

**WHEATLEY HOMES EAST
MINUTE OF BOARD MEETING
held on Thursday 23 November 2023
New Mart Road, Edinburgh**

Members Present: Alastair Murray (Chair), Mark Keane, Jane Menzies, Judith MacGlashan, Heather Macnaughton, Jack Cadell, Martin Dorby.

In Attendance: Hazel Young (Group Director of Housing and Property), Laura Henderson (Managing Director), Stephen Wright (Director of Governance), Lyndsay Brown (Director of Financial Reporting), Alex Lamb (Head of Housing), Lynsey Fotheringham (Head of Housing) (and in part), James Ward (Managing Director of Lowther item 7), Helen Berry (Head of Assurance item 15)

1. Apologies for Absence

Apologies for absence were received from Ruth Kynoch, Helen Howden and Anne McGovern. The Chair confirmed the meeting as quorate.

2. Declarations of Interest

The Board noted the standing declarations. Jack Cadell informed the Board about a development project he was involved in that may require a decision at a future meeting. It was noted that Jack would not participate in decision-making in relation to that project.

3. a) Minute of previous meeting held on 21 September 2023

Decided: The Board approved the minutes of the above meeting.

b) Draft AGM minute

Decided: The Board approved the minutes of the above meeting.

c) Action List

Decided: The Board noted the action list.

4. Chair and Managing Director update

The Board received an update from the Managing Director on our ongoing approach to damp and mould. The Board was reassured by our approach and that no systemic issues had been identified within our housing stock types.

5. Customer Insight update (presentation)

The Board received an overview of our customer insight, gained through an annual customer survey; Customer Service Excellence accreditation; and ongoing engagement, complaints and compliments, and real-time feedback.

The Board welcomed the outcome of our customer satisfaction survey which had satisfaction with our overall service as a landlord at 96%. The Board was also pleased to note that 99% of respondents were satisfied with the opportunities we gave to participating in decision making. The Board discussed and considered the range of ways we engaged with customers and sought their feedback, noting the continued importance we place on learning from this and in co-creating services with our customers.

Decided: The Board noted the update

6. 2024/25 rent setting and service charges

The Board received a report on 2024/25 rent and general service charge increases for initial focus group discussion and proposals for engagement and consultation with our tenants on rent increase options.

The Board carefully considered the proposed approach and need to ensure rents remain affordable while also ensuring we meet our ongoing and future obligations in relation to building compliance and repairs. In particular, the considered the key principles of our rent setting framework: affordability, comparability, financial viability, and consultation.

Taking this into account it was proposed that the Board agree on a range for the rent increase with the ability to finalise where within this range we would consult will take place in December.

Having analysed our proposed rent levels, the Board was satisfied that the rents were within the range of affordability. It was also noted that we anticipated the National Living Wage and pensions will be increased at a level greater than the rent increase range.

Decided: The Board

- 1) Approved a rent and service charges increase range of 6.9%-7.9% for initial consultation with focus groups, with additional options of +0.5% and +1% to be discussed as part of this, on the basis of funding additional investment in tenants' homes and 2.5% for ex WLHP stock;**
- 2) Noted that, following the Group Board meeting in December, the Wheatley Homes East Board will be updated on the final options for the all-tenant consultation (i.e. where in the 6.9%-7.9% range) on 20 December 2023; and**
- 3) Noted that the final decision on the rent and service charge increase will be made by this Board in February, following feedback from the tenant consultation process.**

7. [redacted]

8. Pre - 1919 strategy

The Board received an update on the Pre-1919 Tenement Strategy and disposals and acquisitions that supported this.

The Board noted that the pre-1919 Tenement Strategy provided a framework for managing and maintaining our pre-1919 housing stock and set out a plan for the period 2015-2025. The Board discussed how the strategy had supported us to deliver major building fabric improvements, maintain some of Edinburgh's historic buildings and benefit customers.

The Board also discussed the increasing challenges with pre-1919 tenements, particularly in relation to our ability to meet statutory obligations with ESSH and SHQS.

The Board reviewed the strategy and agreed that the principles remained relevant. The Board considered six proposed disposals in line with the strategy and agreed that we proceed with these.

Decided: The Board:

- 1) **Note the pre-1919 tenement strategy update.**
- 2) **Approve the sale of 6 pre-1919 properties in addition to the 35 properties already identified.**

9. Q2 Performance and Delivery Plan

The Board were provided with an update on performance delivery against targets and strategic projects for 2023/24 as of the end of Q2. The Board also were updated on sector comparisons for Annual Return on the Charter indicators following the publication of 2022/23 sector wide data by the Scottish Housing Regulator.

The Board concluded that Wheatley Homes East 2022/23 performance results, and position to Q2 compare very favourable to the confirmed Scottish averages for a number of key charter indicators such as days to let, arrears and time to complete emergency repairs.

Wheatley Homes East have strong performance against our targets for 2023/24 in several key areas: days to let, lets to homeless, tenancy sustainment, new build handovers, and adaptation completion timescales.

The Board noted that Wheatley Homes East maintains continued good progress on strategic projects.

Decided: The Board noted the contents of the Q2 Performance and Delivery Plan.

10. Edinburgh Homelessness (presentation)

The Board received an update on the housing emergency declared by City of Edinburgh Council. The Board discussed the options we had to support City of Edinburgh Council and those in housing need. In doing so, the Board considered our current contribution to homelessness such as 54% lets to homeless so far this year. The Board also considered our stock turnover in Edinburgh.

Decided: The Board proposed a response to the housing emergency that included continuing to advertise 50% of our homes to the City of Edinburgh Council to match to a homeless customer until 31 March 2024 and agreed that we look to propose providing 60% of our lets to homeless applicants for 2024/25.

11. Governance update

The Board received an update on the outcome of our Board appraisal process and succession plan. The Board was also updated on proposed changes to the Scottish Housing Regulator's consultation on its Regulatory Framework.

The Board considered the proposed changes to the Regulatory Framework along with the Group's proposed response.

Decided: The Board:

- 1) noted the outcome of our Board appraisal process;
- 2) approved the updated succession plan; and
- 3) noted the Group response to the SHR consultation

12. Social Media Policy

The Board received the updated Group Social Media Policy, approved by the Group Board on 27 September 2023.

The Board noted that the policy was updated to reflect new channels, larger social media presence, increase in followers, higher levels of customer engagement and reflect the importance placed on digital communications in the current five-year strategy.

Decided: The Board noted the updated Group Social Media Policy as approved by the Group Board.

13. Finance Report (inc. covenant amendment)

The Board were provided with an overview of the management accounts for the period to 30 September 2023 and Q2 forecast. The Board also approved amendments to WF1 Loan arrangements.

The Board noted the financial performance for the period to 30 September 2023 and the Q2 forecast for 2023/24.

Decided: The Board:

- 1) **Note the Finance Report for the period ended 30 September 2023 and Q2 forecast at Appendix 1:**
- 2) **Approve the amendments to the borrowing arrangements through the approval of the formal legal minute appended to this report: and**
- 3) **Approve delegation of authority to any WFL1 director to make non-material changes and to agree the final form of the lender documentation on behalf of Wheatley Homes East.**

14. Risk register

The Board received a report to approve the proposed changes to the Wheatley Homes East Risk Register.

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

Decided: The Board

- 1) **Approve the updates in this report; and**
- 2) **Identify any further changes required to the Corporate Risk Register.**

15. [redacted]

16. AOCB

No other competent business

Signed:..... (Chair)