made a number of recommendations which were then progressed by the local housing officer. A Problem Solving meeting was arranged and chaired by the Housing Officer and involving local police and other relevant partners. One of the recommendations involved the more proactive use of public space CCTV. The action was progressed as a matter of urgency and led to the identification through facial recognition software of a person involved in drug dealing in this community. This focus on prevention and use of technology is having a preventative impact on local crime and antisocial behaviour.

Early Intervention

Our Aim:

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

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

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

We are developing predictive analytical approaches to identify communities that are susceptible to increased levels of crime and anti-social behaviour. Artificial intelligence will mine our rich data to support our frontline teams, spot trends and empower us to deliver personalised customer services where they are most needed.

We will draw on our care expertise to mainstream effective tenancy support approaches into the skill sets of our customer facing staff, to help our tenants sustain their homes and lead their own lives, this will include experiential learning around the impacts of substance misuse, Adverse Childhood Experiences and mental health. We will work closely with our strategic partners acknowledging that keeping people safe and promoting community wellbeing is a shared responsibility.

Our early intervention key measures

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

Early intervention – case study

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

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

Asset Based Approach

Our Aim:

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

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

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

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

Our Asset key measures

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

Asset based approach – case study

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

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

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

Changing Lives

Our Aim:

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

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

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

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

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

Our Changing Lives key measures

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

Changing Lives – case study

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

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

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

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

Enforcement

Our Aim:

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

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

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

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

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

Our Enforcement key measures

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

Enforcement – case study

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

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

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

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

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

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

Our approach

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

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

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

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

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

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

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

Delivering exceptional customer experience

Progressing from excellent to outstanding

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

Enabling customers to lead

- Support our customers to co-create a "Neighbourliness Charter" which defines what it means to be a good neighbour
- Conduct joint customer- led crime prevention audits in all of our communities currently categorised as safe in order to identify priorities
- Create new digital engagement processes which allow customers to co-create services with us
- Provide new, digital systems to allow customers to direct and engage with services including:
 - 24/7 digital reporting methods;
 - Increased use of "Rapport" messaging which provides 2-way communication for our most vulnerable customers; and
 - Development of crime and anti-social behaviour toolkits for customers with expert advice and guidance on spotting the early signs of crime & ASB, including what to do and expect if they become a victim of crime or ASB
- Develop integrated case management which ensures the customer can draw down the most appropriate resource to deal with their case at a time of their choosing.
- Extend the use of our innovative tenancy star for tenants with vulnerabilities. This will enable customers to direct their services to meet their priorities
- Develop learning from the fire safety "stay safe" campaign to develop communication campaigns in relation to ASB

Making the most of our homes and assets

Increasing the supply of new homes

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

Investing in existing homes and environments

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

Building community voice, engagement and resilience:

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

Changing lives and communities

Shaping support services for the future

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

Developing peaceful and connected neighbourhoods:

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

Supporting economic resilience in our communities:

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

Developing our shared capability

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

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

W.E. Create – driving innovation

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

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

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

Enabling our ambitions

Influencing locally and nationally to benefit our communities

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

The key strategic measures

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

Delivering exceptional customer experience:

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

Changing lives and communities

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

Enabling our ambitions

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

Investigating incidents and using our powers

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

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

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

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

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



The guiding principles of the toolkit are noted below:

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

Customer Agreed Categories & Timescales

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

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

Legislation Planning and Guidance

Legal Context

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

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

The Legal Framework

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

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

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

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

Glasgow Housing Association

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

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

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

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

Scottish Social Housing Charter

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

Outcome 6 of the Scottish Social Housing Charter states that:

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

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

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

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

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

Complaints

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

Responsibilities

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

Review and Consultation

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



Report

To: GHA Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: 2020/21 Financial Statements

Date of Meeting: 13 August 2021

1. Purpose

1.1 The purpose of this report is to provide the GHA Board with an overview of the 2020/21 audited financial statements.

2. Authorising and strategic context

2.1 Under the terms of the Intra-Group Agreement between GHA and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the GHA Board is responsible for the on-going monitoring of performance against agreed targets. This includes the on-going performance of its finances and the approval of the statutory financial statements.

2.2 This report provides the Board with the final statutory financial statements following the completion of the external audit by KPMG and a reconciliation of the final out-turn to Period 12 2020/21 management accounts.

2.3 The financial statements have been reviewed by the Wheatley Group Audit Committee and recommended for approval at its meeting which was held on 5 August 2020.

3. Risk appetite and assessment

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

4. Customer engagement

4.1 No implications

5. Summary of year-end financial results

5.1 The financial statements are now complete and have been audited. The financial results for the year are summarised below:

	Year ended 31.03.21 £'000	Year ended 31.03.20 £'000
Turnover	216,557	209,001
Operating Expenditure	(174,488)	(166,450)
Other income and gains – loss on investment properties	(12,147)	(9,272)
Operating Surplus	29,922	33,279
Gain on disposal of fixed assets	56	-
Finance costs	(66,612)	(44,587)
Movement in FV of financial instruments	(2,222)	549
Deficit for the year	(38,856)	(10,759)
Property revaluation – social housing properties	52,767	39,805
Property revaluation – office properties	345	121
Actuarial (loss)/gain in respect of pension schemes	(2,360)	3,109
Total comprehensive income for the year	11,896	32,276

5.2 The one-off cost of restructuring our loan portfolio by converting fixed rate loans to lower variable rates was a contributing factor to our deficit for the year. This is evident in the finance costs line. However, this has benefited the business plan by reducing interest costs in future.

5.3 In relation to operating expenditure, we continue to delivery efficiencies, with our management costs per unit reducing from £1,212 to £1,195 in the year.

6. Adjustments from 31 March management accounts

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

	Income & Expenditure £m	Net Assets £m
March management accounts	(21.0)	572.8
Revaluation of properties - Housing	52.8	52.8
Revaluation of properties - Offices	0.3	0.3
Revaluation of properties - Investment	(12.1)	(12.1)
Actuarial valuation of pension schemes	(7.7)	(7.7)
Fair Value Adjustments	(4.0)	(4.0)
Depreciation	3.8	3.8
Other	(0.2)	(0.2)
GHA statutory accounts	11.9	605.7

6.2 Revaluation of Properties: Housing, office and investment properties have all been revalued at the year-end by Jones Lang Lasalle (“JLL”). Our social housing properties increased in value by £52.8m and our office properties by £0.3m. Investment properties which are mid-market rent homes are initially recognised on the balance sheet at cost of construction, then are written down to tenanted market value on completion. The write-down is, however, offset by the grant received to subsidise their construction, which is also recognised through the income statement. The write down for 2020/21 is £12.1m.

6.3 Actuarial valuation of pension schemes: The actuarial valuation for the Strathclyde Pension Fund defined benefit pension scheme was received post year end. The asset recognised in the accounts reduced by £7.7m reported in the Statement of Comprehensive Income as:

- employee service cost of £5.6m
- interest income of £0.3m
- actuarial loss of £2.4m

The pension scheme remains in a strong position reporting a pension asset of £5.8m on the Statement of Financial Position.

6.4 Fair value adjustments: The Housing SORP 2014 requires certain financial instruments to be fair valued every year. These items are not cash costs in year but rather reflect various revaluation movements. The adjustment in the 2020/21 financial statements relates to the Scottish Government Contingent Efficiencies Grant and is due to the increase in the carrying value of this £100m interest free loan received in 2003; currently this is carried on the balance sheet at £40.7m an increase in the loan creditor of £4.0m in the year and this figure will steadily increase every year to £100m by 2040 when the full loan capital is due for repayment.

6.5 Depreciation adjustment: as part of our year end work depreciation charges were calculated at individual component level. This resulted in a reduction on the operating cost reported of £3.8m.

6.6 Other: These adjustments are mainly for year-end accruals as a result of new information becoming available after closing of the management accounts.

7. **Audit summary**

7.1 The external auditors, KPMG, have completed their audit of the financial statements and have issued an unqualified audit opinion.

7.2 No audit adjustments were identified during the course of the audit.

7.3 As a standard part of their audit process, and in line with previous years, KPMG require the Board of each organisation in the Wheatley Group to sign a “letter of representation” in which the Board confirms certain matters in terms of disclosure and record-keeping. As in previous years, a letter from the Chief Executive has been provided to each Board to provide comfort that the officers have complied with the matters stated in this letter. Both these documents are provided along with this paper (Appendix 2 and 3 respectively).

7.4 The Board are asked to confirm in the letter of representation that the financial statements are prepared on a going concern basis. The assessment that the Association continues in business is based on the preparation and approval of the Association's 30-year business plan which includes cashflow forecasts, the certainty of revenue streams from rental income and the assessment of the availability of funding provided to GHA through the RSL borrower relationship with WFL1.

7.5 The accounts will be signed following the approval of the Wheatley Group accounts at the Group Board meeting on 26 August 2021.

8. Key issues and conclusions

8.1 GHA's balance sheet continues to strengthen, with the annual valuation of our social housing properties returning a £52.8m increase in the year. The results are in line with our business plan assumptions.

9. Digital transformation alignment

9.1 No implications

10. Financial and Value for Money implications

10.1 As set out above.

11. Legal, regulatory and charitable implications

11.1 No implications.

12. Equalities implications

12.1 No implications

13. Environmental and sustainability implications

13.1 Note that an accompanying Environmental, Social and Governance ("ESG") report is being prepared, and will be presented to the Group Board for approval later this month. This sets out our sustainability achievements and the energy efficiency of our properties and corporate activities.

14. Recommendation

14.1 The Board is asked to:

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

LIST OF APPENDICES

1. Financial statements for the year ending 31 March 2021 [redacted, available here: [GHA-Annual-Accounts-2021.pdf \(wheatley-group.com\)](#)]
2. Letter of representation [redacted]
3. Letter of comfort [redacted]



Report

To: GHA Board

By: Randal Brown, Director of Assurance

Subject: Internal Audit Annual Report and Opinion 2020/21

Date of Meeting: 13 August 2021

1. Purpose

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

2. Authorising and strategic context

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

3. Risk appetite and assessment

- 3.1 The Board's risk appetite in relation to Governance is deemed "open" meaning that there is an appetite to take decisions with potential to expose us to additional scrutiny but only when appropriate steps have been taken to minimise any exposure.
- 3.2 This report is designed to inform the Board members of specific risks arising from internal audit reviews, in order that members can make informed governance decisions.

4. Background

- 4.1 The Group's Internal Audit team operates in accordance with the Chartered Institute of Internal Auditors' International Professional Practices Framework (IPPF), which includes the International Standards for the Professional Practice of Internal Auditing (the Standards).
- 4.2 In line with the requirements of the Standards, Internal Audit provides the Group Audit Committee with an Annual Report and Opinion, which summarises the results of the Internal Audit team's work during the financial year and provides an opinion on the Group's internal control, governance, and risk management framework.
- 4.3 The Internal Audit Annual Report and Opinion 2020/21 was approved by the Group Audit Committee at its meeting on 5 May 2021. The Group's established position is that it only operates Committees at Group level. The Group Audit Committee's role and responsibilities are contained within its Terms of Reference. **Annex 3 of Appendix 1** sets out the core areas and further explanation of the respective roles and responsibilities of the Group Audit Committee and partner Boards. The Annual Report and Opinion is then reported to each partner Board alongside the annual accounts. The Statement on Internal Financial Control included within the statutory accounts sets out our conclusions.
- 4.4 In terms of Assurance coverage that covers GHA, **sections 3 and 4 of Appendix 1** provide details of all the reviews and which Subsidiary they include. The reviews specifically relevant to GHA are detailed below:

Gas Safety	PPE Health & Safety	Fire Safety	Areas Management
NETs PPE	Allocations	Business Continuity Planning	Cybersecurity Healthcheck – IT operations
Cybersecurity Healthcheck – SaaS systems	Working from Home review	Payroll Data Analytics	Digital Strategy

- 4.5 The Annual Report refers to the results of work reported to the Group Audit Committee in May 2021, which has not previously been reported to the Board. A summary of the Internal Audit Plan for 2021-22 is set out in **Appendix 2 – Group Assurance Update**, along with key findings for the following reviews:

- a) Allocations;
- b) Business Continuity Planning;
- c) DGHP Transformation Programme;
- d) Digital Strategy Interim report;
- e) Wheatley Care self-assurance consultancy review;
- f) Payroll Data Analytics; and
- g) Follow-Up of Management Actions.

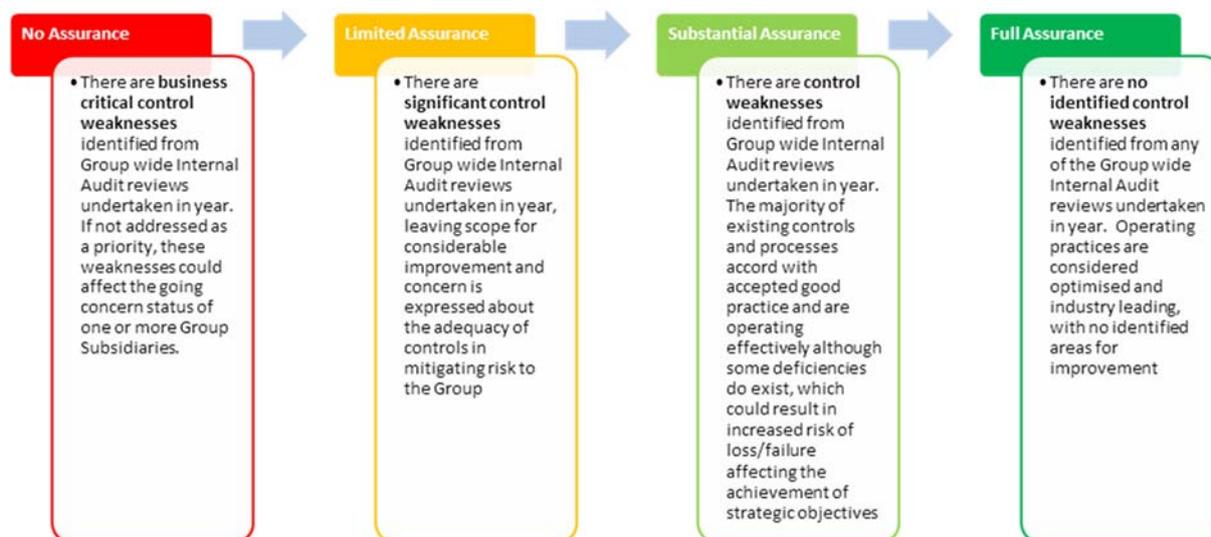
5. Customer engagement

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

6. Discussion

Internal Audit Annual Report and Opinion 2020-21

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



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

Internal Audit Opinion 2020/21

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

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

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

- 6.5 More detail on the key findings for each review are set out in the *Group Assurance Update* at **Appendix 2**. Full reports are available to all Board members upon request. In addition, we have provided consultancy support to Wheatley Care for the design and implementation of a self-assessment process to demonstrate compliance with the Care Inspectorate’s Care Quality Framework.

- 6.6 The paper at **Appendix 2** also sets out identified areas for internal audit focus for 2021/22, which have been identified through review of Group and Subsidiary Board Strategies and Risk Registers, discussion with senior managers and consideration of the Assurance map. These areas of focus will be updated on a rolling basis throughout the financial year and will be used to identify the reviews to be prioritised each quarter. This plan was approved by the Group Audit Committee at its meeting on 5 May 2021.

7. Digital transformation alignment

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

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

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

10. Equalities implications

10.1 This report does not require an equalities impact assessment.

11. Environmental and sustainability implications

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

12. Recommendation

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

List of Appendices

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

Appendix 2 – Group Assurance Update August 2021

Internal Audit Annual Report and Opinion 2020/21

1. Introduction

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

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

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

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

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

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

Group Assurance Mission Statement

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

2. Annual Internal Audit Opinion

Scope

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

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

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

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

Basis of Opinion

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

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

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

Internal Audit Opinion 2020/21

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

3. Summary of Findings

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



4. Summary of other work performed

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



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

5. Follow Up of Management Actions

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

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

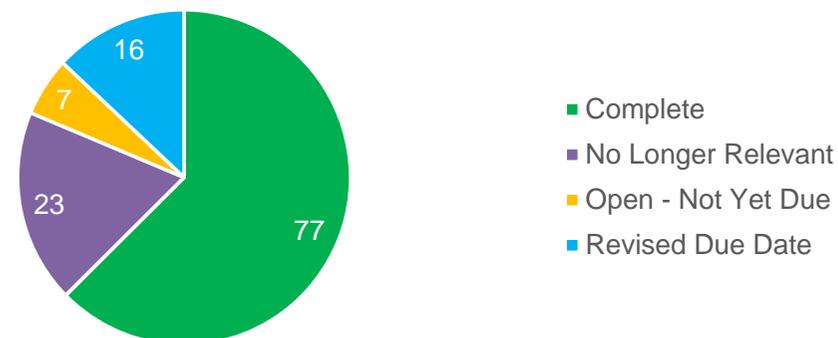
These comprise Wheatley Group actions brought forward from 2019/20, DGHP actions brought forward from 2019/20, and actions reported during 2020/21. Our assessment has included review of each action to determine whether:

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

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

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

Status of Actions at 31 March 2021



6. IA Key Performance Indicators

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



Notes:

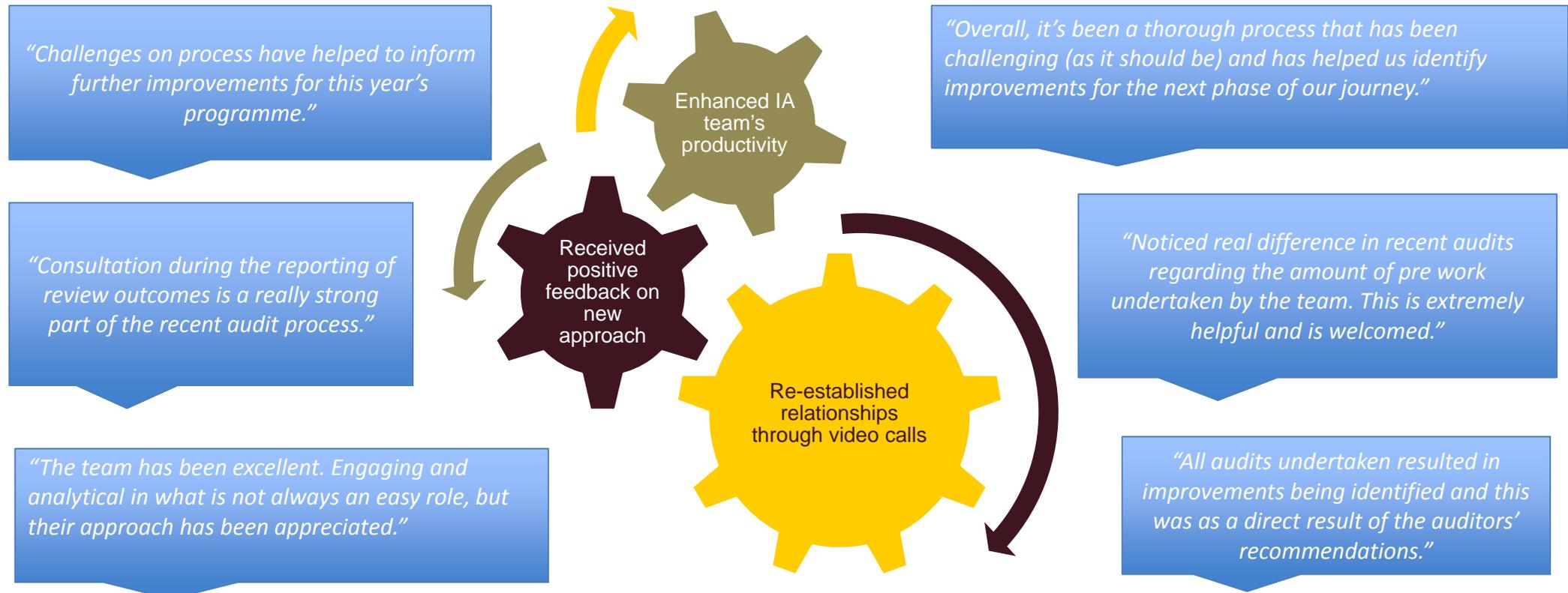
1. The 2020/21 Annual Plan was superseded following lockdown. The revised plan has been approved by the Group Audit Committee on a quarterly basis and delivered in line with proposed timescales.
2. The Internal Audit team was furloughed between April 2020 and September 2020. The team’s utilisation has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

Key:

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

7. IA 2020/21 Feedback

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



8. IA Compliance with Standards



Internal Audit compliance with professional standards

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

Internal Audit independence

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

Conflicts of Interest

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

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

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

9. IA Quality Assurance and Improvement Programme

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

Ongoing monitoring

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

Annual CPE Completion

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

Annual self-assessment

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

Annual Self-Assessment

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

Generally Conforms

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

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

Annex 1: Limitations and responsibilities



Limitations Inherent to the Internal Auditor's Work

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

Opinion

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

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

Internal Control

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

Responsibilities of Management and Internal Audit

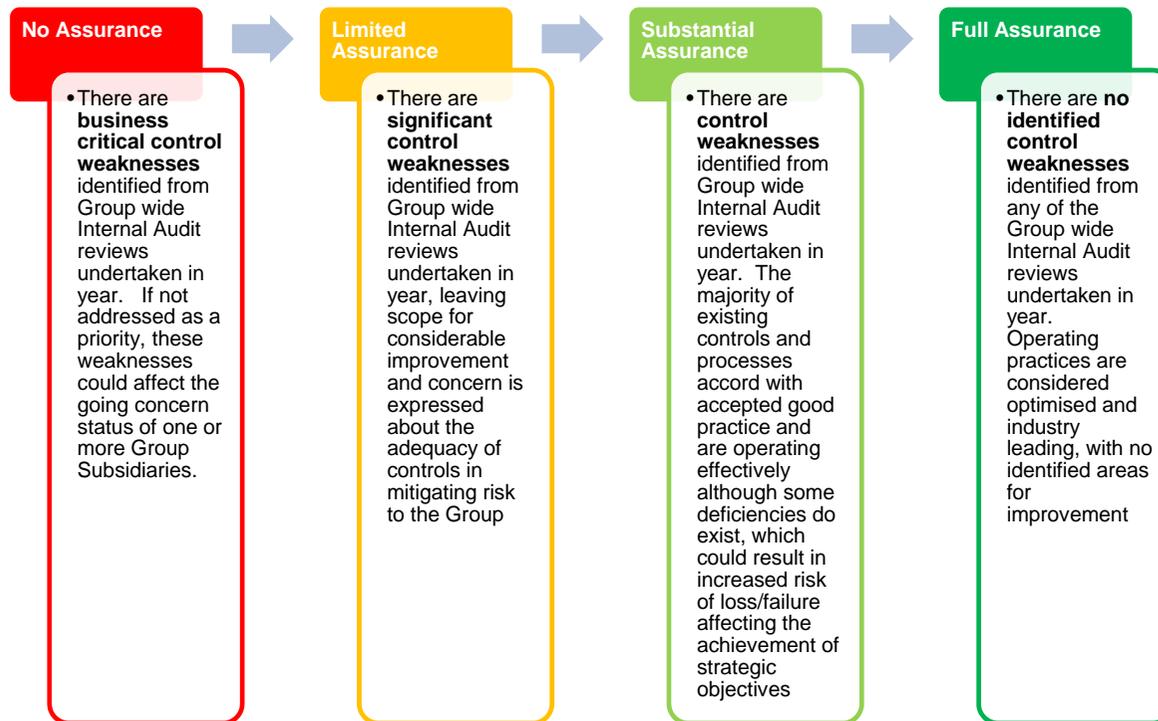
It is Management's responsibility to develop and maintain sound systems of risk management, internal control and governance to ensure the prevention and detection of irregularities and fraud. Internal Audit work should not be seen as a substitute for Management's responsibilities for the design and operation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

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

Annex 2: Assurance Opinion definitions

Annual Assurance Opinion Definitions

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



Control Objective Classification

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



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



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

Appendix 2 - Group Assurance Update August 2021

1. IA Plan 2020/21 Status

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

<ul style="list-style-type: none"> • Wheatley Solutions • GHA • DC • DGHP • WLHP • Cube • Loretto Housing <p>Allocations (section 2)</p> 	<ul style="list-style-type: none"> • Wheatley Solutions • Wheatley Care • GHA • DC • DGHP • WLHP • Cube • Loretto Housing • Lowther • Wheatley Foundation <p>Business Continuity Planning (section 3)</p> 	<ul style="list-style-type: none"> • Wheatley Solutions • DGHP <p>DGHP Transformation Programme (section 4)</p> 
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Digital Strategy Interim Report (section 5)

- Wheatley Solutions
- Wheatley Care
- GHA
- DC
- DGHP
- WLHP
- Cube
- Loretto Housing
- Lowther
- Wheatley Foundation

Wheatley Care Quality Assurance self-assessment (section 6)

- Wheatley Care

Payroll Data Analytics (section 7)

- Wheatley Solutions
- Wheatley Care
- GHA
- DC
- DGHP
- WLHP
- Cube
- Loretto Housing
- Lowther
- Wheatley Foundation

Follow-Up (section 8)

- Wheatley Solutions
- Wheatley Care
- GHA
- DC
- DGHP
- WLHP
- Cube
- Loretto Housing
- Lowther
- Wheatley Foundation

Internal Audit Plan 2021-22 (section 9)

- Wheatley Solutions
- Wheatley Care
- GHA
- DC
- DGHP
- WLHP
- Loretto Housing
- Lowther
- Wheatley Foundation

1. IA Plan 2020/21 Status

Control Objective Classification:

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

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

2. Allocations

Report Conclusion

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

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

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

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

Control Objective Classification



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



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



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



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



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

2. Allocations

Areas of Good Practice

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

2. Allocations

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

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

3. Business Continuity Planning



Report Conclusion

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

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

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

Control Objective Classification

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

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

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

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

3. Business Continuity Planning

Areas of Good Practice

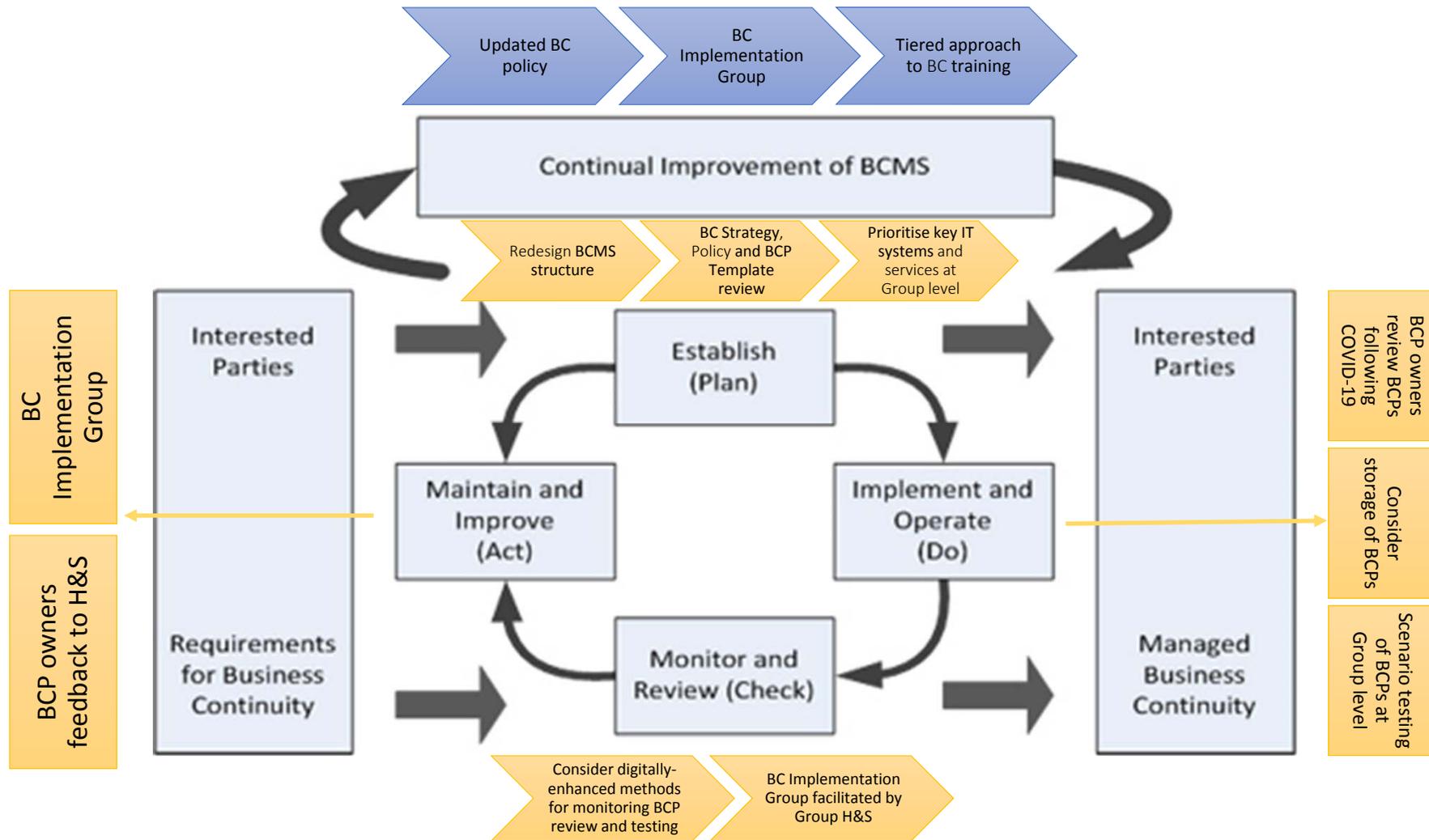
- ✓ At the start of lockdown, an Essential Services presentation to the Wheatley Group Board and Subsidiary Boards clearly set out who was in the initial response team, their responsibilities and the approach being taken.
- ✓ In response to COVID-19, Business Continuity (BC) was successfully directed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

3. Business Continuity Planning

Opportunities to Improve – including to reflect the new operating model

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

3. Business Continuity Planning



4. DGHP Transformation Programme

Report Conclusion

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

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

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

Control Objective Classification



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



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



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



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

4. DGHP Transformation Programme

Areas of Good Practice

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

4. DGHP Transformation Programme

Opportunities to Improve: Continuous improvement actions

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

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

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

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

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

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

5. Digital Strategy Interim report



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

Findings:

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

Next Steps:

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

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

6. Wheatley Care Quality Assurance Self-assessment



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

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

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

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

7. Data Analytics- Payroll Review

Summary of work performed

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

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

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

7. Data Analytics- Payroll Review

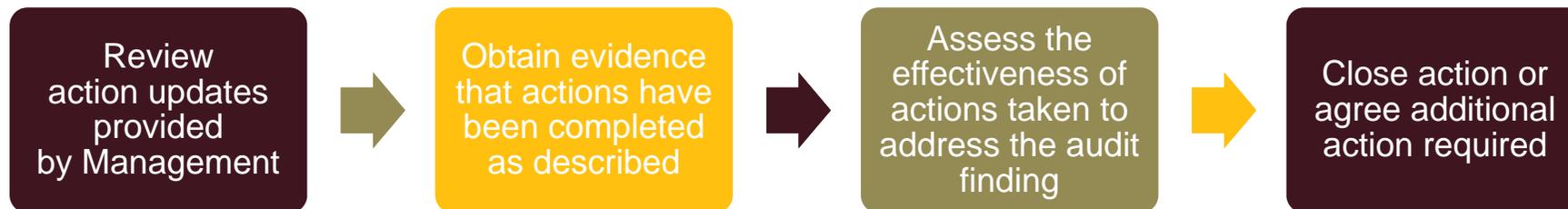
Next Steps

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

8. Follow up

Follow Up Approach 2020/21

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



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

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

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

8. Follow up

Group-wide action status at 31 March 2021

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

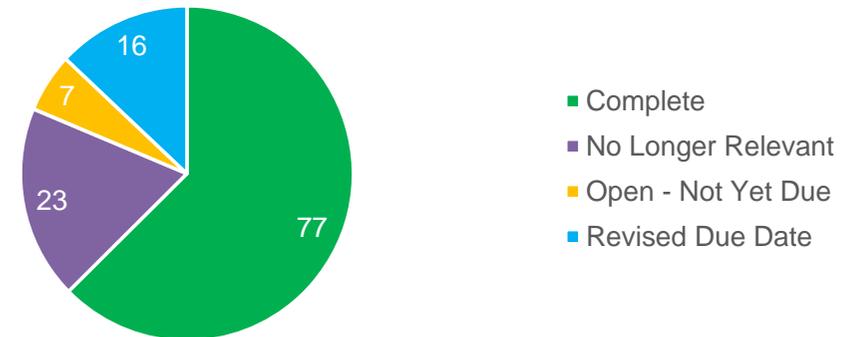
Sixteen of the open actions have been allocated revised due dates because of delays caused by resource availability and competing priorities during COVID-19 lockdown meant actions were not completed in line with original timescales. These 16 actions are detailed in the following reports, and details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

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

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

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

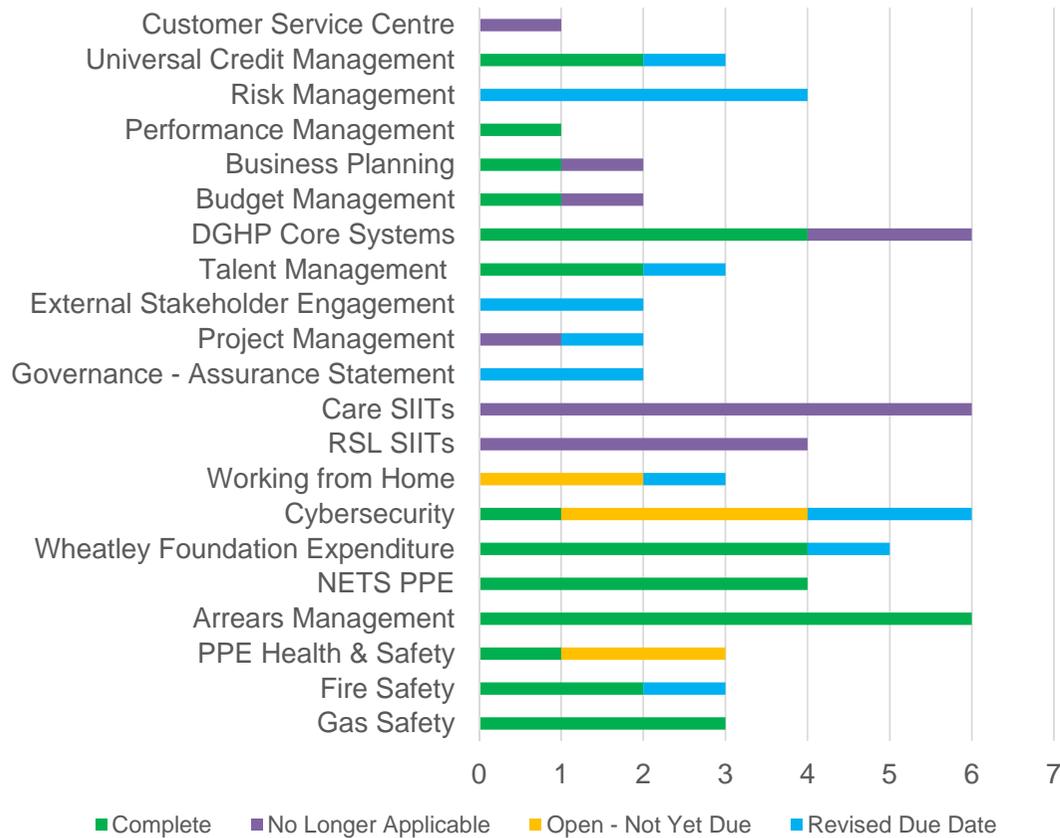
Status of Actions at 31 March 2021



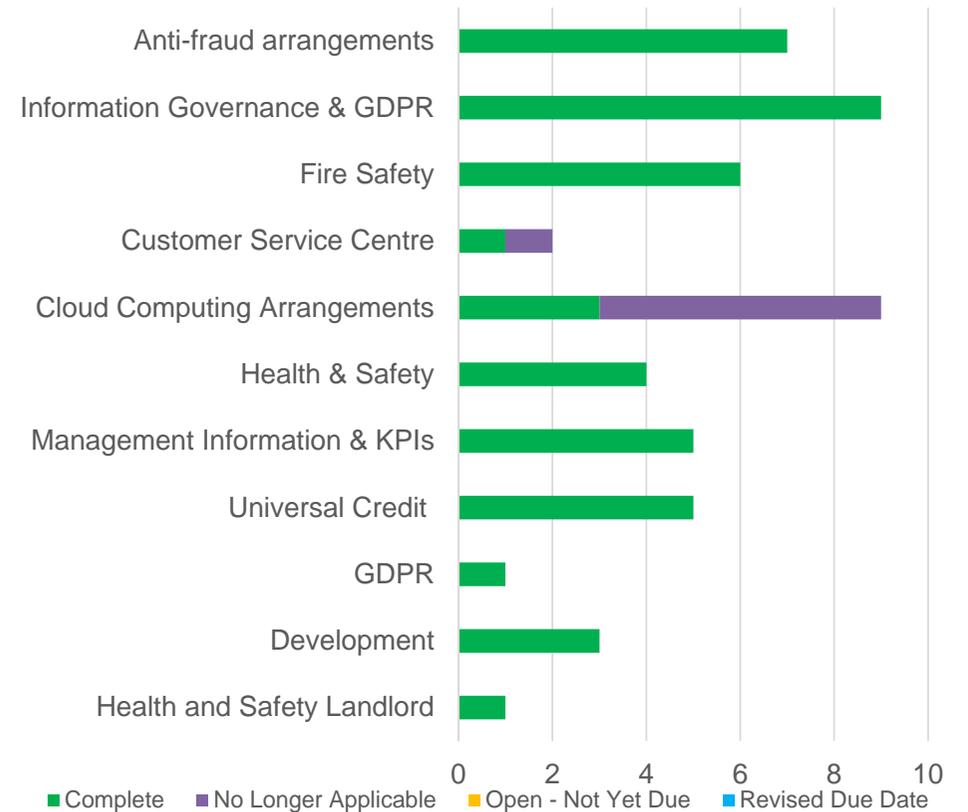
8. Follow up



Wheatley Group actions status



Legacy DGHP action status



9. IA Annual Plan 2021-22

Identification of internal audit areas of focus

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

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



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



Assurance to Group and Subsidiary Boards

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

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

9. Internal Audit Areas of Focus for 2021/22

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

Operational Process

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

Regulatory Focus

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

Strategic Change

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

Management Focus

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

9. IA Plan Key Performance Indicators 2021/22

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

<p>Customer Satisfaction: consultation and engagement</p> <ul style="list-style-type: none"> • <i>Target Average score: 8 out of 10</i> 	<p>Customer Satisfaction: delivery of review</p> <ul style="list-style-type: none"> • <i>Target Average score: 8 out of 10</i> 	<p>Customer Satisfaction: Added value of actions</p> <ul style="list-style-type: none"> • <i>Target Average score: 8 out of 10</i>
<p>Team utilisation on IA delivery (based on 200 days)</p> <ul style="list-style-type: none"> • <i>Target: 100% utilisation</i> 	<p>Team operates in accordance with IIA Standards</p> <ul style="list-style-type: none"> • <i>Target: "Generally Conforms" rating</i> 	<p>Team members meet CPD/ training requirements</p> <ul style="list-style-type: none"> • <i>Target: 100% of team</i>
<p>Annual workplan: completed to agreed timescale and budget</p> <ul style="list-style-type: none"> • <i>Target: 100% of audits</i> 		<p>Annual Report available for signing of Annual Accounts</p> <ul style="list-style-type: none"> • <i>Target: August Group Audit Committee</i>

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

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

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





Report

To: GHA Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Finance Report

Date of Meeting: 13 August 2021

1. Purpose

1.1 The purpose of this report is to provide the GHA Board with:

- The financial results for the three months to 30 June 2021, including the full year forecast out turn for 2021/22 after the first quarter's trading

2. Authorising and strategic context

2.1 Under the terms of the Intra-Group Agreement between The Glasgow Housing Association and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the GHA Board is responsible for the on-going monitoring of performance against agreed targets. This includes the on-going performance of its finances.

3. Risk Appetite and assessment

3.1 The Board's agreed risk appetite for business planning and budgeting assumptions 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".

3.2 Delivery of financial results within approved budgetary limits is a key element in delivering our strategy and maintaining the confidence of investors.

3.3 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.

4. Customer Engagement

4.1 No implications.

5. Discussion

Year to 30 June 2021

- 5.1 We have reported a statutory surplus of £9,639k for the period to 30 June 2021, which is £770k unfavourable to budget.
- 5.2 The main drivers of the adverse variance are lower grant recognised on new build completions and lower levels of expenditure reported across the majority of lines with the exception of repairs where the service is fully remobilised and picking up a high level of demand. The underlying financial performance of GHA remains within the parameters of its business plan.

Key points to note:

- Net rental income of £48,496k is £21k higher than budget at the end of Q1.
- Void loss reported at June shows an improving trend returning to pre-Covid levels. Void losses are £6k higher than budget at P3, representing a 0.72% loss rate compared to budget of 0.7%.
- Grant income of £2,523k has been recognised for 33 completed units across GHA sites at Bellrock, Auchinlea and Kennishead. Grant income recognised is £2,427k lower than budget with the final properties due at Kennishead and Baillieston delayed until July.
- Operating expenditure is £781k favourable to budget, with the majority of cost lines reporting lower than budgeted spend at June with the exception of repairs. The repairs service is fully remobilised and is picking up a high level of demand including jobs postponed during the last quarter of 2020/21. The approved budget includes an additional £800k in the year for these works.
- Gross interest payable of £11,705k is £614k favourable to budget driven by lower interest rates on borrowings following the fixed rate loan restructuring in March 2021.
- Net capital expenditure is £22,638k for the year to date, which is £1,786k lower than budget. Grant income of £614k is £7,044k lower than budget with the profile of grant claims linked to new build expenditure which is £6,622k lower than budget with the approval at Calton in March 2021 and Sighthill delayed.
- The core capital investment programme is progressing in line with plan, with more works falling under the VAT shelter which is driving the favourable variance against budget.

Q1 Forecast at 30 June 2021 for 2021/22

- 5.3 The full year forecast operating surplus is expected to be £62,663k, £1,722k lower than budget, mainly due to lower levels of grant income recognised on completion of a lower number of new build units in the financial year. This is offset by lower employee, running and demolition costs. Statutory surplus is forecast at £15,040k, which is £778k favourable to budget. Excluding the impact of the lower level of grant income recognised, underlying statutory deficit is £3,778k favourable to budget.

The forecast reflects the following key changes:

- Grant income for the year is forecast at £25,859k, a reduction of £3,000k from budget, with 321 units now expected to be completed in the year compared to 370 units budgeted with the 49 units moving into 2022/23.
- Net rental income has been revised to reflect the delayed handover of the new build properties which reduces rental income by £250k.
- Employee costs forecast assumes a saving to the budget cost of £200k, broadly in line with the year to date favourable variance. Running costs savings of £400k are also reflected in the out-turn in line with the year to date savings linked to staff working at home and the lower level of office running costs.
- Repairs and maintenance expenditure is expected to be in line with budget which included provision for postponed works.
- Interest costs are expected to be £2.5m lower for the full year as a result of the fixed rate loan restructuring completed in March 2021.
- The investment programme and other capital expenditure is forecast to be in line with budget. New build programme has been reprofiled to take account of the changes to the approval and scheduling of projects at Calton, Sighthill and Damshot and is shown £12,359k lower than budget for the year with spend at these sites moving forward into 2022/23.

6. Digital transformation alignment

6.1 No implications.

7. Financial and value for money implications

7.1 The results for the period to 30 June report a statutory surplus of £9,639k which is £770k unfavourable to budget.

7.2 Underlying surplus after deducting major repairs and interest costs from EBITDA is £14,071k for the period compared to budgeted underlying surplus of £10,767k, a favourable variance of £3,304k driven by the lower levels of revenue expenditure, lower interest costs and a higher proportion of investment work falling under the VAT shelter.

8. Legal, regulatory and charitable implications

9.1 No implications.

10. Equalities implications

10.1 No implications.

11. Environmental and sustainability implications

11.1 No implications.

12. Recommendations

- 1) The Board is requested to note the management accounts for the year ended 30 June 2021 and the quarter 1 full year forecast outturn to 31 March 2022.

LIST OF APPENDICES:
Appendix 1: Finance report –period to 30 June 2021



GHA

Period to 30 June 2021 Finance Report

Better homes, better lives

Classified as Internal

Period 3 – 2021/22 Finance Board Report



SUMMARY FINANCIAL PERFORMANCE

1. Operating Statement:	
1.YTD Period 3 2021/22	3
2. Management Information	4-6
3. Q1 Forecast	7
4. Balance sheet	8

1a) Operating statement P3 – June 2021



	Year to 30 June 2021		
	YTD Actual £ks	YTD Budget £ks	YTD Variance £ks
INCOME			
Rental Income	£48,847	£48,820	£27
Void Losses	(£351)	(£345)	(£6)
Net Rental Income	£48,496	£48,475	£21
Grant Income	£2,523	£4,950	(£2,427)
Other Income	£12,593	£12,353	£240
Total Income	£63,612	£65,778	(£2,166)
EXPENDITURE			
Employee Costs - Direct	£8,440	£8,666	£226
Employee Costs - Group Services	£2,988	£3,031	£43
ER / VR	£0	£0	£0
Direct Running Costs	£2,820	£2,835	£15
Running Costs - Group Services	£1,599	£2,006	£407
Revenue Repairs and Maintenance	£6,618	£6,547	(£71)
Bad debts	£2,774	£2,775	£1
Depreciation	£16,940	£16,940	£0
Demolition and Tenants Compensation	£89	£249	£160
TOTAL EXPENDITURE	£42,268	£43,049	£781
NET OPERATING SURPLUS / (DEFICIT)	£21,344	£22,729	(£1,385)
<i>Net operating margin</i>	33.6%	34.6%	-1.0%
Net Interest payable & similar charges	(£11,705)	(£12,320)	£615
STATUTORY SURPLUS / (DEFICIT)	£9,639	£10,409	(£770)

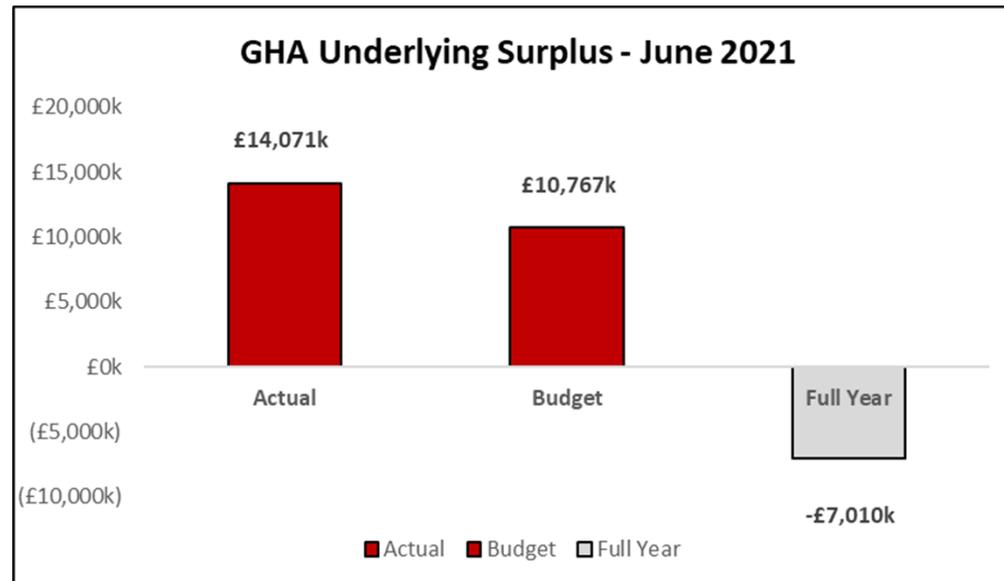
	Year to 30 June 2021		
	Actual £ks	Budget £ks	Variance £ks
Total Capital Investment Income	£614	£7,658	(£7,044)
Total Expenditure on Core Programme	£9,985	£11,631	£1,647
New Build & other investment expenditure	£9,851	£16,473	£6,622
Other Capital Expenditure	£3,416	£3,977	£561
TOTAL CAPITAL EXPENDITURE	£23,252	£32,081	£8,830
NET CAPITAL EXPENDITURE	£22,638	£24,423	£1,786

- **Key highlights year to date:**
- Net operating surplus of £21,344k is £1,385k unfavourable to budget. Statutory surplus for the period to 30 June is £9,639k, £770k unfavourable to budget. The main drivers of the variance are lower grant income due to the delay in GHA new build completions and lower levels of expenditure resulting from the changes to the business plan in response to the pandemic. The results and budget incorporate the property transfer from Cube on the 28 April 2021.
- Net rental income of £48,496k is £21k higher than budget at the end of Q1.
- Void losses are £6k higher than budget at P3, representing a 0.72% loss rate compared to budget of 0.7%.
- Grant income recognised to date relates to the total of 33 units completed at Bellrock (19), Auchinlea (5), and Kennishead (9) developments. The budget assumed additional completions for Kennishead and Baillieston which have been delayed.
- Total employee costs are £269k favourable to budget. Included in the variance are employee recharges from Solutions which are favourable by £43k.
- Total running costs are £422k favourable to budget with the variance largely linked to the change in the operation of the business during the first quarter which has resulted in lower than expected group services costs in a number of areas against budget. The reduced activity in Group recharge costs for the first 3 months has resulted in favourable budget variances due to savings generated from the working from home model and savings in office running costs, whilst Wheatley House is still under refurbishment.
- Revenue repairs and maintenance expenditure is £71k unfavourable to budget. The service has been back to a full service from May with a focus particularly on the areas where there is greater customer demand and compliance work. There continue to be favourable variances to budget seen across responsive repairs, and higher spend on cyclical and compliance repairs to June. Compliance repairs are £102k ahead of budget mainly covering emergency work in response to customer demand, and compliance work, including FIT and gas servicing costs.
- The net capital position of £22,638k is £1,786k lower than budget. Grant income of £614k has been received to P3 for Damshot and Carnwadric. The grant claims mirror the lower new build capital spend.
- Core capital investment programme spend on existing stock is £1,647k lower than budget with the underspend attributable to a higher number of jobs falling under the VAT shelter. Costs incurred to date are most notably on central heating, KBR, lifts, lowrise and highrise work, internal common works, environmental, compliance work and adaptations.
- New build spend of £9,851k includes costs incurred on ongoing construction across GHA. Greater spend had been anticipated for all sites including Calton Village and Hurlford Avenue, both later in site starts than anticipated, with Sighthill, Hurlford Avenue and Watson sites, all significantly under the budget for June. Progress on Sighthill has been slower to date under the restrictions and a delay in handover of the sites to the developer by GCC had also delayed progress.
- Other capital expenditure of £3,416k, is £561k under budget, and represents GHA's share of IT capital investment and spend on the office accommodation project.

1b) Underlying surplus – P3 June 2021



- The Operating Statement (Income and Expenditure Account) on page 3 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 of our letting activity.
- The chart below therefore shows a measure of underlying surplus which adjusts our net operating surplus by excluding the accounting adjustments for the recognition of grant income and depreciation, but includes capital expenditure on our existing properties.
- At June, an underlying surplus of £14,071k has been generated using this measure which is £3,304k favourable to budget. The variance is driven by the lower levels of core investment expenditure and lower interest costs. The budget was profiled to anticipate Covid restrictions on our investment programme in the first quarter, with investment progressively increasing in the second half of the year resulting in a full year budget which shows an underlying deficit of £7,010k



2a) Repairs & Core Programme

Repairs & maintenance



Repairs	YTD P3		
	Actual	Budget	Variance
Responsive Repairs	2,279	2,370	91
Cyclical (local)	154	83	(71)
Overhead	897	909	12
JV Share of profits	0	0	0
Compliance Revenue	3,288	3,185	(103)
Total	6,618	6,547	(71)

Repairs & maintenance

- Repairs and maintenance costs are £71k unfavourable to budget at end of Q1 2021. The budget assumes a higher volume of work was planned to be carried out as mobilisation progressed however the main focus has been in responding to work driven by the high levels of customer demand and the completion of compliance related work.
- Responsive repairs are lower than budget by £391k.
- Local cyclical are higher than budget by £71k.
- Compliance expenditure is higher than budget by £103k, with all spend higher than the budget at June
- Of the £103k variance at June, this covers all compliance work, including FIT work and gas and lifts servicing, stair lighting and controlled access which have been delivered where possible.

Core programme

Major Repairs - Capital	YTD P3		
	Actual	Budget	Variance
Core programme	4,718	4,650	(68)
Capitalised Voids	1,485	1,654	169
Adaptations	534	178	(356)
Capitalised staff	1,042	1,178	136
City Building overhead allocated	1,285	1,285	0
Capitalised Repairs (rot, plasterwork, fencing)	418	742	323
Fire safety	0	60	60
Capitalised VAT and fees	502	1,885	1,383
Total	9,985	11,631	1,647

Core investment

- Investment covers all areas of our properties and external environment. The service is now fully mobilised, although the availability of supplies and materials has become more challenging in recent months. The underspend is attributable to a higher number of jobs falling under the VAT shelter .
- Core programme expenditure for the period to 30 June is £4,718k against a budget of £4,650k, a variance of £68k. Expenditure includes central heating repairs, lifts and compliance capital works for installation of smoke detectors and emergency lighting,
- Void costs of £1,485k have been incurred in first quarter, against a budget of £1,654k, £169k lower than budget. Void costs, which include repairs and maintenance to extend the life of the properties, are capitalised in line with Group policy.
- Adaptations costs of £534k have been incurred by end of June, against a budget of £178k, £356k higher than budget. This has been mainly driven by very high levels of customer demand since the service started to remobilise and higher levels of demand is expected to continue in the coming months.

2b New Build & Other Investment Expenditure



	Contractor	Actual	Budget	Variance	FY Budget
ABBOTSHALL AVE	TBC	2	0	(2)	0
AUCHINLEA	ENGIE	344	773	429	880
BELLROCK/CRANHILL	ENGIE	124	0	(124)	73
CARNWADRIC	CCG	1,019	1,081	62	4,210
DAMSHOT	CCG	884	600	(284)	4,769
FEASIBILITY	-	25	180	155	180
HINSHELWOODSR	CRUDENS	49	0	(49)	0
KENNISHEADNB	ENGIE	375	308	(67)	308
LINCOLN	CRUDENS	0	0	0	0
LINKWOOD	MACTAGGART	3	0	(3)	100
POLLOKSHAWS	MACTAGGART	5	0	(5)	0
SCARAWAY	MACTAGGART	1	0	(1)	122
SHANDWICK ST	TBC	44	205	160	3,267
TARFSIDE	CCG	60	0	(60)	0
Total Social rent		2,936	3,147	210	13,909
ASHGILL ROAD	TBC	5	0	(5)	0
BAILLIESTON	MACTAGGART	488	250	(238)	250
BURNMOUTH	CCG	0	0	(0)	0
CALTONVILLAGE	MACTAGGART	314	2,872	2,558	11,477
DOVEHILL	CCG	1,089	900	(189)	2,808
HINSHELWOODMMR	CRUDENS	13	0	(13)	0
HURLFORD AVENUE	CCG	2,254	2,700	446	9,186
INGLEFIELD	CCG	0	0	0	282
SIGHTHILL	KEEPMOAT	995	3,000	2,005	10,439
SHAWBRIDGE ST	TBC	12	0	(12)	0
SHAWBRIDGE ARCADE	TBC	10	0	(10)	0
SPOUTMOUTH	TBC	4	0	(4)	0
WATSON	CCG	768	3,000	2,232	3,691
Total Mid Market rent		5,953	12,722	6,770	38,133
Land Acquisition	-	262	205	(57)	1,012
Capitalised staff		699	286	(413)	1,147
Development fund	-	-	113	113	450
Total New Build Investment		9,851	16,473	6,622	54,652

Key commentary:

Investment spend on new properties of £9,851k has been incurred by end of June. This is £6,622k lower than budget.

- Auchinlea: 57 units completed in 2020/21 and a further 5 were completed in May. The remaining handovers completed in July 2021.
- Bellrock/Cranhill: 27 units were completed in 2020/21 with the final 19 units delayed into April 2021.
- Damshot: Project approved and started in March 2021, with YTD spend of £884k. Spend progressing well and progress ahead of schedule.
- Kennishead: First 6 units were handed over in March 2021 with a further 9 units completed in May 2021. Final 26 units and site completion in July 2021.
- Baillieston: Site completion was expected commence in 2020/21, with 12 units budgeted to complete in 21/22. Progress has been delayed and 12 units have been completed in May and the final 37 expected in July.
- Calton Village: Approved and on site on 29 March 2021, low levels of spend recorded to date, but full site mobilisation will see spend pick up through Q2.
- Dovehill: Site progressing well, and due to complete in October 2021.
- Hurlford Avenue: Construction continues on programme for completion in February 2022. The budget assumed a higher level of spend in the first half of the year than what has been occurred to date.
- Sighthill: Progress under current restrictions has been impacted with YTD spend of £995k vs. £3,000k budget. First completions due in June 2021 are now due July-October for all of first phase. Delay in handover of the second phase site by GCC to the developer has also slowed spend.
- Watson: Planned completion is for Autumn 2021, programme delayed by the pandemic - late 2021 completion now expected.

3. Q1 Forecast



Full Year Forecast	Budget £'000	Qtr 1 Forecast £'000	Variance £'000
INCOME			
Net Rental Income	197,419	197,169	(250)
Grant Income	28,859	25,859	(3,000)
Other Income	18,750	18,750	-
Total Income	245,028	241,778	(3,250)
EXPENDITURE			
Employee Costs	46,400	46,200	200
ER/VR	2,741	2,741	-
Running Costs	26,884	26,484	400
Repairs & Maintenance	30,400	30,400	-
Bad debts	4,074	4,074	-
Depreciation	68,939	68,939	-
Demolition	1,205	277	928
Total Expenditure	180,643	179,115	1,528
NET OPERATING SURPLUS	64,385	62,663	(1,722)
Interest Payable	(50,123)	(47,623)	2,500
STATUTORY SURPLUS/(DEFICIT)	14,262	15,040	778
INVESTMENT			
Total Capital Investment Income	28,458	21,869	(6,589)
Total Expenditure on Core Programme	61,803	61,803	-
New Build & other investment expenditure	55,725	43,366	12,359
Other Capital Expenditure	12,438	12,438	-
TOTAL CAPITAL EXPENDITURE	129,966	117,607	12,359
NET CAPITAL EXPENDITURE	101,508	95,738	5,770

Comments:

- The forecast operating surplus out-turn of 62.7m is £1.7m adverse to budget. After taking account of financing costs, the statutory surplus of £15.0m is favourable to budget by £0.8m. The key drivers of this variance are the lower levels of grant income recognised in the year, following the reforecast of new build completions, lower costs and lower interest costs following the fixed rate loan restructuring in March 2021.
- Net rental income is forecast to be £0.2m adverse to budget and grant income £3.0m adverse to budget as a result of the delay in the completion of new build properties with the completion dates on 49 properties moving forward in 22/23.
- Other income is forecast in line with budget, with additional unbudgeted furnished lets income offset by a forecast reduction to income budgeted for district heating.
- Total expenditure is expected to be £1.5m favourable to budget. This is mainly impacted by a reduction to running costs, driven by the ongoing savings forecast within group recharges and a reduction to demolition costs reflecting the updated schedule for the works with cost moving into 22/23. Employee costs are forecast to be lower than budget by £200k as a result of the ongoing impact of furlough claims received through the Job Retention Scheme.
- Interest payments are forecast to be £2.5m lower than budget as a result of the re-arrangement of WFL 1 loans in March from fixed to variable rate loans.
- New build grant receipts are expected to be £6.6m lower than budget following the changes to the profile of claims linked to the suspension of work on new build sites.
- The core investment programme is expected to be in line with budget.
- The new build investment is expected to be £12.4m lower than budget, deferring these costs into 2022/23. The original budget assumed 370 units would be completed in 2021/22, this has now been revised to 321 units. With properties at Sighthill and Damshot now forecast to complete in 2022/23.
- Other capital expenditure is expected to be in line with budget for the remainder of the year.

4. Balance Sheet



GHA Balance Sheet	Current Month As at 30 June 2021 £000's	Previous yr end As at 31 March 2021 £000's
Fixed Assets		
Social Housing Properties	1,308,785	1,307,633
Properties under construction	93,245	90,231
Other tangible fixed assets	50,605	50,713
Investment properties	41,153	41,153
Investments - other	8,387	8,387
Fixed Assets	1,502,175	1,498,117
Debtors Due More Than One Year		
Development Agreement	19,783	12,201
Inter Company Loan	27,730	27,730
Pension Asset	13,585	13,585
Current Assets		
Trade debtors	0	633
Rent & Service charge arrears	16,586	14,950
less: Provision for rent arrears	(7,015)	(5,485)
Prepayments and accrued income	2,532	2,961
Intercompany debtors	8,093	5,218
Other debtors	5,541	2,840
	25,737	21,118
Bank & Cash	2,679	6,000
Current Assets	28,416	27,118
Current Liabilities		
Trade Liabilities	(6,145)	(5,131)
Accruals	(19,680)	(26,435)
Deferred income	(36,044)	(35,430)
Rents & service charges in advance	(7,212)	(7,778)
Intercompany creditors	(19,175)	(15,603)
Other creditors	(4,178)	(6,803)
	(92,434)	(97,180)
Net Current Assets	(64,018)	(70,062)
Long Term Liabilities		
Contingent efficiencies grant	(36,693)	(36,693)
Bank finance	(858,028)	(858,028)
Development Agreement	(19,783)	(12,201)
Provisions	(1,853)	(1,853)
Other creditors	(463)	0
Long Term Liabilities	(916,820)	(908,775)
Net Assets	582,435	572,796
Funding Employed Capital & Reserves		
Retained Income b/fwd	231,434	231,434
Income & Expenditure	9,639	0
Revaluation Reserves	341,362	341,362
Funding Employed	582,435	572,796

Key Commentary:

- The balance sheet reported reflects the 31 March 2021 year end audited statutory accounts position including year end statutory adjustments for the valuation of housing properties, pension valuations and the fair value of the Scottish Government loan.
- The fixed asset movements from the year end reflects investment in the core programme, the new build programme, and any other fixed asset additions, less depreciation to date.
- Debtors due after more than one year:** The intercompany loan debtor relates to the £30m of convertible debt with Lowther Homes Limited. This is revalued on an annual basis.
- The change to the pension asset relates to the annual update to the valuation.
- Current Assets (excluding cash) are £3.9m lower than the year end balance, mainly driven by the reduction to rent arrears and including early HB receipts at the end of June.
- Short-Term Creditors** – Amounts due within one year of £92.4m is £4.8m lower than the March position driven by a reduction of £6.7m in accruals offset by an increase of £3.6m in intercompany balances. Deferred income primarily relates to housing association grant received for the construction of new build properties which is released on property completion.
- Loans** net of amortised fees of £858.9m relate to funding drawn down from WFL1.



Report

To: GHA Board

By: Jehan Weerasinghe, Managing Director

Approved by: Martin Armstrong, Group Chief Executive

Subject: Quarter 1 Performance Report and Delivery Plan Update

Date of Meeting: 13 August 2021

1 Purpose

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

2 Authorising and Strategic Context

- 2.1 Under the terms of the Authorising Framework, the Board is responsible for setting the overall Performance Framework and approving the delivery plan for each year. Under the 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 GHA and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the GHA Board is responsible for approving regulatory returns including the Charter. It is also responsible for monitoring of performance against agreed targets. In the case of GHA, this includes the on-going performance of its services. In addition, the Authorising Framework states that the GHA Board is responsible for approving any changes to their Service Delivery Model or arrangements which it may consider necessary to deliver the level of performance to achieve agreed targets.

3 Risk Appetite and Assessment

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

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

4 Background

- 4.1 The GHA Board agreed the Strategy for 2021-26, *Your Home, Your Community, Your Future*, in February 2021. In May 2021, 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 Performance has remained solid across Q1 with 15 out of 23 measures either achieving or exceeding targets set. Notable amongst these met or exceeded targets are timescales in relation to complaint response, emergency repair timescales, reactive repairs right first time, fire risk assessments in place, average time to relet properties and gross rent arrears. In the case of 3 of the 23 measures were close to achieving target by less than a single percentage point i.e. non-emergency repairs, tenancy sustainment and lettable homes that become vacant.
- 4.3 The percentage of lets to homeless customers has been achieved with over 65% of lets being made to customers who were previously homeless. This demonstrates the huge contribution we make towards tackling homelessness within Glasgow and Scotland as a whole.
- 4.4 The strategic measures under **Appendix 1** includes combined performance of GHA and Cube's former Glasgow based homes. The figures are combined for all measures except Gross Rent Arrears, where both a combined and stand alone percentages are shown. This is in part down to the differing billing cycles for both customer segments. Former Cube customers are billed monthly and GHA customers are billed on a four-weekly cycle. The commitment at ballot to former Cube customers was that their billing cycles would not change. Former Cube homes arrears performance is also disaggregated and shown as GHA B in the measures dashboard.

5 Customer Engagement

- 5.1 A key theme throughout our strategy is our commitment to ensuring customers have greater power, control, and choice regarding the services they receive. We have reflected this in our approach to developing our strategic projects, with over 50% incorporating an element of customer engagement activity. This is a key deliverable within our new engagement framework, Stronger Voices, Stronger Communities.

6 Discussion

Part 1: Performance Update

6.1 Combined GHA

Gross rent arrears reduced in period by 0.02%, £12k, to 4.88%. GHA has seen a 0.33% reduction from this time last year. With the addition of ex-Cube Glasgow properties, sitting tenant arrears has reduced by £540,000 compared to GHA combined in the same period last year.

GHA is currently 0.47% below the 5.35% target and 0.04% above the 4.84% projected performance for the period.

6.2 The reduction to GHA B was a result of a double payment of housing benefit, which cleared the technical arrears.

RSL	Current performance	Current target	Previous month	Variance	2020/21 Result
GHA A	4.86% 	5.35%	4.83%	0.03	4.78%
GHA B	5.14% N/A	N/A	5.92%	-0.78	N/A
GHA Combined	4.88% 	5.35%	4.90%	-0.02	N/A

Universal Credit

6.3 During the first quarter there was an increase of only 648 UC cases. This is close to 50% fewer cases than we would expect to see for a similar period. The case load at the end of Q1 was 11,283 customers on claiming UC. The cumulative total is 12,694 UC cases. The cumulative figures include customers who are no longer on UC due to change of circumstances.

6.4 With the end of furlough planned in September, the sector is preparing for an increase in arrears and Universal Credit, with an expected total of 35% of customers (approximately 15,000) expected to be on UC at the end of the financial year.

Letting

6.5 We had 741 lets in the first quarter, this includes 17 properties leased to GCC.

6.6 Current average days to let is 20.26 days as of the end of June against a quarter target of 25 days. GHA have seen an increasing number of longer terms voids re-enter the letting pool as the Carntyne Winget project draws to a close.

6.7 Our target is to be under 20.0 days so that we are in a recovered position post-pandemic to achieve the strategic target of less than 14.0 days in year two of the Strategy. A recent Scotland's Housing Network event noted that local authorities expect to see this figure increase further before it starts to improve, so GHA's position is hugely positive.

6.8 The table below provides the year-to-date position

Average days to re-let (ARC)	In month - June/P3	Current YTD	Current Target (Q1)	Q2 Target	2020/21 Results
GHA	18.58	20.26 	25.5	22.7	40.96
Cube		16.38 N/A		N/A	42.04

Tenancy Sustainment

6.9 The percentage of new tenancies sustained for more than a remains consistent at 89.62%, which is just shy of the 90% target.

6.10 The table below provides the breakdown for both tenancy sustainment indicators.

RSL	Tenancy Sustainment Charter	Tenancy Sustainment Excl. deceased / transferred within Group
GHA	89.62%	91.83%
Cube	93.89%	96.88%

Homelessness

6.11 GHA has achieved the target of 65% relevant lets to homeless applicants in the year to date.

6.12 The increased letting to homeless applicants over the course of the pandemic has not affected associated key measures such as arrears and letting times.

Percentage of Lets to Homeless Applicants	June (relevant lets)	Year to date (relevant lets)	Relevant lets target	Year to date ARC	2020/21 Relevant lets	2020/21 ARC
GHA	53.0%	65.9% 	65%	61.4%	65.7%	63.1%
Cube	60.0%	51.4% N/A	N/A	47.5%	65.4%	61.3%

6.13 GHA achieved following additional key achievements as part of the Allocations Remobilisation Framework:

- 181/300 Housing First tenancies
- 107/150 tenancies flipped.

6.14 There are currently 181 Housing First tenancies in GHA, giving a tenancy sustainment rate of 82%. When we consider tenancies that ended due to negative reasons only, such as abandonment or prison, tenancy sustainment improves to 89%. Work is ongoing with partners to support tenancy sustainment.

Complaints

- 6.15 The number of complaints received about repairs services has shown an increase in the year to date, in tandem with an increasing volume of completed works. Satisfaction with the repairs services remains on target at 87% against a target of 87%.

RSL	Percentage of stage 1 complaints responded to within 5 working days	Percentage of stage 2 complaints responded to within 20 working days
GHA	100% (3.1 days)	100%

Volume of Emergency Repairs

- 6.16 The table below shows the current figures that demonstrate progress towards the Strategic Result to reduce the volume of emergency repairs by 10% over the five years of the strategy.
- 6.17 Although services remobilised in Q1, volumes are still showing the impact of ongoing restrictions and the pandemic. As a result, progress towards this Strategic Result does not demonstrate strategy delivery but rather supply delays and the impact of self-isolation and illness on staff have affected the ability to deliver to usual capacity.

Area	Completed Repairs					
	Emergency			Non-emergency		
	2019/20 Q1	2021/22 Q1	Variance	2019/20 Q1	2021/22 Q1	Variance
GHA	18,301	16,192	-11.5%	31,742	27,352	-13.8%

The repairs and maintenance service across is currently receiving customer demand in excess of a pre-Covid operating environment. This is due to remobilising the previously restricted service on 26 April and managing the backlog of postponed repairs.

Medical Adaptations

- 6.18 Numbers of customers waiting for work are still higher than usual, as new referrals are added to those whose work was delayed to due pandemic restrictions. Insight from the wider sector suggests a national reduction in the number of referrals, but this context seems to be reversed for us if we compare referral numbers in 2019. The average time to complete adaptations has improved GHA
- 6.19 At the end of March, we had 201 households waiting and this has increased now to 254. The table below shows the number of completed and outstanding adaptations. In total we have carried out 540 adaptations and there are now 254 waiting to be done.

Medical adaptations complete and waiting	GHA
Households waiting March 2021	117
Households waiting June 2021	156
Number completed year to date	404

Medical adaptations complete and waiting	GHA
Average number of days to complete YTD (Target = 35.0 days)	56.01

Gas Safety

- 6.20 We continue to be in a 100% compliant position for gas safety, with no further expired gas certificates. The measure is shown in Appendix 1 as red, due to restrictions in place during the first lockdown where 1,536 CP12 certificates expired. This backlog of Current figures against the rolling 12-month Charter indicator are listed in the table below. At a recent meeting of Scotland's Housing Network, it was noted that some local authorities are still clearing the back log of gas certificate expiries that arose during the pandemic. In that context, the GHA's efforts to tackle this issue and bring into compliance by September 2020 is significant. The figures will return to zero by P5/P6.

	2020/21	YTD 2021/22
GHA	1,536	970
Cube	71	41

New Build Handovers

Handovers did not occur as anticipated across three Engie sites. 23 social rented units are all now expected to complete in August. 13 social rented units are expected to complete in August. All 37 MMR units at Main Street, Baillieston are also expected to handover in August.

Delivery of Strategic Projects Update

- 6.21 All strategic projects listed under Appendix 2 remain on target.

Key Issues and Conclusions

- 6.22 This report outlines relatively strong progress in achieving the majority of performance targets and the delivery of projects, despite the challenges posed by the COVID-19 pandemic and an unprecedented year. Particularly strong performance by GHA in rent collection and reducing arrears means that the economic impact of the pandemic was mitigated. Repairs, too, performed strongly under challenging service delivery circumstances. Key areas of focus as we continue into 2021/22 will be the continued support of customers who may be experiencing additional financial hardship and to manage our arrears, continued focus on letting properties and supporting our contribution to reducing homelessness, and delivery of safe and high-quality repairs 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 boards, such as gross rent arrears and the average days to re-let properties. RSLs are also required to involve tenants in the scrutiny of performance, which the GHA does through its Tenant Scrutiny Panel, and to report to tenants annually by October.

10 Equality Implications

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

11 Environmental and sustainability implications

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

12 Recommendations

- 12.1 The Board are asked to note the contexts of this report.

LIST OF APPENDICES:

Appendix 1 Board performance measures dashboard

Appendix 2 Board strategic projects dashboard

Appendix 1 - GHA 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	3.23	3.41	5	
Average time for full response to all complaints (working days) - Stage 2	17.77	19.7	20	
% new tenancies sustained for more than a year - overall	89.73%	89.62%	90%	

2. Making the Most of Our Homes and Assets

Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
Number of gas safety checks not met	1,536	970	0	
Average time to complete approved applications for medical adaptations (calendar days)	66.7	52.27	35	
New build completions - Social Housing	227	33	51	
New build completions - Mid-market	49	0	12	
Reduce the volume of emergency repairs by 10% by 2025/26	Q1 19/20 – 16,504	15,231		
Average time taken to complete emergency repairs (hours) – make safe	2.96	2.9	3	
Average time taken to complete non-emergency repairs (working days)	4.09	5.8	5.5	
% reactive repairs completed right first time	96.28%	97.2%	97%	

3. Changing Lives and Communities

Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
% lets to homeless applicants	65.7%	65.9%	65%	
% lets to homeless applicants (ARC)	63.1%	61.4%		
Number of lets to homeless applicants (contributes to 10,000 for Group by 2025/26)	1,561	588		
Group Result - Over 70% of customers live in neighbourhoods categorised as peaceful by 2025/26	69.4%	69.9%	68%	
% ASB resolved	100%	98.88%	98%	
Total number of jobs, training places or apprenticeships created including Wheatley Pledge	80	77	75	
Group Result - Increase the number of active users of MySavings to 5,000 as part of our commitment to reduce the cost of running a home		325		
Group Result - 100% of relevant properties have a current fire risk assessment in place	100%	100%	100%	
Group Result - The percentage of HMOs that have a current fire risk assessment in place	100%	100%	100%	
Non-relevant properties with current fire risk assessment in place		23.03%	23%	
Number of accidental dwelling fires recorded by Scottish Fire and Rescue	161	49		

4. Developing Our Shared Capacity

Measure	2020/21	YTD 2021/22		
	2020	2021		
	Value	Value	Target	Status
% Sickness rate	1.05%	1.99%	3%	

5. Enabling Our Ambitions

Measure	2020/21	YTD 2021/22		
	2020	2021		Status
	Value	Value	Target	
% court actions initiated which resulted in eviction - overall	25%	No evictions	25%	
Average time to re-let properties (ARC)	40.96	20.26	25.5	
Gross rent arrears (all tenants) as a % of rent due – GHA A	4.78%	4.86%	5.35%	
Gross rent arrears (all tenants) as a % of rent due – GHA B		5.14%		
Gross rent arrears (all tenants) as a % of rent due – GHA Combined		4.88%	5.35%	
% lettable houses that became vacant	7.21%	8.29%	8%	

Appendix 2 - GHA Board - Delivery Plan 21/22 - Strategic Projects

01. Delivering Exceptional Customer Experience

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

02. Making the most of our Homes & Assets

Delivery Plan Project	Delivery Date	Status	% Progress
Implement Group corporate estate model - phase 1	31-Mar-2022		<input type="text" value="14%"/>
Wyndford Regeneration	28-Feb-2022		<input type="text" value="25%"/>
High Rise Living Framework Year 2	31-Dec-2021		<input type="text" value="0%"/>
Wheatley Green Investment Plan	31-Dec-2021		<input type="text" value="50%"/>

03. Changing Lives & Communities

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

Delivery Plan Project	Delivery Date	Status	% Progress
Framework including digital solutions			

04. Developing our Shared Capability

Delivery Plan Project	Delivery Date	Status	% Progress
Develop new leadership development programme	31-Jul-2021		<input type="text" value="100%"/>
Strategic governance review	31-Oct-2021		<input type="text" value="25%"/>

05. Enabling our Ambitions

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



Report

To: GHA Board

By: Anthony Allison, Director of Governance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Governance update

Date of Meeting: 13 August 2021

1. Purpose

- 1.1 To update the Board and, where applicable, seek Board approval on the following governance related matters:
- Final schedule of meetings for the remainder of the 2021 calendar year, including the Annual General Meeting (“AGM”);
 - Annual Secretary Report;
 - Board Appraisals and succession planning;
 - 2022 schedule of meetings

2. Authorising and strategic context

- 2.1. Under the Group Authorising Framework, the Group Board is responsible for the Group’s overall governance arrangements. As part of this role, the Group Board is responsible for the Group’s governance framework and agreement of any changes.
- 2.2. The Board is responsible for calling meetings, including General Meetings and ordinary Board meetings throughout the course of the year. All Board member appointments / re-appointments at the AGM require approval by the Parent under the Rules of the Association.
- 2.3. In relation to Board appraisals, under the Group Standing Orders the Group RAAG Committee is responsible for determining the approach each year and agreed to the approach used this year.

3. Risk Appetite and assessment

- 3.1. Our agreed risk appetite for governance is “cautious”. This level of risk tolerance is defined as a “preference for safe delivery options that have a low degree of inherent risk and have only limited potential for reward”.
- 3.2. Our strategic risk register includes a risk that *“The governance structure is not clearly defined, is overly complex and lacks appropriate skills at Board and Committee levels to govern the Group effectively. Failure of recruitment / capacity building to tenant board members or failure of other corporate governance arrangements could lead to serious service and financial failures.”*

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

4. Background

- 4.1. Our recruitment and succession planning process is set within the context of the impact of the pandemic and the development of a single Glasgow vehicle. As part of the partnership, we committed to up to three Cube tenants joining the Board.
- 4.2. At its meeting in March, the Board agreed that Robert Keir would join from Cube post Transfer of Engagement (“ToE”). This has now happened and as such Robert has joined the Board. The Board subsequently agreed in May that we delay the recruitment process for former Cube tenants and consider it further at this meeting.

5. Customer Engagement

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

6. Discussion

2021 meetings

- 6.1. We have two further Board meetings scheduled for this calendar year. One post AGM on 17th September and Friday 26th November 2021 at 10.30am. This would take us to the minimum requirement of 6 scheduled meetings for the calendar year.
- 6.2. It is proposed that we call our AGM for 17th September 2021 at 10.00am, followed by the Board meeting at approximately 10.30am. This meeting will see us revert to meeting at Wheatley House. The meeting and business thereof will be called in line with the requirements of our Rules, including reappointments in line with our 3 year succession plan.
- 6.3. It is proposed that the November meeting be brought forward to Friday 5th November at 10.30am. This will allow us to:
 - receive feedback from the consultation on our new operating and engagement model (subject to a separate agenda item);
 - agree the proposals for 2022 rent setting (for which the September meeting would be too early); and
 - formally agree the initiation of tenant consultation on our 2022 rent setting proposals

Secretary's report

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

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

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

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

Appraisal and 3 year succession plan

6.6. The Group RAAG Committee agreed our approach to individual member appraisal that reflected the extraordinary circumstances of the previous year. This included the Chair meeting with members whose membership is non-nominated/appointed i.e. tenants and independent members.

6.7. As part of this process, the following topics were covered:

- Board member reflections on last year
- Chair's reflection on Board member performance during last year
- Succession planning
- Board CPD: the planned areas of focus (as agreed by the RAAG Committee) upon its resumption in the coming months with initial sessions covering (i) equality and diversity; (ii) Group funding structure; and (iii) environment and sustainability.

Reflections on previous year

6.8. The extraordinary circumstances of the pandemic were recognised by all members, including the need for our governance arrangements to take this into account. The strongest theme of feedback was that members felt that the communication to Board members during this time, via weekly updates from the Group CEO, was very welcome.

6.9. Board members recognised the need to continue to take into account the dynamic situation regarding restrictions whilst expressing a desire to resume in person meetings as soon as is permissible. We anticipate that the Group Board will confirm at its August meeting the full remobilisation of our governance activity and that this will commence with our AGM and Board meeting in September.

Succession planning

6.10. Succession planning was discussed with each member based on the current, Board approved succession plan. As part of this, each member was asked to formally confirm their plans for over the rolling three year period.

6.11. Following this feedback, we have revised the Board 3 year succession plan. The revised plan also takes into account the partnership commitments to Cube and the changes to the Group Board succession plan.

6.12. A copy of the revised succession plan is attached at Appendix 1. The key updates are as follows:

- Robert Keir's addition to the Board;
- Jo Armstrong's retirement from the Board as she moves into the Group Chair role; and
- Extending Cathy McGrath's previously assumed retirement date by a further year (but still within the tenure limits)

6.13. As the Board are aware, we are currently in the process of undertaking a wider strategic governance review. One of the areas to be covered as part of this is Board composition. On this basis, it is intended that there will be no immediate new Wheatley appointee to replace Jo Armstrong and this be considered upon the conclusion of the review.

6.14. In the interim and in advance of this, it is proposed that we undertake a wider Board member skills and experience mapping relative to our overall Board skills matrix. This would be via Board members be asked to undertake a self - assessment relative to the matrix. A pre-populated version will be issued to Board members post meeting.

6.15. This will allow us to formally document the depth of skills and experience of members beyond just the core skills recorded in the succession plan. In addition to this, feedback will be sought on the current skills matrix. This will include the level/depth of skills and experience we require in each area and if there are any areas no longer of relevance/gaps in the existing skills matrix.

6.16. This will provide context for any future discussions post governance review on the future Board composition. A report will be brought back to the September meeting.

6.17. In terms of the tenant membership, as indicated we agreed as part of the partnership to appoint up to three former Cube tenants. Following Robert's appointment, we only have one remaining vacancy under our current Rules. It is therefore proposed that we initiate a recruitment process with immediate effect for former Cube tenants. Importantly, this will allow us to visibly communicate that we are fulfilling our commitment as part of the partnership.

- 6.18. The recruitment process would be as follows:
- Candidates complete an Expression of Interest (“EOI”);
 - Initial meeting with Director of Governance and GHA Managing Director to informally discuss the requirements of the role and answer any initial queries;
 - EOIs are reviewed by the GHA Chair and suitable applicants invited to interview;
 - Candidates interviewed by the GHA Chair + one other Board member, supported by the Group CEO or Director of Governance; and
 - Recommended to the Board
- 6.19. In the event that there are two appointable candidates are identified i.e. up to the three in total but more than the current 6 positions, proposals on a course of action will be set out to the Board.

Board CPD

- 6.20. All members indicated their support for the proposed Board CPD focus. The feedback was that environmental/sustainability and funding should be prioritised.

2022 schedule

- 6.21. The proposed Board dates for 2022 are as follows:
- 1) Friday 11 February at 10.30am – Board meeting
 - 2) Friday 25 March at 10.30am – Board meeting followed by stock tour
 - 3) Friday 20 May – Board meeting and strategy workshop – 10.00-17.00
 - 4) Friday 12 August at 10.30am – Board meeting
 - 5) Friday 16 September – AGM 10.00am Board meeting 10.30am
 - 6) Friday 4 November at 10.30am – Board meeting
- 6.22. The proposal is that we use the May date to hold a Board meeting in the morning and resume post lunch for a strategy workshop. Based on feedback from members that there is a strong preference to combine dates it is also proposed that the stock tour is scheduled for after the March Board meeting. We do however also anticipate scheduling a stand alone risk workshop during the spring.
- 6.23. In addition to this, the following dates are proposed for the 2022 Board CPD/social sessions:
- 1) CPD - Wednesday 23 February at 13.30, Wheatley House
 - 2) CPD – Wednesday 29 June at 13.30, Wheatley House
 - 3) CPD – Wednesday 28 September 17.00, New Mart Road
 - 4) Social lunch (Group wide) - Wednesday 14 December at 13.00, Wheatley House

7. Digital transformation alignment

7.1. There are no links to digital transformation associated with this report.

8. Financial and value for money implications

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

9. Legal, regulatory and charitable implications

9.1 The SHR Regulatory Standards of Governance that all RSLs:

formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body

9.2 The proposals within this report are consistent with us complying with this requirement.

10. Equalities implications

10.1 As part of the recruitment process for our vacancies, we will take into account our Equality Impact Assessment guidance. This is however set within the context of the candidate pool being limited to former Cube tenants as part of delivering a ballot commitment.

11. Environmental and sustainability implications

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

12. Recommendations

12.1 The Board is asked to:

- 1) Instruct the Secretary to call the Annual General Meeting for Friday 17th September at 10.00am;
- 2) Agree to reschedule the November meeting to Friday 5th November at 10.30am;
- 3) Note the Secretary's Report under Rule 68;
- 4) Note the Board appraisal feedback;
- 5) Approve the updated Board 3-year succession plan and that this be reflected in the business of the AGM (reappointments) where applicable;
- 6) Note the succession plan and any reappointments are subject to Group RAAG review and approval;
- 7) Approve the commencement of the proposed recruitment process focussed on former Cube tenants in line with our ballot commitment; and
- 8) Approve the schedule of meetings for 2022.

LIST OF APPENDICES:

Appendix 1 – Updated 3 Year succession plan



3 Year

Board Succession Plan

1. Introduction

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

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

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

2. Background and context

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

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

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

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

3. Current Board tenure and skills

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

Board member	Core skills and experience	9 Years	3 year position
Jo Armstrong (Parent Appointee)	<ul style="list-style-type: none"> ▪ Financial and treasury management, funding structures ▪ Project appraisal, management and financial modelling ▪ Social and housing policy in Scotland and the wider UK 	2024	2021
Bernadette Hewitt (tenant)	<ul style="list-style-type: none"> ▪ Knowledge of the areas, clients, tenants and communities served ▪ Community engagement - scrutiny and service delivery ▪ Working with local authorities, or other government and statutory bodies 	2023	2023
Cathy McGrath (tenant)	<ul style="list-style-type: none"> ▪ Knowledge of the areas, clients, tenants and communities served ▪ Community engagement - scrutiny and service delivery ▪ Housing management and maintenance of social housing 	2026	2023
Councillor Kenny McLean	<ul style="list-style-type: none"> ▪ Social and housing policy in Scotland and the wider UK Working with local authorities, or other government and statutory bodies ▪ Funding, planning and development for housing and regeneration 	2023	2023
Robert Kier	<ul style="list-style-type: none"> ▪ Knowledge of the areas, clients, tenants and communities served ▪ Community engagement - scrutiny and service delivery ▪ Being involved in the restructuring or transformation of an organisation 	2024	2024
Councillor Frank McAveety	<ul style="list-style-type: none"> ▪ Working with local authorities, or other government and statutory bodies ▪ Social and housing policy in Scotland and the wider UK ▪ Knowledge of other relevant sectors 	2026	2024
Paddy Gray OBE (Parent Appointee)	<ul style="list-style-type: none"> ▪ Social and housing policy in Scotland and the wider UK ▪ Organisational strategy and policy development ▪ Involvement in planning/delivery of a Value for Money strategy, in a housing or similar organisation 	2026	2024

Jo Boaden CBE (Parent Appointee)	<ul style="list-style-type: none"> ▪ Senior Management, leadership and strategy in a housing context (Executive level) ▪ Organisational strategy and policy development ▪ Provision of customer services in a housing or other similar context (Executive level) 	2026	2024
Andrew Clark (Independent)	<ul style="list-style-type: none"> ▪ Property, asset management, development, regeneration, surveying etc. ▪ Funding, planning and development for housing and regeneration ▪ General commercial business, financial & management skills 	2028	2024
John Bannon	<ul style="list-style-type: none"> ▪ Knowledge of other relevant sectors – health, charities, social enterprise, education, policing, or other ▪ Governance and working as one of a Board team to make good and timely decisions ▪ Community engagement – scrutiny and service delivery 	2029	2024
Lara Lassisi	<ul style="list-style-type: none"> ▪ Equal opportunities and diversity; the specific needs of diverse communities in the areas served ▪ Community engagement – scrutiny and service delivery ▪ Knowledge of other relevant sectors – health, charities, social enterprise, education, policing, or other 	2029	2024

4. Succession Plan 2021-24

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

2021

Jo Armstrong will retire as a Wheatley Group appointee. No replacement will be appointed, with the position to be reviewed post group strategic governance review. A review of the skills matrix and an associated skills mapping of the wider Board will be undertaken to confirm that this does not give rise to immediate material skills gap which requires to be filled in future.

Recruitment to be initiated to recruit for the vacant tenant member in line with the Cube ballot commitments.

2022

There are no assumed retirements in 2022.

2023

There are three assumed retirements in 2023, two of whom shall have reached the maximum tenure limit of 9 years. The retirement of one of the Glasgow City Council (“GCC”) nominations will remain subject to discussion with GCC at the relevant time.

5. Review

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