



CUBE HOUSING ASSOCIATION

BOARD MEETING

Tuesday 16 February 2021

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minute of meetings on 10 November 2020, 22 December 2020 and matters arising

Main Business Items

4. Cube strategic review
5. CIP Deployment – key outcomes (Presentation)
6. Service mobilisation update
7. Rent and service charges 2021/22
8. Stronger Voices, Stronger Communities – our new engagement framework
9. Operating model update: approach to service delivery
10. Group Homelessness Policy 2021-2026
11. Five-year development programme
12. Transforming our rent payment methods

Other Business Items

13. Finance report for the period to 31 December 2020
14. Delivery Plan 2020/21: quarter 3
15. Scottish Child Payment
16. AOCB



Report

To: - **Cube Board**

By: - **Stephen Devine, Director of Business Growth**

Approved by: - **Martin Armstrong, Group Chief Executive**

Subject: - **Update on proposed to transfer of Cube housing stock**

Date of Meeting: - **12 February 2021**

1. Purpose

1.1 This report provides the Board with an update on the proposed transfer of Cube's housing stock in Glasgow to GHA and outside Glasgow to Loretto, and sets out next steps for agreement.

2. Authorising context

2.1 Under the Group Authorise/Manage/Monitor Matrix, the Cube Board has responsibility for authorising new operating/service delivery models in its areas.

2.2 The strategic significance of restructuring Cube through the proposed transfers means this is also subject to consideration and approval by Wheatley Group Board.

3. Risk Appetite and assessment

3.1 The possible transfer of stock from Cube to GHA and Loretto 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)". The key high-level risks associated with the possible transfer of Cube's stock are:

High level risk	Mitigation and controls
Cube tenants do not agree the transfer	<ul style="list-style-type: none"> • Develop a compelling offer for Cube tenants • Engage Cube tenants in developing the offer to ensure they understand it and can shape it
The transfers do not deliver the promised benefits for tenants	<ul style="list-style-type: none"> • GHA, Loretto and Wheatley Group Board have all considered the offer Cube made to its tenants and decided to progress on that basis • The transfer agreement with GHA will include obligations relating to the delivery of the offer to tenants and Loretto, through the proposed transfer of engagements, will take on commitments made by Cube
The transfer has an adverse impact on GHA or Loretto	<ul style="list-style-type: none"> • Detailed business and operating planning

4. Background

4.1 As part of developing its strategy the Cube Board agreed that restructuring was the best option for meeting its ambition to maximise the positive outcomes it could deliver for tenants. Wheatley Board agreed to the possible restructuring of Cube at its meeting in October 2020. The proposed restructuring would see Cube in Glasgow join with GHA as a single organisation in Glasgow delivering exceptional social housing and providing a platform for further transformation. Outside Glasgow, Cube would transfer to Loretto through a transfer of engagements, creating increased scale and impact in the various local authority areas in the west of Scotland where Cube and Loretto operate currently.

- 4.2 To support the proposed transfers, Cube developed, and consulted on, detailed proposals on the benefits and implications for tenants. These benefits and implications included:

Aspect	What was proposed
Investment	<ul style="list-style-type: none"> • over £25 million being invested in modernising and improving Cube homes in Glasgow • over £7 million being invested in modernising and improving Cube homes outside Glasgow
Rents	Rents increases capped at 1% for next 3 years
New build	<ul style="list-style-type: none"> • Cube and GHA together building an additional 600 new homes, taking the total to 2100; • Cube and Loretto together building an estimated 500 new homes
Services	No change, customers will continue to enjoy the same high quality services they have currently
Landlord capacity/coverage	Tenants would transfer from Cube to either GHA or Loretto depending on their location, and customer needs locally will be better served
Jobs and training	300 job, training or apprenticeship opportunities for Cube customers as a result of the additional investment above.

- 4.3 In-depth, engagement and consultation took place with tenants on the proposals over the last four months or so. This included consultation, with the opportunity for tenants to provide feedback on the proposed benefits of transfer before Christmas and a formal transfer offer that was made at the start of January. As part of this, TPAS (Tenant Participation Advisory Service) was available throughout to provide independent advice to tenants.
- 4.4 Cube staff spoke with 3,178/ 85% of Cube tenants to discuss their views on the proposals prior to the formal ballot. The feedback from tenants was very positive about the benefits of joining with Loretto or GHA. It was recognised that the proposed transfers could deliver more with the rent proposals, additional investment in homes and ability to deliver more new homes being particularly welcomed. We also engaged with other stakeholders such as elected members and MPs/MSPs, who were supportive of the proposals for Cube and Loretto, and Cube and GHA to come together on the basis of what it could deliver for tenants.
- 4.5 Tenant engagement also included two ballots – one for tenants proposed to transfer to GHA and one for tenants proposed to transfer to Loretto, that were conducted independently by Civica ERS, between 7 January 2021 and 5 February 2021 inclusive, in line with legislative requirements on potential transfers.

4.6 Overall 41% of eligible Cube tenants (i.e. those with a Scottish secure tenancy) voted. Turnout among tenants potentially transferring to GHA was 42.9% with 85.8% of tenants voting in favour and 14.2% against. Among tenants potentially transferring to Loretto, the turnout was 36.7% with 92.6% voting in favour and 7.4% against.

5. Discussion

5.1 The turnout achieved is slightly higher than we had hoped and provides confidence that tenants have taken the opportunity to express their wishes relating to the transfers. The proportion in favour gives a strong endorsement for continuing to develop the transfers to conclusion.

5.2 In parallel with the successful ballot, due diligence has begun on Cube on behalf of GHA and Loretto. This due diligence will help to inform the partnership and reflects the extensive knowledge of Cube and its operations that exists already given its position as a group partner.

5.3 Diligence is focused on 3 particular areas:

	Advisor	Purpose
Tax	EY	To ensure that the proposed transfers have no adverse implications
Pension	Spence and Partners	To ensure that Cube's existing pension arrangement do not present a risk to GHA, Loretto or the group more generally
Legal	Thorntons LLP	To ensure there are no major legal issues in concluding the proposed transfer

5.4 Preliminary findings based on work to date indicate there are no issue of particular significance that would be a barrier to concluding the restructuring. Final information on findings from due diligence will be provided to the Loretto and GHA Boards at their March meetings.

5.5 The transfer to GHA will take place through Cube and GHA agreeing the terms of a transfer agreement. An early draft of this agreement is provided at Appendix 1. This agreement contains provision relating to the promises that were made to Cube tenants as part of the transfer. The draft agreement has been prepared by Thornton's LLP. Thorntons LLP have also liaised with Shepherd and Wedderburn in relation to an ongoing legal action. At this stage, the agreement is presented as an early draft, in general form, to give members an opportunity for consideration and comment. The intention is to present a final draft for agreement at the Board's next meeting in March. As part of this, Shepherd and Wedderburn will be asked to provide advice to the Board on the agreement including assurance that it allows GHA to continue on-going legal actions that Cube is pursuing against British Gas.

5.6 The transfer from Cube to Loretto will be through a transfer of engagements (ToE). The legal effect and consequence of a ToE from Cube is that Loretto will automatically acquire all of Cube's assets and liabilities without the need for a contractual transfer agreement, or to undertake any conveyancing in order to transfer the housing stock titles or to transfer contracts by way of contractual assignment or novation.

- 5.7 In order to complete the Transfer of Engagements, Cube's shareholding members will need to agree specific resolutions over the course of two special general meetings (SGMs). Loretto's Board will also need to agree to the transfer at a Board meeting that is held between the two SGMs. The timing of these meetings is likely to be in late May/June 2021 although this is still to be finalised.

Funder consent

- 5.8 Consent is needed from the Group's lenders to the proposals. Discussions are underway, and the lenders will require copies of due diligence reports to support their decisions. As the proposals are financially neutral from their perspective, since all assets remain within the Group, we do not anticipate any issues with obtaining the required consents.

SHR consent

- 5.9 SHR consent is not required although they have been kept informed of progress and have been updated on the ballot result as this is a notifiable event.
- 5.10 Our outline timetable for concluding the transfers is set out below.

What	When
Update on ballot result to GHA board and agreement to continue developing the transfer	12 February
Update on ballot result to Loretto board and agreement to continue developing the transfer	15 February
Update on ballot result to Cube board and agreement to continue developing the transfer	16 February
Wheatley Board agrees to continue with restructuring subject to partner organisations concluding necessary transfer arrangements	24 February
GHA Board agrees the transfer with Cube	26 March
Loretto Board agrees to continue with a view to the transfer from Cube concluding through a transfer of engagements	29 March
Cube Board agrees the transfer agreement with GHA	30 March
Funder consent in place	Mid-April
Transfer to GHA concludes	End-April
First Cube SGM	Late May
Loretto Board agrees the ToE	Mid-June
Second Cube SGM to conclude ToE	Late-June
Register ToE with FCA	July

6. Key issues and conclusions

- 6.1 Tenants of Cube have expressed their clear support for the proposals to join with GHA in Glasgow and Loretto outside Glasgow. Feedback from the consultation and ballot process is that tenants recognise the benefits that come with being part of larger, financially stronger Group partners. This includes building more homes than would otherwise be possible, keeping rents affordable and increasing and accelerating investment in existing homes.
- 6.2 The technical aspects of the proposed transfers are progressing to plan. Diligence is proceeding, with no issues of particular significance having been identified, to date, that would adversely impact the proposed transfers. We are now working to conclude the transfer including the transfer agreement with GHA, securing necessary consent from funders and planning for the Transfer of Engagements to Loretto.

7. Value for money implications

- 7.1 The proposed transfers from Cube to GHA and Loretto are expected to positively impact our investment in homes value driver through accelerating improvement works for tenants in homes that transfer from Cube and improving value for money for tenants through the 1% rent guarantee for three years.

8. Impact on financial projections

- 8.1 The impact on Cube's business plan of delivering the benefits of transfer to tenants without transferring its stock has been assessed previously and found to be unachievable. The impact of the proposed transfer from Cube has also been assessed previously on the GHA and Loretto business plans. No Issues have been identified as work has progressed to adversely impact the assessment presented previously or the Board's decision to progress the transfer.

9. Legal, regulatory and charitable implications

- 9.1 Implications in these areas are discussed throughout the report.

10. Partnership implications

- 10.1 Partners, including the SHR and funders have been kept informed throughout and we are working with them, as necessary, to conclude the aspects of the transfers that are applicable to them.

11. Implementation and deployment

- 11.1 We are aiming to conclude the transfer to GHA before the end of April 2021 and the transfer of engagement to Loretto in summer 2021, subject to securing funder consent and the Boards involved agreeing the terms of the transfer and to continue progressing as planned.

11.2 The transfers from Cube to GHA and Loretto will require various systems and operational changes including migrating to GHA and Loretto's operating and performance management environment. A group wide implementation team bringing together expertise from Cube, GHA, Loretto, finance, ICT, assurance etc has been established to ensure a smooth migration. We expect necessary changes to be in place in line with the proposed transfer timetable.

12. Equalities impact

12.1 The particular needs of individual tenants were considered and support provided through Housing Officers and TPAS, as part of the consultation and engagement process.

13. Recommendations

13.1 The Cube Board is asked to:

- note progress in developing the transfer including the positive result of the tenant ballot
- agree that the transfers continue to be developed with a view to seeking final approval for the transfer to GHA at the Board's next meeting and progressing the transfer of engagements to Loretto thereafter.

LIST OF APPENDICES:

Appendix 1: [redacted]



Report

To: Cube Board

By: Laura Henderson, Managing Director

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

Subject: Service Mobilisation Update

Date: 16th February 2021

1. Purpose

1.1 This report provides an update on our response to the impact of the current Coronavirus crisis on our services, customers and communities.

2. Authorising context

2.1 The activities addressed in this report are principally of an operational nature, and are therefore delegated to the Group CEO under the Group Standing Orders. The Board has been kept regularly apprised of our progress through email updates.

3. Risk appetite and assessment

3.1 The unprecedented nature of the current situation raises risks in a number of key areas. These include:

- i. *Customers* - risks that our customers may suffer hardship and distress, not just through the risk of catching or through having the virus itself, but through the current government measures causing other effects such as hunger, isolation and mental and physical health problems
- ii. *Staff* - risks that staff are exposed to the virus, especially those engaged in customer-facing activity; that we have a reduced workforce due to illness and/or self-isolating, and that those working from home may not be able to function effectively
- iii. *Financial viability* - risks to our financial position, such as increasing rent arrears and reduced cash flow

3.2 These areas and the steps we continue to take to mitigate the risks are addressed below.

4. Background

- 4.1 This report provides a further update to Board members on our contingency operations to support both essential business and the new issues faced by our customers. It outlines our current remobilisation status across key customer facing areas following the Scottish Government's move to tier 4 restrictions on 26 December and then to a lockdown from 5 January applying to the whole of the Scottish mainland.
- 4.2 Maintaining service delivery in line with restrictions, ensuring safety and providing the best customer service possible remains a challenging operation. Rapid changes in Scottish Government guidance and in local situations means our service planning and our staff have to be highly agile. We continually review our services in the light of guidance but also from our own learning, seeking to ensure that our approach and processes remain exemplars for the sector.
- 4.3 Staff and customer communication is at the heart of this approach to ensure that they understand what we are doing, why and to be reassured that our processes keep them safe. Despite these challenges we have continued to meet or exceed the targets we have set for our remobilisation plans.

5. Discussion

- 5.1 Over the latter part of last year we expanded from our essential services, scaling up delivery as restrictions have allowed. This allowed us to bring many services back to normal volume levels. Achievements included:
- Returning to a position where all gas services are being done on time after delays were caused by the first lockdown;
 - The number of void properties returned to normal levels in January following increased numbers during the first lockdown when almost no letting was possible;
 - From 22 June 2020 repairs moved from essential only to Safety First (including for example repairs to showers, controlled entries, persistent leaks) and from 2 November 2020 to an extended repairs service which was closer to business as usual except for works which could not be done safely.
- 5.1 Our agility and rapid ability to scale up services has allowed us to create a much stronger position going into 2021 than would otherwise have been the case. However, the lockdown means that we have had to review and amend our services in line with new restrictions. Our experience and agility means that we have strong planning mechanisms to help us consider service areas and move quickly to alternative models

Letting

- 5.2 It is now a legal requirement to stay at home in level 4 areas except for essential purposes. Given the higher transmissibility of this new strain of the virus, it is of even greater importance than before that home moves, activities related in connection with home moves and essential housing services are delivered in a manner that minimises the risk of transmission and looks to keep everyone safe.

- 5.3 We have clarified the position on lettings and are able to continue what is effectively a business as usual position of letting homes in line with our remobilisation plans. This means that we are focussed on letting our homes to those in housing need – most often homeless households but also others who are in need due to medical priority or other issues.
- 5.4 Letting continues to take place using safe working procedures for viewings and sign ups. We are currently reviewing our position on applications to undertake a mutual exchange with a view to postponing those which are not essential in line with Scottish Government guidance.
- 5.5 Despite the challenges we have let 217 homes in the year to date, the vast majority since the start of phase 2 of our letting in August. 109 of these homes were to let to homeless customers.
- 5.6 Tackling homelessness and helping customers continues to be a priority for us. As part of our remobilisation we have committed to the following actions:
- Gradually reducing the level of additional stock leased to GCC
 - To provide 300 Housing First tenancies across Group by 2021 - currently 201 have been provided, 11 of which within Cube communities; and
 - To “flip” 150 temporary furnished flats across Group to permanent tenancies by March 2021 across Group – 91 tenancies have already been flipped, 6 of which have been Cube properties with one creating a permanent tenancy for a Housing First customer.
- 5.7 We continue to prioritise lets to homeless households as part of our letting remobilisation. In the year to date 67% of lets have gone to homeless households. We have been working closely with our Local Authority partners to ensure that nominations given to them are also prioritised for homeless households.
- 5.8 The long term homelessness framework for the Group has been developed (included under separate agenda item). This has a strong focus on preventing homelessness from happening. It also focuses on the support homeless households need to settle into and become part of communities as well as the support communities need to ensure they remaining welcoming and supportive to new neighbours.

Rental income

- 5.9 Maintaining our rental income so that we can continue to provide services, alongside supporting our customers to be able to pay their rent have been key priorities through the pandemic. Housing officers continue to successfully operate our virtual model of support through telephone and digital contact. This has enabled us to provide support and advice to customers at the point they need it most. It has been backed up by easy digital methods to pay which avoid unnecessary contact, with housing officers again providing support to help customers through the process.
- 5.10 We suspended home visits for rent issues on 5 January in line with lockdown restrictions. However, our housing officers continue to use all other methods to support our customers and collect income. Visits to customers will now only take place where there are acute welfare concerns.

- 5.11 The 6-month notice period for Notice of Proceedings and evictions extended by the Scottish Government remains in place until 31 March 2021. In line with our revised escalation process we continue to take action where appropriate for 'won't pay' households and reviewing each individual case, providing support to those who 'can't pay'. The escalation process includes clear messaging for customers, stakeholders and staff. This makes it clear that only customers who repeatedly will not pay rent, have defaulted on an agreed repayment plan and repeatedly failed to engage with us would receive a letter about further action being taken.
- 5.12 Our Housing staff continue to focus on supporting customers out of rent debt. Our income collection performance has improved significantly over the last year and continues to exceed our 5.52% target for 20/21 at 4.77%. This is a reduction in our Gross Arrears by £42,568 (0.44%) since December 19/20.
- 5.13 Our annual rent campaign was delivered with a more digital focus this year, utilising social media, graphic image files and dialler technology to reach out to more customers as well as our more traditional approaches of writing to particular customer groups and making personal contact over the phone. We focused on promoting digital ways to pay such as Direct Debit and Web Self Service and highlighting the financial benefits and savings to be made by signing up for MySavings.
- 5.14 Encouraging take up of the new Scottish Child Payment was a key element of the campaign. We also provided £30 vouchers to families (one voucher for each child under 16) to enable them to better face the financial pressures of Christmas. In total we were able to support 427 families (708 vouchers) with an additional resource to provide an easier Christmas at the end of a hard year. This has been very positively welcomed by our customers.

Other Wheatley 360 services

- 5.15 We have had 11 Accidental dwelling fires in 2020-21 which is the same as 2019-20. Fire safety visits for vulnerable households recommenced in the summer as part of our remobilisation plan. Visits will continue for vulnerable households during the current lockdown.
- 5.16 Close cleaning services had resumed at the end of September. Since the 5th of January we have temporarily ceased this in-line with the most recent restrictions. We aim to reinstate this when it is safe and permissible to do so.
- 5.17 Wider environmental services continue as normal. These include our concierge and cleaning services within multi-storey flats. snow clearing and gritting given the weather and bulk uplifts, this helps to mitigate the risk of fire in our communities given that local authorities have suspended these services.
- 5.18 634 anti-social behaviour cases have been recorded on our Streetwise system in the year to date. Over 80% of these cases relate to low level noise, aggressive behaviour and neighbour disturbance that could directly be related to lockdown circumstances. We have continued to support people through our adapted service model which uses telephone and digital methods of contact wherever possible.

- 5.19 Our Community Improvement Partnership Police Team who were due to start deployment in the Wyndford area in March remobilised in October with significant success in this short time. CIP, who work closely with our housing team have already made a number of significant seizures relating to drug dealing in the area. There has also been a 30% reduction in reports of anti-social behaviour since October and latest information shows that all data zones within the Wyndford area have moved out of the 'Safe zone' in our Safe, Calm, Peaceful model, with 3 out of 5 regularly in 'Peaceful' over the last 5 weeks. A presentation for the Board has been included in the agenda for this meeting.
- 5.20 Throughout the last 3 months we have also engaged with a number of agencies in the area including Glasgow Life who we will continue to work closely with to improve youth disorder in area.

Customer support

- 5.21 In addition to our core services we continue to provide support to our customers through our wraparound services and through our specific provision during Covid. Although our housing officers continue to be based primarily from home they have made over 17,000 outbound calls to customers. Though the current restrictions have meant that work of home visiting team has had to be curtailed, we continue to safely deploy housing officers to sign customers up in new tenancies and accompany City Building on gas appointments. Operating Safety Manuals are being adhered to and PPE is being issued as standard.
- 5.22 School closures have meant that some housing staff are juggling home schooling responsibilities with work. In such instances our flexible working arrangements and think-yes culture have enabled staff members to adapt to these challenges and adopt varying work patterns.
- 5.23 Our Wheatley emergency fund also continues to help customers in crisis situations. We have also continued to provide vital food provision for our customers during these challenging times through our Eatwell service with 197 households benefiting from food parcels and a further 136 households receiving supermarket vouchers issued since April 2020.

Repairs, Investment & Compliance

- 5.24 From 2nd November 2020, in line with the Group's agreed remobilisation plans, City Building begun transitioning from the safety first and essential services to an extended repairs service. In doing this the aim was to achieve a near business as usual position, where it was safe to do so, by January 2021.
- 5.25 This extended repairs service included the remobilisation and management of thematic backlog projects in a controlled and consistent manner such as roof repairs, medical adaptations and cyclical works. Extended services also included security related works such as window and door renewal, and other works including internal joinery and drainage repairs.
- 5.26 The latest lockdown meant that these plans for returning to a more business as usual service had to be put on hold and an essential service in line with government guidance introduced. This service includes emergency repairs, compliance related works and works where there is a risk to the tenant's health and safety.

- 5.27 We have contacted all customers who had reported a repair prior to lockdown which will now not be done due to restrictions to explain the situation. They will be kept updated by text throughout lockdown where they have this facility. Customers will not have to report the repair again at the end of the lockdown – we will process and book in repairs as soon as we are able to do so. A similar approach is taken for those who call in to report repairs which are non-essential. Customers have been understanding of the situation and have appreciated the fact that we are keeping them up to date.
- 5.28 City Buildings ability to deliver investment activity has also been restricted throughout the year; again in line with the service model that Board agreed in response to the pandemic. Soft start pilot projects commenced late summer and all other agreed core programme works for 2020/21 were gradually resumed through November and December. The initial focus was on external works, using applicable social distancing restrictions and safe methods of working that had been developed and agreed in line with our remobilisation plan.
- 5.29 Internal capital investment works were planned to start from January 2021 but are now suspended in line with government guidance on essential works. External investment works continue with appropriate safety procedures in place.
- 5.30 We are working through the backlog of medical adaptations which built up during earlier restrictions. Prior to undertaking work, we contact customers to assess with them whether it is appropriate to do the work at this time. This decision will depend on the urgency of the requirement and the ability to do the work while maintaining safe distancing. Some adaptations are crucial in enabling hospital discharge or avoiding admission to care homes and where possible we will always seek to do these projects.
- 5.31 We continue to monitor our supply chain for repairs and investment following Brexit. So far there have been no major issues but there remains the potential for disruption, particularly around engineered parts which mostly come from Europe.
- 5.32 Repairs to voids continue with safe working practices in place. This supports our letting to households in need in line with the Scottish Government guidance that house moves, while allowed, should only be undertaken where essential.
- 5.33 Gas safety compliance has been consistently 100% since August 2020 and will continue to be a priority.

6. Value for money implications

- 6.1 We continue to work to provide value for money to our customers; prioritising their needs within the constraints of the limitations on staff movement imposed on us.

7. Impact on financial projections

- 7.1 Set out above. These will continue to be updated as the situation persists over the coming weeks and months.

8. Legal, regulatory and charitable implications

- 8.1 We have maintained regular dialogue with the Scottish Housing Regulator and they have appreciated our role, for example, in the housing sector National Resilience Group along with Scottish Government and local authority representatives, and our offer of support to smaller RSLs who may be unable to effectively deliver services in the current conditions.

9. Partnership implications

- 9.1 We continue to utilise our strong relationships with Scottish Government, local authorities and national agencies to support delivery during the crisis but also to influence planning to the benefit of our customers and services. We work closely at a local level with third sector organisations to benefit local communities.

10. Implementation and deployment

- 10.1 Co-ordination of all activity set out in this paper continues to be led by the Group Chief Executive and Executive Team.

11. Equalities impact

- 11.1 None noted.

12. Recommendation

- 12.1 The Board is asked to note this update.



Report

To: - **Cube Board**

By: - **Laura Henderson, Managing Director**

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

Subject: **Rent and service charges 2021/22**

Date of Meeting: **16th February 2021**

1. Purpose

1.1 This report informs the Board about the proposed 2021/22 rent and service charge increases.

2. Authorising context

2.1 The Group Board is responsible for agreeing the overarching rent parameters for rent setting. Thereafter each individual partner Board agrees their own individual rent increase proposals within the agreed parameters.

2.2 The Group Board agreed that, as part of the proposed transfer to GHA and Loretto, that we should cap rents at 1% for the next three years. This proposal was included as a tenant commitment, as part of the ballot in relation to the proposed transfers.

3. Risk Appetite and assessment

3.1 Our risk appetite in relation to business planning assumptions such as rent increases is open. This is defined as "*willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward*".

3.2 In relation to the statutory requirement in consulting and engaging tenants on any rent increase, our risk appetite is averse, that is "*avoidance of risk and uncertainty is a key organisational objective*".

4. Background

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

- 1) Financial viability;
- 2) Affordability;
- 3) Comparability; and
- 4) Consultation with tenants and service users.

4.2 The Board considered the principles as part of the development of the rent element of the partnership proposals. In particular, it has been previously noted that although Cube's rents are not on average unaffordable, they are comparatively higher than other organisations.

5. Discussion

5.1 A key element of the Cube ballot proposals was the 1% rent guarantee for three years. Our pre ballot engagement with tenants indicated that the rent offer would be a key consideration at the formal ballot stage. The results from the Cube ballot indicated that a total of:

(i) 1,130 tenants who would become GHA tenants voted on the transfer proposals, with 85.8% in favour; and

(ii) a total of 420 tenants who would become Loretto Housing tenants voted on the transfer proposals, with 92,6% in favour.

6. Key issues and conclusions

6.1 The feedback from tenants indicates that the majority of tenants wish us to progress the transfer, including the proposed rent and service charge increase of 1%.

7. Value for money implications

7.1 The level of rent increase proposed during the consultation took into account analysis in areas such as affordability and comparability. We know that overall rent levels are an element of how tenants perceive value for money. This is however set within the context of the services we provide, particularly repairs, through the rental income.

8. Impact on financial projections

8.1 The financial implications of our rent uplift have been agreed as part of the partnership proposals financial analysis. They will, in future, be incorporated into the GHA and Loretto financial projections.

9. Legal, regulatory and charitable implications

9.1 Consultation with tenants on any increases in rent or service charges is a requirement of the Housing (Scotland) Act 2001. Our ballot process represented the means by which we consulted tenants on the proposals for a 1% rent increase.

10. Partnership implications

10.1 The commitment to maintain rents at 1% for the next 3 years will be applied by both GHA and Loretto.

11. Implementation and deployment

11.1 Following approval of the 2021/22 rent and service charge levels, tenants will subsequently receive notification of the final decision in writing 28 days clear of a change in rent being applied.

11.2 In recognition of the increasing importance for tenants to notify the relevant authority of the change, we are undertaking additional communication to remind and encourage tenants to notify the change of circumstances as soon as possible.

12. Equalities impact

12.1 There are no equalities implications directly associated with this report.

13. Recommendations

13.1 The Board is asked to:

- 1) Agree that a 1% rent increase be applied to the Cube tenants in line with the ballot commitment; and
- 2) Agree that we formally write to tenants to confirm this subject to Group Board approval.



Report

To: Cube Board

By: Laura Henderson, Managing Director

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

Subject: Stronger Voices, Stronger Communities – our new engagement framework

Date of Meeting: 16th February 2021

1. Purpose

1.1. This report presents the new Wheatley Group engagement framework, which supports the ambition in ***Your Home, Your Community, Your Future*** to transform our engagement approach and shift the balance of power towards our customers. It also presents the draft Cube customer engagement programme for 2021/22.

2. Authorising context

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

3. Risk appetite and assessment

3.1. Our risk appetite for service improvement is “open”. This means we are prepared to take the risk of adopting the approach that is most likely to result in successful delivery of our service objectives.

3.2. Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. Creating an engagement plan to take this forward for our customers and ensuring this aligns with our strategic delivery plan to manage this transformation will help to mitigate any risks.

4. Background

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

- 4.2. A new Group engagement framework – **Stronger Voices, Stronger Communities** – has been developed to help support the delivery of this ambition. Through the deployment of this framework, we will seek to ensure that our customers and communities will feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential.
- 4.3. The Group framework (attached at Appendix 1) is designed to be accessible and flexible, enabling customers to engage with us at a time and in a way which suits them. Through this framework we aim to improve the opportunities for engagement which are available to our customers and widen the diversity of customers who are actively involved in shaping services. The table below sets out some key differences under the new framework.

Table 1

Previous framework	New framework
Subsidiary specific	Community and/or service specific
Membership requirements and official positions	Accessibility – anyone can volunteer for an activity without further commitment
Formal meetings at set times – physical presence required including requirement to travel	Flexible input eg express views at a time and in a way that suits - online, 24/7, from home, in person
Enabled skills development for those with formal roles	Focus on skills and capacity development with informal and formal development opportunities available
Small percentage of customers involved – less than 0.5%	Marketing to reach a wide range of customers, including quarterly Group-wide Stronger Voices newsletter – highlighting opportunities to engage and featuring how views have made a difference
Characterised by <ul style="list-style-type: none"> • Unintentional exclusivity • Lack of diversity and wider opportunity • Focused on RSL customer to the detriment of other Group customers eg factored homeowners, care customers 	Characterised by <ul style="list-style-type: none"> • Improved diversity and opportunity • Group-wide approach which integrates with our care and support services and builds capacity • Connects and publicises our Foundation activities

- 4.4. An example of an approach to engagement which is community specific rather than subsidiary specific is our annual ‘Block Talks’ where housing officers hold drop in sessions at the bottom of each of our multi-storey flats. Customers can get advice about rent, welfare benefits, how to register for MyCube online services, My Savings, environmental issues and much more. This engagement encourages real feedback on community improvements and identify customer priorities.

- 4.5. Prior to recent activity with our Community Improvement Partnership in our Wyndford community, we used a similar approach to engage with our customers to identify their main concerns regarding anti-social behaviour in the area. Shaping this initiative around our customer priorities has been key to its success and the marked improvements seen already in tackling and preventing anti-social behaviour in the area.
- 4.6. Our current approach to engagement is strong and has been recognised as such by external assessments such as EFQM. Our Think Yes culture which has been embedded over a number of years, which means that any staff member engaging with a customer listens and responds to what the customer is saying to find a positive solution. We also hold regular community events across our localities as an opportunity to reach out to all our customers, giving everyone an opportunity to get involved and have their say on services and improvements they'd like to see.
- 4.7. Prior to the coronavirus pandemic we had carried out conversations with customers across Cube on their views about engagement. Customers welcomed having more varied channels for engagement, and valued being able to engage on improving services and their local neighbourhoods. Customers also liked the idea of more apps being available to assist engagement and access to services. Formal meetings were less popular but customers welcomed the opportunities for activities such as open days or pop-up events.
- 4.8. The Covid 19 pandemic has accelerated our digital strategy and both staff and customers have developed their digital skills. Engagement with customers has been taking place in a digital space both on a 1-2-1 basis with individual customers and with groups of customers. Through the Wheatley Foundation emergency response fund, we have been able to provide customers with tablets which have increased their ability to connect and communicate with us, with other providers and with their friends and families.
- 4.9. In developing the customer engagement framework, we have sought to take advantage of the opportunities that a more digital environment can bring to our engagement approach in terms of accessibility and flexibility, whilst ensuring that face-to-face engagement remains an important part of our engagement and our service provision.

5. Discussion

- 5.1. Our vision is to support our customers to reach their potential. Our strategy for making this real will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want.
- 5.2. Each customer is an individual who will want and/or need different levels of engagement to feel empowered and in control. Our engagement approach is designed to support customers' choices for the experience they want. The emphasis will not be on expecting customers to form constituted groups, meeting in specified locations at set times. Instead the approach will be to encourage accessibility – anyone can volunteer for an activity without further commitment – and flexibility – people can express views at a time and in a way that suits - online, 24/7, from home, or in person.

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

Figure 1 – The Stronger Voices framework



- 5.4. The supporting processes; job roles; and outcomes which are sought for each pillar are set out within the framework document at Appendix 1. These cover the range of options which customers will have available to them, such as

- providing a single comment or piece of feedback;
- suggesting an idea for improvement;
- being involved in a focus group discussion;
- scrutinising our performance;
- assessing the standard of our estates;
- redesigning a customer service journey;
- testing a new product;
- making decisions on a budget or policy priority
- accessing learning or accreditation opportunities; or
- joining an apprenticeship programme

- 5.5. The **We Listen** pillar is a very open form of engagement which we would expect all customers can and will access at some point in their relationship with us. It enables customers to put forward ideas which are not driven by our agenda. Customer conversations carried out by Housing Officers are an example of this – where the customer can bring up anything which is important to them, and the Housing Officer listens to understand what our role might be and how we can help. Often this will be about opening service options for customers, but it might also be about supplying information, or developing insight which will help for example to create a community project or influence a service change. The main outcomes from this pillar are increased customer satisfaction; faster complaints resolution; lower levels of waste demand, better customer relationships.

- 5.6. The main purpose of the **We Consult and Co-create** pillar of engagement is to test and consult on proposals; identify what doesn't work in current processes or policies; co-design new services or products; and challenge our collective thinking in order to improve. The outcomes are increased customer satisfaction; fewer complaints; lower levels of waste demand; and better value for money as resources are deployed in accordance with customer priorities.
- 5.7. The **We give power...** pillar focuses on ways in which we can safely empower our customers to make decisions on their own homes and environments, and to make decisions on priorities and resources. Our development of on-line, self-service tools help to promote this for the individual customer - for example, they can decide and track when and where they want a repair carried out; use a budget calculator to make a decision about whether they can afford their own tenancy; or use a Wheatley MyCommunity app to seek consensus with neighbours to improve a shared garden area or other neighbourhood improvement ideas. Increasing the proportion of our budgets that customer have a direct say over is an important outcome from this pillar.
- 5.8. The main purpose of the **We Support** pillar of engagement is to support people to develop their potential and build capacity and resilience in our communities. We have experience of using approaches which support this already, especially helping customers enhance their digital skills with creation of Click and Connect centre in the heart of our Wyndford Community and supporting funding of a Digital Inclusion Officer.
- 5.9. The Group framework sets out the commitment to create a programme of engagement activity which is linked to the Group strategic delivery plan and to recruit 100 customers across our partner organisations in Group to become *Customer* or *Community Voices*. This will be attractive to customers who would like the opportunity to be more involved in discussion and co-design with us, and will be supported by a learning and development programme. The programme will ensure customer involvement at an early stage within all appropriate strategic delivery projects, with business leads having the responsibility for leading this engagement as part of project development. The performance target for this will be that 50% of Group strategic delivery projects will have customer engagement as an early milestone.
- 5.10. In Cube we will use this approach to re-energise our customer involvement and provide an opportunity to recruit a wider range of our customers. Increasing the diversity of actively engaged customers is something the Board and officers are very keen to take forward, and the Customer and Community Voice programme provides an ideal opportunity and support to do this. This will enable our customers to engage not only around local community issues but also to be involved in co-creating and improving Group-wide services such as repairs, environmental services, 24-hour customer service etc.
- 5.11. As we change the engagement environment to strengthen the customer voice and shift more power to our customers the approach of our staff will need to change to support this. Table 2 below uses some examples to illustrate this for different job roles, showing how over time the customer role becomes more pro-active and the staff role becomes more enabling.

Table 2 – changing the engagement environment for staff

Roles in 2020	Roles in 2026
I am a Housing Officer and I contribute to the Connect newsletter which is sent quarterly to our customers.	I am a Housing Officer and every day I review the posts on our MyCommunity app to keep in touch with customers and respond to issues.
I am Head of Housing and I present performance reports to the Customer Panel for their information	I am Head of Housing and yesterday my local Community Voices presented their Keep Scotland Beautiful assessment findings/recommendations for my action
I am Director of Development and I negotiate with developers, contactors and partner agencies.	I am Director of Development and I work alongside our current and future customers to ensure our development programme meets customer and community needs
I am Group Director of Repairs and Assets and I work with the Joint Venture and our in-house contractors to ensure a customer-focused and efficient repairs service across Group	I am Group Director of Repairs and Assets and I meet regularly with Customer Voices to discuss their recommendations on the repairs service

- 5.12. The customer engagement environment will also feel different for Boards as we increase the involvement and empowerment of our customers. Table 3 provides some illustrations as to how this could develop for Boards.

Table 3 – transforming the customer engagement environment for Boards

Roles in 2020	Roles in 2026
I am a Board member and I receive an annual report on customer satisfaction which we consider when developing our strategy.	I am a Board member - we receive quarterly reports on customer feedback and regular recommendation reports from our local Customer and Community Voices. This helps me ensure our strategies and services are responsive to our customer needs.
I am a Board member and when we receive a Board paper on a new product it always covers what this will deliver for the customer	I am a Board member, and when we receive a paper on a new product it includes a video presentation from Customer Voices explaining how and why they have co-created it with officers
I am Chair of the Board – we have 3 tenant Board members to ensure the customer voice is heard strongly as part of the decision-making process	I am Chair of the Board - we have a board portal which tells us what customer engagement activities are taking place in Cube and the outcome of these, including where tenants have voted on options

- 5.13. The framework document also sets out how we can build a suite of digital engagement tools which will enable a wider diversity of customers to become involved both in Cube communities and at a strategic Group level depending on their personal preference. The concept of a *MyCommunity app* will provide a flexible easy tool for our customers to engage with us and with each other. It will enable us to reach out to customers with information and opportunities such as volunteering, apprenticeships, grants and benefits. Customers and other agencies who work with us will be able to interact with the app and share information and insight.
- 5.14. As we develop our online service offering and encourage self-service by customers we will ensure that feedback is sought from customers at relevant points in the service journey. This could range from a simple text message after a repair is carried out to a more qualitative phonecall or webchat after a customer has been in a tenancy with us for one year. Integrating feedback opportunities within service journeys will provide better insight for improving the customer experience.
- 5.15. Our 2021-26 strategy emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 we hope 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. Through this journey with our customers we hope that our communities will become stronger; more resilient; and able to make their voices and their expectations heard more widely.

6. Key issues and conclusions

- 6.1. The new engagement framework *Stronger Voices, Stronger Communities* is designed to support the delivery of the ambition in *Your Home, Your Community, Your Future* and shift the balance of power and control towards our customers, empowering them to make their own choices about the services they want.
- 6.2. The link between the engagement framework, budget setting and our strategic delivery plan will ensure that the voice of the customer is fully embedded in our plans and priorities, driving change and innovation. Through strong engagement with our customers we will support them to develop potential and build stronger communities.

7. Value for money implications

- 7.1. Ensuring that the customer voice is at the heart of our activities and our strategic planning will help to drive increased value for money.

8. Impact on financial projections

- 8.1. There is no impact on financial projections arising from the proposed engagement framework.

9. Legal, regulatory and charitable implications

- 9.1. There are no legal implications arising from the proposed engagement framework.

10. Implementation and deployment

- 10.1. The deployment of this framework in Cube will be supported by the introduction of a new Community Engagement Officer who will oversee our annual engagement programme which supports the customer voice. A draft programme is included at Appendix 2 to illustrate the programme of activities which will take place for Cube customers in 2021/22.
- 10.2. The 2021/22 Group strategic delivery plan will include customer engagement as an early milestone in at least 50% of the projects.

11. Partnership implications

- 11.1 All partner organisations will adopt the framework set out in Appendix 1, tailored to their own customer profiles and contexts.

12. Equalities impact

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

13. Recommendations

- 13.1 The Board is asked to
- 1) note the new Group engagement framework set out at Appendix 1; and
 - 2) note the Cube draft engagement programme set out at Appendix 2

Cube draft engagement programme – 2021/22

Month	Activity	Outcome	Supporting pillar
April	Discussion with Customers on the new engagement framework	New opportunities for involvement	You influence and co-design
May	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
June	Programme for Customer and Community Voices is developed based on Board's strategic delivery plan	New opportunities for involvement	You influence and co-design
June	Recruitment drive for Customer and Community Voices launches	New opportunities for involvement	You influence and co-design
June/July	Summer gala days/outdoor events	Publicise services, publicise feedback loop, community consultation, local investment priorities, apprenticeship programme	You are heard
August	Apprenticeship programme launches	Young customers are supported into the labour market, building skills and resilience	Your voice is stronger
August	Learning and development programme to support the Customer and Community Voices	Customers are supported to develop knowledge and skills	Your voice is stronger

October	<p>Rent consultation</p> <ul style="list-style-type: none"> - Face-to-face focus groups (balanced for age/gender) - MD Webinar - Interactive email and Website feedback 	Consultation informs budget setting	You are heard
November	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
January	Annual Group You Choose Challenge launched	Ideas are crowdfunded, innovation is supported	You decide
February	Co-creation session with staff and Customer Voices identify 3 ideas to take forward	3 ideas are identified	You decide
March	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement – which helps develop the Customer and Community Voice programme	You influence and co-design
April	The 3 “You Choose” ideas are marketed on-line and voting takes place	Customers decide on policy	You decide
April	Customer and Community Voices annual Group conference – presenting their findings	Confidence building and skills development – showcasing achievement	Your voice is stronger

	to senior staff, Boards and other stakeholders, including interested customers		
May	Customer ideas and feedback are incorporated in Board strategy sessions for Board consideration	Customer input informs strategy development	You influence and co-design

Stronger Voices, Stronger Communities

Customer Engagement Framework

December 2020

Stronger Voices, Stronger Communities

Vision

Our vision is to support our customers to reach their potential. Our strategy for making this real will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want.

The development of our approach has been informed by feedback from our customers and by the research project carried out for us by The Democratic Society “Democracy Starts at Home”.

We want to challenge ourselves in our approach to engagement – to create that unprecedented shift in power to the customer. Our 2021-26 strategy **Your Home, Your Future, Your Community** emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 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.

This shows how a Wheatley Customer will personally experience our engagement with them in 2026 – how it looks and feels to them.

I feel in control and have choices

- I take charge of my life, I self-direct my services.
- I have access to training, life skills, employability, support.
- I see a brighter future for myself and my family.

I shape the services I receive

- I influence the things that matter to me.
- I can give instant feedback.
- I understand performance from both a customer and business perspective.
- I can get involved through crowdsourcing ideas, designing, voting, on/offline discussions.

I have access to the information I need

- Online access provides me with all info about my home and community at my fingertips – account, costs, maintenance history, investment plans etc.

Each customer is an individual who will want and/or need different levels of engagement to feel this experience. Our engagement approach is designed to support customers' choices for the experience they want. The emphasis will not be on expecting customers to form constituted groups, meeting in specified locations at set times. Instead the approach will be to encourage **accessibility** – anyone can volunteer for an activity without further commitment – and **flexibility** – people can express views at a time and in a way that suits - online, 24/7, from home, or in person.

By making our engagement options more flexible for customers we seek to improve the opportunities for engagement which are available to our customers and widen the diversity of customers who are actively involved in shaping services. We will support our customers and communities to feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential.

The Framework

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

Figure 1 – The Stronger Voices framework



1. We Listen **You are heard**

Processes

This is a very open form of engagement which we would expect all customers can and will access at some point in their relationship with us. It enables customers to put forward ideas which are not driven by our agenda. Currently we engage with customers under this pillar in a variety of ways. Our **Think Yes culture** means that any staff member engaging with a customer listens and responds to what the customer is saying to find a positive solution. **Customer conversations** carried out by Housing Officers are an example of this – where the customer can bring up anything which is important to them, and the Housing Officer listens to understand what our role might be and how we can help. Often this will be about opening service options for customers, but it might also be about supplying information, or

developing insight which will help for example to create a community project or influence a service change. **Facebook** can also be used by customers to express what is on their mind rather than responding to any focused question we have asked.

Voice of the Customer is the process we use to identify on-line feedback on various service areas or topics. This type of process will become increasingly important customer on-line self-service increases.

Community groups/meetings are another way in which customers can raise issues which matter to them, for example a staff member might attend a community meeting where the main topic of conversation is lack of public transport. While we do not have a direct role in this it helps us to build community insight and we may be able to help influence other community partners or support grant funding applications.

Learning from complaints analysis is also an important way in which we listen to what our customers are saying, and change the way we deliver our services as a result of their feedback.

Key Roles

Our main job roles who engage with customers in this way are our front-line staff

- Housing Officers
- Engagement and Foundation Officers
- Care Workers and Managers
- Customer Service Centre staff
- Lettings Advisors
- Repairs and Investment staff
- NETs staff
- Locality Directors/Heads of Housing

Outcomes

The main purpose of this pillar of engagement is to provide solutions to our customers for the issues they raise. This is a cornerstone of our Think Yes culture.

The outcomes are increased customer satisfaction; faster complaints resolution; lower levels of waste demand, better customer relationships.

Another outcome is the ideas and innovation that customers can bring to our business. Insight gathered through this form of engagement is collected and

structured through the locality planning process, complaints analysis and survey feedback.

2. *We consult and co-create You influence and design with us*

Processes

As part of this pillar we currently use a number of consultative processes. These include **rent consultation** or other **policy proposals, project proposals, surveys** ranging from small/local, service specific eg repairs, to wide ranging such as our annual customer satisfaction surveys. **Focus groups** are a method we also use to seek more qualitative responses which can still be used to provide structured and representative views.

These are important processes, but our ambition is to support more opportunities for customers to become proactively involved in working with us to design services. We believe some customers will find this very rewarding although we recognise it will not appeal to all customers as it requires a greater degree of time and effort. So the key processes focus on design – service design; estate design; system design; and home design.

We will introduce the concept of **Customer and Community Voices**. These will be customers who will work alongside officers to inspect, advise on and design how we deliver services and projects. We will design an annual programme for our Customer and Community Voices which will be informed by our Group strategic delivery plan so the customer voice is at the heart of our strategic projects. There will be a recruitment and training programme for customers to encourage and support involvement in this and to help build capacity. An early example of this type of involvement is the programme we have to train customers as Keep Scotland Beautiful (KSB) assessors – so that they can carry out joint estate inspections with our staff and contribute to how we can jointly improve our environments.

One of the activities our Customer and Community Voices will be involved in is **customer journey mapping**. When we explored this as a concept with our customers during our International Conference on Engagement it was one of the most popular activities with our customers, and brings huge insight as to how our processes and systems can be improved to deliver a better customer experience.

On a more individual basis, our Health & Wellbeing Assistants work with individual care customers using an **Outcome Star method** which supports the people we work

for to identify the aspects of their life they want to improve and how to go about it.

Key roles

Our main job roles who engage with customers in this way are those with a responsibility for service and strategy development

- Community of Excellence Leads
- Business Leads
- Investment Managers
- Development Managers
- Project Officers
- Service Improvement staff

Outcomes

The main purpose of this pillar of engagement is to test and consult on proposals; identify what doesn't work in current processes or policies; co-design new services or products; and challenge our collective thinking in order to improve. The outcomes are increased customer satisfaction; fewer complaints; lower levels of waste demand; and better value for money as resources are deployed in accordance with customer priorities.

Ensuring that the customer voice is heard and enabling co-design as an early milestone in our strategic projects will deliver innovation and fresh thinking in our delivery. Customer focused design has always been important to us, but the process of co-creating with customers in the design process is a new part of our approach.

3. *We give power to... You decide*

Processes

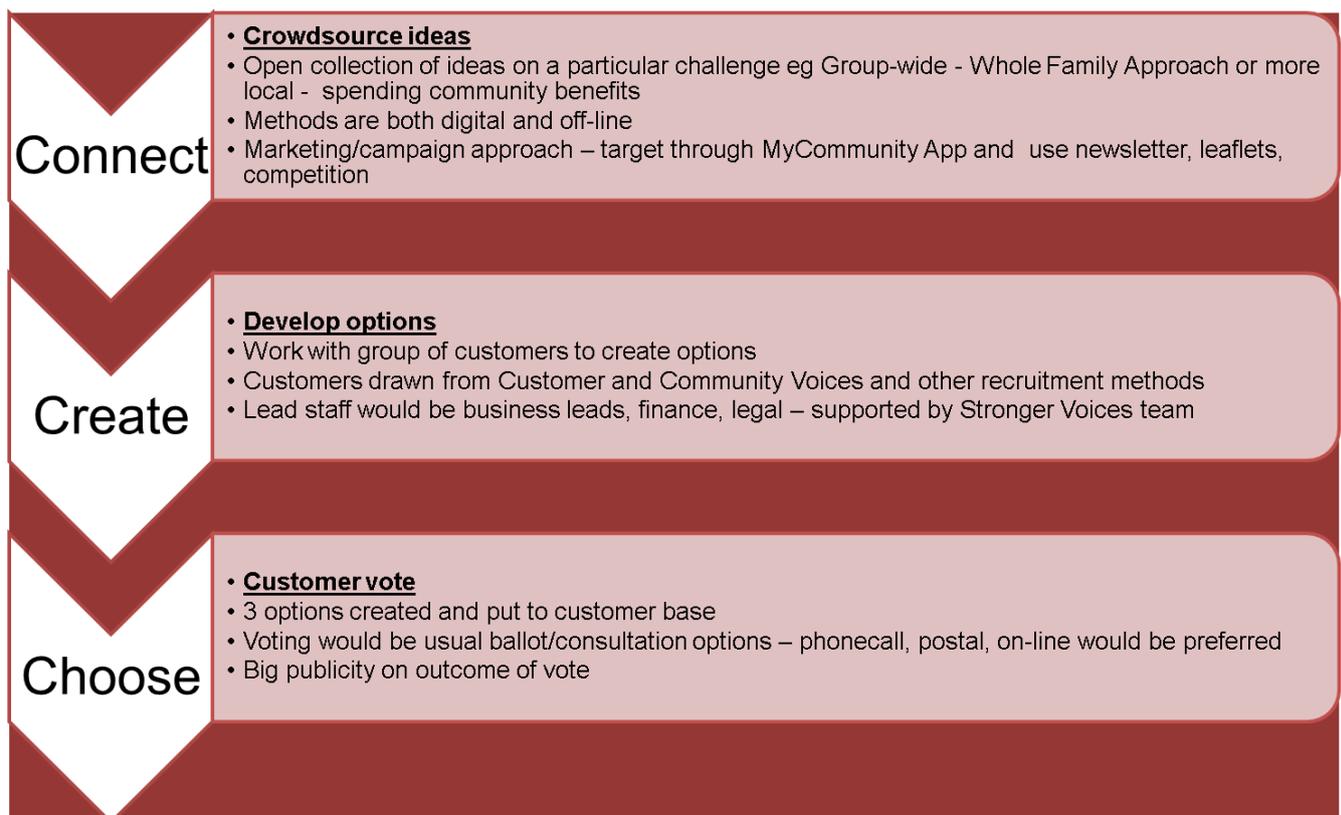
The processes for this pillar focus on ways in which we can safely empower our customers to make decisions on their own homes and environments, and to make decisions on priorities and resources. Our development of on-line, self-service tools help to promote this for the individual customer - for example, they can decide and track when and where they want a repair carried out; use a budget calculator to

make a decision about whether they can afford their own tenancy; or use the Wheatley MyCommunity app to seek consensus with neighbours to improve a shared garden area or other neighbourhood improvement ideas. The LivingWell model for older people uses supportive technology to give people more control and independence in their homes and communities.

An example of further empowerment for the individual customer is **Your Homechoice**. This will provide an allowance for customers taking up their new home with us to choose some work to be done that helps turn the house into a home for them. For example this could be the installation of additional power points which helps them to create a home office environment, or the installation of additional shelving or a kitchen unit which assists with storage solutions.

The **You Choose Challenge** will be one of the key methods we use to engage customers to make collective decisions about priorities and resources. This method is illustrated in Figure 2.

Figure 2 – You Choose Challenge



You Choose Challenge can be used to support a Group-wide decision, for example how to make a policy more family-friendly. But it can also be deployed more locally for example to decide on community projects or local investment decisions.

Key roles

The key staff roles involved in this pillar will be those which carry budget responsibility and decision-making power as this power will need to be appropriately devolved

- Executive Team
- Director of Finance
- MDs
- All Directors

Outcomes

The main purpose of this pillar of engagement is to empower customers to make decisions and choices about what matters to them. Our customers and communities will feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential. Self-directed services, innovative approaches such as Outcome Star, Livingwell for older people and Housing First help build the trust, confidence and ability of individuals to make the changes that are important to them, giving people more power and control over their lives and their futures.

The outcomes are increased ideas and innovation; increased customer satisfaction; fewer complaints; more customers feeling involved in decision-making; and better value for money as resources are deployed in accordance with customer priorities.

4. *We support*

Your voice is stronger and people listen to you

Processes

The processes for this pillar focus on ways in which we can support people to develop their potential and raise aspirations. We have experience of using many of these processes already, especially within Wheatley Care and other support services provided throughout the Group. Encouraging volunteering, as in the LivingWell service; encouraging individual expression through music and art; and supporting youth development projects are all ways that we currently support people to develop their potential. On-line tools such as the MyCommunity app will help people connect better with these opportunities and with each other.

The support provided through the Wheatley Foundation to access apprenticeships and bursaries is another method by which we support capacity development. This engagement framework provides an opportunity to integrate this support and develop it further through wider engagement opportunities. We will provide a learning suite and potential accreditations for those customers who become Customer and Community Voices, helping them to develop their skills to assess information, challenge approaches and express their views. This will form one of the pathways for customers who may be interested in positions as Board members.

Key Roles

Our main job roles who will support customers to develop their potential are

- Stronger Voices Officers
- Care and Support staff
- Health and Wellbeing Assistants
- Wheatley Foundation Officers
- Academy staff

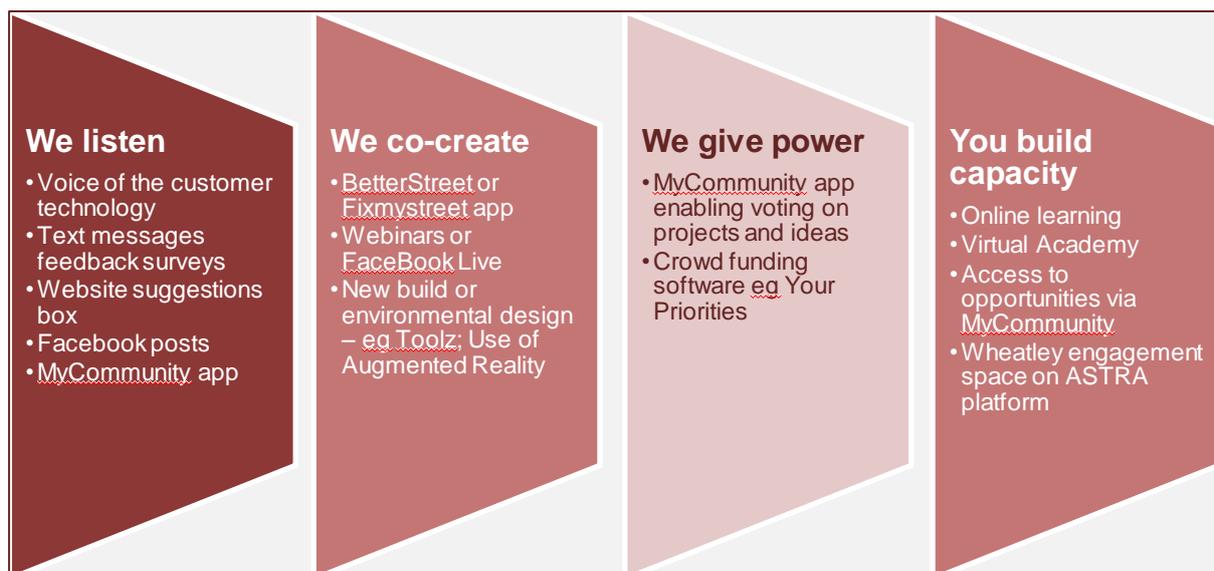
Outcomes

The main purpose of this pillar of engagement is to support people to develop their potential and build capacity and resilience in our communities.

Digital Engagement

The engagement framework is based on a blended approach which understands the value of face-to-face interaction but also the opportunities that can come through digital methods of engagement. We will develop digital engagement tools which will support the different pillars of the engagement framework as illustrated in Figure 3.

Figure 3 – Digital tools to support engagement



The development of the **MyCommunity app** will be the key mechanism to support digital engagement. This will enable customers to join a local neighbourhood digital engagement forum where they can engage with their Housing Officer or other key staff on community issues. We will be able to share local information specific to each community and also Group-wide information where appropriate eg to promote benefit take-up campaigns. Customers will also be able to promote activities or information and support which is available locally, as will other partners with whom we work.

Digital engagement can replace or supplement off-line community activity such as a meeting to discuss investment in a block. This should enable a wider range of input by increasing the methods by which people can take part in sharing information and views; building community consensus; and reaching decisions. Importantly, we will ensure that digital engagement is used to increase the range of customers who are able to participate. We will support customers to engage on-line but we will also ensure that no-one is excluded from involvement because they are unable to participate in this way.

Other digital methods which we will develop include the **integration of feedback within the customer service journey**. The opportunity to provide feedback will be

available at different points in the service journey – for example to provide feedback on-line through text, web or app feedback after ordering a repair; then again after receiving the repair. This can also be developed for example to contact a customer after they have completed their first year of tenancy with us, to seek feedback on their experience.

We will develop our **digital toolkit** to seek opportunities to make engagement more fun and engaging for our customers. This may be through working with our partners eg new build contractors on video technology so that customers can take a visual on-line tour of a development. There are also apps available such as BetterStreet which can help engage residents in assessing their neighbourhood environment and providing comment on what works for them, what makes them feel safer etc.

Staff resources

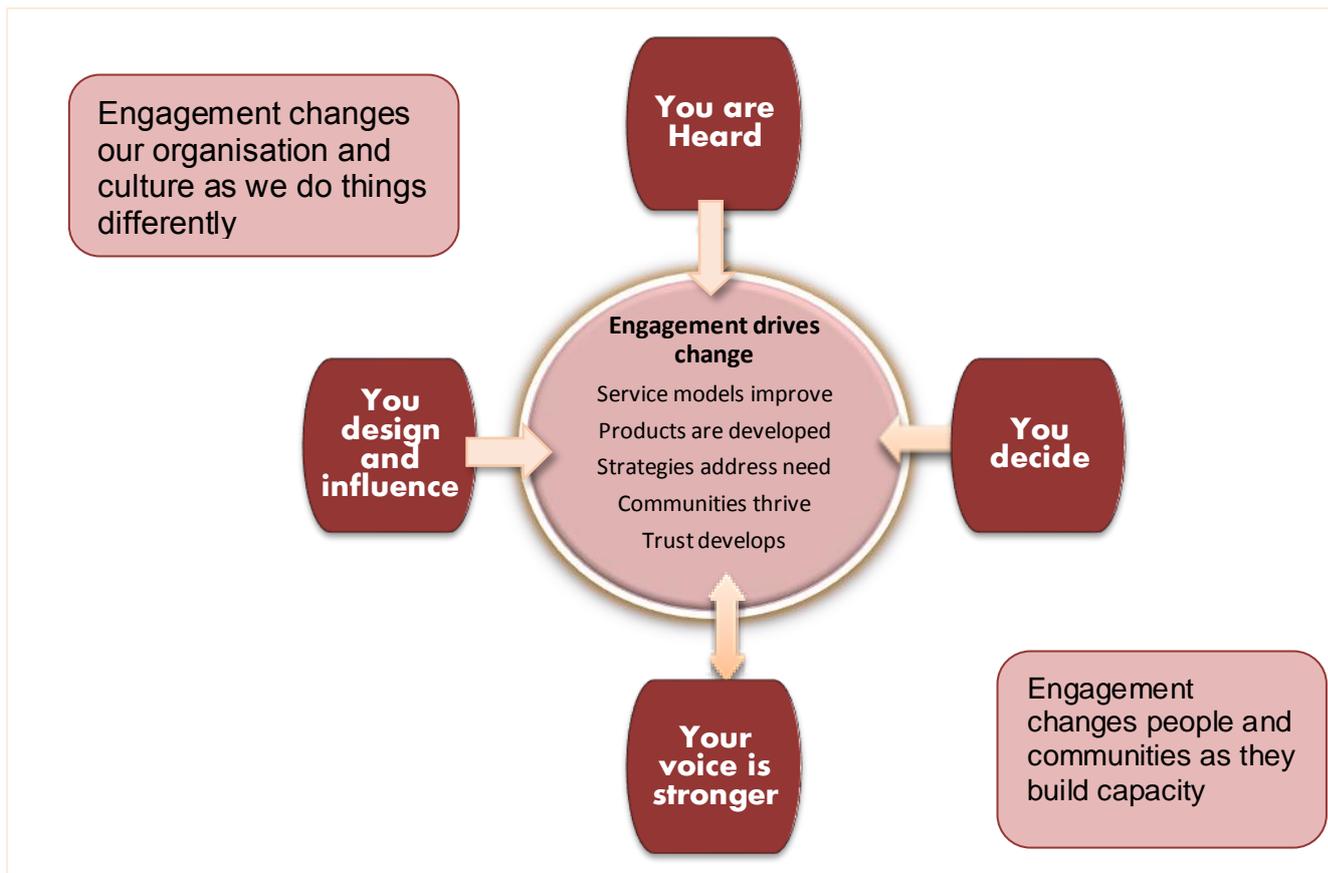
Every member of staff in Wheatley Group has a role in promoting engagement and responding to the customer voice in all our activities. The Stronger Voices team will support business leads to ensure this happens and will oversee the annual engagement programme which supports the customer voice throughout our strategic activities. A sample programme is attached at Appendix 1 of this document.

The team will include Digital Officers who will be responsible for exploring digital opportunities for engagement and supporting customers to develop their digital skills.

Framework outcomes

This engagement framework is designed to support our ambition to promote a culture which places the customer voice at the heart of everything we do. Through our strategy **Your Home, Your Future, Your Community**, we have set out to challenge ourselves in our approach to engagement – to create that unprecedented shift in power to the customer. Our 2021-26 strategy emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 we hope 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. Through this journey with our customers we hope that our communities will become stronger; more resilient; and able to make their voices and their expectations heard more widely.

Figure 4 - Framework outcomes



KEY PERFORMANCE INDICATORS

- Overall customer satisfaction above 90%
- Over 90% of Care customers satisfied with the overall service
- Overall satisfaction amongst households with children 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
- 50% of strategic delivery plan projects include customer engagement as an early milestone
- 100 Customer and Community Voices recruited in 2021
- 25% of customer-facing budgets will be controlled by customers by 2026

Wheatley strategic engagement - sample programme

Month	Activity	Outcome	Supporting pillar
March	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement	You influence and co-design
March	Annual programme for Customer and Community Voices is created	Annual programme of activity is identified	You influence and co-design
April	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
May	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
May	Recruitment drive for Customer and Community Voices launches	New opportunities for involvement	You influence and co-design
June/July	Summer gala days/outdoor events	Publicise services, publicise feedback loop, community consultation, local investment priorities, apprenticeship programme	You are heard

August	Apprenticeship programme launches	Young customers are supported into the labour market, building skills and resilience	Your voice is stronger
August	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
September	CEO webinar	Provides early context for rent consultation and shows how customer views drive strategy and budget setting	You are heard
October	Rent consultation <ul style="list-style-type: none"> - Face-to-face focus groups (balanced for age/gender) - MD Webinars - Interactive email and Website feedback 	Consultation informs budget setting	You are heard
November	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
November	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
January	Annual Group You Choose Challenge launched	Ideas are crowdfunded, innovation is supported	You decide

February	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
February	Co-creation session with staff and Customer Voices identify 3 ideas to take forward	3 ideas are identified	You decide
February	Budget process is finalised	Agreed % of customer facing budgets is decided by customer priorities	You decide
March	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement	You influence and co-design
April	The 3 “You Choose” ideas are marketed on-line and voting takes place	Customers decide on policy	You decide
April	Customer and Community Voices annual conference – presenting their findings to senior staff, Boards and other stakeholders, including interested customers	Confidence building and skills development – showcasing achievement	Your voice is stronger
May	Winning idea is incorporated in the strategy review and taken forward	Publicity of process and winning idea – customers see that they have decided on policy	You decide
May	Other ideas and feedback are incorporated in Board strategy sessions for Board consideration	Customer input informs strategy development	You influence and co-design



Report

To: Cube Board

By: Laura Henderson, Managing Director

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

Subject: Operating model update: approach to service delivery

Date of Meeting: 16th February 2021

1. Purpose

1.1. To present, how our approach to service delivery will develop during the 2021-26 strategy period.

2. Authorising Context

2.1. Under the Group Authorise/Manage/Monitor matrix, the Board are responsible for approving our Strategy and Business Plan. Developing our approach to service delivery including through increasing the use of digital mechanisms is a stated objective, and the direction presented here is a key step in realising this.

3. Risk Appetite and Assessment

3.1. Our risk appetite relating to operating models and modernising of services is hungry i.e. eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).

4. Background

4.1. Our commitment to exceptional customer experience is a key theme in our strategy. Discussions with the Board as part of updating our strategy highlighted that *'Digital service delivery will be the norm, but we will ensure no-one is left behind. We will prioritise the introduction of new service models in the first year of the strategy based on our experience of working during the pandemic, blending digital and face to face service whilst maintaining a strongly personalised approach.'*

4.2. This recognition of the importance of digital is not new and has been a clear direction of travel and priority for our staff and customers. However, also as noted in feedback on the strategy from the board, *'the Covid pandemic has provided an accelerant, which we should embrace, to the objectives and plans already set out in the draft strategy in two respects;*

- *increasing the use of digital methods for engaging with our customers and delivering services which are convenient, reliable and give the customer greater control;*

- *while around 70% of our staff are not office-based, our staff operating model should transition to a more hybrid home/office working approach now for staff who were previously office-based, accompanied by wider support for our people to work and lead in a more digital context.* ‘

- 4.3. Our plans for our new ways of working will see us adapt from a “traditional” office-based set-up, with the vast majority of staff working in 9-5 or fixed shift patterns, to a much more flexible approach. This will include a hybrid model, where staff would have the choice of how to achieve the best of both worlds – social contact with colleagues every week, but flexibility to work from home, with reduced travel time and cost.
- 4.4. Our corporate hub model makes clear that our future physical spaces will be places for collaboration, learning and inspiration. This fits with our local operational model and experience over the years. Customer footfall in our offices has steadily declined to a point where they have effectively become a staff base from which mobile working takes place to serve customers in communities, rather than frontline service delivery assets.
- 4.5. The approach to service delivery discussed here is the final step in defining how we will apply the accelerant from how we have responded this year to realise key aspects of our already agreed strategy more quickly than would have been otherwise possible.

5. Discussion

- 5.1. We already have a reputation for delivering excellent services that meet customer needs. This has been achieved through continually refining our approach to service delivery. Our next development of our approach to service delivery will make a major contribution to many of the strategic outcomes we have set in the 2021-26 strategy, including:
 - **Delivering Exceptional Customer Experience** - Our approach to service delivery will bring us close to our customers in communities, provides direct customer input to our repairs and other services and positions us as an online business;
 - **Making the Most of our Homes and Assets** - Our approach will reduce travel including to offices and the resources needed to operate them; thereby increasing sustainability and reducing carbon footprint
 - **Changing Lives and Communities** - Our approach to service delivery will concentrate our highly skilled, field based workers in communities where they can work with customer to create peaceful and connected neighbourhoods and support economic resilience
 - **Developing our Shared Capacity** - Our approach is built on collaboration, is innovative and focuses on strengthening the skills and agility of our staff
 - **Enabling our Ambitions** - Our approach to service delivery embraces digital platforms to support our activities

- 5.2. We expect all of our approaches to service delivery, albeit some to a greater extent than others, to develop through the accelerant provided by the Covid pandemic. Notable opportunities that will contribute to this include the ability to serve the customer more flexibly, move to hybrid working for staff, have non-customer facing hubs where staff can cluster and develop our digital and online approaches more rapidly than would have otherwise have been possible.
- 5.3. Our services including the environmental NETS team, repairs and dealing with antisocial behaviour will, as now, continue to be built on skilled staff, providing high quality services to customers in their homes and communities. Service models in these area will be enhanced including through greater use of online, digital, video and developing automatic confirmation of appointments and progress/service delivery updates and the ability to anticipate customer actions and respond proactively. An essential aspect of these new service models will be providing our customers with easy routes to let us know when we have not lived up to our commitments. In practice, this will be achieved through having mechanisms, as part of every service, that are focused exclusively on providing a customer with the ability to let us know quickly when they are not satisfied, and that are geared towards us taking immediate action to resolve the situation. Examples of this include:
- As part of every repair, pushing a text to the customer asking for them to rate the service, monitoring this in real time, calling every customer who does not rate the service highly and arranging immediately for necessary action to resolve the situation
 - Our Housing officers leaving cards as part of every customer interaction, with a dedicated helpline number for the customer to call if the experience or service had not met their expectation or resolved the issue
 - Introducing technology into the Customer Service Centre (“CSC”) where a customer is asked to remain on the line at the end of a call to rate the service. Again, any negative feedback would trigger an immediate call to the customer to identify and resolve the issue
- 5.4. The examples above are intended for illustration. In developing this approach multiple mechanisms will be deployed to ensure customers have choices in how they tell us their expectations of how we would meet our commitments were not met. This will ensure we do not require a customer to use an approach they are uncomfortable with (e.g. some might want to avoid providing negative feedback on the phone) or that is not available to them (e.g. not all customers will have access to a mobile phone) when they are taking the time and effort to feedback on where we could do better.
- 5.5. In-depth change will happen in our housing service for staff as they work flexibly to meet the needs of customers at times that suit them in a hybrid environment spanning communities, our new hubs and their homes, and make even greater use of digital methods to keep in contact with customers. The greater strategic focus on knowing quickly where we have not met our commitments and acting will also mean that staff are required to be even more dynamic in their approach so they can get involved and fix the cause of any dissatisfaction, quickly.

- 5.6. Our colleagues in the CSC will also adapt, shifting from call handling to being a resolution centre that meets the customer need at point of contact, with no presumption or ability to pass it on. This will require significant change including not only having the key ThinkYes principle of meeting the customer needs at point of contact embedded in our people, but also in our digital environments. Key to this will be designing customer journeys through webchat and web self-service that are natural for our customers and that encourage the customer to express their needs, so it can be understood and resolved, rather than channelled through pre-determined pathways to pre-set outcomes.

Our platforms

- 5.7. Key to these and other changes will be being clear on the platforms that we will build our approach to service delivery on and their purpose. These platforms will be:
- **Web self-service** for simple transactions (such as making a rental payment) that the customer wants to complete quickly with minimal effort.
 - **Web chat** for transaction where the customer needs a little advice or guidance, such as querying a bill, and that can be completed in a few interactions.
 - **Phone** for more complex interactions, such as a wellbeing check or raising/responding to an issue, where we or the customer want to understand the situation.
 - **Face-to-face** for more complex situations where we need to investigate or the customer is vulnerable, and for high value interaction for the customer and us such as moving into a new home.
- 5.8. At present our **web self-service** offer is immature. We currently have over 50% customers online with 2188 registered customers, however the numbers transacting with us regularly is lower. The main uses of this platform currently by customers is for payments, to register for MySavings, or to make service requests, such as a bulk uplift or to request a call back from their housing officer. The ability to raise a repairs was also available on a trial basis earlier in the year but it is not offered currently while we are fully remobilising our service.
- 5.9. As part of developing this platform, priorities will include:
- increasing customer transactions (and registrations).
 - resolving around 20% of all customer service requests through this channel, there and then.
 - making it possible for customers to self-serve less complex repairs (e.g. fix leaking tap, replacing skirting).
 - introducing the ability to book an appointment (e.g. with Housing Officer, for bulk uplift, for a repair) at a time that suits the customer.
 - reflecting the greater speed and simplicity of requests on this platform through having differential service offers. These offers would be built on recognising that where we get a service request and/or we can resolve it more quickly, then this should be available for the customer. An example of this would be making it possible for customers to book 2-hour appointment slots for a repair on this platform rather than a 4-hour slot by phone.
 - building customer confidence and supporting use through offering web chat and a phone call if needed by a customer to complete their transaction.
 - exploring the potential of an App.

- 5.10. **Web-chat** is available on MyHousing at present with approximately 11,000 interactions last year. Maturity of this platform elsewhere in our business is low although the recent upgrade to our CRM system, Astra, means limited development is needed to deploy this capability across multiple service lines. Priorities for deploying this platform include:
- deploying it and promoting it as an alternative to phone for our customers who are comfortable with this platform and way of interacting.
 - Expanding the offer, including the existing 9-5 MyHousing service, to 24/7/365 to support around 10% of all customer transactions.
 - training staff to converse with our customers over chat.
 - developing the ability to choose to speak with an advisor and pushing this to a customer when they appear to be struggling to use the platform effectively.
 - exploring the potential of chatbots and automation for simple transaction.
- 5.11. Our **phone** based service through the customer service centre and customers being able to contact our housing officers is well established and mature. Last year, there were over 700,000 calls to the Glasgow Hub, including in excess of 250,000 for repairs. Other key areas include general enquiries and making a payment. While this is a mature platform, significant change will be made as part of our new approach to service delivering including:
- moving from a traditional contact centre to a resolution at point of contact centre
 - dealing with around 50% of all customer interactions through this platform and resolving well over 95% there and then.
 - anticipatory interventions and proactive outbound calling to support business objectives (e.g. gas servicing), where needed for rectification (e.g. call to reschedule if we expect an appointment to be missed or this happens) and in support of scheduled customer wellbeing campaigns
 - proving a helpline where customer can detail when a service did not meet their expectations and that has the authority to take the action needed to make this right
 - promoting and reinforcing our 24/7/365 service so our customers know they can get full service at any time which will help smooth demand throughout the week and fit with more agile working among many of our customers.
 - introducing automated text confirmation of appointments and the ability to see where repairs operatives are when on route to the customer home.
 - updating the IVR and adding virtual queuing so customers can request a call back rather than waiting on hold when demand is high).
- 5.12. As now, **face-to-face** will be our most important platform going forward. This platform is mature and widely recognised as the main value component for customers, staff and our business across a wide range of activities in communities. These activities range from providing visible presence through our day in, day out actions of Housing Officers and routine service delivery every day through our NETS and repairs, to supporting our most vulnerable customers in complex situations including through Housing First, the work of the CIP and Wheatley Care staff. Going forward, this platform will develop as part of our approach to service delivery through:

- maintaining our focus in communities, never forgetting that most of our staff will work in this way, delivering services and resolving 20% or so of our most complex customer interactions.
- scheduled welfare checks – building on the value this brought us during lockdown - with customers to make sure they are ‘doing ok’ with the ability to act when not.
- continuing to use new technology (phone, video, WhatsApp etc.) where appropriate to interact with customers.
- exploiting flexibility from our new ways of working to serve customers at times, and in locations, that suit them.
- exploring the value of predictive analytics to anticipate requirements, guide actions and augment staff judgement. This, along with GoMobile and other planned developments in digital will maximise our ability to take action when with customers in their home to meet service needs there and then

5.13. In developing our approach to service delivery we also need to recognise the different demographics and segments we serve, and that particular experiences and skills will impact which platform customers are most comfortable using. To support this, we will look to market different options to different demographics. Examples of this might include recognising that some:

- older customers may prefer to use phone and face to face rather than web self-service or web chat, even for what we might regard as a simple transaction
- younger customers may tend to adopt non-voice platforms because it is their preference even when we think phone or face-to-face are more appropriate for the particular request

5.14. Our planned virtual patches through which our resources will be tailored to, and build in-depth expertise in, the needs of particular customer segments such as older people and asylum seekers is also part of how our approach to service delivery will become even more finely tuned and we will make sure no customer or group is left behind.

5.15. We expect our approach to service delivery through these platforms and the planned development activities to bring many benefits for our customers and our business including:

- even greater flexibility to serve customers when it suits them.
- staff no longer working 9-5 or fixed shifts, or from an office based environment.
- far quicker and simpler resolution for the vast majority of customer service requests, at the first point of contact through web self-service, web chat and by phone.
- complex, emotional customer interactions dealt with by skilled staff in the field or by other means that suit the customer.
- much less dependency on geography - staff working remotely can serve customer wherever they are.
- a more connected group with staff clustering in any location and leaders working across our geography.
- simpler paths to rapid rectification, as we increasingly anticipate when things have not gone to plan.

Leadership

- 5.16. As highlighted in our strategy and reinforced through earlier Board consideration of the people and physical aspects that will shape our operating model, adaptive leadership in a more digital context will be key to our future service delivery. As now, we will look to our leaders to collaborate in bringing the approach to service delivery to life. The role our leaders play in developing staff and ensuring the quality of our services will, as now, be critical in our new approach. Achieving this will involve regular in person one-to-one sessions with staff, creating conditions for empowerment and providing clear authorising frameworks, albeit often in less formal settings than the office locations of our past.
- 5.17. Our new models will also require adaptive leadership that is comfortable in two contexts that come with our new operating model, namely:
- Leading when staff cluster in hubs, reflecting how important these physical spaces will be. and
 - Leading when many staff are working more remotely including at home at times through our hybrid model for people.
- 5.18. Our expectation is that leaders will lead by example, operating in a hybrid way spending their time across our various hubs, working from home and engaging stakeholders.
- 5.19. When leaders cluster in hubs with each other and/or their teams they will be expected to:
- champion the service model so it becomes established and we make the most of the opportunities it brings.
 - advocate for the customer to ensure our approach to service delivery meets need.
 - motivate teams and each other including nurturing and sustaining individual wellbeing.
 - innovate and bring new ways of working that benefit the customer, quickly.
- 5.20. Providing the leadership staff need as part of our approach to service delivery when they are working at home or spending time in communities with customers will also be essential. Here we will expect our leadership to:
- enhance performance in an environment where face to face contact is reduced.
 - communicate in virtual environments where this will be less natural and there are fewer visual indicators to go on.
 - be digitally literate, as Zoom, WhatsApp, social media, AI etc. become an ever increasing part of everyday life.
 - adapt to new challenges and ways of working that best meet customer needs.
 - be available when staff need them, especially when working at weekends and evenings is part of our more flexible approach.

Behaviours

- 5.21. As like now, behaviours will be key to the success of our approach to service delivery. Our new approach will, amongst other things, require our people to be:
- committed to co-creation with our customers and equipping customers to do the right thing for themselves and become self-reliant.
 - comfortable in an environment where 75% of staff do not routinely work 9-5 or fixed shifts.
 - able to balance working in communities and from home.
 - willing to take power to make the right decision and act quickly to resolve customer requests and to seek out and deal with any situation where the customer is not satisfied.
 - proactive in identifying customer/service issues and intervening to correct them.
 - collaborative in working across group and beyond.
 - accountable for their performance and career progress.
- 5.22. Currently our staff bring many of these behaviours as demonstrated by their contribution in already providing an excellent service including during the pandemic. Staff commitment to their own development will be particularly important especially given the hybrid nature of work for many and reduced face to face contact. Key to this in our new model will be our peoples' ability to:
- tap into peer-to-peer networks for ideas, support and sharing.
 - identify and own their development needs and be active in making sure these are met.
 - explore flexible career models and be open to opportunities as they develop.
 - be confident and assertive in dealing with a range of stakeholders.
 - look after their own wellbeing.
- 5.23. As mentioned above, staff wellbeing will, as it is currently, be a major consideration in ensuring the success of our approach to service delivery. Key aspects of this will include:
- continuing, as we have throughout, while the pandemic remains to have a Covid secure workplace and to implement learning in terms of workplace hygiene and infection control.
 - tackling staff isolation including through nurturing collaborative working, introducing tools to support this and retaining a strong focus on the team.
 - making training and coaching sessions interactive with small numbers to encourage participation and establish relationships.
 - developing specific induction and training programme to help younger and new employees adapt to our approach to service delivery.
 - investing in the right technology so that staff are confident of delivering the new service model.
 - ensuring staff have the right home working environment for applicable staff.
 - Encouraging physical activity.
 - Promoting positive mental health including through giving staff control and the ability to make a difference through a service delivery model with staff empowerment and clear authorisation frameworks at its core.
 - Developing wellbeing package that support flexible working.
 - Using our new hubs where staff cluster to make connections.

Wheatley Solutions

- 5.24. The focus in this paper so far has mainly been on our new approach to service delivery for our customers. However, the platforms and approaches to service delivery discussed here will be equally applicable to Wheatley Solutions and how it works in an agile way to support us as we serve customers when it suits them. The platforms discussed (WSS, web chat, phone and face to face) will be applicable to meeting the needs of internal colleagues and used in similar ways as for customers, with self-service and chat options developed for more straightforward transactions, and phone and face to face for complex matters. Opportunities created through our new approach such as staff being able to work in a hybrid way and not being bounded by geography will be key as Wheatley Solutions develops its approach to service delivery as part of our new operating model. Having a performance framework for Wheatley Solutions that allows group partners to be clear on the contribution made to their business objectives will be a priority.
- 5.25. The new approach to service delivery discussed here is expected to have a major impact in realising the ambition and strategic outcomes in our 2021-2026 strategy including to make digital service delivery the norm, while never losing the personal touch. Our new approach is also expected to deliver particular service outcomes including that:
- 85% of service requests will be fully resolved at first point of contact.
 - 25% of customers will choose to transact with us at times that are convenient for them outside 9-5 weekday hours.
 - 75% of our staff are working more flexibly.
 - 90% of our complex, emotional customer interactions will be dealt with initially by skilled staff in the field or by means that suit the customer.
 - Over 50% of customers will actively use their online account to transact with us.
 - Satisfaction with complaint handling will increase by 10%.

6. Key Issues and Conclusions

- 6.1 Consideration of our strategy by the Board agreed the accelerant that the on-going pandemic has had on reaching the operating model set out in our 2021-2026 strategy. The Board has agreed some elements of how this operating model will be achieved including hybrid, flexible working by staff, and our move from a 'traditional' office based approach to hubs. The final piece of our new operating model is the new approach to service delivery presented here. This approach is based on having platforms, with clear purpose through which customer interactions will take place, leadership approaches that support the approach and behaviours that will underpin its success.
- 6.2 The approach to service delivery discussed here will impact every aspect of our operations.
- 6.3 Our approach to service delivery, will provide the framework within which our platforms and core services will be developed at pace.

7. Value for Money Implications

- 7.1 Our new service model will impact each of our value for money drivers – having an effective repairs service, investment in customer homes and 24/7 customer service. Specific details of impact and benefit on each driver will be developed as part of taking forward approaches outlined here for these and other services.

8. Impact on financial projections

- 8.1. The investment needed to accelerate our new operating model was agreed by the Wheatley Board at its October meeting.
- 8.2. Specific financial appraisal will be undertaken as part of making investment decisions for each platform.

9. Legal, Regulatory and Charitable Implications

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

10. Implementation and deployment

- 10.1. The approach to service delivery will be in place for summer 21 recognising our existing commitment to having new service models in place during the first year of our strategy, the accelerant impact from the Covid pandemic and most importantly, the value the new approaches to service deliver will bring for customers and staff. Specific implementation plans will be put in place for each of the platforms discussed here.

11. Partnership Implications

- 11.1 The consideration in this report applies to all group partners.

12. Equalities Impact

- 12.1 There are no equalities implications associated directly with this report. Appropriate arrangements will be developed for vulnerable customers, those with particular needs, and different demographics to ensure no one is left behind as part of implementing the new approach to services delivery.

13. Recommendations

- 13.1 The Board is asked to:
- 1) Note the approach to service delivery set out here for the 2021-2026 strategy period; and
 - 2) note that this approach to service delivery will form part of our operating model along with more flexible working by staff and development of corporate hubs.



Report

To:- Cube Board

By:- Laura Henderson, Managing Director

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

Subject:- Group Homelessness Policy 2021-2026

Date of Meeting:- 16th February 2021

1 Purpose

1.1 This report presents the new Group homelessness policy, which supports the ambition in ***Your Home, Your Community, Your Future*** to lead in the national agenda around rapid rehousing and Housing First, supporting the Scottish Government and local authorities in the delivery of their five year plans.

2 Authorising context

2.1 Our work on homelessness is a key part of our Group Strategy “Your Home, Your Community, Your Future”. It expands across our housing, care and foundation activities. Our approach to homelessness, and the contribution we will make in terms of social housing provision, are strategic decisions. The designation of a policy as a Group Policy is reserved to the Group Board. The day to day operational work will be delegated to the Group CEO under the Group Standing Orders. The report is provided for information and comment to the Cube Board.

3 Risk appetite and assessment

3.1 Our risk appetite for service improvement is “open”. This means we are prepared to take the risk of adopting the approach that is most likely to result in successful delivery of our service objectives.

3.2 Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. 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 Group Strategy highlights some key actions that we will take in relation to homelessness:

- Housing 10,000 homeless households by 2026;
- Strengthening the pathways of services and support for homeless households through working with those who have lived experience;
- Creating an integrated Group value proposition through our expertise and resources across care, support, housing, advice, training, volunteering and employment.

4.2 It emphasises the work we have done over the past five years with customers and communities to ensure our neighbourhoods are places customers want to live. In the next five years we aim to future-proof this by an increased focus on resilience, skills and confidence. This aim is central to our new Homelessness Policy.

4.3 This Policy sets out in more detail how these commitments will be delivered. It builds on our existing strong record. As well as providing temporary and permanent homes to homeless households we have provided the most extensive range of additional support in Scotland including money advice, furniture, access to jobs and training and fire safety measures.

5 Vision and Aims

Our Homelessness Policy provides a key contribution to our Group strategic vision:

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

5.1 It sets out how we will work with our customers and our key partners to reduce homelessness while creating balanced and peaceful neighbourhoods. We are also committed to working towards the UN's sustainable development goals and the Policy will have an important impact on most of these but particularly the goals related to poverty, health and wellbeing, reduced inequalities and sustainable cities and communities.

5.2 The key outcomes of the Policy are to:

1. **Create balanced communities** which are peaceful, welcoming and supportive in which people of all backgrounds want to live and can contribute;
2. **Prevent homelessness** wherever possible so that more households avoid the trauma and stigma of homelessness;
3. **Co-create** the services in this Policy with customers who have experienced homelessness or the threat of homelessness so that our services and products are directed in the way that works best for the households that need them;
4. **Provide more homes for homeless households** who have become homeless and supplement this with access to our Lowther mid and private rented homes where these are suitable; and
5. **Develop a unique multi-skilled expertise** which ensures an understanding of all the impacts which can face those threatened with homelessness so that our staff can provide an empowering and supportive experience for our customers.

5.3 The actions within the Policy are aligned to our Group strategic themes. Some of the key actions are outlined in the diagram below:



5.4 We will measure the success of our delivery of these outcomes through the following key targets:

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000 Across Group
% of lets provided to homeless households: - Glasgow - East Dunbartonshire - West Dunbartonshire	65% 50% 50%
% of homes let through nomination agreement with local authority: - East Renfrewshire - North Lanarkshire - South Lanarkshire	50% 50% 50%
Increase the number of Housing First tenancies across Group	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home	Baseline to be determined in 2021
Increase the supply of new build homes	5,500 across group and 320 in Cube
Maintain tenancy sustainment levels for all households	Above 90%
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500 Across Group
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless	500 Across Group

6 Context

6.1 Almost 37,000 homeless applications were received across Scotland in 2019-20. Around half of these households have a support need and many are families. As a result of the numbers, many households spend considerable time in temporary accommodation often with more than one move. Almost 12,000 households were in temporary accommodation in March 2020 across Scotland, most of them either young single men or families.

6.2 As the largest city in the country, Glasgow has one of the highest levels of homelessness in the country. More than 5,000 households applied as homeless in the City in 2019/20, representing 16% of all applications in Scotland. The average length of stay in temporary accommodation in Glasgow is just over 200 days (higher than the Scottish average). Glasgow also has some unique issues in Scotland with homeless cases coming from the Asylum Dispersal Contract and with a significant number of former rough sleepers accommodated in hotels during the Covid-19 pandemic.

- 6.3 Cube already makes a significant contribution to dealing with homelessness. Since we restarted letting in August, 64% of our lets have been to homeless households through joint working across all of the local authority areas which we operate. We have also provided 11 Housing First customers permanent accommodation in our Glasgow and West Dunbartonshire communities.
- 6.4 During the pandemic we have also supported Glasgow City Council by providing available homes for use as temporary accommodation during the 2020 lockdown. As part of Group, we have also led the way in “flipping” these flats to a permanent home wherever this is suitable for the household.
- 6.5 People who are homeless are often stigmatised by others, further compounding their sense of isolation. Communities which receive high levels of homeless households are also often stigmatised. Part of the work of this Policy will be to help to change the narrative of homelessness in our communities. We aim to create a more positive sense of how the right home and the right support can help people to become valued contributors to the neighbourhood they live in, whilst recognising the challenge this can sometimes bring.
- 6.6 Supply of affordable housing is a major issue in resolving the level of homelessness. In all of our Local Authority areas, there is an overall shortage of affordable housing but there is also generally a mismatch between supply and demand with most homeless households requiring smaller houses.
- 6.7 Analysis done before Covid-19 showed that more than 50% of all RSL and local authority lets in Glasgow and surrounding areas would have to go to homeless households for the next 5 years to address the backlog. Glasgow faces a particular issue with high numbers of households in temporary accommodation. In addition, the covid-19 pandemic has resulted in many people who were rough sleeping and/or had complex needs being brought into hotel accommodation as a safe place to stay. The contact and trust built up through these stays means that there is now a unique opportunity to rehouse some people whose homelessness was previously hidden from official statistics.
- 6.8 However, there are other groups on waiting lists who also acutely require rehousing. These include those who are overcrowded, those with medical needs and separating partners. In many instances, failure to help these households through our waiting list would result in an increase in numbers who are homeless.
- 6.9 The Scottish Government has recognised ending homelessness as a key priority. It commissioned the Homelessness and Rough Sleeping Action Group (HARSAG) to look at ways to end homelessness in 2017. These included the introduction of a rapid rehousing approach and Housing First for the most complex cases. HARSAG recently updated the actions after it was reconvened to consider the actions required in the light of the Covid-19 pandemic. Our Policy takes account of these actions.

7 Our approach

7.1 Our Policy is underpinned by some key principles:

- Those with lived experience will be at the heart of the development and ongoing improvement of our services;
- Our approach will always be “housing first” – providing a home without having to wait until someone is “tenancy ready”;
- Households should have access to effective additional support to build resilience and reduce the risk of homelessness recurring;
- We will use our expertise to co-create new and innovative ways of working; and
- We will work with and influence our partners to deliver the best outcomes for our customers.

7.2 The Policy sets out a structured approach to addressing homelessness. In line with our Group Strategy, it 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.

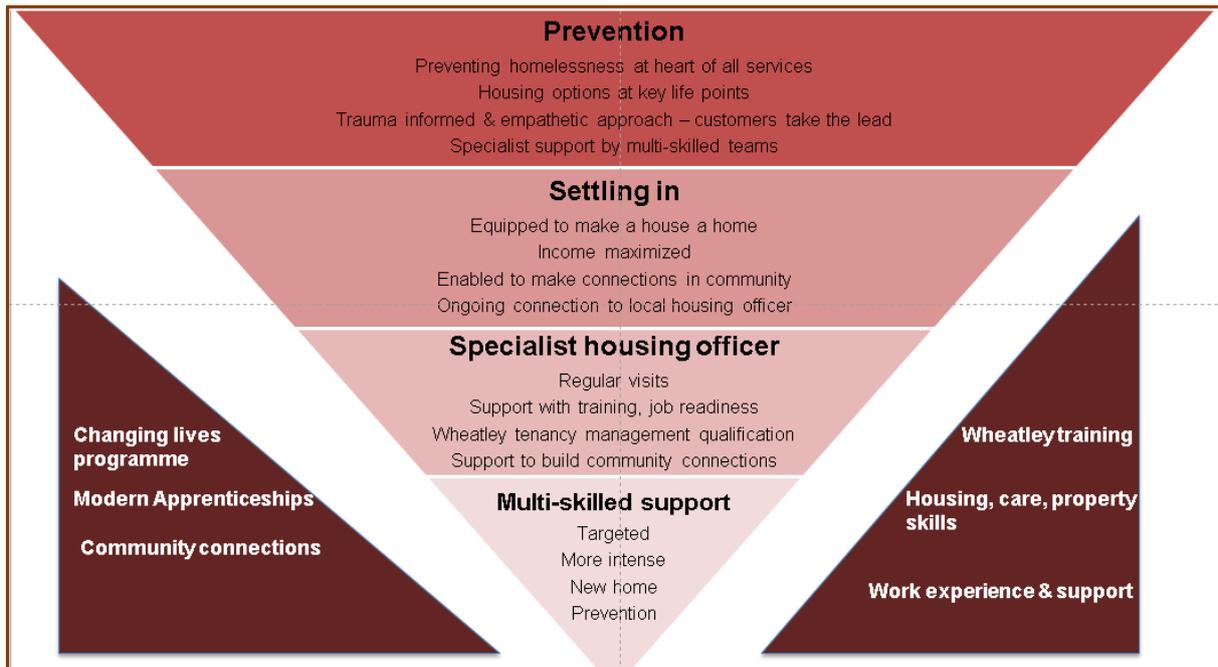
7.3 We will help people avoid homelessness through actions such as housing options advice. Where people do become homeless, finding a new home quickly is important to avoid further disruption and trauma. We will also ensure people can settle quickly with wrap around services co-created with customers.

7.4 Across Group we intend to increase our level of lets to homeless households to approximately 10,000 over the lifetime of the Policy. For Cube, this means providing approximately 65% of lets to homeless households in Glasgow and 50% across our other Local Authority areas. This target provides a substantial increase to our previous targets and reflects the urgent need to move people out of temporary accommodation. We will keep this figure under review but hope to keep it to that level by preventing homelessness from happening wherever possible.

7.5 Increasing lets above this level would limit the amount of prevention work we can do (e.g. enabling those with medical needs, overcrowding and other priorities to obtain a home) and is likely to mean other households also have to go through a homeless route.

7.6 As per 6.4, the table shows our proposed targets for lets to homeless households in some of the Local Authority areas we operate. We also have signed nomination agreements in place with all of our local authorities we work with. This means that they nominate the household to be allocated to these homes from their waiting lists. They will choose who to nominate based on their priorities. We have worked closely with all local authorities to ensure that homeless nominations are prioritised to meet the targets outlined in this paper.

7.7 We know that many homeless households will require additional support to settle into a home so we will work with our partners to make sure that support is available. The diagram below summarises how we will do this.



- 7.8 Housing First provides the most extensive support in this spectrum. It helps those who have the most complex needs to take control of their lives and choices. It provides a home as soon as possible, avoiding the approach of waiting until someone is “tenancy ready”.
- 7.9 To date, Wheatley have provided homes and/or support for more than 190 cases, representing approximately 50% of the cases in Scotland. We have contributed to this by providing 11 Housing First customers permanent accommodation in our Glasgow and West Dunbartonshire communities. A crucial element to the success of Housing First will be the provision of high quality support that is available over the long term. We will use our influence in health and social care partnerships and through the Glasgow Alliance to End Homelessness to help ensure that this is the case.
- 7.10 The Policy recognises that resolving homelessness requires a partnership of many organisations. We will continue to support all local authorities in their statutory role and to further strengthen relationships with support providers. Our teams 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 internally and with partners.
- 7.11 Effectively supporting homeless people into settled accommodation is a vital part of our creation of sustainable communities. We recognise that other households also face acute challenges, whether they access housing through transfers, mutual exchange, medical priority or other routes. These households will also be able to access the full range of services we provide. We will continue to ensure strong links with other statutory agencies so that referrals can be made wherever appropriate.

7.12 Given the importance of this policy the approach will be reviewed annually to assess progress and consider any changes which may be required. The key actions from the policy will be included in our annual Delivery Plan monitoring programme.

8 Key issues and conclusions

8.1 The Group Homelessness Policy will be a key part of the delivery our strategic aims over the next 5 years. It provides clear actions and measures to determine our progress. Given the importance, it will be reviewed annually to ensure it will still deliver our vision and aims.

9 Value for money implications

9.1 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.

10 Impact on financial projection

10.1 No implications

11 Legal, regulatory, and charitable implications

11.1 Registered Social Landlords have a legal duty to assist local authorities in their homelessness duties. We are also required to report on a range of related indicators in the Annual Return on the Charter

12 Partnership implications

12.1 Partnership working will be essential to the delivery of this Policy. This will include Scottish Government, local authorities, health and social care partnerships and third sector organisations. Most importantly, customers will help to co-create the services and approach that will work best.

13 Implementation and Deployment

13.1 Homelessness is an issue that matters across the Group. Part of this Policy will be to ensure that all our staff understand our approach to preventing and resolving homelessness. The main responsibility for implementation will lie with Wheatley 360 and Wheatley Care.

13.2 As part of our deployment, we will work with partners and stakeholders to ensure that they understand our Policy and help to inform the delivery of its aims. Co-creation with customers is a key part of the Policy and mechanisms to allow this will be developed in conjunction with the proposed new Customer Engagement Framework.

13.3 Key actions within the Policy will form part of the annual delivery plan which allows the Board to review progress quarterly. A set of targets has been identified as part of the Policy to quantify success in some of the main areas and these will also be reported to Board as part of the Delivery Plan.

13.4 The Policy and the Equalities Impact Assessment (EIA) will be subject to review at least annually to consider progress and to identify whether any changes are required.

14 Equalities impact

14.1 A full Equalities Impact Assessment has been carried out for this policy. This assessment has been undertaken as the first pilot in developing a new approach within the Group. The assessment has been informed by a review of relevant data across each of the protected characteristics, knowledge gained from our partnership working with key local authorities and other stakeholders, and support from an external equalities expert.

14.2 The assessment has reviewed the impact of actions in each strategic theme against the nine protected characteristics identified in equalities legislation. This shows that the Homelessness Policy will have a positive or neutral impact on all characteristics because it will improve the supply of housing for homeless households, increase the effectiveness of support and improve prevention of homelessness.

15 Recommendations

15.1 The Board is asked to note the Group Homelessness Policy

LIST OF APPENDICES

Appendix 1: Group Homelessness Policy

Homelessness Policy 2021-2026:

Changing lives and communities



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Introduction

Our Group Strategic vision is that:

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

Our Homelessness Policy is a key contributor to this vision. It sets out how we will work with our customers and our key partners to reduce homelessness while creating balanced and peaceful neighbourhoods. It forms part of our contribution to the UN's sustainable development goals as laid out in our Group Strategy. In particular, it will have a positive impact on poverty, health and wellbeing, reduced inequalities and sustainable cities and communities.

The key outcomes of the Policy are to:

1. **Create balanced communities** which are peaceful, welcoming and supportive in which people of all backgrounds want to live and can contribute;
2. **Prevent homelessness** wherever possible so that more households avoid the trauma and stigma of homelessness;
3. **Co-create** the services in this Policy with customers who have experienced homelessness or the threat of homelessness so that our services and products are directed in the way that works best for the households that need them;
4. **Provide more homes for homeless households** who have become homeless and supplement this with access to our Lowther mid and private rented homes where these are suitable; and
5. **Develop a unique multi-skilled expertise** which ensures an understanding of all the impacts which can face those threatened with homelessness so that our staff can provide an empowering and supportive experience for our customers.

We have set out a range of targets which will help us to assess the impact of the policy in the table below.

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000
% of lets provided to homeless households:	
- Glasgow	65%
- Edinburgh	50%
- Dumfries & Galloway	50%
% of homes let through nomination agreement with local authority:	
- West Lothian	50%
- West Dunbartonshire	50%
Increase the number of Housing First tenancies across our footprint	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home (segmentation of existing indicator)	Baseline to be determined in 2021
Increase the supply of new build homes	5,500
Maintain tenancy sustainment levels for all households	Above 90%

Measure	Target
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless (new)	500

Ending homelessness is a key priority for our partners in the Scottish Government, local authorities and Health and Social Care Partnerships who have the statutory responsibilities in this area. We will work closely with them to help prevent homelessness from happening in the first place and to rapidly house people where they do become homeless.

The Wheatley Group (The Group) is Scotland's leading housing, care and property management organisation and one of the UK's best-accredited organisations. It is in a unique position to support these aims through its range of sector leading skills, its size and its geographic range. It owns or factors over 89,000 homes, provides care services to approximately 7,000 individuals each year and delivers award-winning services to over 250,000 people across Central and South Scotland.

Our care services are experts in support services to homeless households, in resettlement from temporary accommodation and in working with households with some of the most challenging support needs. We are able to combine this with our housing expertise where our housing officers have a patch size of 200 and know each of their customers well. They are increasingly skilled in support and trauma needs which they can use to help each of their customers.

Our approach to joint working has allowed our Care services to lead in the creation of a partnership to successfully bid for Glasgow's "alliance to end homelessness". This 10-year partnership will be focused on delivering innovative responses to redesign commissioned services in line with the rapid rehousing approach. Our joined up housing and care expertise places us well in the development of this new approach.

Our work has helped to support and strengthen communities across our geography. The people we house almost always stay in their home and neighbourhood and many go on to make significant contributions in their community or further afield. Some of our customers, including those housed from a homeless route, have gone on to become Board members, members of staff and key volunteers in the community.

Given the importance of this Policy it will be reviewed annually to assess progress and consider any changes which may be required.

Our organisation

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



Wheatley Care provides services to approximately 7,000 customers each year. The majority of these customers are in homelessness related services or have experience of homelessness. Its services cover prevention of homelessness, support through and after homelessness and specialised accommodation.

Wheatley Care is part of the Stirling, Edinburgh and Glasgow Housing First Pathfinders



Glasgow Housing Association, Scotland's largest social landlord, has 40,000 affordable homes in Glasgow, providing more than 3,000 lets to customers each year, 30% of them to households assessed as homeless by the City Council. In addition, GHA provides 1,000 homes to Glasgow City Council for use as temporary accommodation.

GHA was part of the first Housing First project to be piloted in the UK between October 2010 and September 2013. It is a core member of the Glasgow Housing First Pathfinder.



Dunedin Canmore provides over 5,000 homes in Edinburgh, the Lothians and Fife with almost 500 lets each year. Approximately 50% of these go to households assessed as homeless by the relevant local authority. Dunedin Canmore is a Housing First partner in the Edinburgh pathfinder



Cube Housing Association, has more than 3,500 homes across the West of Scotland and more than 500 lets each year. In addition, Cube leases over 100 properties to local authorities for use as temporary accommodation.

Cube is part of Glasgow's Housing First consortium.



Loretto Housing Association has more than 1,300 affordable homes in the central belt. Approximately 30% of lets are provided to households assessed as homeless by the relevant local authority. Loretto is renowned as a specialist in the provision of housing for those with support needs.

Loretto is a member of Glasgow's Housing First Consortium

West Lothian Housing Partnership, with over 700 affordable homes provides approximately 50% of all voids as nominations to West Lothian Council

WLHP is expanding with more than 100 new homes completed in the last 2 years.



DGHP joined Wheatley Group in December 2019 with 10,300 affordable homes from Dumfries to Stranraer. It provides the vast majority of the social rented stock in the area, Approximately 40% of its almost 1,000 lets each year are provided to households assessed as homeless by the local authority.

DGHP also provides 24 units of temporary accommodation with support, an out of ours accommodation unit in Dumfries and a specialist project for young people who have experienced care



Lowther Homes manages a growing portfolio of over 1,800 mid and full-market apartments.



Wheatley 360 is our wraparound support division changing lives from every angle. It incorporates Housing Advice and homelessness, Housing Options for Older People, Group Protection, Community Improvement Partnership, Fire Safety and Home Safety teams



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.

Our track record

Our Group already has a strong track record in preventing homelessness and in supporting customers when homelessness does happen, working jointly with our partners. Over the last five years we have delivered a range of innovative and successful new services including:

- Development of the MyHousing on line application and allocation system;
- Leading on the Housing Options approach across Glasgow, using this to influence other areas in which we operate;
- Developing innovative protocols to help young care leavers access housing without needing to navigate the homelessness system;
- Taking a leading role in the implementation of Housing First;
- Progressing the development of a virtual home experience for young people in our housing support services;
- The creation of hub and cluster services for some of our vulnerable customers, bringing together housing, care and health services;
- Using our combined expertise in our Flexible Housing Outreach Support Service and Housing Access Team to remove barriers to settled housing for households in temporary accommodation;
- Co-production of the tenancy star approach;
- Creation of a tenancy support service which uses our Care expertise to support housing tenants;
- Development of our locations as hate crime and third party reporting centres; and
- Award winning training in relation to domestic abuse.

Our customers live in high quality, refurbished or new homes, but we also support them to have better lives. Our housing officers have small local patches and are on hand to welcome and support tenants in their homes. They are often the first or only contact in our customers' homes. Our housing management approach already helps to reduce homelessness through our work to reduce anti-social behavior and to mitigate the impacts of poverty.

Drawing on our care expertise, we have developed a Tenancy Support Service which helps customers to settle into a home or to navigate through a crisis. This builds on a long history of expertise and partnership working around housing support, resettlement and supporting those with complex needs.

Tenancy support expertise is increasingly integrated into the frontline of housing services through training, co-working and direct access to advice from care specialists. This means that we can link housing and support issues together in a way few other organisations can.

Our Changing Lives employability programme supports people living in our communities who have multiple barriers to work; including experience of homelessness. It provides a one year practical placement within our Neighbourhood Environmental teams. Trainees are given support by a dedicated Support Officer who works closely with them to build essential work skills and the confidence needed to help make the transition into work. This worker makes a huge difference to job sustainment, with subsequent positive impacts on tenancy sustainment.

Our care and housing expertise is supported by a specialist homelessness team which can liaise across all our services and ensure strong links with each local authority. This team not only works with customers once they are homeless, but has led on the design and implementation of a number of innovations.

The table below shows some of the ways in which we support different groups of homeless customers.

All households	My Great Start (package to assist in setting up a home) Welfare advice Fuel advice Eat Well Home Comforts Suicide and Mental Health support via signposting Fire Safety Referral Jobs and training opportunities including changing lives
Housing First	Specialist support integrated with housing provision Fire protection (LD1/stove guard)/ Fire retardant bedding Furniture package/ Eatwell Training & employment opportunities
Families	Modern apprenticeships for young tenants and children of tenants
Care leavers	Housing options and early intervention to prevent homelessness Additional meetings with SWS to do check-ins to pick up any issues early and address them
Domestic abuse	Access to tailored support, information and guidance from their Housing Officers and our specialist Group Protection Team Referral to MARAC forum where Wheatley are a key strategic partner Home Safety Service Bespoke signposting to Domestic Abuse organisations and agencies where Wheatley have a strategic partnership

We provide a proportion of our stock to local authorities to use as temporary accommodation in a more independent and “homely” environment. We also provide emergency accommodation to provide services and support to our customers at the point of need.

Our Dunedin Harbour Hostel delivers an integrated pathway into housing. The hostel provides 35 bedspaces alongside on site independent flats. Fordneuk supports those with complex needs, commonly with alcohol or other dependencies, who are often excluded from most or all other housing options in Glasgow. We also have temporary accommodation units in Dumfries and Galloway.

These strengths provide a positive basis on which to build our services of the future. Appendix 1 provides a current position statement of our work by local authority while appendix 2 provides some case studies.

Homelessness in Scotland

Homelessness has been a key priority for the Scottish Government and local authorities over many years. As a result, Scotland has some of the most progressive legislation to support those at risk of, or experiencing, homelessness. Appendix 3 outlines the range of statutory changes which have been made in the last 20 years.

The statutory duties for homelessness lie with local authorities. However, a whole system approach has been adopted in Scotland with RSLs at the heart of services. Our RSLs have the largest number of social rented homes in Scotland and Wheatley will continue to be at the forefront of these partnerships.

The number of households applying as homeless remains high and has increased in the last two years. Almost 37,000 homeless applications were received across Scotland in 2019-20. The dislocating effects of homelessness are substantial. These include the impact on health, relationships and educational outcomes. Often, homeless households face stigma across all aspects of their life, including as they move into a new neighbourhood. Similarly, neighbourhoods which receive high numbers of homeless households can also be stigmatised. Changing this narrative is an important part of our approach.

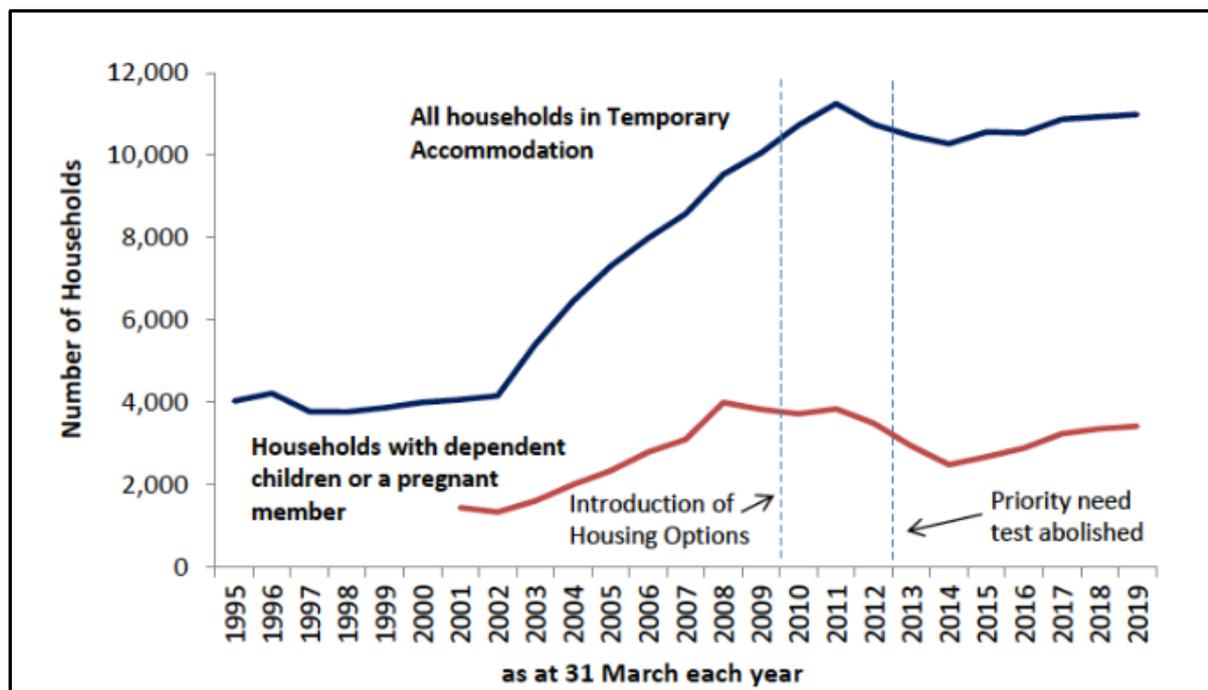
Homelessness can present in a variety of ways. For some households, the provision of a new home in the right place will resolve their issue and allow them to continue their lives. However, the shortage of supply across Scotland means that even the provision of a home in the right place is not always straightforward. In many of the areas in which we operate there is exceptionally high demand for limited numbers of social rented homes, particularly for smaller homes. In rural areas there are often no homes available in the areas of choice.

Families are the second biggest segment of homeless applicants after young single males. Supporting families is at the heart of our Group Strategy and where they have become homeless there is even more need for support. Many of these families have a single female parent and there are often particular issues around safety and/or domestic abuse which may need to be addressed. Support will enable families to settle in an area connecting well to schools, clubs and other networks. It is important that this support is delivered in a way which gives parents more confidence and allows them to parent rather than having things “done to them”.

For others, homelessness is in part a symptom of other issues. Those who experience poverty, childhood trauma, domestic abuse and mental health issues are often more likely to experience homelessness. Drug and alcohol issues can also compound the likelihood and impact of homelessness. For these households, the solution will generally require more than bricks and mortar. They will need additional support to settle into a home and may need more long term services to help avoid homelessness recurring. Creating opportunities such as training, employment and stronger community networks can be key to better life chances.

Almost 12,000 households were in temporary accommodation on 31 March 2020. The number of households in temporary accommodation increased by 6% in 2019/20 but is likely to have increased further in the first quarter of 2020/21 due to the suspension of

letting during the coronavirus lockdown. The chart below shows the trend in numbers in temporary accommodation.



The Scottish Government announced in September 2019 that it would extend the Homeless Persons (Unsuitable Accommodation) (Scotland) Order. This previously required local authorities to limit the time that pregnant women and households with children were placed in unsuitable temporary accommodation. The 2020 Order extends this requirement to all households. The extension of the order is likely to increase pressure on local authorities to move people out of certain types of temporary accommodation more quickly or to avoid the need for its use altogether.

We know that homelessness remains a key priority for the Scottish Government. In September 2017 it announced £50 million of additional expenditure for tackling homelessness over the next 5 years (the Ending Homelessness Together Fund). This was followed with the creation of a shortlife Homelessness and Rough Sleeping Action Group (HARSAG) in October 2017. HARSAG was tasked with identifying both short and long term solutions to end homelessness and rough sleeping in Scotland. The group’s recommendations were brought together in “Ending Homelessness: The report on the final recommendations of the Homelessness and Rough Sleeping Action Group” published in June 2018. The report made 70 recommendations.

This resulted in the development of some key changes in the way homelessness is considered. The Government has required all local authorities to deliver **Rapid Rehousing Transition plans**. The aim of the Plans is to take a housing led approach, ensuring people get a settled housing option as soon as possible. This approach will require strong and agile support services that are commissioned and managed in new ways to ensure individual households build resilience and increase sustainment.

Research carried out prior to Covid-19 showed the scale of letting required to clear the backlog. The table below shows the results of this work. The Covid-19 pandemic will have increased the backlog.

Housing Option Hub	Current total lets in year to homeless SRS + PRS	Total annual lets needed for homeless annually for next five years **	Proportional increase in lets to meet annual new demand and backlog	Proportion of all social lets to homeless households IF SR was to meet ALL homeless need
Ayrshire and South	1,531	2,365	54%	40%
Edinburgh, Lothians and Borders	3,850	6,750	75%	84%
North & Islands	2,635	3,572	36%	54%
Tayside, Fife and Central	3,903	5,138	32%	54%
West Hub	5,766	9,485	65%	50%
Total Scotland***	18,871	27,310	45%	52%

An important element of the rapid rehousing initiative is the **Housing First** approach. This is designed to ensure that those who are homeless and have complex needs can also take control of their lives and choices. It ensures that settled accommodation is provided as soon as possible, avoiding the approach of waiting until someone is “tenancy ready”. Instead, customers are provided with the support they need at the same time so that they can successfully maintain that home. New models to deliver Housing First may need some smaller scale housing developments linked to support for those with the most complex needs. Our existing care services give us the experience to build and develop this approach.

As a consequence of the transition to rapid rehousing, the proportion of temporary accommodation required from our stock should reduce. Positively, this will increase the number of homes available permanently. However, it is likely to affect demand in some of our multi-storey stock where there tends to be more temporary accommodation.

Covid-19

Letting was suspended during lockdown but in many areas applications from homeless households have continued at a significant rate. This means the numbers awaiting housing have risen, particularly in Edinburgh and Glasgow. Many of these households are currently in temporary accommodation. Wheatley has assisted local authorities in meeting this challenge by providing more than 400 additional homes for temporary lets. Where possible we are now working with local authorities and customers to “flip” these to permanent lets where they are suitable.

Some of those in hotel accommodation were previously rough sleeping or had significant other issues. It is likely that enabling move on for some of these households may require a process similar to that used when decommissioning the large scale hostels.

In response to the Covid-19 pandemic the Scottish Government reconvened HARSAG to consider further recommendations. Their report was issued in June 2020 and contained 105 recommendations, followed by an action plan published in October 2020. The recommendations include:

- Increased new build supply;

- Increased use of the private rented sector;
- Extension of the emergency legislation delaying eviction processes; and
- That 80-90% of social housing lets should be made to homeless households.

These recommendations have been agreed in principle by the Scottish Government.

Our key areas

Although in total we have services in 18 local authorities, our care services and homes are focused in 5 key areas – Glasgow, Edinburgh, Dumfries and Galloway, West Lothian and West Dunbartonshire. We have strong relationships with the local authorities in each of these areas although the nature of the relationship varies.

In Dumfries and Galloway, DGHP was created from the transfer of all local authority housing stock and as a result we are the main provider of social housing in the area. In Glasgow we are the largest landlord in the city and have specific arrangements in relation to homelessness. These situations result in a unique partnership with the relevant local authorities. In other areas our homelessness services and homes provide part of a range of services in the area.

The table below shows some of the statistics across our key local authority areas. Unsurprisingly, Scotland's two largest cities have the highest levels of applications. The data also shows that approximately half of customers in most areas have at least one support need. This level has risen over recent years. The length of stay in temporary accommodation is also high, with the shortest average stay in our key local authorities still over 100 days.

	Scottish Figure	Glasgow	City of Edinburgh	Dumfries and Galloway	West Dunbartonshire	West Lothian
Total applications	36,465	5,679	3,229	910	1,037	1,516
Applications accepted	29,894	4,660	3,077	716	930	1,110
% assessed with at least one support need	14,506 (49%)	2,099 (45%)	1,286 (42%)	587 (82%)	475 (51%)	458 (41%)
Average length of days in temporary accommodation	180 days	204 days	268 days	107 days	159 days	179 days

The diagram below summarises some of the key issues in each authority.

Local authority

Challenges

Glasgow

- Access to temporary and settled accommodation
- Speed of process from application through to settled home
- Impact of Asylum Dispersal contract on homelessness and house size
- Large scale resettlement from hotels required post Covid-19

City of Edinburgh

- Cannot deliver rapid rehousing over 5 years as demand exceeds supply
- Long average time in temporary accommodation
- Propose major reduction in emergency accommodation and move to temporary furnished flats including homeshare and private sector leasing

Dumfries and Galloway

- High levels of support needs identified in homeless population
- Challenge of meeting housing need across a rural area with many individual towns and villages
- Support services & temporary accommodation concentrated in main towns

West Dumbartonshire

- Highest rate of homelessness per 1,000 of the population
- High rate of youth homelessness
- High support needs

West Lothian

- High levels of youth homelessness
- Lack of supply of affordable housing
- Local authority nominates a lower proportion of homeless households to our stock

Our Wheatley Strategy

Our Strategy for 2021 -2026 sets out our vision for Wheatley, our customers and communities.

Wheatley in 2026

We want our customers to reach their potential for a brighter future for themselves and their families. We recognise the challenges our customers are facing in this post-Covid 19 era and we believe we are ideally placed, working alongside our partners, to support them and play a strong role in a fair and socially just economic recovery.

Our Strategy will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want, ensuring they are properly equipped to do things for themselves and involving them in the design of products and services from start to finish.

We will continue to make a significant social impact by investing in our communities, supporting the lifelong health and wellbeing of our customers, creating job and apprenticeship opportunities and reducing the inequalities experienced by many of those living in our communities. We will deliver an ambitious Wheatley Green Investment Plan to accelerate our transition to net zero carbon, enhance our role in combatting the effects of deprivation and strengthen our role in tackling homelessness across Scotland.

Our strategic purpose, vision and values

Our Purpose:
Making Homes
and
Lives Better

Our vision:

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

We will work ethically and sustainably, ensuring our homes are affordable for our customers, digitally enabled and low or net-zero carbon. We will share our expertise and work with others to improve the fabric of our customers' lives while creating great communities.

Our Values

- Excellence** - *we raise the bar in everything we do*
- Community** - *people direct what we do and together, we build strong communities*
- Ambition** - *we push the boundaries in new ways, so everyone can fulfil their potential*
- Trust** - *we inspire customers and staff to shape the future*

Our Approach

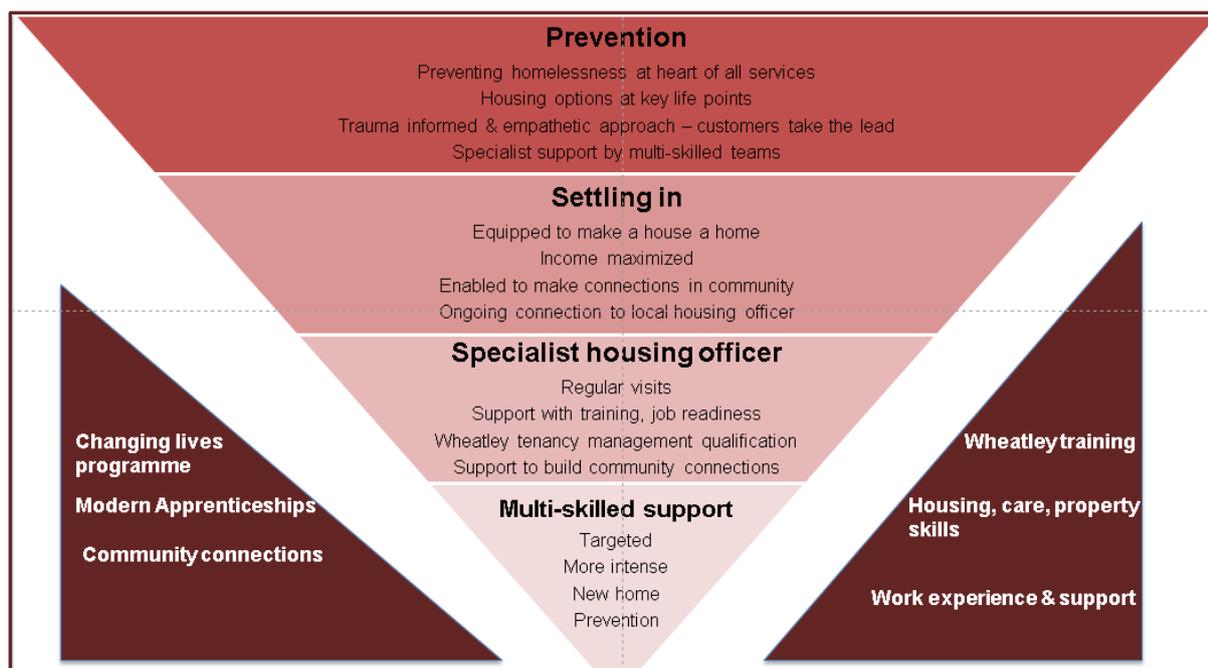
Our approach is to reduce homelessness by creating balanced, strong and peaceful communities. It will be shaped and developed by our customers who know best what they need and will help to build resilient, strong households and communities. Where people do become homeless our approach will help them to return to a home of their own as quickly as possible with the support and services they may need to help them stay in that home.

This approach is underpinned by some key principles:

- Those with lived experience will be at the heart of the development and ongoing improvement of our services;
- Our approach will always be “Housing First” – providing a home without having to wait until someone is “tenancy ready”;
- Households should have access to effective additional support to build resilience and reduce the risk of homelessness recurring;
- We will use our expertise to co-create new and innovative ways of working; and
- We will work with and influence our partners to deliver the best outcomes for our customers.

Our Policy sets out a structured approach to addressing homelessness. In line with our Group Strategy, it 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 homeless may have particular challenges in gaining access to or using digital services. Our communities will be key to the success of this Policy by providing safe, resilient and engaged places which people want to stay in or move too.

The benefit of having a home as soon as possible, irrespective of support requirements, is well evidenced. For that reason, we will always seek to provide a home as soon as possible. We also recognise that many homeless households will require additional support to settle into a home, to resolve or manage other issues and we will work with our partners to ensure the support required by the household is also in place at the right time and for the right length of time. The diagram below summarises how we will do this.



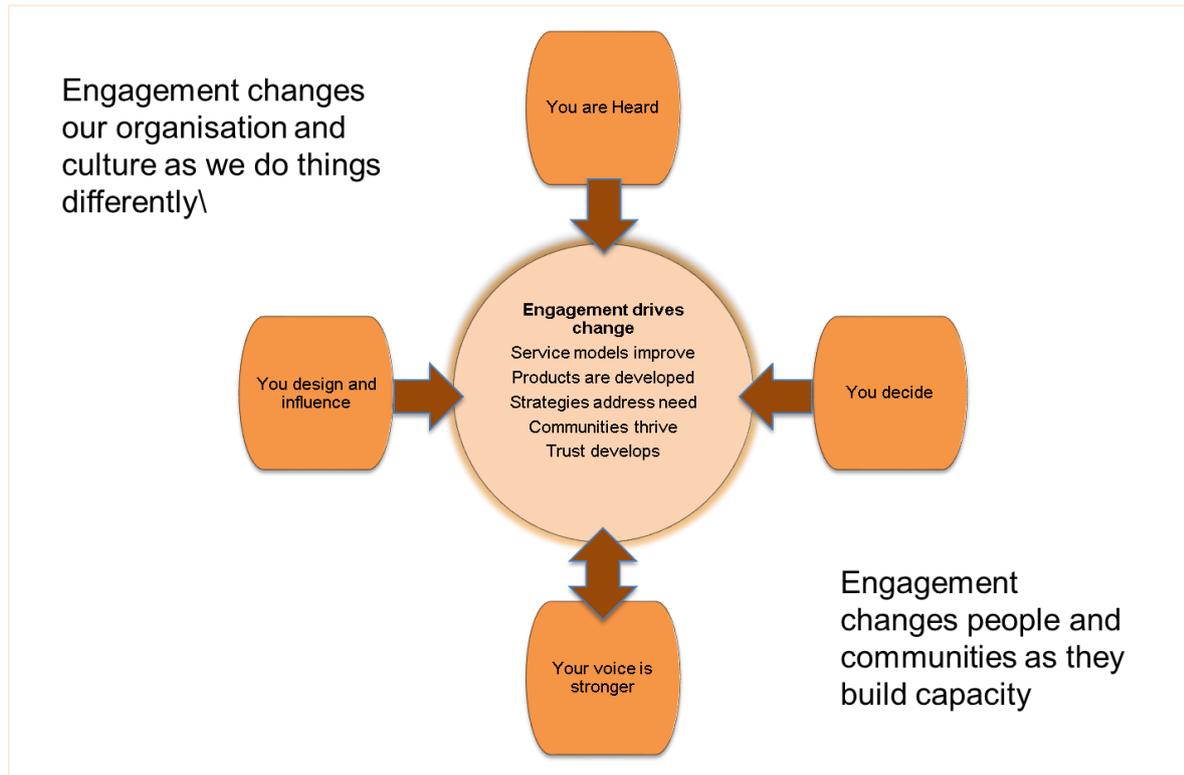
Excellence is embedded in the Wheatley DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different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

Homelessness is a vital part of our creation of sustainable communities but it is not the only part. Other households with acute needs will receive our services through different routes including transfers, mutual exchange and medical priority. These households will also be able to access the full range of services we provide. They can also be linked to other agencies for specialist support and care where this is required. This will help to increase the resilience within wider communities.

This Policy recognises that ending homelessness requires a partnership of many organisations. We will continue to support local authorities in their statutory role and to further strengthen relationships with support providers. 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.

Voice of the customer

In line with our Group Strategy, the process of refining and developing our services in relation to homelessness will be led by our customers. Wheatley customers already influence services through a wide range of engagement processes. Our new Engagement Framework “Stronger Voices, Stronger Communities” puts customers at the heart of decision making as shown in the chart below.



This Policy will take engagement to a new level for those customers who have experienced or are experiencing homelessness. A key part of this process will be mapping lived experience through the customers' journey in a range of areas. We recognize that our prospective and potential 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 will look at a range of issues which will be directed by our customers but are likely to include:

- What do you need at the start of your new tenancy to help make your house a home?
- How can Wheatley help you to make the connections you want to make in your community?
- What are the key things your housing officer can do to help you?
- What have you learned from your journey that could be helpful for others who face the same situation?
- For those transferring to avoid homelessness – what are the key things that you need to know and the services you require to make that work?
- What else could we do to help you fully understand your housing options?

Some key items are shown in the chart below.



In addition to specific engagement related to homelessness, our customers can become involved in a range of Wheatley wide engagement forums which provide the opportunity

to come together around specific topics to help shape our products and services. They include:

- Becoming a tenant inspector to help improve the environment where they live;
- taking part in focus groups and surveys;
- one-to-one customer conversations in their home;
- sharing their views at engagement events;
- through social media, compliments and complaints; and
- Care engagement processes

Our key actions

The actions within the Policy are structured around the key outcomes from our Group Strategy as shown in the diagram below. All of these are relevant to the Policy, for example without funding and digital platforms we will not be able to progress the ground breaking services we aspire to achieve. However, those highlighted are those most relevant.

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
Strategic outcomes:				
Progressing from Excellent to Outstanding	Increasing the supply of new homes	Shaping Care services for the future	W.E. Think – creating our “Thinking Yes Together” culture	Raising the funding to support our ambitions
Enabling customers to lead	Investing in existing homes and environments	Developing peaceful and connected neighbourhoods	W.E. Create – driving innovation	Maintaining a strong credit rating and managing financial risks
Developing a customer led repairs service	Setting the benchmark for sustainability and reducing carbon footprint	Supporting economic resilience in our communities	W.E. Work – strengthening the skills and agility of our staff	Evolving digital platforms to support our activities
Differentiating Lowther from its competitors	Building community voice, engagement and resilience			Influencing locally and nationally to benefit our communities

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

Delivering exceptional customer experience	<p>Progressing from excellent to outstanding: our new models of service will be faster and more effective. We will:</p> <ul style="list-style-type: none"> Enhance our existing excellent prevention service through:
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- Developing a multi-skilled team to support those at acute risk of homelessness.
- Further strengthening the focus and effectiveness of our wraparound services
- Increasing resilience through community involvement skills, training and job opportunities
- Defining our contribution and approach to prevention at key life points where homelessness is an identified risk – for example when leaving prison, care or the armed forces)
- Using priority transfers for existing customers in immediate need who might otherwise become homeless (for example rehousing perpetrators of domestic abuse linked to the proposed new legislation from the Scottish Government, finding transfer arrangements for those whose relationships have broken down)
- Housing options advice and support for young family members in our tenant households include experience using our virtual home
- Identifying pathways of support for those at risk of repeated homelessness through anti-social behaviour
- Ensure a rapid rehousing model for all our customers by undertaking a customer led review of processes to minimise the time between application and housing, both in our own services and by influencing our partner local authorities.
- Provide at least 10,000 homes to homeless households
- Piloting a joint research approach with our partners to further enhance our understanding of the causes and prevalence of homelessness amongst particular groups
- Use our experience in award winning Housing Options development to benefit customers in other local authority partner areas.
- Further developing our Tenancy Support Service to help people settle in their home or stay in their home using early assessment of issues. TSS will also link customers to their community; expanding a virtual service where that will work for our customers
- Continue to enhance and evolve our commissioned support services to enable the rapid transition of homeless households from temporary accommodation into permanent accommodation

Enabling customers to lead: Customers will be at the forefront of the development of our new services.

- Our customers will drive the continued strengthening of our services through:
 - Detailed customer journey analysis by those who have lived experience of homelessness to improve our rapid rehousing approach and further increase the effectiveness of our sector leading support and advice services

- Ongoing digital customer engagement across the range of our services from instant feedback to full scale review.
- Customers will lead in their own lives through:
 - Using our innovative tenancy star to lead their discussions with our staff and direct their support resources to where they are most needed
 - Their involvement in the creation of a sector leading self-service model which allows them to draw down additional support and services through quick and slick digital options. These will include the use of our virtual home, virtual shop front and technology enabled living. Face to face discussions will still be used to support those who need them.
 - Developing the connections in their community which allow the level of active participation each household wants, enabling the increase in resilience and confidence which comes from linking with and helping others.
 - Having an organisation and its staff who understand their story and needs – equipped to ensure the story only needs to be told once through our digital care platform and other developments
- Our communities will be supported to direct the future of their neighbourhood through informed co-creation of plans and the building of community connections,

Differentiating Lowther from its customers Lowther mid-market and full market rent homes will be an easy and quick option for some working households. We will:

- Use our housing options approach to maximise the potential use of our mid-market and full rent homes where these are appropriate
- Creating an easy online tool to review full and mid-market housing rent options immediately at point of homeless application, housing options interview or before.
- Creating rapid pathways to move into a selected home with advice and support available to help navigate any challenges and settle into the neighbourhood.

Making the most of our homes and assets

Increasing the supply of new homes: Homeless households will have direct access to our high quality new build. New build will increase the supply of homes available but we will also use our existing stock to increase supply where we can. We will:

- Deliver 5,500 new build homes to provide one of the biggest contributions to social housing supply in the country
- Ensure customer led design input to our new build including input in relation to the cultural needs of New Scots

- Explore options to increase the availability of flexible, larger family homes and downsizing options through our new build and acquisition programme.
- Explore the options for new types of temporary provision in partnership with HSCPs and other partners

Investing in existing homes and environments: We will make the best use of our existing assets by:

- Using the rapid rehousing approach to allow us to review our current temporary accommodation provision and develop a managed transition plan to move this into permanent accommodation where appropriate
- Flip temporary accommodation leases into permanent lets where this is appropriate for the occupying household to minimise disruption
- Deliver homes for 500 Housing First customers

Building community voice, engagement and resilience: Our customers will be supported to overcome challenges and create better lives for themselves and their families.

- Through our Alliance partnership in Glasgow, and our influence in other areas, ensuring that commissioned support services have a strong focus on building customers' community connections
- Providing training in tenancy management for customers who want this
- Using our customer engagement and housing officers to promote community networks for those customers who do not receive additional support
- Working with our partners to develop options to end the repeat cycle of anti-social behaviour, eviction and homelessness that occurs in a small number of cases.

Changing lives and communities

Shaping care services for the future: Services will be completely transformed to support the delivery of outcomes that matter most to our customers by:

- Ensuring our alliancing approach in Glasgow leads in innovation and new ways of working to provide the best outcomes for customers and is an exemplar for other areas
- Reviewing the options to strengthen the pathways through our care and housing services to provide our customers with the most integrated service possible
- Developing a DGHP specific proposal for Housing First using our own housing and care services
- Developing a Group Housing First Action Plan
- Working with partners to develop clear pathways to the right support services for all our customers

Developing peaceful and connected neighbourhoods:

Settling in a welcoming neighbourhood will be a key element to sustaining a home and successfully ending homelessness:

- Our better lives focus will include connecting households to their neighbourhoods through support which encourages engagement including group activities, volunteering and other actions.
- We will review the options to build community resilience and connectedness through volunteer community connectors and activists, building on the experience of others in the community who may once have been homeless or faced trauma, supporting communities where high turnover might result in a rapid change in demographics.
- We will 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.
- We will provide specific support to families to ensure that they are settled in new schools and activities
- Using our expertise across Community Improvement and fire safety to ensure people can live in peaceful environments, safe in their own homes.

Supporting economic resilience in our communities: Jobs, skills and income are at the heart of sustaining a home and achieving the ambitions people have. We will help those who are in our most vulnerable communities and those who have been or are at risk of homelessness through:

- Using our changing lives and other Wheatley Foundation services to increase employment opportunities for those who have been homeless or threatened with homelessness.
- Reviewing our Wheatley Foundation and other wider services to maximise the employment, training and skill building opportunities available to customers who have been homeless or are at risk of homelessness.
- Using our expanded Wheatley Benefit to harness our size and buying power to get the best deals possible for our customers, providing them with a growing range of opportunities to save money and reduce the cost of running their home.

Developing our shared capability

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

- Our customers will tailor the service and support that works for them using sector leading self-service models to draw down what they need and innovative online engagement tools to shape the services of the future.

W.E. Create – driving innovation:

	<ul style="list-style-type: none"> • We will examine the use of predictive analytics to target our tiered levels of prevention support to achieve the best results. • Testing, delivering and evaluating new service options will be core to the Policy. • Working with local authorities to find a more efficient way to deliver fast outcomes for our customers. • Working 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 • Enabling customers to access online learning to build up Wheatley Credits for housing, care and property management that will be a recognised part of Wheatley's Pathways into Work programme. <p>W.E. Work – strengthening the skills and agility of our staff:</p> <ul style="list-style-type: none"> • All our staff will be trained in our approach to preventing homelessness and building community resilience • Our staff will be trained in supporting community connections across all our services. • We will 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.
<p>Enabling our ambitions</p>	<p>Influencing locally and nationally to benefit our communities:</p> <ul style="list-style-type: none"> • We will use our existing strong partnership arrangements with local authorities, care services and others to enable the delivery of increasingly excellent services which meet our customers' needs. • Influencing our neighbourhood organisations to support new residents

How we will measure our progress

We will measure our progress using the following key measures

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000
% of lets provided to homeless households: <ul style="list-style-type: none"> - Glasgow - Edinburgh - Dumfries & Galloway 	65% 50% 50%
% of homes let through nomination agreement with local authority: <ul style="list-style-type: none"> - West Lothian - West Dunbartonshire 	50% 50%
Increase the number of Housing First tenancies across our footprint	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home (segmentation of existing indicator)	Baseline to be determined in 2021
Increase the supply of new build homes	5,500
Maintain tenancy sustainment levels for all households	Above 90%
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless (new)	500

Innovation

Innovation is at the heart of our Group Strategy. It is no less important to this Homelessness Policy. Achieving our vision will require a completely new approach to each facet of what we do. Through our shared capability theme we have developed three key outcomes which will support our future innovation: W.E. Think, W.E. Create and W.E. work.

W.E. Think sets our organisation the challenge to “Think Yes together” with our customers as we consider the services that are needed and how we design them. It will support our people to work together with our customers and communities to design the outcomes that will work best for them as individuals and groups.

W.E. Create is our approach to stimulating innovation across our people and our communities. We will do this with new partnerships with academic and other institutions to inform our new Community Academy. Our training and skills development will be increasingly customer driven. It will include increasing use of community technology and crowdsourcing style approaches to inform our progress.

W.E. Work will develop new more agile work roles within a redesigned authorising environment. It will focus on rewarding talent and innovation from within our workplace and from our communities.

Legislation, planning and guidance

This Policy has been developed taking into account relevant legislation, strategic drivers and guidance:

Legislation

- Housing (Scotland) Act 2001;
- Homelessness etc (Scotland) Act 2003;
- Housing (Scotland) Act 2010;
- Housing (Scotland) Act 2014;
- Regulation of Care Act 2001;
- General Data Protection Regulation (Regulation (EU) 2016/679);
- The Data Protection Act 2018;
- Equalities Act 2010

Plans and Guidance

- Rapid Rehousing Transition Plan Guidance (June 2018)
- Local Authority Rapid Rehousing Transition Plans 2018/19 – 2023/24
- Social Allocations in Scotland: A Practice Guide (February 2019)
- Code of Guidance (interim update November 2019)

Complaints

Our aim is to get it right first time, however, where there is dissatisfaction with this Policy 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.

Appendix 1: Current position statement

Across all of our subsidiaries there is a commitment in everything we do to improve the fabric of customers' lives while creating great communities. Since 2015 the Group has continually evolved and improved its services with actions including:

- Creation of a centralised homelessness team to coordinate our operational response to homelessness;
- Commitment to provide 300 tenancies for Housing First customers over 2 years, participating in 3 Housing First partnerships in relation to housing and/or care;
- Leading Glasgow's award winning development of Housing Options across 55 RSLs covering 72% of the social rented stock;
- Increased supply of affordable housing of national significance with almost 3,000 new homes delivered in the last 5 years
- Launch of MyHousing – our Group online housing information, advice and letting service – to improve accessibility for customers;
- Allocations targets that prioritise homeless prevention and homeless applicants;
- Creation of Wheatley 360, our wraparound support division;
- Wheatley Care's creation of the Flexible Homeless Outreach Support Service (FHOSS);
- Creation of Wheatley Care's tenancy support service and more recently Tenancy Support Plus which provide short term reablement and support to tenants to help tenants through a crisis or to settle in a new tenancy; and
- Close working with City of Edinburgh Council to ensure that our Dunedin Harbour Hostel supports their objectives of prevention of homelessness and efficient move on to permanent accommodation

Across our 18 local authority areas we provide high quality social rented homes to our customers alongside the biggest programme of additional support and opportunities in the country. Our housing officers have an average patch size of 200 and are therefore able to be familiar with all their customers. As part of the approach to moving into a Wheatley house, we work with tenants to identify any support they may need. Using our Wheatley 360 division, we are able to provide support with access to specialist support to start a tenancy (My Great Start), benefits advice, financial inclusion services, fuel advice and specialist support in relation to Universal Credit. Where customers need it we can explore options for carpets, white goods, furniture and food vouchers. Our Eat Well package provides support with food packages in crises where tenants have no income to ensure they can at least have food on the table.

Where our housing officers identify a customer as needing extra support extra visits and calls can be arranged in addition to our standard new tenancy visits. Customers are also provided with access to our 24 hour call centre and encouraged to call at any point they might need to. Call centre staff are equipped with knowledge about our wrap around services and can also link effectively to housing officers.

Our specialist Tenancy Support Service provides support for tenants who are struggling with aspects of maintaining their tenancy. It works for 6-8 weeks to help tenants get back

on their feet and ensures the transition to other longer term services where these are required. The Tenancy Support Service Plus is designed specifically to support tenants through their transition onto Universal Credit. Housing officers are able to draw on home fire safety visits to ensure tenants are as safe as possible in their property.

Housing officers' expertise in the services we offer and their knowledge of their customers means they can quickly link tenants to support services they might need at any point. Housing Officers are often "first through the door" and can use this to identify early signs of crisis before it will impact the tenancy. Our staff have training in housing options, allocations systems, domestic abuse and hate crime which can all be used to support customers. They use this knowledge to work closely with our partners in social work, police and fire to link tenants to the services they may require from these agencies.

In addition to wrap around services, being a tenant of the Wheatley Group provides a range of opportunities. Over 2,500 jobs, training places or apprenticeships have been created either within the organization or through our work since 2015/16. More than two thirds of these go to our customers. A further 50 customers each year are supported with bursaries for further education. We also run programmes to support child literacy, tenant internet skills and sports and cultural engagement.

Our co-ordinated support to provide both better homes and better lives ensures that across Group more than 90% of our tenants who have been homeless sustain their tenancy for at least a year.

We provide specialist care services across our priority areas through Wheatley Care. Almost 1,000 people are provided with housing related support at any one time. These services include outreach housing support in Glasgow, Stirling, South Lanarkshire, Falkirk and Fife, some of which specialize in services for young people. We provide a specialist alcohol and accommodation unit in Glasgow, together with a related outreach service. We also deliver the care and support element of Housing First in some of the earliest projects in the country in Edinburgh and Stirling.

Glasgow City

Our housing provision in Glasgow City Council is led by GHA and supported through Cube and Loretto Housing Associations. Together they provide almost 43,000 social rented homes. A significant proportion of our care services are located in Glasgow, managed by Wheatley Care. These support approximately 1,000 customers at a time through tenancy support, outreach housing support and building based services. Through Wheatley Care we have been successful as part of the partnership to deliver the Council's "Alliance to end homelessness" which will take the lead in the City's move to rapid rehousing. Much of our new build programme is contained within Glasgow and since 2015/16 this has added 1,700 new homes in the local authority area.

Glasgow City Council receives the largest number of homeless applications in the country, with over 5,500 each year (16% of the total). It faces particular challenges in providing temporary and permanent accommodation for the scale of applicants it receives. Glasgow City's draft Rapid Rehousing Transition Plan states that resources will be focused on:

- The fastest possible journey through temporary accommodation to settled housing; and
- The provision of flexible, person-centred support that follows the household from temporary to settled housing to enable successful sustainment.

The City Council expects this to result in a systemic change to the current systems. This will include a focus on person centred rather than accommodation-based services and a strong focus on partnership working. This will include partnership working with people with lived experience of homelessness in the development of new services.

Wheatley receives 70% of all homeless referrals in the City (although many will also be referred to other housing associations) and it housed 46% of all section 5 lets in 2018/19. It already provides a person centred approach to those it houses with extensive wrap around services and tenancy support.

A key area of focus will be the 63% of refusals which are the result of multiple referrals being made and another RSL then housing the applicant and the referral therefore being withdrawn. These referrals will already have generated work within the system and possibly even offers of accommodation. There is significant scope to reduce this wastage and use the resources to better meet the needs of homeless households.

Wheatley currently provides a range of services to help homeless households and support GCC in its statutory obligations. These include:

- 30% of all lets provided to homeless households, and homeless households given priority through Covid-19 pandemic period.
- Housed 46% of all section 5 lets in GCC in 2018/19.
- An assisted bidding process through MyHousing for those who need it on behalf of the GCC section 5 team.
- A new matching process to help homeless households quickly move to a suitable home following the Covid-19 pandemic.
- Additional support to customers where English is not their first language.
- A choice based letting system for applicants in Glasgow providing access to a much wider range of homes by allowing them to bid for homes across GHA, Loretto and Cube irrespective of which RSL they may have been referred to.
- Integration with GCC to allow MyHousing system for GCC to allow instant access to our MyHousing system to use online housing options and application forms and to directly upload the section 5 referral.
- Leasing over 1,000 homes to Glasgow City Council for temporary accommodation and flipping these to permanent lets for households where this is suitable as part of our Covid-19 support;
- Support to over 400 customers at any time through our specialist Wheatley Care services at the Flexible Homelessness Outreach Housing Support Service and Wheatley Accommodation and Alcohol Support Services (Fordneuk).
- Provision of housing options advice as an integrated part of the application system
- Provision of 120 homes for Housing First by October 2020.
- Development of the MyHousing system to allow customers to use a digital application and allocation process.
- Provision of robust performance information to support policy development and decision making, enhanced by the development of MyHousing.

- Participation in key GCC partnership arrangements including the Housing Access Board, Strategic Homelessness Group and Housing First consortium
- Participation in the Council's Housing Access Board.
- Participation in a range of working groups including the Council's operational, temporary accommodation, prevention/tenancy sustainment and review and development homelessness working groups.
- Monthly liaison meetings with the Council's Homelessness Management Team, Temporary Accommodation Management Team and MAPPA processes.

City of Edinburgh

Our provision in Edinburgh is led by Dunedin Canmore Housing Association. This amounts to just over 4,500 houses in the City. Our new build programme has added over 400 homes in the City since 2015/16.

As Scotland's capital, Edinburgh faces high pressure on affordable housing. Demand and costs for the private rented sector are also high. The Council receives a large number of homelessness applications (just over 3,000 in 2018-19). The Edindex partnership made a commitment to let an additional 275 homes to statutory homeless households during 2018/19. This target was met and exceeded with an additional 305 lets to homeless households during this period. The current Edindex business plan is committed to increase the proportion of lets to homeless households. The rapid rehousing transition plan commits the Council to looking at a range of innovative options for accommodation including shared housing and supported lodgings.

Wheatley Group currently provides a range of services for homeless households and supports City of Edinburgh Council in the delivery of its homelessness duties through:

- Participation in the Edindex choice based letting system and Edindex Board.
- Participation in Housing First in Edinburgh with 38 tenancies already provided by October 2020.
- Providing approximately 50% of all lets to homeless households (including first lets of new build homes).
- A 25 room/35 bedspace hostel providing temporary accommodation and support in helping homeless applicants to move on to permanent accommodation.
- Dunedin Hostel Resettlement Flats providing supported accommodation to customers including veterans experiencing homelessness, with a pathway to permanent housing.
- Leasing of properties to City of Edinburgh and West Lothian Council for use as temporary accommodation.
- Provision of tenancies for the Syrian Vulnerable Persons Resettlement Scheme.
- Training Flat project with Four Square – provision of 18 flats for young people age 16-21 experiencing homeless to move in to supported accommodation with a pathway to permanent housing.
- Membership of the Edinburgh Affordable Housing Partnership

Dumfries and Galloway

Dumfries and Galloway Housing Partnership is the largest provider in the Council area with 10,300 units. The Partnership joined the Wheatley Housing Group in December 2020 and will in future be able to draw on new build development to extend supply in the area.

There are particular challenges in Dumfries and Galloway in relation to the rural nature of the area. More than 100 miles separate one end of the local authority area from the other. Providing temporary and permanent accommodation in the locality of choice for homeless applicants is more difficult than it would be in a more urban area. The level of repeat homelessness is relatively high. Applicants in Dumfries and Galloway are also much more likely to have one or more identified support need than in many other areas and this has implications for the additional services required by customers.

Wheatley Group supports Dumfries and Galloway Council through:

- Providing approximately 40% of all lets to homeless households (almost 500 lets in 2018/19)
- 24 units of temporary accommodation with support
- 73 units leased back to the Council for temporary accommodation
- Out of hours accommodation to support DGC in provision of its statutory obligations.
- Support to Dumfries and Galloway Council in delivering improvements in their homelessness service.
- Reducing the level of tenancy failure through the use of the DGHP Housing Support Team before any court actions are undertaken to ensure all options are explored to maintain the tenancy.
- Support to those housed through the refugee resettlement programme in DGHP homes and those of other RSLs.
- Management of a specialist project that supports care experienced young people to transition into main-stream accommodation (linked to prevention of homeless of a vulnerable group).
- DGHP leads the Common Housing Register including monthly liaison with the lead officers for Strategic Housing & Homelessness, covering performance policy and the un-met need list for the region (this has been a success story).

West Dunbartonshire

Cube is our main provider in West Dunbartonshire with Loretto Housing Association providing a small number of homes. Together they have just under 550 homes in the area.

West Dunbartonshire received approximately 1,000 homelessness applications last year. This is the highest rate per 1,000 in the country. The rapid rehousing transition plan for the area identifies youth homelessness as a particular issue together with rising numbers of applicants with multiple and complex needs. The transition plan identifies four key priorities which are to:

- Deliver a whole systems approach to the prevention of homelessness;
- Enable service users with no or low support needs to access settled housing quickly;

- To develop interim housing options which enable independent living and housing sustainment; and
- Implement a Housing First model which enables the most excluded users to achieve housing sustainment.

The Wheatley Group currently provides the following services for homeless households in West Dunbartonshire:

- Review of referred homeless households against all void properties as soon as they are available for letting, with a secondary check to local authority staff if no suitable household is found to ensure any newly homeless households are also considered.
- Participation in the Council's quarterly section 5 meeting and housing providers forum

West Lothian

Wheatley provides almost 1,000 social rented houses within the West Lothian Council area through West Lothian Housing Partnership, Dunedin Canmore Housing Association and Barony Housing Association.

The West Lothian RRTP identifies that applicants are largely in low need of support, tend to be homeless as a result of being asked to leave existing accommodation and are mostly younger people. Sofa surfing is more common than rough sleeping. The level of demand for social housing is high across the area.

Wheatley Group supports West Lothian Council through:

- Providing more than 30% of all lets to homeless households (including first time lets of new build homes).
- Nomination arrangement with West Lothian Council for 50% of all lets.
- Development of 140 new homes in the area in 2018-19 and 2019-20.
- Partnership working with the Council to deliver housing support & temporary accommodation, Housing Options and homeless prevention.

Appendix 2: Case Studies

Case Study 1: Building resilience to create independence

The **Sandyhills** multi-storey flats were constructed in the late sixties and comprise of more than 500 flats, the majority of which are 2 apartment. Given the size of many of the properties we have a significant number of properties being allocated to single people, including those who have come to GHA via a section 5 referral.

There are a substantial number of the customers in the Sandyhills area where financial literacy is likely to be poor and households are struggling on relatively low incomes as well struggling with debt. Many households are also struggling with social isolation and feel they have no-one to turn to in a crisis. These customers are particularly vulnerable and more susceptible to lack the ability to manage a tenancy. They may also require significant support to sustain their recovery from addictions or deal with multiple issue such as poor mental health and addictions .

The Welfare Reform Act 2012 has introduced a raft of changes to the benefit system which has had an adverse effect on our customers' income; in particular Universal Credit. The ethos underpinning this benefit is that recipients should take more responsibility for their finances including paying their rent. In theory this position is sound however in reality we have many customers who have very poor budgeting skills and have never had the responsibility of paying their rent in the past. A prerequisite to claiming this benefit is a bank account as this is the only method of payment that the DWP will consider. This is a particular barrier for many of our customers and many have encountered various challenges when trying to open an account. The closure of local branches has exacerbated their difficulty in accessing banking services.

Our approach at Sandyhills is to see the individual and discuss with them using the tenancy star how they see themselves ensuring we have a full overview of the customers' circumstances. This includes any named support organisations or individuals that we can start to build relationship with as this is essential to ensure everyone is clear about their role and expectations.

We use our bespoke Tenancy star to work with customers to track their progress in a range of areas. The customer agrees the support they want and this is provided at the right time and right pace for the customer. This helps households become more confident and less dependent on our services.

Within Sandyhills, the housing team have developed strong partnerships with a number of agencies including DWP and Barclays Bank who were involved in regular sessions within the community facilities. These included advice, information on bank accounts that are easy to set up and options for volunteering, further education and employment.

By assessing and agreeing with customer what support they want and offering this at the right time and at pace that is suitable to the Customer. Our aim is that the customer becomes more confident and less dependent on our services .

Case Study 2: Building resilience to create independence

M moved into one of our furnished flats in 2016 as a young single parent with a new baby. She had no real support from any other family members or the baby's father. Initially she had support issues and accrued arrears.

When she initially moved in she became quite low when she realised she did not have the resources to make the house into the home she wanted. GHA staff helped her by getting a decorating team in through community payback and through assistance from the concierge. Local staff helped out with some baby equipment and clothes and ensured she was well linked in to local groups.

Her confidence built as she established her home and local connections and she became determined to create a better life for herself and her daughter. She was able to repay her arrears, go into training and learn to drive. Ultimately she obtained a job in a nursery with an aspiration to go on to become a social worker.

Case Study 3: Building resilience to create independence

This customer moved into one of our temporary accommodation units have suffered repeat homelessness and with pending charges for threatening behaviour in another property. The erratic and threatening behaviours continued on moving in and were heightened by the influence of alcohol. Although there appeared to be mental health issues no diagnosis had been made and therefore no mental health support was available. Ongoing support was provided to our customer to help her to understand that the occasions she was struggling were linked to alcohol. She continued to be derogatory and verbally aggressive to staff and others and this meant it took some time to build up a productive relationship. Initially, the majority of support was to de-escalate behaviours to prevent the need for intervention from police or other emergency services; to help our customer remain housed and safe and to ensure the safety of others in the same accommodation and neighbourhood. Social Work became involved quickly after moving in and also assisted with de-escalation. During her stay the covid-19 lockdown was put in place and this exacerbated the situation. She would frequently call emergency services, often reporting covid symptoms when these were not present, and was a frequent attender at hospital emergency services.

An interim ASBO was sought and obtained while the customer was in temporary accommodation to continue once permanent accommodation was found. This was in order to help her see that their behaviours were putting her accommodation at risk and affecting others significantly and also to ensure others in the surrounding area could be protected.

A partnership approach between Wheatley Group, the local authority homeless team and social work was put in place to ensure that the customer could maintain the accommodation and successfully move into a tenancy. A core group of officers was put in place and maintained close contact throughout the process. This approach improved the ability to support the customer to move on successfully and to ensure that everyone was updated at all points of the process.

An Adult Support and Protection assessment was carried out. This identified new support and allowed for a smooth transition through good communication. Our customer was able to be involved in the meetings. A referral to our welfare benefits advisor enabled full benefit income to be restored.

With the support and joint working our customer was able to move into a home with a Scottish Short Secured Tenancy. Properties were assessed to ensure that the home chosen maximised the chances of a successful tenancy. A full ASBO was now in place to help to prevent and address any further issues. The property was fully furnished through funding from the Scottish Welfare Fund and support from a local homelessness charity. Ongoing support has been provided from social work and the local authority homeless team. The customer continues to do well in her new home.

Case Study 4: Building resilience to create independence

A is a middle aged male who has been in the homeless system for 15 years, including nights spent sleeping rough on the streets. He is alcohol dependent, has mental health issues which deteriorate during times of non-engagement with services and has a history of reoffending. In October 2019, A was required to move on from the latest in a series of supported accommodation placements due to his erratic behaviours and fire raising. By this time he was excluded from almost all support services in the area. After intensive multi-disciplinary reviews it was agreed to move him into a temporary furnished flat with support from our Glasgow Flexible Homeless Outreach Support Service with 2 weekly reviews and updates as he was at high risk of eviction. His choice with support is to enable him to live independently in his home, improving confidence, supporting re-enablement and therefore reducing reliance on paid services.

The Outcome Star Assessment tool, Homelessness Star was used as a baseline for A's outcome plan. This measures the distance travelled within the outcome plan, using strength based approach to recognise skills, and see results, building leadership in making positive choices, improving self-awareness, therefore confidence and resilience.

After 15 years of being in the homeless system A has settled into the temporary accommodation which is his first independent tenancy in over 15 years. He has continued to engage with other agencies including mental health agencies and is no longer required to attend the challenging behaviour medical clinic as he is no longer classed as a risk to others as he has built trust with services. He has now been in the temporary accommodation for 1 year and is preparing to be discharged from homeless services once the process has been completed for temporary accommodation to now become a secure tenancy. Over the last 12 months with the support and innovation A has been able to challenge his own history and remove the barriers to become independent and live in his own home.

A talking points approach was used with A, which resulted in conversation around the benefits of independent living. He expressed a desire to live in his own home after years of living in supported accommodation and many long stays on mental health hospital wards. The benefits of independent living in his own home are:

- Reduced direct supports
- More independence
- More regular contact with close family
- Pride and sense of achievement for himself
- Being able to cook his own meals
- Make his own choices

Appendix 3: Legislative changes in relation to homelessness

The Housing (Scotland) Act 1987	As amended, sets out the powers and duties of local authorities in dealing with applications from people seeking help on the grounds that they are homeless or threatened with homelessness. Since the 1987 Act, there have been a number of changes to legislation, some of which are described in legislation referred to below
The Housing (Scotland) Act 2001	Established the right to review a homelessness decision and amended other aspects of homeless applicants rights and definitions. It also introduced a duty on registered social landlords (RSLs) to assist local authorities in rehousing homeless people.
The Homeless Persons Advice and Assistance (Scotland) Regulations 2002	Prescribed the types of advice and assistance that local authorities must provide under Section 31(3)(b) and 32(3) of the Housing (Scotland) Act 1987 to homeless applicants and applicants threatened with homelessness
The Homelessness etc. (Scotland) Act 2003	Amended the Housing (Scotland) Act 1987 and the Housing (Scotland) Act 2001 and primarily affects how local authorities carry out their homelessness functions, strengthening people's rights to support when they are facing homelessness. The 2003 Act also improved the housing rights of people experiencing domestic abuse and provided a mechanism for the abolition of priority need. It also placed a duty on mortgage lenders and landlords to notify local authorities when they raise repossession proceedings
Housing Scotland Act 2010	Introduced a duty on local authorities to conduct a housing support assessment for applicants who are unintentionally homeless or threatened with homelessness and who they have 'reason to believe' need housing support services as prescribed in the regulations.
Equalities Act 2010	Prohibits discrimination (whether direct or indirect) against people who possess one of the protected characteristics
Welfare Reform Act 2012	Introduced changes to the UK benefits system, including under occupancy charges for social rented sector and Universal Credit.
The Housing Support Services (Homelessness)(Scotland) Regulations 2012	Makes provision in relation to the duty of Local Authorities to assess whether some persons found to be unintentionally homeless or threatened with homelessness need housing support services.

The Homelessness (Abolition of Priority Need Test) (Scotland) Order 2012	Abolished the priority need test for homeless households so that all unintentionally homeless households are entitled to settled accommodation.
The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014	Revoked The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004 and prescribes accommodation which may not be used to fulfil the duty on local authorities to provide interim accommodation under Section 29(1) of the Housing (Scotland) Act 1987 in relation to applicants who are pregnant, or whose household includes either a pregnant woman or children. Article 7 of the 2014 Order provides two particular circumstances where such accommodation may be used and this was time limited to 14 days.
Housing (Scotland) Act 2014	Introduced the abolition of right to buy, and changes to social rented sector tenancy rights including changes to assignments and successions.
Private Housing (Tenancies) (Scotland) Act 2016	Introduced a new private residential tenancy for the private rented sector in Scotland to replace the short assured tenancy and assured tenancy for all future lets.
The Homeless Persons (Unsuitable Accommodation) (Scotland) Amendment Order 2017	For families with children or pregnant women, amends the time limit in article 7 of the 2014 Order from 14 days to 7 days
The Homelessness etc. (Scotland) Act 2003 (Commencement No. 4) Order 2019	Commenced on 7 November 2019, brings into force sections 4 and 8 of the Homelessness etc. (Scotland) Act 2003 (“the 2003 Act”) <ul style="list-style-type: none"> • Commencing the provisions in Section 4 gives local authorities the discretion to investigate for intentionality rather than it being a duty as previously. • Commencing the provisions in Section 8 allows Scottish Ministers by order made by statutory instrument to modify the operation of Section 33 of the 1987 Act, which allows local connection referral of a homeless applicant to another local authority in certain circumstances. Within 12 months of commencing the Section 8 provisions, Scottish Ministers must publish a statement setting out the general criteria by reference to which modifications would take place, and are obliged to consult before making or modifying this statement. Following the Ministerial Statement, the statutory



Report

To: Cube Board

By: Stuart Johnstone, Development Manager

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

Subject: Five Year Development Programme

Date of Meeting: 16th February 2021

1. Purpose

1.1 To seek approval for our proposed five year development programme.

2. Authorising context

2.1 The overall strategic direction and associated priorities of the Group are reserved to the Wheatley Housing Group Board. In relation to the development programme, this includes the geographical areas in which we operate. Each individual Board is responsible for agreeing its own development programme with the Group parameters.

2.2 The responsibility for oversight of the Group development programme and the approval of new projects rests with the Group Development Committee, in line with the Committee's terms of reference approved by the Group Board.

2.3 A copy of our five year development programme and that of the Group was presented to the Group Development Committee on 4 February 2021 and will be presented to the Group Board in March. The implication of the recent tenant ballot on our development programme is set out at 5.10 below.

3. Risk Appetite and assessment

3.1 The Board's risk appetite in respect of the new build development programme is "open", which is defined as "*willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward*".

3.2 Our future strategic direction envisages an ongoing development programme in the areas we operate, beyond the assumptions in our current strategy. At Group level this is in the order of almost 800 units per annum and represents a significant element of the Group's expenditure, in the form of borrowing to fund construction. In the coming year we anticipate spend of over £100m, inclusive of Grant funding, on the Group development programme.

- 3.3 The income from the construction of new homes represents a correspondingly significant element to increasing rental income to continue to service borrowing. Additionally, the development programme plays a key role in reducing unit management costs, as overheads are spread over a greater number of units.
- 3.4 A key risk is that we do not identify a pipeline of development opportunities to realise our assumed development programme. This could lead to us not constructing enough units to repay our borrowing levels or achieve assumed reductions in management cost levels. To mitigate this risk we have brought together a strong programme of named sites in the proposed five year programme. In addition, we have a further ‘lifeboat’ of additional sites, that are subject to regular dialogue with local authorities, housebuilders and developers.
- 3.5 A further headline risk is Grant availability. This is a major focus for all developing RSLs and local authorities. Based on initial announcements by the Scottish Government in the Infrastructure Investment Fund it is understood that there is likely to be real terms growth in the housing allocation to 2025/26, from the £3Bn allocated in the last parliamentary term to May 2021.

4. Background

- 4.1 Since joining the Group we have completed 600 new affordable homes. Our current Group business plan assumes we will complete 239 units of affordable housing new supply units over the five financial years from 2021/22.
- 4.2 Table 1 below sets out the programme by year.

Table 1 – Cube Programme by Year

RSL	21/22	22/23	23/24	24/25	25/26	Total
Cube	0	78	76	69	16	239

- 4.3 Other opportunities continue to appear. As potential sites arise discussions take place with relevant parties and investigations are undertaken to test the viability of the opportunity. This allows us to explore increasing the scale of the programme subject to finances and means that the programme will most likely evolve as the programme develops through time.

5. Discussion

Development Footprint

- 5.1 Our future development pipeline is shaped by our understanding of the regeneration and housing development opportunities that are currently agreed, or may emerge, in our operational local authority areas. For us this will be driven by the respective local authority housing strategies and the Strategic Housing Investment Programmes that flow from them.

- 5.2 The Wheatley Group Board in February 2020 when approving the five year development programme agreed that:
- **Cube** and Loretto development programmes should focus outside the City of Glasgow in the surrounding local authorities;
 - DCH to continue to be the principal developer in Edinburgh and the Lothians;
 - WLHP should retain its development footprint in West Lothian only; and
 - GHA will be our principal developer in the City of Glasgow.
- 5.3 In totality Cube's stock is located in the local authority areas the Board agreed in May 2019, namely:
- Renfrewshire
 - East Renfrewshire
 - East Dunbartonshire
 - West Dunbartonshire
 - North Lanarkshire
 - South Lanarkshire
 - Argyll and Bute
- 5.4 The planning of our development programme involves discussions with the respective local authorities, Scottish Government More Homes Division, in addition to signalling our interest in these areas to our network of national house builders and private sector developer contacts. Ongoing discussions at Officer level have emphasised the concentration of new homes, wherever possible, in areas where the association already has a presence.

Development appraisal criteria

- 5.5 The Board has previously approved the criteria that forms the basis for assessing new development opportunities for inclusion in our five year development programme:

Criteria	Measure/Test
Local Housing Strategy	Contribute to the Local Housing Strategy (LHS) of the respective local authority. The project appraisal should detail which of the LHS outcome(s) the project will contribute.
Building and strengthening strategic partnerships/relationships	Contribute to strengthening our relationship with local authorities and developers. The appraisal will identify the strategic partnerships and/or relationships to which the project will contribute.
Improving customer choice	The housing mix will be developed in consultation with Cube Housing Management and respond to known and anticipated housing need for social rented housing and in conjunction with Lowther Homes for our future mid-market rent programme if applicable.
Housing Market Areas	Within the agreed local authority areas unless otherwise agreed with the Group Board and Cube Housing Board.
Internal Rate of Return	The Internal Rate of Return shall be a minimum of 5.7% over 30 years (as agreed by Group Board in September 2020).
Debt	Borrowing required would not exceed total assets.
Borrowing	Borrowing will be repaid within 30 years.
Valuation Growth	Projects will be valuation positive on our balance sheet and assumed to deliver valuation growth within 3 years.

5.6 Projects that meet the criteria and are included in our five-year development plan are referred to the Group Development Committee. Where any of these criteria are not met the project also requires approval by the Cube Board. Similarly, if new opportunities arise in year that do not feature in the Cube approved five year development programme then those proposed projects will also be presented to the Cube Housing Board.

5 Year Development Programme

5.7 Attached at Appendix 1 is our draft five year development programme.

5.8 One of the planned projects in the programme, Queens Quay, Clydebank (80 units of social housing) is already on site. The remaining 159 units are partnership projects with private developers where we are seeking to deliver projects in the Strategic Housing Investment Programme for that local authority. All of the proposed projects are located in our current footprint.

- 5.9 Only 1 of the 7 projects in the programme followed the route of us having ownership of the land, designing the scheme and then building out the project. Primary reasons for this has been aggressive practices in land acquisition by private builders in terms of what they are willing to pay and expanding their choice of sites. There are now also a number of local authorities holding their land assets for their own building programmes and where they are prepared to release land it is generally offered on a competitive basis to the market. As a consequence we are negotiating deals based on the developer's product rather than our design.
- 5.10 The programme timing is indicative and may be further influenced by a number of factors such as:
- levels of Scottish Government grant;
 - statutory consents processes;
 - the timing of developers acquiring development sites; and
 - new opportunities arising.
- 5.11 Following the successful ballot of tenants, we are now progressing with the planned transfers to GHA and Loretto. Subject to these completing, Loretto Housing would take forward our pipeline of development projects over the five year programme increasing the size and scale of the Loretto programme.

6. Key issues and conclusions

- 6.1 Our five year development programme sets out an ambitious programme that would continue to see us as a key delivery partner for Scottish Government in the provision of new supply affordable housing.
- 6.2 The Covid-19 pandemic has impacted significantly on our development programme in late 2019/20 and across 2020/21. The cessation of construction activity during the initial lockdown, followed by new procedures agreed between the construction industry and the Scottish Government for safe site operations, has enabled construction activity to continue but productivity has been impacted. We have taken on board remaining uncertainty linked to Covid-19 when considering the planning and Business Plan implications of the five year programme.
- 6.3 The national Infrastructure Investment Programme, announced by the Scottish Government in late 2020, proposes that funding for new affordable housing will continue to be a priority beyond 2021. Full details of the national funding for housing will not be clear until after the Scottish Parliamentary elections in May 2021.
- 6.4 Following the outcome of the customer ballot on a prospective stock transfer to Loretto, subject to this completing then the five year development pipeline would be progressed by Loretto.

7. Value for money implications

- 7.1 Continued use of both our Group contractor framework, and where appropriate access to external contractor frameworks, combined with seeking to extend our developer partnerships for land led opportunities, should continue to offer a significant programme of development.

7.2 This combination will allow us to achieve tangible benefits for tenants as increased efficiency can enable us to deliver better value for money.

8. Impact on financial projections

8.1 The summary of development costs and grant over the next five years is presented in the below table:

New Build Programme	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Development Costs	4,598	8,885	12,416	5,294	548	31,741
Grant Income (cash received)	3,572	4,574	6,368	1,246	0	15,760
Net Cost	1,026	4,311	6,048	4,048	548	15,981
Completions	0	78	76	69	16	239

9. Legal, regulatory and charitable implications

9.1 On a regular basis details of the Group and RSL development programme are shared with the Scottish Housing Regulator.

9.2 The Property Legal Team, with support from external legal teams as required, provides legal advice on projects included in the five year development programme. Typically this involves advice and guidance on due diligence on titles, land acquisition and construction contracts.

10. Partnership implications

10.1 We have a number of key strategic partners in the delivery of the development programme: Scottish Government More Homes Division and the local authorities in our operating areas. Regular programming meetings take place with Scottish Government and the local authorities to assist with future programming and monitoring. In addition, we have a number of important relationships with developers, housebuilders and various land agents.

10.2 For some of our newer geographies we continue to build relationships with local authorities, e.g East Dunbartonshire Council, and identify potential opportunities to increase the number of tangible opportunities we can consider for the future programme.

11. Equalities impact

11.1 Within the programmes, all new build units are designed to Housing with Varying Needs (Part 1) with the inclusion of wheelchair units on a number of sites being a standard funding requirement.

12. Recommendations

12.1 The Board is asked to:

- approve the five year development programme as summarised in this report; and
- note that the five year development programme will be reviewed annually.

List of Appendices: Appendix 1 – Draft five year development programme

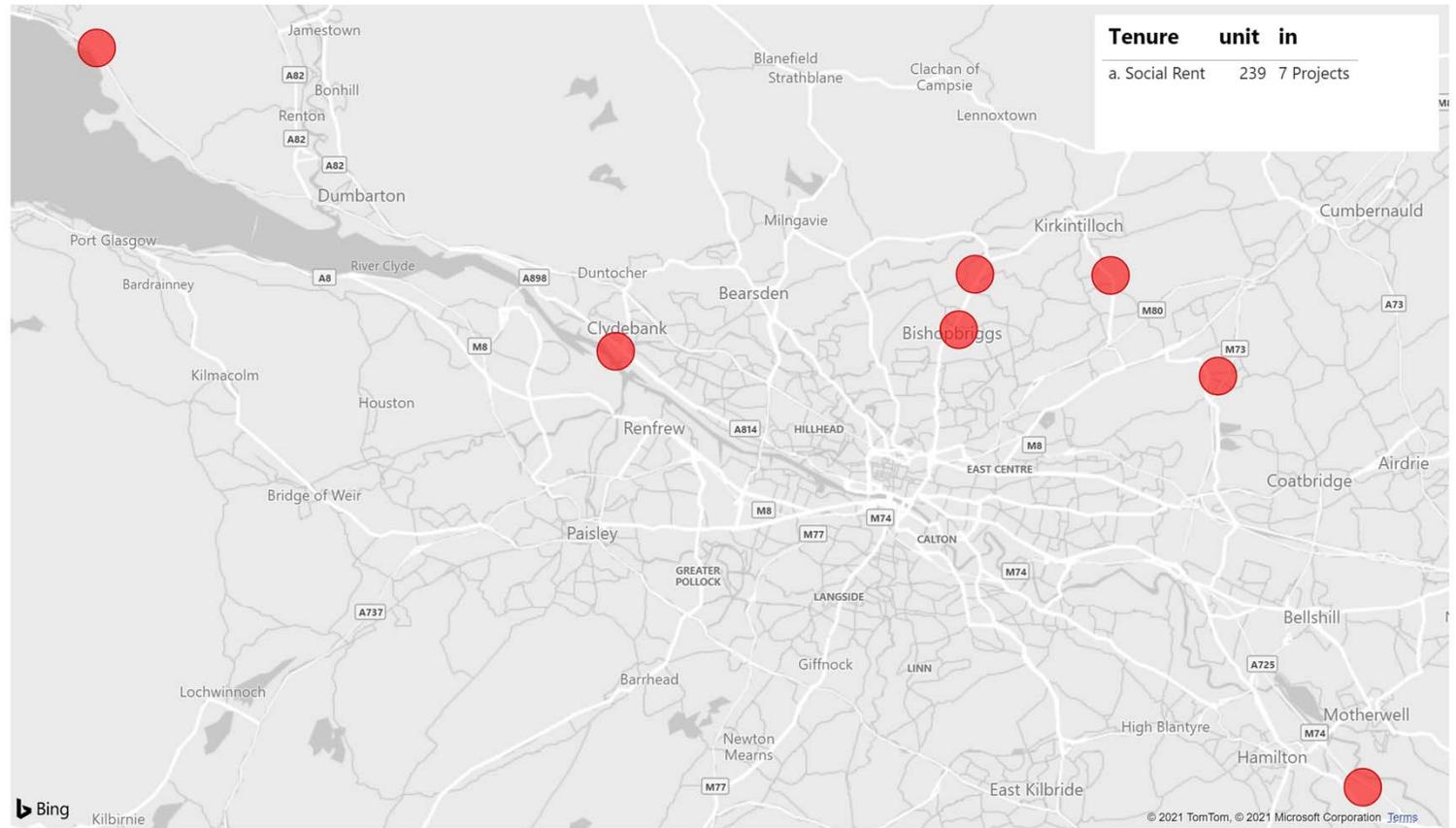


Appendix 1: Five Year Development Programme

Cube Board
16 February 2021

LA	Project	20/21	21/22	22/23	23/24	24/25	25/26	Units
WDC	Westcliff	24						24
WDC	Queens Quay			60	20			80
A&B	Sawmill Field			18	18			36
NLC	Gartcosh				18			18
EDC	South Crosshill Rd				20	20		40
EDC	Crofthead					7		7
SLC	Ferniegair					42		42
EDC	Lenzie						16	16
		24		78	76	69	16	263
				239				

- Cube
- DC
- DGHP
- GHA
- Loretto
- Lowther
- WLHP



● a. Social Rent

Queens Quay, Clydebank



SR	MMR
80	
80	

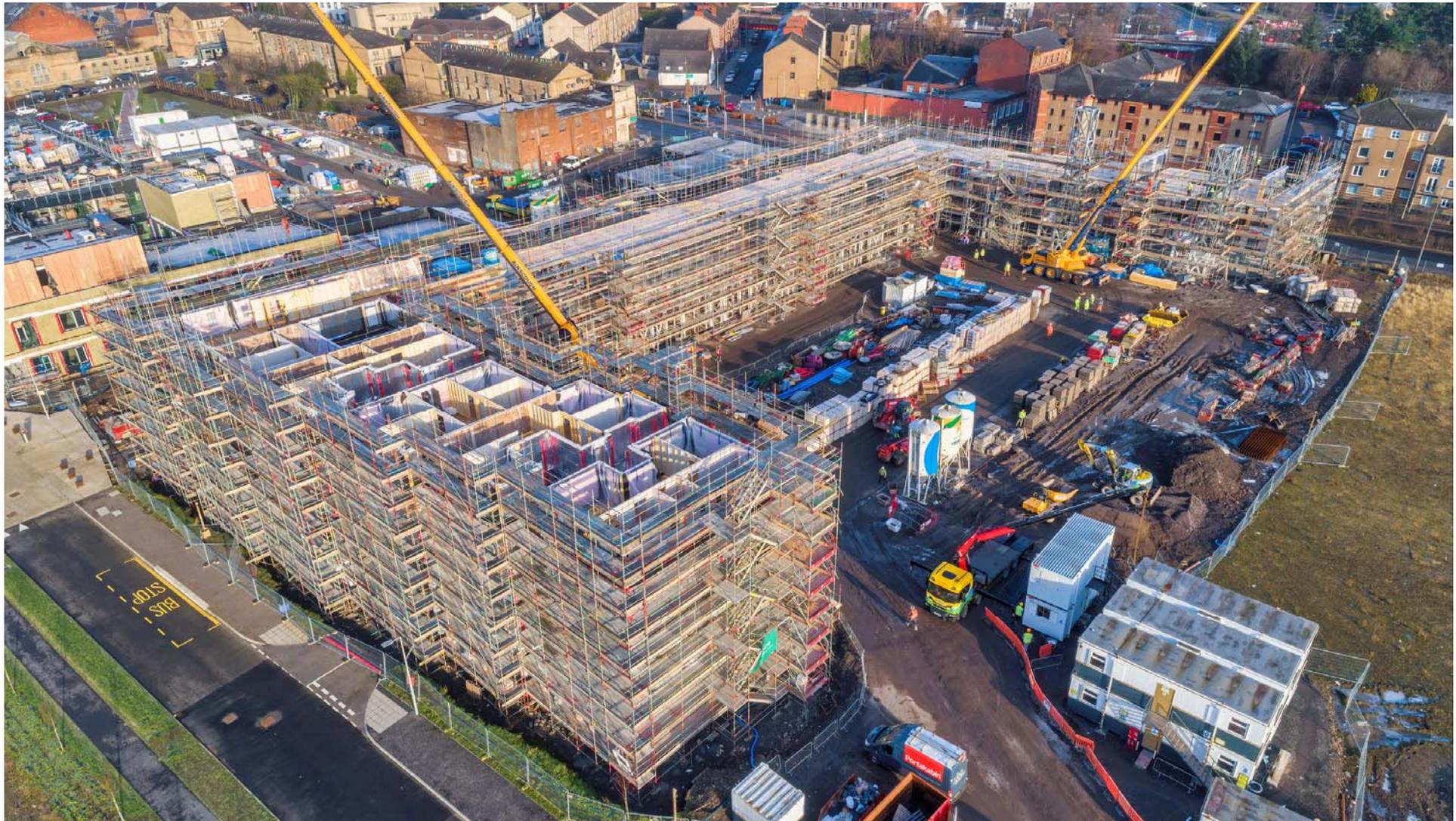




Queens Quay, Clydebank



Queens Quay, Clydebank



Sawmill Field, Helensburgh



SR35	MMR
36	
36	

Sawmill Field, Helensburgh



Gartcosh, North Lanarkshire

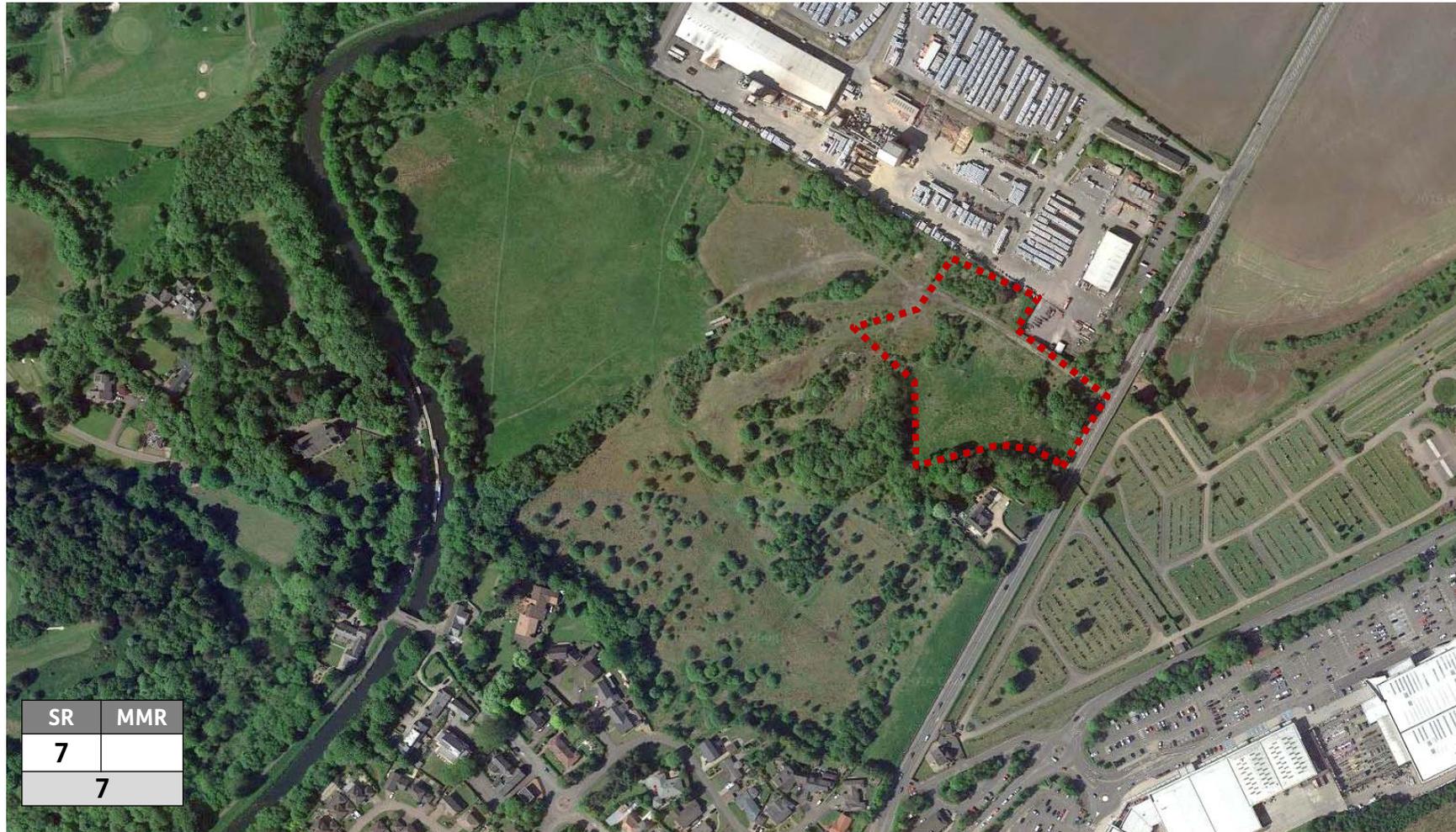


South Crosshill Road, Bishopbriggs





Crofthead, East Dunbartonshire



Ferniegair, South Lanarkshire



Lenzie, East Dunbartonshire



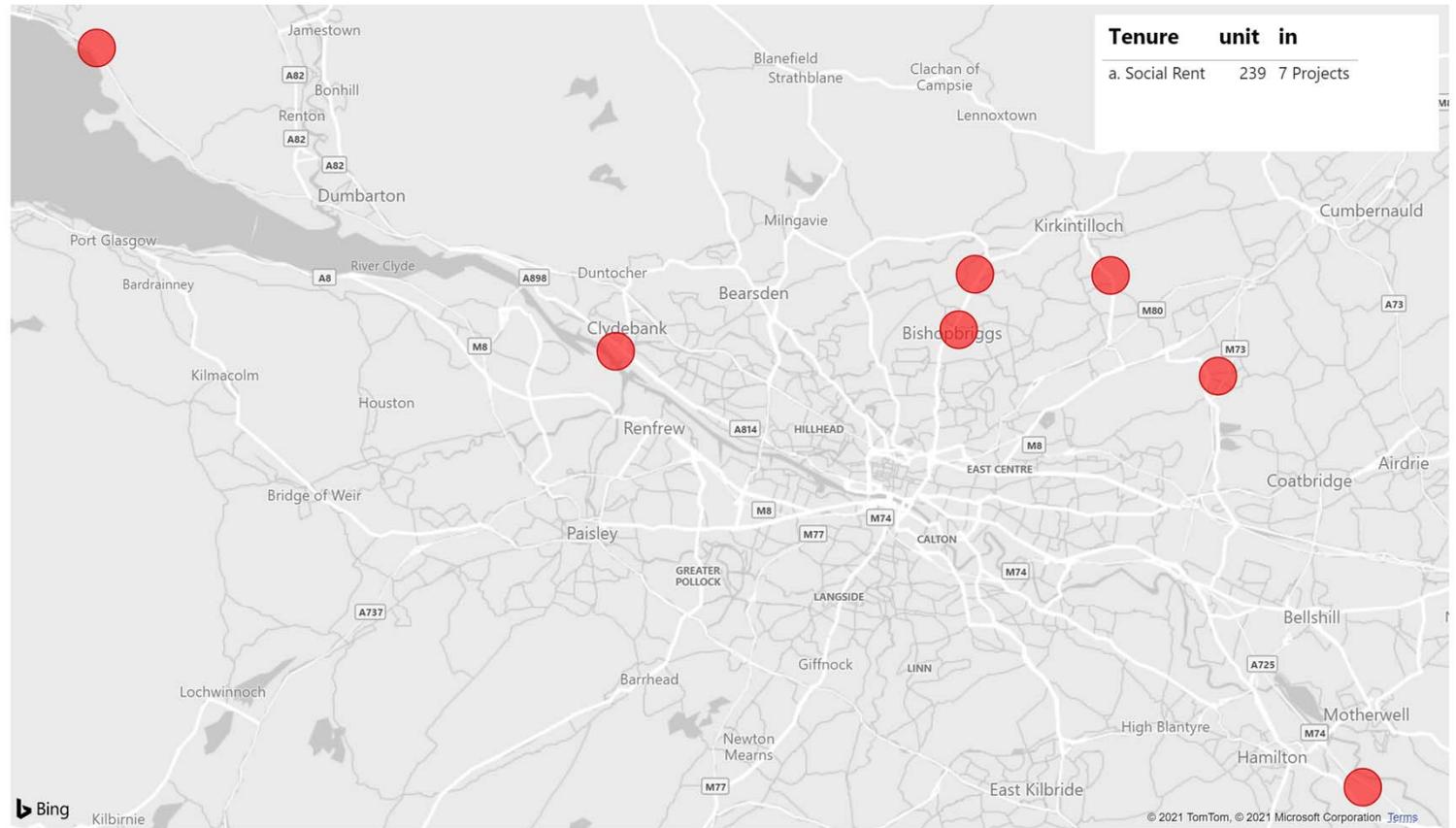


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● a. Social Rent

Queens Quay, Clydebank



SR	MMR
80	
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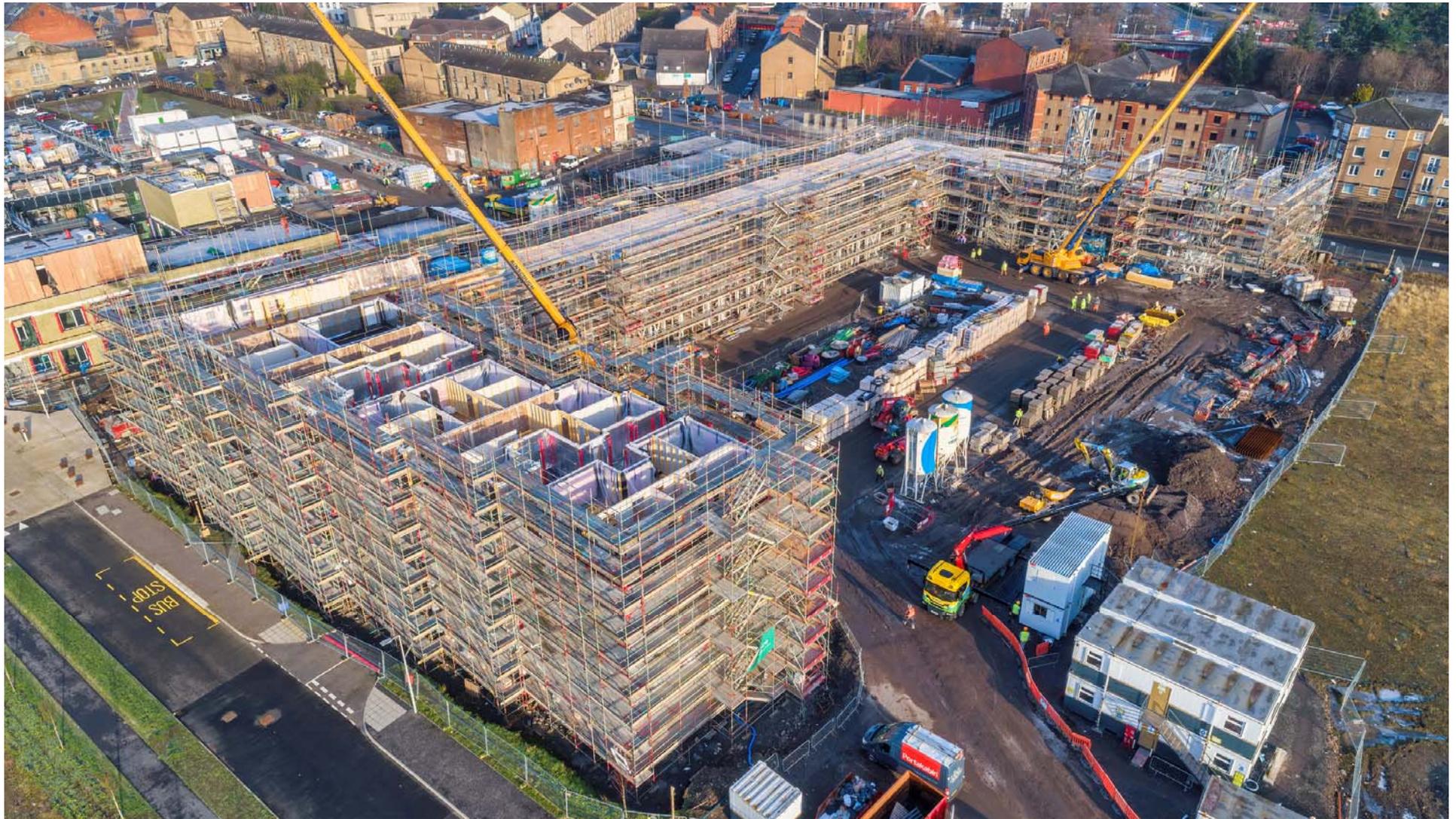




Queens Quay, Clydebank



Queens Quay, Clydebank



Sawmill Field, Helensburgh



SR35	MMR
36	
36	

Sawmill Field, Helensburgh



Gartcosh, North Lanarkshire

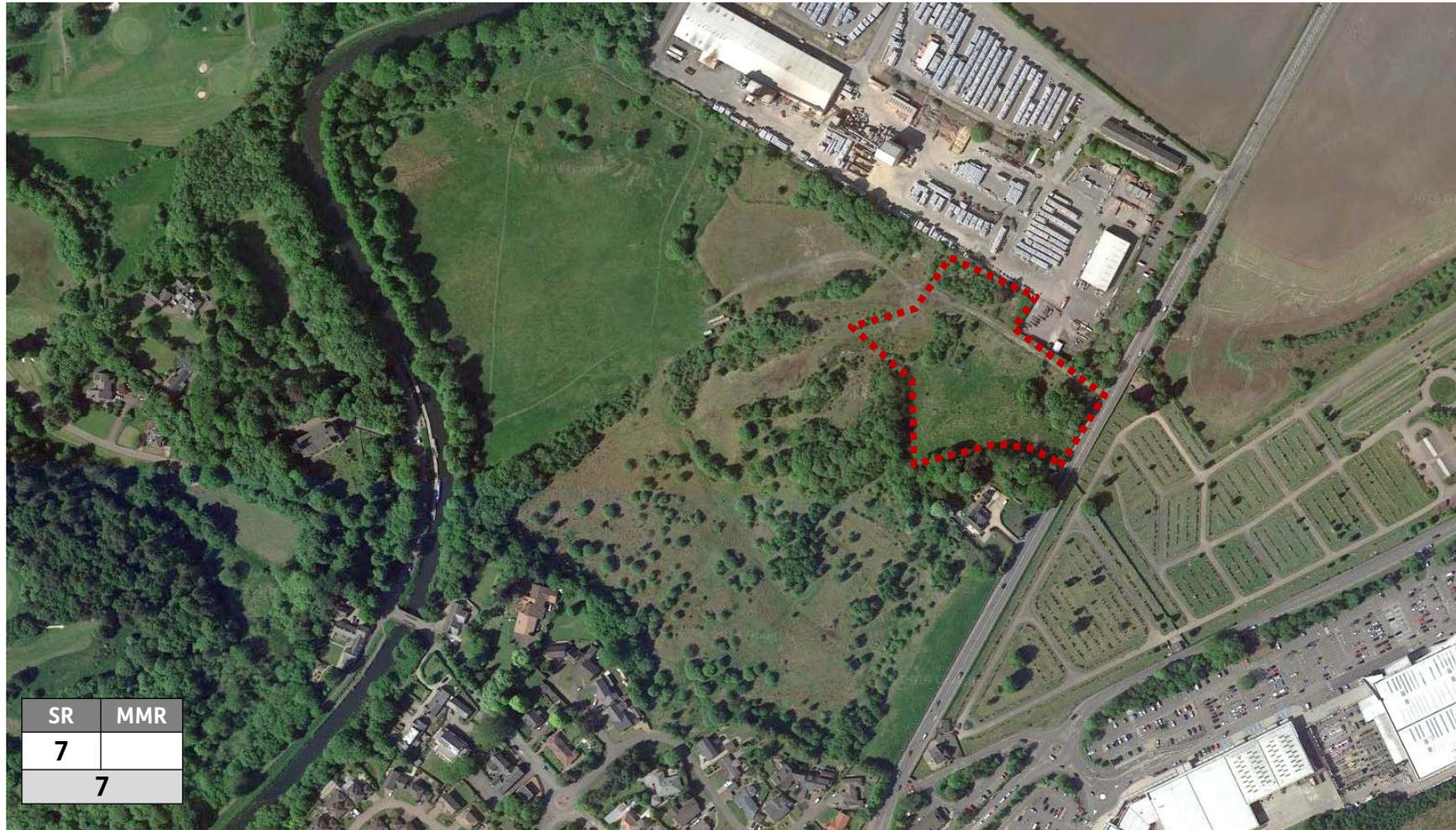


South Crosshill Road, Bishopbriggs





Crofthead, East Dunbartonshire



SR	MMR
7	
7	

Ferniegair, South Lanarkshire



Lenzie, East Dunbartonshire





Report

To: - **Cube Board**

By: - **Laura Henderson, Managing Director**

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

Subject: **Transforming our rent payment methods**

Date of Meeting: **16th February 2021**

1. Purpose

- 1.1 This report seeks approval to modernise our approach to rent payment methods as we fully harness the opportunities presented by technology for the benefit of both customers and our business as part of our vision for 2026.
- 1.2 The report also outlines how this modernisation is the first phase of a wider review of our approach to income and collection of rents and related service charges across group.

2. Authorising context

- 2.1 Under the terms of the Group Authorising Framework and Group Authorise/Manage/Monitor Matrix the Board is responsible for monitoring operational performance and implementing the Board's strategy.
- 2.2 The Executive Team is responsible for ensuring that operations are well managed including approving how services are organised and delivered, such as payment methods. The Board is responsible for approving the overarching operating model and key elements within the model.

3. Risk appetite and assessment

- 3.1 Our risk appetite related to both digital (including channel shift) and Welfare Reform is Open, defined as willing to choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward.
- 3.2 A detailed project risk matrix has been developed and outlines the key risks that require to be managed and mitigated as part of this project. A comprehensive Implementation and Deployment Plan has also been developed.

4. Background

- 4.1 **Our 2026 vision is to enable our customers to reach their potential for a brighter future for themselves and their families.** Our strategy for making this real will see us deliver an unprecedented shift in the balance of power and control towards our customers. Our customers will feel empowered, make choices about services and ways in which they want to engage with us. Our success will depend on our ability to make digital feel effortless,

personal and on building customer capacity to do more for themselves. Our performance will move from excellent to outstanding, as defined by our customers.

Our vision will be delivered against a backdrop of significant external challenges, not least the impact of Coronavirus and lockdown restrictions, Welfare Reform including Universal Credit, digital disruption and rising levels of in-work poverty. Over 2,400 of our customers qualify for Housing Benefit or Universal Credit, with significant numbers having to manage on low incomes.

4.2 We therefore, want to make it as easy as possible for customers to pay their rent. Most recent advances, delivered as part of our Digital Transformation Strategy, include:

- The launch of Cube's Self-Service, MyAccount, in 2015, enabling customers to access their account anytime, and not just for paying rent. Our customers can check their account, see when their rent is due, raise a service request, book a repair and report a neighbourhood issue.
- MyHousing, launched in 2018, providing customers with an online housing, advice and letting service including advice on the total cost of running a home, budgeting tools and benefit advice to help them maximise their income and build financial resilience. Once registered, the customer account seamlessly moves with them providing access to their new online rent account and wider services once they become a tenant with us.

4.3 We currently offer 9 ways to pay rent with customers choosing to pay weekly, fortnightly, four weekly or monthly. Many of these options pre-date modern technological advances. A breakdown of transactions and income from each payment method can be found at appendix 1.

The most convenient and cost effective methods, apart from Housing Benefit and DWP payments are Direct Debit and Cube Online Self Service (WSS) followed by CSC Touchtone telephone.

4.4 Uprating rents at the beginning of each year will be much more easily controlled and automated the more customers we have on Direct Debit. It also reduces the impact of DWP uprating issues as we can ensure the correct amount is paid to us for those customers paying by Direct Debit and encourage them to inform DWP at the same time. These are huge business benefits that protect our income streams and support effective rent collection.

4.5 There is an opportunity to learn from wider customer service organisations and the banking sectors who have introduced recurring debit or credit card payments. This option offers same or next day payments at the start of a payment plan and provides another digital payment option for customers who wish to pay us in this way, which has become increasingly important during the Coronavirus crisis.

4.6 Our preference is for payment methods that will allow us and customers to manage a rent account in real time - no delay in the payment reaching a customer account such as the time it currently takes for a payment made through the Post Office to show on a rent account and where customers are able to self-serve and view their accounts as well as access additional services themselves. Payments will be digital, automated and will not rely on customers having to proactively remember or physically do something to pay their rent every month.

4.7 Bulk text messaging of rent reminders and overdue reminders where a payment is missed have been successfully introduced during the Coronavirus lockdown. Work is ongoing to automate this process as a result of the positive impact it has had in generating both contact from customers and also payments, which our Housing Officers themselves have been able to take over the phone since March 2020. Over £140,000 in payments has been taken to date, with these payments showing in the customer's account the next day, demonstrating the impact of methods which deliver real time payments and evidencing our preference for them as described above.

4.8 A measured and managed approach to modernising our options will:

- use data intelligence to help us predict the most successful payment method based on customer characteristics to ensure ongoing payment success
- ensure just in time and transparency of payments
- increase control for customers, facilitating easier access to services and deliver exceptional customer convenience
- prioritise efficient and effective payment methods to drive value for money, and
- ensure no customers are left behind with services appropriately tailored to meet their specific needs.

5. Discussion

5.1 Our proposed payment channel shift will strengthen prevention capacity through Direct Debits, support more digitally enabled income collection methods and help to mitigate the impact of Coronavirus and Universal Credit while protecting our top quartile performance in the most cost efficient way. It will also enhance customers feeling in control and having the information and access they want and need at their fingertips wherever they are.

5.2 We are proposing to retain the top three most effective and convenient payment methods and to phase out all other existing options. These are Direct Debit, Cube Online Self Service and a modernised telephone payment system. We introduced secure payment links in November 2020 and propose to introduce Recurring Card Payments (new) due to the minimum effort required by customers to make payments and deliver value for money. Direct Debit will be our preferred default payment method and where this is not right for the customer we will use data intelligence to predict which of the other acceptable methods will be the most successful payment method based on customer characteristics to ensure ongoing payment success. We also need to gauge how easy customers feel it is for them to make a payment and their satisfaction with available services using our new approach to customer engagement.

5.3 The value of scheduled Housing Benefit payments will continue to reduce over time as customers move onto Universal Credit and we expect to see a corresponding increase in the value of DWP payments. We have also now moved to daily payments from DWP and the impact so far has been hugely positive.

5.4 The crisis surrounding Coronavirus has already changed the way some of our customers are making their payments, with traditional face to face payment methods reducing.

5.5 **Measures of success and outcomes** from moving to a new streamlined approach include:

Measure of Success	Baseline	Outcome	Timeline
% increase in customers paying by more efficient methods	16% (DD)	Year on year % increase in usage of modernised payment methods All new tenancies signed up to Direct Debit	From 2020 From 2020
% increase in the no. of customers, in arrears, paying by DD and recurring card payment (new) to mitigate the impact of UC	18%	Payment Plans secured with 80% of customers paying by DD/recurring cards	From 2020
Modernised payments approach delivered	9 ways to pay	Phasing out of proposed payment options completed	By 2022
Reduced average transactional payment costs	£0.98 to £3.93	To less than £0.50 per transaction for customer facing methods	By 2022
<i>**based on average rent payment of £425</i>	£2.28 to £6.80	To less than £2.00 per transaction for back office methods	By 2022
The ways in which to pay rent perceived as easy to use by customers	Not currently measured	90% customer satisfaction	By 2023
Build financial resilience by increasing % customers paying by one month's rent in advance	15% one month in advance; *68% of customers with credit/zero balance	10% year on year increase of credit rent accounts with **50% of customers having a credit balance <i>**From our learning journeys, we know that Gentoo, for example, aim to have 50% of their customers in credit.</i>	By 2026
Support improved income collection performance to deliver 2021/26 strategic targets	5.52%	% of gross debit at <4%.	By 2026
Keeping UC customers debt free	46%	80% of ALL UC customers paying by DD and/or APA	By 2026

5.6 The pros and cons of existing, new payment methods and those we propose to keep and remove are shown in the following tables.

5.7 Table1. Proposed Customer Facing Payment Methods

Payment Method	Pros	Cons
<p>Direct Debit</p> <p>1260 customers</p> <p>£0.16 cost per transaction</p>	<ul style="list-style-type: none"> Regular, automatic agreed payments with minimal input and reduced payment failures; Customers less likely to be in arrears, lower arrears where they exist and paid back more quickly including those on UC; Customer can self-serve to set up own DD via WSS and fee free bank accounts no longer have costs associated with returned DDs; Huge potential to maximise the ability to amend DD payments to collect arrears and rent in advance; Annual rent increases are easier to collect as we increase the payment rather than relying on customer to do so; Building financial resilience for customers and the business; Payment date set to coincide with date customer receives wages/UC/Pension/other income; Opportunity to automate proactive communications to remind customers to ensure they have sufficient funds in their account 1 week prior to payment due and to make contact within 24 hours of any missed Direct Debit to maximise chance of recovery. 	<ul style="list-style-type: none"> Direct Debit guarantee allows customers to reclaim payments where they feel payment has been made in error despite rent being due. Process for addressing this is being developed; Some customers do not have access to a bank account or one that can facilitate Direct Debits although we can support them to set one up; Some customers are reluctant to set up Direct Debit as worried about returned fees; Time lag between set up and first payment date due to the need to give notice and cooling off period in line with DD guarantee; Customer bank charges if DD is rejected.
<p>Cube Self Service (WSS)</p> <p>870 customers</p> <p>0.328% to 1.1% cost of transaction value</p>	<ul style="list-style-type: none"> Customer actively engaging with us on our digital platform; More holistic services with access to MyAccount, advice, support and services, including transaction history, raise repairs, benefit from MySavings, make service requests, set up Direct Debit, explore job & training opportunities and obtain information needed to make a Universal Credit claim; Informing data intelligence. 	<ul style="list-style-type: none"> Payment reliant on customer actively logging in to online account.
<p>CSC Touchtone Telephone</p> <p>247 customers</p> <p>0.328% to 1.37% cost of transaction value</p>	<ul style="list-style-type: none"> Quicker for customer to get through to make payment; No call handler required to take payment; Can change messaging on IVR (Instant Voice Recording) to suit campaign messaging etc; Value for money service; Free phone service. 	<ul style="list-style-type: none"> Payment reliant on customer actively calling in to payment line each time it is to be made; Anonymised interaction preventing customer from accessing additional info available via call handler or WSS; Requires significant amount of guidance and discussion (at least 2-3 times) to nudge customer towards this method and keep them there.
<p>Recurring Card Payments (new)</p> <p>We currently have 20% of customers paying by debit card</p> <p>£0.20 + 3% of transaction value</p>	<ul style="list-style-type: none"> Allow regular/repeat card payments to be set up without repeat contact; No bank charges for customers if payment is declined; Same day set up and payment; less risk around guarantee – 120 days max rather than for life of mandate as for Direct Debit; More reliable than customer phoning or going online to make payment; Can add alternative cards to try automatically where first one fails, so less work to recover initially failed payments. 	<ul style="list-style-type: none"> Potential for higher failure rates due to cards being lost/stolen, reaching card spending limit for the day; Admin costs to keep card details up to date (potential additional system to administer); Need to develop automatic text reminder that payment is due.

Secure Payment Links (new) £0.25 per link	<ul style="list-style-type: none"> Secure e-mail or text link sent to customer to make payment by card Payment confirmed there and then Staff member is able to provide support to customer to make payment with improved PCI compliance Progress of transaction including confirmation of success or otherwise provided for staff and customer at time; opportunity to find alternative card/method while still in contact with customer reducing missed opportunities Payment shows next day in account in line with other card payments 	<ul style="list-style-type: none"> Need to have customer on phone/engaged with service Only able to send out links individually or in small batches of 30 and specific amount to be paid must be provided
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5.8 Table 2. Proposed payment methods to be phased out. These will no longer be promoted or offered to new customers and existing customers will be encouraged to migrate to one of our four preferred/acceptable methods of payment by 2022. We will carry out periodic reviews during this two-year period with a view to switching off these less effective and efficient methods on a phased basis.

Payment Method	Pros	Cons	If DD is not the default payment method. Customers are likely to channel shift to:
Paypoint (via local shops and including Post Office) 630 customers £0.41 per transaction + £30 rent card	<ul style="list-style-type: none"> Local and convenient for customers; Allows cash payments to be made; Retained as residual payment method for customers who are unable to open any other kind of account (diminishing numbers); Has remained popular with some customers during Coronavirus crisis Prevent reputational damage for organisation. 	<ul style="list-style-type: none"> Rent card required to make payment; Takes around 5 working days for payment to reach rent account; Third party payment handler involved; Rent cards are expensive; Transaction limit of £200 – typically 2 transactions per monthly rent payment. 	Recurring card payments or Secure Payment Link by 2021
Ad hoc Internet 157 customers 0.328% to 1.37% cost of transaction value	<ul style="list-style-type: none"> Quick payment method; May encourage disengaged customers to still make payment as no need to interact with staff member to do so; Available to our customers currently and was scheduled for phasing out in new financial year. 	<ul style="list-style-type: none"> Limited interaction with customer; No ongoing relationship with customer built on the transaction; Limits data availability for data intelligence; Possible missed opportunity for service personalisation; Campaign required to quickly move customers to alternative payment methods. 	It is anticipated that our customers will move to Online Self Service in line with the experience of other RSLs by March 2021; <i>propose it is kept as residual payment type while we are dealing with ongoing restrictions</i>
CSC Telephone Payments 546 customers 0.328% to 1.37% cost of transaction value	<ul style="list-style-type: none"> Customer can speak to advisor; Payments taken 24/7; Customer can make multiple payments for different things at same time e.g. rent and council tax (in Glasgow) at same time. 	<ul style="list-style-type: none"> Takes longer than CSC Touchtone to process payment; Comparatively expensive – staff; Freephone number costs; High demand on Customer Service Centre lines can lead to missed opportunities to collect 	Migrated to Direct Debit or Online Self Service

		payments if customer does not wait.	
Bank Payments 628 customers £0.22 - £0.40 per £100 transaction value	<ul style="list-style-type: none"> Convenient way for individual customers to make ad hoc payment at their bank. <p><i>** Within these accounts paid by bank, a significant number are HB scheduled payments that we receive as a manual payment from smaller Local Authorities.</i></p>	<ul style="list-style-type: none"> Manual reconciliation of exception payments to individual rent accounts. 	Direct Debit in the first instance from November 2020 or recurring card payment by 2021 <p><i>** Income Team will continue to manually process HB payments. It is anticipated this will diminish over time as customers move onto UC</i></p>
Chip & Pin** 0 customers 0.328% to 1.2% of transaction value	<ul style="list-style-type: none"> Allow card payments to be taken in our offices; Allow safe payment of large amounts. <p><i>**It was proposed that Chip & Pin be retained as a back office facility only for one-off rent payments and primarily for rent arrears management. This method has been effectively phased out as offices have been closed since March due to the pandemic.</i></p>	<ul style="list-style-type: none"> Numbers reducing over time – no payments from Chip & Pin since offices closed at end of March 2020 	Direct Debit in the first instance from November 2020 or recurring card payment by 2021

5.9 As an illustration of the potential impact these changes could have, if all of these customers currently using the payment methods we are proposing to phase out were to be moved to our most efficient and preferred payment method of Direct Debit, we could potentially save almost £240,000 per year across Group in transaction costs alone. This could be used to deliver more in terms of our current suite of wraparound services or assist in bringing in some new ones relating to debt advice for example or providing funding for an additional 6,000 Eatwell parcels/vouchers.

5.10 The next stage of our change programme is to transform our service model to offer unrivalled customer experience, identifying digital and tailored services.

To support this, we will:

- a) complete a review of our approach to income and arrears collection, exploring data intelligence to help us tailor our engagement and communication through preventative support and help customers stay debt free.

Improvements in management information and the use of technology will also enable us to strengthen income collection through proactive automated alerts reminding customers to ensure that they have funds in their account to pay their Direct Debit. Payment history will be used to progress proactive interventions; and

- b) shift the balance of power and increase customer choice, exploring the benefits of a Customer App to facilitate easier access to services, deliver exceptional customer convenience and capture just in time feedback. Improvements will include customer alerts and push notifications regarding forthcoming payments.

6 Proposals

6.1 In order to protect our income stream, a cautious approach is recommended with movement towards our proposed payment methods being facilitated in a controlled and phased basis. The first step will be to begin to phase out the least effective and costliest customer facing payment methods, namely Paypoint (including Post Office) and Chip and Pin this year. Chip and Pin has effectively been phased out already as all our customer facing offices are

currently closed. Paypoint individual transaction limits of £200 demonstrate the fact that Paypoint was set up at a time when monthly rent levels were below this amount.

- 6.2 Building on the work done during lockdown we will launch a major campaign to increase the number of customers paying by Direct Debit and drive down the use of telephone payments via CSC Advisors and ad-hoc online payments. Working closely with the CSC, we will migrate our customers from the ad-hoc online payments to WSS, this will allow our customers to interact with us online and access wider benefits. There was an Implementation and Deployment Plan scheduled for this to take place in April. However, it is proposed that this payment method remains for these customers in light of the pandemic but that we will continue to actively encourage them to move to our acceptable payment methods. Since December 2019, customers have also had the facility to set up a Direct Debit using their WSS account with no need for Housing Officer involvement with many customers taking up this option. We have introduced secure payment links which provide customers with the ability to make payment using their debit or credit card quickly and conveniently via a secure link sent to them via text or email and completed in the same way as many other online payments are made.

Table 1 above discusses the benefits of Direct Debit including the uprating of rents at the beginning of each year. Customers who pay using this method are also less likely to be in arrears and have lower levels of arrears as they are paid back more quickly through a Direct Debit including those customers claiming UC, payment dates can be set to coincide with the date the customer receives wages/UC/Pension/other income providing consistency and certainty of payment. Research, learning journeys and data analysis demonstrates Direct Debit as being the most effective payment option with around 80% of customers maintaining their arrangements.

- 6.3 Recurring Credit & Debit Card Payments are proposed to be introduced in 2021 and also promoted to existing Paypoint, Post Office and ad-hoc Debit & Credit card telephone payment customers as part of our Implementation and Deployment Plan where Direct Debit is not the default payment method. It is expected that a significant proportion of customers will easily move to our preferred or acceptable payment methods following some discussion with their Housing Officer around the benefits of moving. However, there will be a smaller group who will be more difficult to persuade and their movement will take a longer time, meaning we have given a more cautious time frame of two years for the full implementation of this project.
- 6.4 The modernisation of CSC Touchtone and agent payments is also currently being considered as part of our wider Digital Delivery Plan from 2021 to 2026.

7. Key issues and conclusions

- 7.1 While we do not want any customer to be left behind, failure to modernise our payment methods means we risk failing those customers who would currently benefit from interacting and transacting with us in the digital arena. Payment options are changing at a phenomenal pace and we need to keep up with this, to improve customer satisfaction and to ensure we are able to collect payments from individual customers as more and more move onto Universal Credit. This is even more important in light of Coronavirus, making face to face visits more challenging in terms of restrictions.

8. Value for money implications

- 8.1 More efficient methods of payments relate to the aim within our VFM Framework of improving flexibility and responsiveness and improving the life chances of our customers.

9. Impact on financial projections

- 9.1 There is no adverse impact on the financial projections, however a move to more efficient payment methods will help us to manage arrears balances and maximise rental income collected. Savings in the transactional costs of administering payments and the production of rent cards will go towards achieving running cost efficiency targets built into the financial projections.
- 9.2 It is envisaged that there will be a cost associated with the introduction of recurring card payments however this will be offset against savings expected from the withdrawal of rent cards. Any variance will be met from existing budgets.

10. Legal, regulatory and charitable implications

- 10.1 There are no direct legal, regulatory and charitable implications.

11. Partnership implications

- 11.1 There are no partnership implications arising from this report apart from Council Tax collection from Glasgow City Council, which is provided free through our CSC.

12. Implementation and deployment

- 12.1 The Group Universal Credit Lead will take ownership for our payment methods approach and drive the delivery of the Implementation and Deployment Plan. A Project Board will be established to drive this change programme, assisted by the Rent & Income COE.

13. Equalities impact

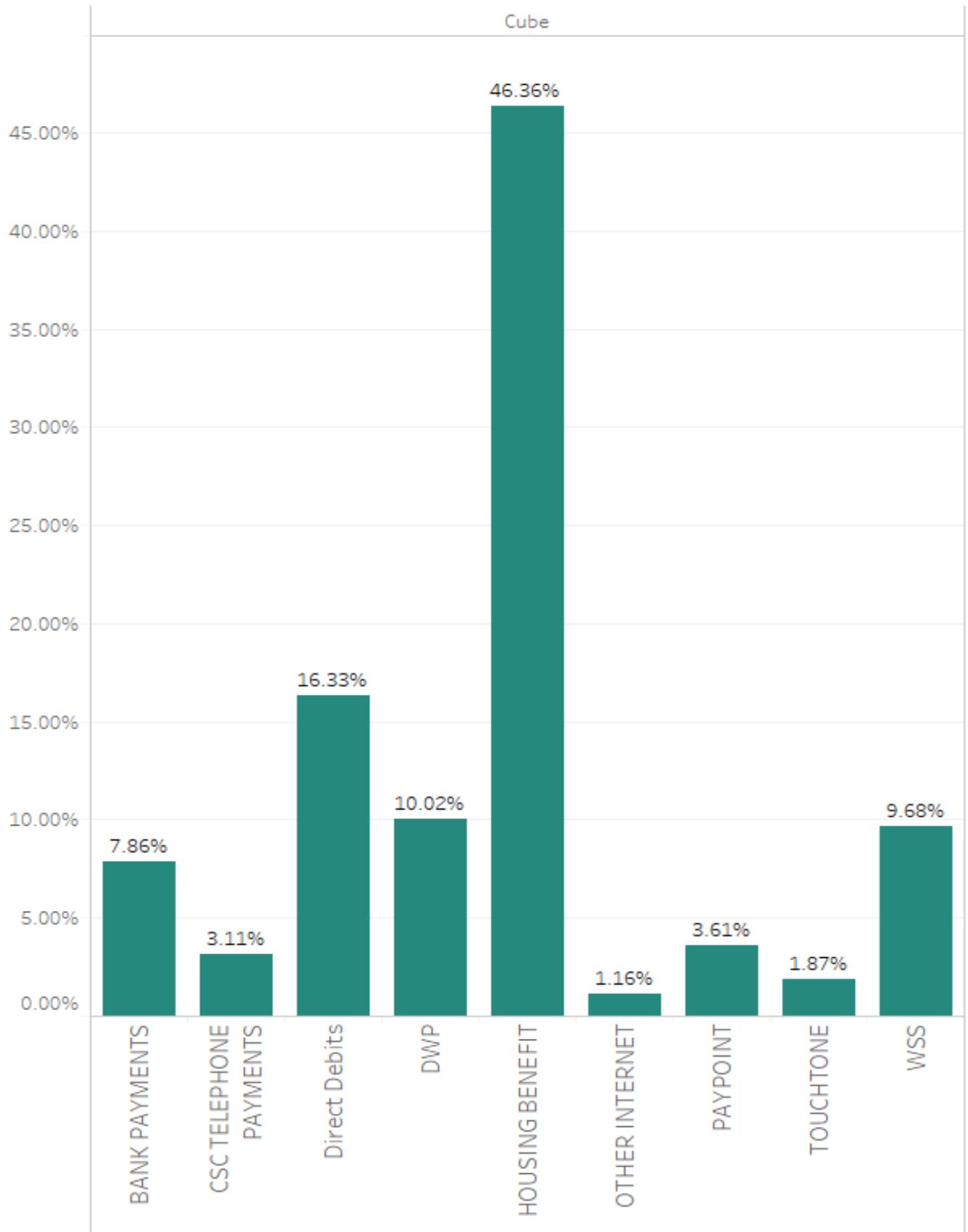
- 13.1 We will undertake an equalities impact assessment as part of this proposal with a focus on customer characteristics and in particular accessibility.

14. Recommendations

- 14.1 The Board is asked to:
- 1) approve modernising our Group approach to rent payment methods as we fully harness the opportunities presented by technology for the benefit of both customers and our business,
 - o Including the exploration and introduction of recurring card payments
 - 2) agree a wider review of our approach to rent and income collection, with a progress report to be provided in 2021;
 - 3) note that our current WSS offering requires to be reviewed in the longer term and in the context of delivering a customer App to facilitate easier access to services, deliver exceptional customer convenience and capture just in time feedback. Our new approach to customer engagement will need to gauge how easy it is for customers to make a payment and their satisfaction with available services. Improvements will include customer alerts and push notifications regarding forthcoming payments.

Appendix 1 –

% of Payment Method by RSL of Payments Made between April 2020 and August 2020





Report

To: Cube Housing Association Board

By: Sarah Stocks, Finance Manager

Approved by: Pauline Turnock, Director of Financial Reporting

Subject: Finance Report for the period to 31 December 2020

Date of Meeting: 16 February 2021

1. Purpose

The purpose of this report is to provide the Cube Board with an overview of the management accounts for the period to 31 December 2020, including the latest forecast for 2020/21.

2. Authorising Context

2.1 Under the terms of the Intra-Group Agreement between Cube Housing and the Wheatley Group, as well as the Group Authorise, Manage, Monitor Matrix, the Cube 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 Our agreed risk appetite in Cube's Performance against Group is "Open". This level of risk tolerance is defined as "Prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level".

3.2 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. Background

4.1 This report outlines performance against budget for the 9 months to 31 December 2020.

4.2 For the period to 31 December 2020, Cube is reporting a statutory surplus of £499k, which is £3,245k favourable to budget. The two main drivers of budget variances are the £1,916k grant income for 24 Westcliff properties delayed from March 2020 to July, and savings made in expenditure items, as a result of changes to our operating model during the COVID 19 pandemic.

4.3 The appendices provide more detail on the financial results.

5. Discussion - Finance Report for the period to 31 December 2020

5.1 Cube has reported a statutory surplus of £499k for the period to date which is £3,245k favourable to budget. When interest payable, depreciation and grants are removed to show our underlying operating position ("EBITDA") the result is a reported surplus of £7,603k which is £1,103k favourable to budget.

Key points to note:

- Rental income is £79k less than budget, as a result of the delay in completion of the 24 units at Westcliff from March 2020 to July, and a £32k provision for refund of some service charges to tenants due to a reduced service during the pandemic. Voids are £92k favourable to budget with a void rate of 1.58% against a budgeted rate of 2.21%.
- Other income is £181k lower than budget in the period to December. This is due to the suspension of tenant charges for heat usage from the district heating schemes.
- Grant income of £2,079k is £1,974k higher than budget as result of the delay in the Westcliff units and £160k unbudgeted grant from GCC for two property buy backs.
- Direct staff costs are £79k lower than budget, as a result of the claims made under the HMRC furlough scheme, savings in overtime and agency costs. Employees recharged from Group Services for Cube's share of Wheatley Solutions staff is also showing favourable to budget of £42k as a result of a similar claim.
- Direct running cost are £117k lower than budget following savings across several office and staff related items as a result of COVID 19 restrictions. Note that the district schemes continue to incur costs as normal.
- Repairs and maintenance spend is £680k favourable to budget as result of the repairs service operating on reduced service throughout the year due to the pandemic. Note that all repairs required to maintain health and safety standards in our properties continue to be undertaken.
- Bad debts costs are currently £276k favourable to the budget; an additional amount was set aside when the budget was prepared to provide for an increasing number of tenants moving onto Universal Credit.

5.2 Cube has reported net capital expenditure of £2,187k for the period to 31 December 2020, £1,547k lower than budget. Key points to note:

- New build expenditure is currently reporting a total spend of £4,317k, which is £3,080k lower than budget. The majority of costs to date relate to Queens Quay. The reduced spend also includes a change from monthly payments to turnkey at the request of the developer for the Sawmill Field scheme (£1.9m lower than budget). Additionally, Cube has spent £160k on two property buy backs in Wyndford. These purchases were fully grant funded by GCC.
- Investment programme spend of £1,012k is lower than budget by £2,165k. As with repairs, the investment programme has been curtailed due to COVID 19

restrictions. Spend in the period to date is mainly for voids, capitalised repairs and compliance investment works.

- Capital investment income reported of £3,313k for the period to date mainly relates to Queen Quay.

Q3 20/21 Full year forecast

5.3 The Q3 forecast output for 2020/21 reports an operating surplus of £4,911k, which is favourable to budget by £3,128k and a statutory surplus of £77k is also favourable to budget by £3,441k. This is largely driven by the Westcliff delayed grant income release of £1,916k and lower levels of expenditure across the majority of expenditure lines as a result of the COVID-19 restrictions. The underlying EBITDA is forecast at £10,181k which is £1,188k favourable to budget.

5.4 Key points to note in the forecast are:

- Net rental income of £18,968k is forecast, which is £13k lower than budget. Both rental income and void losses are forecast to be in line with budget in the fourth quarter.
- Charges to tenants for the district heating scheme continue to be suspended in Q4, therefore, other income is forecast to be £320k below budget.
- No further grant income has been forecast to be recognised as income in Q4; no developments are due to complete.
- A small further saving has been assumed in Cube's employee costs in Q4 due to anticipated claims under the Job Retention scheme. This also applies to the Wheatley Solutions employee and running costs recharges.
- Given the COVID 19 restrictions are still in place a small further saving in running costs in Q4 has been allowed for.
- Repairs and Maintenance reports a significant variance to budget at P9 (£680k lower than budget). The reduced service provision will continue during the current lockdown restrictions, therefore a further saving of £199k has been forecast.
- No further saving in bad debt costs has been forecast in Q4; we have prudently assumed bad debt costs are in line with budget for the fourth quarter.
- A saving of £312k in interest payable has been forecast, due to the anticipated reduction in funding required from WFL1.
- Forecast net capital expenditure of £3,656k is £2,022k lower than budget. In Q4 the investment works are expected to mainly be voids, capitalised repairs and compliance investment works, which mirrors the situation at December (forecast £2,736k lower than budget). The Queens Quay site is forecast to continue progressing in Q4. As noted at 5.2, there will be no spend on the Sawmill Field site this year, which also increases the unfavourable variance to budget reported in the grant income. New build expenditure is forecast to be £3,826k lower than budget and grant income £4,510k lower.

6. Value for Money Implications

- 6.1 Delivery of our cost efficiency targets is a key element of continuing to demonstrate value for money. Cube has reported a statutory surplus, excluding interest payable, depreciation and grants for the period to the 31 December 2020 of £7,603k, noting that a surplus of £6,500k was budgeted.

7. Impact on financial projections

- 7.1 The 2020/21 Business Plan was approved by the Board at the February 2020 meeting. The Quarter 3 forecast, as well as the updated financial projections presented to the board in July, highlight the expected variances from the approved financial projections.

8. Legal, regulatory and charitable implications

- 8.1 No implications.

9. Equalities impact

- 9.1 Not applicable.

10. Recommendation

- 10.1 The Board is requested to:

- 1) Note the Finance Report for the period to 31 December 2020

LIST OF APPENDICES

Appendix 1: Finance report – period to 31 December 2020



Appendix 1- Finance Report Period to 31 December 2020

Operating Statement – YTD December 2020



	Period To 31 Dec 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	14,459	14,537	(79)	19,383
Void Losses	(229)	(321)	92	(428)
Net Rental Income	14,230	14,216	13	18,955
Other Income	236	417	(181)	636
Grant Income	2,079	104	1,974	139
Total Income	16,544	14,737	1,807	19,730
EXPENDITURE				
Employee Costs - Direct	2,551	2,631	79	3,508
Employee Costs - Group Services	624	666	42	888
ER / VR	17	0	(17)	0
Direct Running Costs	1,276	1,393	117	1,909
Running Costs - Group Services	332	426	94	567
Revenue Repairs and Maintenance	1,929	2,609	680	3,183
Bad debts	133	409	276	543
Depreciation	5,494	5,494	0	7,349
TOTAL EXPENDITURE	12,357	13,627	1,270	17,946
OPERATING SURPLUS / (DEFICIT)	4,187	1,110	3,077	1,784
Interest Receivable	1	0	1	0
Interest Payable	(3,689)	(3,856)	167	(5,147)
STATUTORY SURPLUS / (DEFICIT)	499	(2,746)	3,245	(3,363)
EBITDA	9,681	6,604	3,077	9,132
EBITDA (excluding grants)	7,603	6,500	1,103	8,993

Income and Expenditure account – key points

- Net operating surplus of £4,187k is £3,077k favourable to budget. Statutory surplus for the period to date is £499k, £3,245k favourable to budget. The main drivers of the variance are grant income from the delayed completion of Westcliff (2019/20 to this financial year) and lower costs resulting from the current COVID 19 restrictions.
- Rental income received is £79k adverse budget as a result of the delay in completing the Westcliff units (March 20 to July) and a provision of £32k for refund of some service charges to tenants during the pandemic. Void losses in the year to date are 1.58% against a budget of 2.21%, generating a favourable variance of £92k
- Other income includes any income from non-social housing stock and district heating schemes. The adverse variance of £181k relates to District Heating income, through the temporary suspension of tenant charges for heat usage. Cube, however, continue to bear the costs.
- Direct employee costs are £79k favourable to budget, as a result of the claims made under the HMRC furlough scheme, savings in overtime and agency costs and a deleted Administrator's post. Cube's share of Wheatley Solutions staff is also favourable to budget, with a similar claim made under the HMRC scheme.
- Direct Running Costs are favourable to budget by £117k, due to savings across a number of office and staff related items as a result of COVID 19 restrictions.
- Revenue repairs and maintenance expenditure is £680k favourable to budget following to lower levels of reactive and cyclical repairs through COVID restrictions, however FIT testing and MSF works have progressed well over the last month.
- Bad debts continue to report a favourable variance to budget. A prudent approach to Universal Credit was taken when setting the budget.
- Net capital expenditure of £2,187k is £1,547k lower than the budget. Investment works continue to report lower spend due to the COVID 19 restrictions and this has also impacted new build. Capital investment income of £3,313k is mostly for Queens Quay.
- Investment works expenditure of £1,012k mainly relates to voids, capitalised repairs and compliance investment works.
- New build expenditure to date mostly relates to Queens Quay. Sawmill Field reports an underspend to budget of £1.9m, following a change from monthly payments to turnkey at the request of the developer.

	Period To 31 Dec 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	3,313	6,980	(3,667)	9,827
Investment Works	1,012	3,177	2,165	4,235
New Build	4,317	7,397	3,080	11,082
Other Capital Expenditure	171	140	(31)	187
TOTAL CAPITAL EXPENDITURE	5,500	10,714	5,214	15,505
NET CAPITAL EXPENDITURE	2,187	3,734	1,547	5,678

Quarter 3 20/21 Forecast



	Full Year 2020/21		
	Forecast £k	Budget £k	Variance £k
INCOME			
Rental Income	19,304	19,383	(79)
Void Losses	(336)	(428)	92
Net Rental Income	18,968	18,955	13
Other Income	316	636	(320)
Grant Income	2,079	139	1,939
Total Income	21,363	19,730	1,633
EXPENDITURE			
Employee Costs - Direct	3,412	3,508	95
Employee Costs - Group Services	846	888	42
ER / VR	17	0	(17)
Direct Running Costs	1,775	1,909	134
Running Costs - Group Services	482	567	85
Revenue Repairs and Maintenance	2,304	3,183	879
Bad debts	267	543	276
Depreciation	7,349	7,349	0
TOTAL EXPENDITURE	16,452	17,946	1,494
OPERATING SURPLUS / (DEFICIT)	4,911	1,784	3,128
Interest Receivable	1		1
Interest Payable	(4,835)	(5,147)	312
STATUTORY SURPLUS / (DEFICIT)	77	(3,363)	3,441
EBITDA	12,260	9,132	3,128
EBITDA (excluding grants)	10,181	8,993	1,188

	Full Year 2020/21		
	Actual £k	Budget £k	Variance £k
INVESTMENT			
Total Capital Investment Income	5,317	9,827	(4,510)
Investment Works	1,499	4,235	2,736
New Build	7,256	11,082	3,826
Other Capital Expenditure	218	187	(31)
TOTAL CAPITAL EXPENDITURE	8,973	15,505	6,531
NET CAPITAL EXPENDITURE	3,656	5,678	2,022

Income and Expenditure account – key points

- The forecast shows the approved budget presented to the Board compared to the Q3 forecast, which has been prepared using the actual results to the end of December and taking account of known changes from the revision to the business plan.
- Forecast operating surplus of £4,911k is £3,128k favourable to budget. Statutory surplus of £77k is £3,441k favourable to budget. Both are driven by the Westcliff delayed grant income release of £1,916k and lower levels of expenditure across the majority of expenditure lines, as a result of the Covid-19 restrictions.
- Net rental income is forecast to be in line with budget in Q4. Charges to tenants for the district heating scheme continue to be suspended in Q4, therefore, other income is forecast to be £320k below budget.
- No further grant income has been forecast to be recognised as no developments are due to complete.
- At December Cube's employee costs are currently favourable to budget due to the claims made under the Job Retention scheme. A small further saving has been forecast in Q4. Given the COVID 19 restrictions are still in place a small further saving in running costs in Q4 has been allowed for.
- Repairs and Maintenance reports a significant variance to budget at P9. The reduced service provision will continue during the current lockdown restrictions, therefore a further saving of £199k has been forecast.
- No further saving in bad debt costs has been forecast in Q4; we have prudently assumed bad debts are in line with budget for the fourth quarter.
- A saving of £312k in interest payable has been forecast, due to lower levels of funding anticipated.
- Net capital expenditure is forecast to be £2,022k lower than budget.
- In Q4 the investment works are expected to mainly be voids, capitalised repairs and compliance investment works, which can be undertaken under the latest lockdown. This results in a favourable saving to budget of £2,736k forecast to March 2020.
- The Queens Quay site is expected to continue progressing in Q4. It is forecast that there will be no spend on the Sawmill Field turnkey site this year with new build spend forecast to be £3,826k lower than budget.

Income – December 2020



Income	1 April 2020 - 31 December 2020		
	Actual £k	Budget £k	Variance
Rental Income	14,459	14,537	(79)
Void Lost Rent	(229)	(321)	92
Net Rental Income	14,230	14,216	13
Other Income	236	417	(181)
Grant Income	2,079	104	1,974
Total Other Income	2,314	522	1,792
Total Income	16,544	14,737	1,807

20/21
Budget £k
19,383
(428)
18,955
636
139
775
19,730

Comments

Net Rental Income

- Rental Income of £14,459k year to date to December is £79k unfavourable to budget due to the completion of the 24 properties at Westcliff being delayed from March 20 to July and a provision of £32k for service charge refunds to tenants, reflecting the reduced service provided during the pandemic.
- Void lost rent of £229k is £92k favourable to budget and the YTD void rate is 1.58% versus the budgeted rate of 2.21%. A further 30 void properties were let during December, aside from those properties requiring major repair and Homelink vacancies, there were 46 properties void at 28th December. No void properties remain from the earlier backlog.

Other Income

- Other income includes any rental income from non-social housing stock (MMR units, lockups/garages and two commercial properties), and district heating schemes (Broomhill, Collina, Gorget and Kelvindale). The unfavourable variance of £187k in District Heating is as a result of the suspension of charges to tenants for their heat usage during the pandemic.

Grant Income

- Grant income of £2,079k mainly relates to Westcliff, £1,916k, and GCC grant of £160k for two property buybacks.

Other Income and Grant Income	1 April 2020 - 31 December 2020		
	Actual £k	Budget £k	Variance
Commercial property	32	32	0
District heating scheme	7	194	(187)
Lockups/garages	52	47	6
Miscellaneous	0	0	0
MMR lease income	101	101	0
Phone masts	43	43	0
Total Other Income	236	417	(181)
Grant Income	2,079	104	1,974

20/21
Budget £k
47
0
62
0
135
57
301
139

Employee Costs – December 2020



Employee Costs	1 April 2020 - 31 December 2020			20/21 Budget £k
	Actual £k	Budget £k	Variance	
Salaries	957	999	42	1,283
Staff costs capitalised	(354)	(393)	(39)	(524)
Pension deficit	419	419	0	607
Group Recharges	1,525	1,562	37	2,083
Overtime	0	13	13	17
Temporary/agency staff	5	31	26	42
Total	2,551	2,631	79	3,508

Comments

- Employee costs of £2,551k YTD are £79k favourable to the budget of £2,631k.
- Salary costs of £957k are £42k less than budget, as a result of claims made under the HMRC furlough scheme and deletion of the Administrator's post. This has been partially offset by housing officer maternity cover during the year.
- Group recharges of £1,525k represents Cube's share of Group environmental, Wheatley 360, new build and Joint Venture staff. A favourable variance to budget is reported due to a reduction in the recharge for new build staff, due to receiving credits under the HMRC scheme for these staff. This also results in a reduction in staff costs capitalised.
- The majority of the budget for agency staff was for a dedicated fuel advisor. This arrangement ended early in the year and the service is now available to tenants through Group.

Direct Running Costs - December 2020



Direct Running Costs	1 April 2020 - 31 December 2020			20/21 Budget £k
	Actual £k	Budget £k	Variance	
District heating scheme	285	249	(37)	397
Equipment & furniture	3	21	18	27
Group recharges	365	360	(5)	313
Initiatives	282	328	46	423
Insurance	109	111	2	147
Misc running costs	52	116	65	322
Property costs (offices + housing stock)	170	190	20	253
Staff related costs	11	19	8	25
Total	1,276	1,393	117	1,909

Initiatives	1 April 2020 - 31 December 2020			20/21 Budget £k
	Actual £k	Budget £k	Variance	
Helping Hand (incl Livingwell relief)	47	55	8	73
Tenancy Support Service	141	144	3	192
Think Yes	25	69	44	91
Wheatley Foundation	47	44	(3)	44
Wider Action	23	17	(5)	23
Total	282	328	46	423

Comments

- Direct running costs of £1,276k year to date are £117k favourable to the budget of £1,393k.
- The majority of headings report an underspend to budget due to reduced activity and homeworking during the pandemic. An exception to this is the district heating scheme, which in terms of costs, has continued to operate as normal.
- District heating scheme costs of £285k are biomass heat usage, gas and electricity, maintenance and call out charges, and metering and billing costs.
- District heating income of £7k is reported in other income, yielding a net loss of £278k for 9 months to end December.
- Group recharges includes:
 - Environmental costs recharged from GHA (relating to staff, vehicles, equipment and depot costs);
 - A recharge from GHA for Cube's share of the Wheatley 360 service, including PPE Equipment; and
 - Payment to Wheatley Care of Cube's sheltered service charge income (for the Livingwell service provided by Wheatley Care at these sites) less related property costs paid by Cube on Wheatley Care's behalf.
- The second table provides a breakdown of Cube's initiatives expenditure. Wider Action reports an overspend due to Cube's share of the Christmas vouchers distributed to tenants with children.

Revenue Repairs and Maintenance Expenditure - December 2020



Repairs & Maintenance Expenditure	1 April 2020 - 31 December 2020		
	Actual £k	Budget £k	Variance
Reactive Repairs	748	1,086	338
Cyclical Maintenance (compliance)	652	862	210
Cyclical property maintenance	35	153	118
Communal Electricity	403	410	8
Other	91	97	6
Total	1,929	2,609	680

20/21 Budget £k
1,481
822
204
547
129
3,183

Comments

- Total repairs and maintenance expenditure of £1,929k is £680k favourable to the budget of £2,609k with the repairs service operating on a reduced service basis throughout the year.
- Reactive Repairs and Cyclical Property Maintenance spend is below budget due to the reduced service during the pandemic. Note that all repairs required to maintain health and safety standards in our properties continue to be undertaken.
- Cyclical Maintenance - Compliance spend relates gas servicing and the maintenance and repair of any mechanical and electric equipment in Cube's properties, such as lifts, fire safety equipment and pumps and tanks. The underspend is due to the impact of COVID 19 restrictions on many of these works. Both FIT testing and MSF works have progressed recently, however the current bad weather is now expected to impact on the MSF works.
- Overhead allocation for CB is for the overhead payment from April to June of £195k to City Building for GHA's share of the fixed costs of the repairs service, after taking account of CBG's claim for furloughed staff under the HMRC scheme.
- Other R&M expenditure mainly relates to laundry equipment in MSF's, decant/removal costs, pest control and other responsive repairs.

Investment works - December 2020



Investment Works	1 April 2020 - 31 December 2020			20/21 Budget £k
	Actual £k	Budget £k	Variance	
Investment Works Grant Income				
Adaptations	2	104	102	139
Total	2	104	102	139
Core programme	605	2,448	1,843	3,263
Void repairs	404	625	220	833
Adaptations	2	104	102	139
Total	1,012	3,177	2,165	4,235

Comments

- Overall investment works expenditure of £1,012k for the year to date is £2,165k less than the budget of £3,177k.
- An underspend on Void repairs, adaptations and Core Programme repairs is as a result of a revised programme during the pandemic.
- The adaptations costs are funded by grant income.

Breakdown of core programme	1 April 2020 - 31 December 2020			20/21 Budget £k
	Actual £k	Budget £k	Variance	
Capitalised repairs	178	135	(43)	180
Capitalised staff costs	68	71	3	95
Central Heating	54	45	(9)	60
Compliance (capital)	184	720	536	960
Environmental	0	486	486	648
Fire Safety	8	144	136	192
Internal Common Work (incl high rise)	0	153	153	204
Kitchen, Bathrooms and Rewire	111	487	376	648
High & Low Rise Fabric	2	135	133	180
M&E	0	72	72	96
Total	605	2,448	1,843	3,263

New Build Programme – December 2020



Name	Year To Date			FY Budget
	Actual £s	Budget £s	Variance £s	
Bonhill PS, Bonhill	(2)	63	65	63
Carrick Terrace	1	-	(1)	-
Carrochan/Dumbain	2	67	65	67
Crofthead, Bishopbriggs	-	26	26	26
Gartcosh	-	31	31	31
Kelvindale Place	216	-	(216)	-
Queens Quay, Clydebank	3,586	4,908	1,322	7,380
Sawmill Field	-	1,915	1,915	2,766
South Crosshill Rd	-	66	66	223
Westcliff, Dumbarton	102	-	(102)	97
Property buy backs	160	-	(160)	-
CUBE	4,065	7,076	3,011	10,653
Capitalised Staff Costs	251	322	71	429
Gross New Build Costs	4,317	7,397	3,080	11,082
Grant Income	3,311	6,876	(3,565)	9,688
Net new build costs	1,006	521	485	1,394

Grant Income

- Grant income reported within the capital budget represents the cash received. The budget of £6,876k relates to grant income for Sawmill Field and Queens Quay in line with commencement of works, however due to delays in operations as a result of COVID 19 restrictions, the grant income claimed to date is for Queens Quay only.

New Build Expenditure

- Crofthead, Bishopbriggs:** The developer submitted an amended Planning Application in early November. Currently projecting a site start in August 2021. Revised mix now means only 7 social rent units are expected for Cube although there is potential for a larger Phase 2. We are meeting with the developer in January.
- Gartcosh** Developer is finalising land acquisition contract with landowner subject to Planning. Planning decision anticipated early 2021.
- Kelvindale Place:** Final handovers took place in June 2018. Current year expenditure relates to conclusion of contractor claim. **COMPLETE**
- Queens Quay:** Board approved the project in May 2019. Site started 16 March 2020 per amended programme but was closed in line with Scottish Government coronavirus instruction on 23 March 2020. Contractor resumed work in June and continues to work through this project. Project is expected to complete in 2022/23.
- Sawmill Field:** : Planning Permission has been granted. Developer and Development Team are working out details on the basis of a phased turnkey arrangement for this project. Developer acquired the site in December 2020. The project was originally based and budgeted on monthly payments, however, the developer then requested a turnkey arrangement. There will be no payments in 2020/21.
- South Crosshill Rd, Bishopbriggs:** We expect minimum 40 units for Cube. EDC Planning Committee refused the Planning Application. The developer has confirmed that they intend to appeal the decisions
- Westcliff:** The first handovers took place in November 2019 – ahead of programme. Site closed in line with Scottish Government coronavirus instruction on 23 March with 24 properties due to handover. Contractor re-started works on site in June 2020, the remaining 24 flats were handed over in July 2020. Costs shown refer to external fees for services. **COMPLETE**
- Property buy backs:** Two properties in Wyndford were purchased and fully grant funded by GCC.
- Capitalised staff costs include the credit from HMRC for furloughed New Build Staff⁹

Balance Sheet



	31 December 2020 £k	31 March 2020 £k
Tangible Fixed Assets		
Housing Properties	139,202	139,027
Investment Properties	1,750	1,750
Other Assets	4,510	4,678
	145,462	145,455
Current Assets		
Rent and Service Charge Arrears	108	196
Intercompany Balances	47	133
Other Debtors and Prepayments	1,268	2,921
	1,423	3,250
Cash at Bank and in Hand	4,791	1,351
	6,214	4,601
Short Term Creditors		
Deferred Grants	(3,151)	(1,916)
Intercompany Balances	(1,684)	(1,058)
Accruals and Other Creditors	(6,007)	(6,747)
	(10,842)	(9,721)
Net Current Assets	(4,628)	(5,120)
Long Term Creditors		
Amounts due after one year	(95,598)	(95,598)
Deferred Grants	(1,147)	(1,147)
Pension Liability	(757)	(757)
	(97,502)	(97,502)
Net Assets	43,332	42,833
Capital and Reserves		
Share Capital	-	-
Revenue Reserve - b/fwd	43,590	38,877
Current year surplus/(deficit)	499	4,713
Pension Reserves	(757)	(757)
	43,332	42,833
Association's Funds	43,332	42,833

Comments

The balance sheet reported reflects the 31 March 2020 year end audited statutory accounts position. Year end adjustments applied include the revaluation of housing properties and actuarial valuation of the defined benefit pension scheme

- **Fixed Assets** - Expenditure is capitalised in accordance with our accounting policy.
- **Debtors overall** are £1,827k lower than the year end balance mainly due to the reduction in other debtors. The net level of tenant arrears have decreased from the year end position of £196k to £108k.
- **Cash at Bank** – The cash movement principally reflects the timing of the settlement of intercompany balances and is currently higher than year end position.
- **Short Term Creditors** – are higher than the year end position, as a result of increases in deferred grants and intercompany balances.
- **Deferred grants** – The movement relates to release of deferred grant of £1,916k for Westcliff properties in July and the claim of grant this year for £3,151k for Queens Quay, which will be released on site completion, currently forecast for 2022/23.
- **Long-Term Creditors** - This includes £95.7m of loans due to Wheatley Funding Ltd 1.



Report

To:- Cube Board

By:- Laura Henderson, Managing Director

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

Subject:- Group Delivery Plan 2020/21: Quarter 3

Date of Meeting:- 16th February 2021

1 Purpose

1.1 This report outlines progress on the Delivery Plan Measures and Projects for Quarter 3. Appendix 1 contains the Performance Measures Dashboard and Appendix 2 provides progress on Strategic Projects.

2 Authorising context

2.1 Under the terms of the Group Authorising Framework, the Board is responsible for setting the overall Performance Framework and approving the delivery plan for each year. Under the Group Authorise/Manage/Monitor Matrix, the Board has an ongoing role monitoring performance against the key indicators agreed under the performance framework.

2.2 This year's Delivery Plan has been heavily impacted by the pandemic and on this basis the Board agreed a different approach to target setting, including the use of phasing.

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 and may only have limited potential reward".

4 Background

4.1 As noted when the board met in November, 2020/21 is an exceptional year due to the COVID-19 pandemic and as such, the Board agreed an interim set of performance measures and targets. This set includes a number of themes of our 2021-26 strategy, while recognising that normal performance has not been possible due to government restrictions.

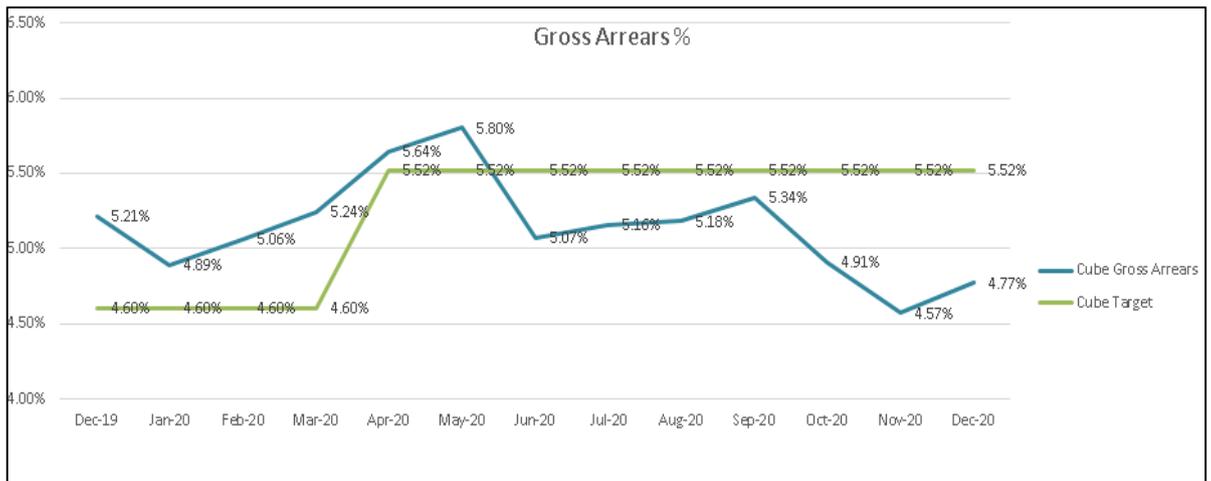
- 4.2 This report outlines our performance against the revised Delivery Plan, as at the end of Quarter 3, with actions and updates where appropriate. Our key indicators that will be reported to the Scottish Housing Regulator as part of the Annual Return on the Charter are included within this report.

5 Discussion: Quarter 3 performance

- 5.1 Our performance and end of Quarter 3 results is outlined in appendix 1 and presents the results for key measures. The majority of measures are meeting target, despite the exceedingly challenging delivery circumstances during the COVID-19 pandemic. Measures that are not meeting target include the number of gas safety checks met, average time to complete emergency repairs and Tenancy Sustainment which is due to the known impact from the turnover within our Wyndford 26 storeys.

6 Gross Rent Arrears

- 6.1 As we continue to support our customers through the challenging circumstances of the last 10 months, our Gross Rent Arrears have seen a further reduction in Quarter 3 and we continue to exceed our target of 5.52% at 4.77%. This is also an overall reduction of 0.44% from our 19/20 arrears quarter 3 position of 5.21% and a further improvement from quarter 2 by 0.57%
- 6.2 We have seen a further increase of Universal Credit claims and now have a caseload of 930 customers on Universal Credit (an increase of 233 UC cases since April). Many of these customers have received individual support from our Housing Officers and Welfare Benefit Advisors especially over the Christmas period. With this additional support and despite UC Customers continuing to have a 5 week wait to receive their benefit, which impacts their ability to pay their rent, we have seen our Universal Credit arrears reduce by £65,967 from £200,861 in Quarter 2 to £134,894 in Quarter 3. We have also seen the benefit this quarter from the changes made by the DWP to ensure that our customers receive payments on the same day that the payments are made instead of waiting for one bulk monthly payment
- 6.3 The Chart below illustrates our Gross Rent Arrears position over the past 12 months. The chart demonstrates our strong performance and a reduction in our Gross Arrears by £42,568 since December 19/20 and a reduction of 119 customers in arrears in the same period as we continue to manage customers out of debt.



6.4 The key challenges in the current economic environment and the anticipated rates of unemployment as a result of the pandemic and most recent restrictions, will be to ensure early intervention and strong engagement with customers needing assistance with welfare benefits and links to employment pathways. Our reliance on the wraparound services including welfare advice and tenancy support services provided by Wheatley Care that are available to our customers are ever more significant. Housing Officers continue to ensure our customers are aware of the supports available and this messaging features heavily in every interaction housing officers have with customers have about rent.

7 Average Days to Let

7.1 Our key focus since Phase 2 of the letting remobilisation in August 2020 has been to reduce the backlog of voids that resulted from the lockdown in the earlier part of 2020. We have now successfully allocated all properties which were delayed due to the initial backlog. Since we commenced Phase 2 of our letting remobilisation on the 17th August 2020, we have now allocated 217 homes at the end of Quarter 3 to customers with the highest need in a 30-day average days to let against a 28-day target.

7.2 Our ARC indicator of average days to let has also seen a reduction from 82.5 days in quarter 2 to 51.71 in Quarter 3. This shows the real impact the Coronavirus pandemic and lockdown has had on our letting and the effect our strong performance is having on reducing this.

7.3 As we continue in our commitment to supporting homelessness, our overall lets to homeless households at the end of Q3 is 67%. This is a significant improvement from our 19/20 figure of 21%.

8 Tenancy Sustainment

- 8.1 Our percentage of new tenancies sustained for more than a year at the end of Quarter 3 is 86.2% against a 90% target. Our Housing Officers continue to offer a range of support and services to our new customers to give them the best opportunity to sustain their tenancy. This figure includes deaths and also positive reasons for termination such as securing larger homes or moving closer to family. 47% of our un-sustained tenancies have been from Wyndford 26 storeys.

9 Repairs

- 9.1 We have carried out all non-emergency repairs within the target times in Quarter 3 with 4.01days against a 5.5-day target. Our average time taken to complete emergency repairs is 3.18 hours against a 3-hour target and our Right First Time target is 97.87% against a 98% target this quarter. This is due to challenging delivery circumstances in period 9, however we continue to work closely with City Building to ensure that this target is met in quarter 4
- 9.2 Our % of tenants satisfied with our repairs and maintenance service carried out in the last 12 months is on target at the end of quarter 3 at 92.67% against an 87% target.
- 9.3 Following the Scottish Governments announcement and subsequent lockdown since January, we have returned to providing an essential repairs service and will continue to review this in line with any further guidance from Government.

10 Gas Safety

- 10.1 10.1 Our customer's safety has been our primary driver during the lockdown and varying tiers of Scottish Government restrictions. As a landlord responsibility we prioritised reducing the backlog of expired gas servicing certificates that arose during the early part of the COVID-19 pandemic. During first few weeks of lockdown there was considerable concern amongst customers about letting trades persons into their homes to carry out works. Targeted and focused efforts from our Housing Officers, colleagues in the Compliance team and our trades team, reduced the number of expired gas safety certificates that arose during lockdown restrictions.
- 10.2 As of August 2020 and through Quarter 3, we have remained 100% compliant with no expired certificates across all our properties. We continue to reassure our customers that every effort will be made to ensure their safety whilst carrying out works, pooling resources and improving the process around gas safety.

10.3 The Charter indicator shows the number of certificates that have expired at any point during the last 12 months and for this reason we will report higher than zero figures, due to safety precautions we took for our staff and sensitivity to the concerns of our customers accessing their properties during the lockdown. Our previous discussions with the Regulator about this indicator remains unchanged and they will not accept amendments so that they can assess and report on the full impact of the COVID-19 lockdown.

11 Invoice payments

11.1 We are reporting, 81.06% of invoices have been paid within timescale this year, less than our 96% target. All invoices paid late continue to be highlighted through a weekly report to the Head of Housing who has also implemented changes to this process to ensure there are improvements in Quarter 4.

12 Sickness Absence

12.1 We are reporting our lowest level of sickness absence to date with an average of 0.91% against a 3% target in Quarter 3. Despite the challenging circumstances, this rate continues to remain low due to staff working from home, the levels of flexibility this provides and receiving continued support from their colleagues, management and support services on offer including our employee wellbeing services.

13 Strategic Projects – progress at Quarter 3

13.1 Appendix 2 outlines progress on the strategic projects in the Delivery Plan at the end of Quarter 3.

13.2 All projects are on track to deliver on time including:

- Our Group Homelessness Framework which is now complete and is on the board agenda.
- Work with Police Scotland to develop a Group-wide Anti-social behaviour and crime prevention and mitigation Framework, which will be complete by 28th February 2021.
- Create a new digitally enabled engagement framework
- Cube Strategic Review

14 Key issues and conclusions

14.1 This report outlines positive progress in achieving the majority of performance targets and the delivery of projects, despite the continuing challenges posed by the COVID-19 pandemic and lockdown restrictions that continue to affect business delivery. Key areas of focus in Quarter 4 will be the support to our 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 to customers.

15 Value for money implications

- 15.1 The measures and projects included in this report were agreed as the delivery plan for 2020/21. 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.

16 Impact on financial projections

- 16.1 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.

17 Legal, regulatory, and charitable implications

- 17.1 Registered Social Landlords are required to provide an Annual Return on the Charter to the Scottish Housing Regulator. The key indicators within this return are included in monthly performance reporting. RSL Subsidiary Boards approve the final return and this information is included in the year end performance report to the Wheatley Group Board. RSLs are also required to involve tenants in the scrutiny of performance (this is done through our Tenant Scrutiny Panel) and to report to tenants annually by October each year.

18 Partnership implications

- 18.1 Reports on the Delivery Plan can be used to identify areas where partnerships need to be strengthened or amended to help Wheatley achieve its strategic vision.

19 Implementation and deployment

- 19.1 This report provides updates on progress with the Delivery Plan. Any specific projects and actions are subject to separate approval.

20 Equalities impact

- 20.1 There is no direct equalities impact from this report.

21 Recommendations

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

LIST OF APPENDICES

Appendix 1: Measures dashboard

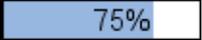
Appendix 2: Strategic projects dashboard

Appendix 1 - Cube Board - Delivery Plan 20/21 - Strategic Measures

Measure	2019/20	YTD 2020/21		
	2019	2020		Status
	Value	Value	Target	
Average time for full response to all complaints (working days) - overall	4.55	5.49	8	
Average time taken to complete emergency repairs (hours) – make safe	2.95	3.18	3	
Average time taken to complete non-emergency repairs (working days)	5.41	4.01	5.5	
% reactive repairs completed right first time	96.75%	97.87%	98%	
Number of gas safety checks not met	0	71	0	
% of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the R&M service	94.58%	92.67%	87%	
% tenancy offers refused during the year	46.49%	19.07%		
% new tenancies sustained for more than a year - overall	88.02%	86.2%	90%	
% lettable houses that became vacant	10.34%	8.05%	11%	
Average days to re-let properties (ARC) – excluding lockdown days		30	28	
Average time to re-let properties (ARC)	17.26	51.71		
Average time to complete approved applications for medical adaptations (calendar days)	15.67	8.25	72	
Gross rent arrears (all tenants) as a % of rent due ((Excludes Homelink)	5.24%	4.77%	5.52%	
% avoidable contact	9.51%	9.28%	18%	
% of payments made within the reporting period which were paid in 30 days or fewer (from the date the business receives a valid invoice)	92.46%	81.06%	96%	

Measure	2019/20	YTD 2020/21		
	2019	2020		
	Value	Value	Target	Status
Cube - Total number of jobs, training places or apprenticeships created including Wheatley Pledge	26	0	0	
New build completions - Social Housing	109	24	24	
% Sickness rate	1.28%	0.91%	3%	

Appendix 2 - Cube Board - Delivery Plan 20/21 - Strategic Projects

Strategic Project	Delivery Date	Status	% Progress
Develop Group Homelessness Framework, including rapid rehousing	31-Dec-2020		 100%
Work with Police Scotland to develop a Group-wide Antisocial Behaviour and Crime Prevention and Mitigation Framework	28-Feb-2021		 40%
Develop a new framework for customer engagement (incorporating customer inspection process)	31-Mar-2021		 70%
Strategic review of Cube completed and findings implemented	31-Mar-2021		 75%



Report

To: Cube Board

By: Laura Henderson, Managing Director

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

Subject: Scottish Child Payment

Date of Meeting: 16th February 2021

1. Purpose

- 1.1 This report provides information on the Scottish Government's new Scottish Child Payment, launched from 15 February 2021 and an outline of Cube's approach to supporting customers' take up of this new benefit.

2. Authorising Context

- 2.1 Under the terms of the Group Authorising Framework and Group Authorise / Manage / Monitor Matrix, the Board is responsible for monitoring operational performance and implementing the Board's strategy.
- 2.2 The Board's role is to scrutinise performance. This paper sets out one of the means by which we are seeking to both support customers to maximise their income and support performance, particularly with regard to rent arrears and income collection.

3. Risk appetite and assessment

- 3.1 The Group risk appetite related to rent arrears including Universal Credit is Cautious, defined as preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.
- 3.2 In the current challenging economic climate, there is a risk that rental income could be impacted. A means by which we are seeking to mitigate this risk is by supporting customers to maximise their income, including ensuring they are aware of and claim all their entitlements.

4. Background

- 4.1 The Scottish Child Payment was announced by the Scottish Government on 26 June 2019. This was a key commitment of their Tackling Child Poverty Plan 2018 – 2022 which made a commitment to ‘work towards introducing an income supplement within the lifetime of the plan’ for low income families. The overall aim of the plan is to lift children living in Scotland out of poverty and reduce the relative child poverty rate by 3% by 2022, with the Scottish Child Payment being viewed as a key way to do this.
- 4.2 Following an 18 month process reviewing various options for this income supplement, the Scottish Child Payment was launched formally on 3 November 2020 by the Cabinet Secretary for Scottish Social Security and Older People. It was announced that applications would be opened from 9 November 2020 with the benefit starting from 15 February 2021.

5. Discussion

- 5.1 The new Scottish Child Payment will be delivered by Social Security Scotland and will be paid to eligible low income families with children under 6. The payment is £10 per week for each child within an eligible household (where Universal Credit, Tax Credits, Job Seekers’ Allowance or Employment Support Allowance is being paid). It is in addition to any other benefits in payment to the household and does not affect eligibility for any other benefits. There is no cap on the number of children it can be applied for within a household as long as the other eligibility criteria are met.
- 5.2 Entitlement will begin from 15 February 2021 and for those who have applied before this date, payments will begin from the end of February 2021. Applications were opened so far in advance in November 2020 due to the Scottish Government expecting a high demand for this payment and can be made online, by telephone and post. The Scottish Government have written to all families they believe may be eligible to apply to encourage take up of the benefit. While initially it will stop once a child turns 6, Social Security Scotland plan to extend this to include all children under the age of 16 from 2022
- 5.3 Using our customer data intelligence and insight we know that across Group, in December 2020 there were around 4,800 households with a total of 5,465 children who could potentially be eligible for this additional payment, giving an additional income of £520 per child per year for these families. This is broken down across the individual RSLs as follows:

RSL	No. Children Potentially Eligible
GHA	3,286
DGHP	1,331
Dunedin Canmore	304
Cube	328
Loretto	112
WLHP	104
Wheatley Group	5,465

- 5.4 Refreshed figures for January 2021 show a slight reduction in the number of children eligible for the payment across Group. For Cube this is now 269 households with 319 children potentially eligible for the payment.

Encouraging Uptake Among Wheatley Customers

- 5.5 Our new Whole Family Approach within our 2021-26 Strategy is focused on improving outcomes for our families and we are working proactively to maximise our families' incomes through promotion of the Scottish Child Payment. We are doing this by building on the success of previous proactive campaigns, not least of which when we contacted every customer personally at the beginning of the pandemic to offer support and our furlough campaign where we reached out to provide practical help and advice to all customers who we knew had been furloughed over the summer last year.
- 5.6 To support and encourage our customers to apply for this additional benefit, we used the annual rent campaign to get in touch with customers we knew might be eligible. We have proactively contacted them via their Housing Officer and our Welfare Benefits Advisors, as well as harnessing the power of digital communication to raise awareness across our websites and social media platforms, utilising Facebook and Twitter to push the take up campaign in conjunction with Social Security Scotland.
- 5.7 Now in January 2021, we have reviewed and refined our list of all customers who may potentially be eligible to apply for the Scottish Child Payment. We are following up on our initial phase of contact with a further proactive campaign to contact all customers who might be eligible to ensure they have applied and support those who need assistance to do so ahead of the launch date of 15 February 2021. We are using this target date in order to make sure customers get the payments from the day they are first entitled to receive it.
- 5.8 As part of this second phase, we will continue to highlight the new benefit on our social media channels as described in 5.6 and websites too. We will also utilise our new methods of communication that have been successful in previous campaigns including bulk text messaging and GIFs.
- 5.9 Our campaign is in addition to the Scottish Government and Social Security Scotland continuing to raise awareness of the benefit, including through their social media platforms, health visitor packs, information in baby boxes and guidance in schools and nurseries. Promotional materials are also available for organisations to access if required.
- 5.10 Customers who have already applied will receive an acknowledgment letter from Social Security Scotland four weeks after application. They will then receive a confirmation letter when a decision on their application has been made. This will provide details of any award, how much will be paid and when.

6 Key Issues and Conclusions

- 6.1 The Scottish Child Payment is a step forward in helping to reduce child poverty as part of the Scottish Government's Tackling Child Poverty Plan. Our take up campaign supports this and will ensure our eligible customers are financially better off. This is in line with our strategic aim of taking a whole family approach and wanting to support customers to maximise their income wherever possible, particularly in the midst of the global pandemic.

- 6.2 We have approached the take up aspect in two separate phases, more generally in the first phase as part of our annual rent campaign and will provide more targeted contact as part of the second phase in the run up to the launch of the benefit across Scotland in February 2021. We will use our customer data intelligence and insight data to focus on supporting those customers most likely to be eligible and will provide advice and support to apply where a customer needs this. We will also harness the power of digital communication to raise awareness across our websites and social media platforms in order to reach as many people who may benefit from this new payment as possible.

7 Consultation

- 7.1 Consultation has taken place with subsidiary leads and their representatives including discussion to refine the approach presented here.

8 Finance implications

- 8.1 There are no financial implications for this campaign. A significant number of our customers will receive increased income as a result of applying for and receiving this benefit.

9 Legal Implications

- 9.1 None.

10 Equalities Impact

- 10.1 We will continue to provide support to vulnerable customers who engage with us.

11 Recommendation

- 11.1 The Board is asked to note our take up campaign for the new Scottish Child Payment, launching on 15 February 2021 and administered on behalf of the Scottish Government by Social Security Scotland.