

**Meeting of the Board of Management to be held
on Tuesday 26 November 2019
at 6.00pm in 423 London Road, Glasgow, G40 1AG**

AGENDA

1. Apologies	Lead person	To note
2. Declaration of interests		To note
3. Minute of meeting held on 29 October 2019		For approval
4. Matters arising from meeting on 29 October 2019		For approval
5. Quarter two operational performance :		For approval
5.1 Quarterly performance report	Charles Turner	
5.2 Management Accounts	John Russell	
5.3 Loan Portfolio report		
6. 2020/21 Budget and proposal for rent consultation	John Russell	For decision
7. Chief Executive's report	Charles Turner	For decision
8. Regulatory engagement	Charles Turner	For information
9. Notes and resultant action from Business Planning day	Derek Quinn	For decision
10. Royal Bank of Scotland – loan agreement	John Russell	
11. Staff Homeworking Policy	Charles Turner	
Recommendation from Staffing Sub-Committee		
12. Property Services update	Eleanor Derbyshire	For decision
12.1 Development Update Report		
12.2 Window replacement contract		
13. Subsidiary Company draft minutes:		
13.1 Staffing Sub-Committee, 12 November 2019		For information
13.2 Pensions Working Group, 5 November 2019	Charles Turner	For decision
14. Any other competent business		
15. Résumé of meeting	Derek Quinn	To note
16. Date of next meeting Tuesday 11 February 2020		

Unless indicated otherwise, supporting papers are attached in respect of all relevant items.

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 26 November 2019 at 6.00pm
within 423 London Road, Glasgow, G40 1AG**

Present: Pauline Casey, David Keltie-Armstrong, Charlotte Levy, Howard Mole (from item 5), Florence O'Hale, Willie Redmond and Owen Stewart

Attending: Eleanor Derbyshire, Charles Turner, John Russell, Sheena Fergusson (minute taker)

Derek Quinn, Chairperson, was unable to attend the meeting and had previously submitted his apologies. It was therefore agreed that Pauline Casey would take the chair.

Pauline Casey welcomed the Board members, requested mobile phones were turned to silent and questions to be asked through the Chair.

NOTED

1. APOLOGIES

Apologies were received from Derek Quinn, Abdifatah Hayde, Jeanette Goode, Maureen Dowden, George Alexander and Nicola McCurdy. Charles Turner informed the Board that Filbert Musau had sent in a letter of resignation and read out the letter. The Board requested that a letter be sent to Filbert thanking him for his valuable contribution to the Board and letting him know that he will be greatly missed. This was agreed.

NOTED

2. DECLARATIONS OF INTERESTS

The staff present declared an interest in agenda item 13.2 (staff pensions) it was noted that if a discussion was necessary, then they would be required to leave the meeting at that point.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON TUESDAY 29 OCTOBER 2019

The minute of the previous meeting held on Tuesday 29 October 2019 was approved as a correct and accurate record of the proceedings. The minutes were proposed by Davie Keltie-Armstrong and seconded by Owen Stewart.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON TUESDAY 29 OCTOBER 2019

Item 6 – Freedom of Information

A Member of the Board asked about the up to date position with regard to staff training. Charles Turner advised that all staff had received training on Freedom of Information. This had been carried out at the staff conference held in May.

He further advised that the suite of quarterly KPI's which the Board receive, cover all performance relating to Freedom of Information and data protection.

NOTED

5. QUARTER 2 OPERATIONAL PERFORMANCE

5.1 Quarterly Performance Report

Charles Turner went through all the key measures and advised the Board where there had been improvements and slippages.

He advised the Board there were 36 key measures and in this quarter 30 of the measures were sitting at green, 6 at amber and none at red which is an improvement on the previous quarter when there were 30 green categories, 5 amber and one red. He explained current performance across all categories, but two items in particular were covered in greater detail:-

- a) Staff attendance: at 94.9% was unfortunately, likely to get worse by the end of this current quarter. With six staff (7%) currently on long-term sick.
- b) 109% Factoring charges collected. He advised the Board that after a series of successful meetings with owner-occupiers from London Road, Binnie Place and Monteith Row, an additional 173 properties will become factored by Thenue effective from April 2020.

He reported a financial surplus of £2.3million which projected to the end of the year, after taking into account non-operating costs, will be close to £1.3million which meets all covenants. This is £767K more than anticipated, which will be used towards the 2020/21 rent increase. The quarterly report was approved.

APPROVED

5.2 Management Accounts

Howard joined the meeting at this point.

John Russell took the Board through a presentation showing the accounts covered the 6 months to 30 September and compared the actual income and expenditure with the budget. John took the Board through each of the expenditure headings. The accounts show an operating surplus of £235m compared with the budgeted operating surplus of £1.32m an improvement of £1.03m. The main factors for this improvement are, lower than anticipated major repair costs, housing loan interest and charges, corporate overheads, cyclical repairs, property depreciation and property revenue costs. John explained that no rental income had come in from 129 Green Street due to the tenement not being tenanted. He explained the property did not meet SHQS and repairs were required to be carried out. More information on this was given by Eleanor Derbyshire under Item 12.1. John informed the Board that all covenants were satisfied.

APPROVED

5.3 Loan Portfolio

John Russell advised the report presented keeps the Board updated on the loans the Association has at the moment. The report shows totals loans outstanding at 30 September 2019 of £39 million.

The loans position at 30 September shows a total of 75% of the balance being hedged (i.e. non variable) with 25% remaining unhedged (i.e. variable) which is within the parameters agreed by the Board previously and is in line with the overall limits set down within the Treasury Management policy.

NOTED

6. 2020/21 BUSINESS PLAN AND PROPOSAL FOR RENT CONSULTATION

John Russell advised the Board his presentation and the report showed projections for 5 years and 20 years. This is to assist with assessing rental increases for next year and will allow the Board to make an informed decision on level of rent increase and the 2020/21 Business Plan. John explained and talked through the three options presented showing the impact on the medium and long term on the association taking into account rental income, major repairs spending, interest rates and uncertainty over Brexit which may or may not push up interest rates. Universal Credit is also having an effect on rent arrears which will increase over the next few years and this has been accounted for in the budget. He advised the Board the key factors in determining which option to choose were:

- Cash flow remaining positive
- Satisfying covenants
- Repaying all debts to support the Business Plan

The 5 year projections showed that all three options were affordable in the medium term however in the longer term one of the options would be less affordable and the other two options would need re-profiling of major repairs expenditure in years 13 to 15 in order to satisfy the covenants. It was noted that the Board wanted to be mindful of the tenants but they realised they had to also be mindful of the risks to the business. Uncertainty around Brexit and the upcoming election created many unknowns. After discussion it was agreed to accept a proposed rent increase of 2.6% to go out to consultation which is lower than last year's increase and favourable compared to other RSLs. John Russell was congratulated by the Board on his presentation.

DECIDED**7. CHIEF EXECUTIVE'S REPORT**

Charles Turner overviewed the report and indicated there were two decisions to be made. These were to agree to affiliate to SFHA in 2020 with affiliation fees of £19,402 and to agree the proposal for decision making in between meetings to 11 February 2020, if required.

The next Board of Management meeting is eleven weeks away and there are a couple of decisions requiring delegated authority during this period. Pauline asked that a decision with regard to this matter be delayed until agenda item 9 was considered (business planning event).

Ruchazie will be making a final decision on their way forward at their Management Committee on 28 November 2019. All initial confidential discussions are now completed.

Gary Naylor has been appointed as Head of Community Housing and will be joining Thenue in March 2020. Charlie informed the Board of Management that an offer of £660,660 has been agreed for the purchase of Monreith Road. Date of entry is proposed at 31 January 2020. He also advised that after the Board papers had been distributed a price of £120,000 has been agreed for 71 Lethamhill Road.

DECIDED**8. REGULATORY ENGAGEMENT**

The Regulator visited 12 RSLs and all information submitted is on their website. The landlords were selected to achieve a geographical mix, a range of sizes and types of landlords, and of different types of Assurance Statement.

The Regulator is now engaging with two RSLs and seven local authorities that did not submit a statement by the 31 October 2019 deadline. Two information notes had been posted on our website, one regarding rents and one highlighting the importance of RSLs keeping their tenants and residents safe especially with regard to asbestos and electrical safety. On 4th November 2019 we were advised that one of Thenue's tenants has raised an issue with the Regulator. The regulator was happy with Thenue's actions and the outcome.

NOTED

9. BUSINESS PLANNING EVENT

The Board agreed they needed a second Business Planning day with Savills to allow them to finish their sessions. Savills are to be approached regarding availability. The Board also agreed that time could be set aside for any Board Business as discussed in item 7, Chief Executives Report. It was agreed the session would need between 90 minutes and 2 hours, and week beginning 20th January 2020 was a likely option. Board to be advised as soon as this date was finalised with the Chair and Savills.

DECIDED

10. ROYAL BANK OF SCOTLAND LOAN AGREEMENT

Charles Turner informed the Board that delegated authority is required from the Board for himself and John Russell to progress the loan agreement for £10 million to support the ongoing development programme. The Board agreed.

AGREED

11. STAFF HOMEWORKING POLICY

The Board of Management was asked to consider the introduction of a policy that facilitates, under certain circumstances, working from home. The policy went to the Staffing Sub-Committee on 12th November 2019 and a number of items were brought to the attention of the Board. These concerned Health and Safety, Technical Support and Data Protection. The Board were informed that Thenue have a separate policy on Health and Safety. The Board were also informed that staff may require to have occasional Data Protection refresher training. A query was asked if remote working would be introduced at Thenue. The Board were informed that there were no pressures on facilities at London Road and as Thenue is a front facing organisation this is unlikely.

APPROVED

12. PROPERTY SERVICES UPDATE

12.1 Development Update Report

The Board were informed the project at Abercromby Street and Landressy Place are both on site. The Design Team has been appointed for Craighead Avenue with a planning application to be submitted in November. The Transport Mall site has proved to be difficult due to issues around land ownership and DRS have requested a scheme is worked up for the site at Springfield Road instead. The site at Monteith 4 also has issues around land ownership. DRS are meeting with Thenue again regarding the Tureen Street school site to discuss a feasibility study.

The property at 129 Green Street has now been retendered due to previous tenders being too high and unviable. Negotiations are ongoing with the council at the moment regarding the grant as the tender for works is still very high. An update on progress will go to the Board meeting in February. Revised proposals for 44 Dalmarnock Road have been discussed and 10 units are now proposed with further cuts to costs requested by DRS.

12.2 Acceptance of Tender – Window Replacement Contract

Eleanor informed the committee that two areas had been identified for window replacement and in order to achieve potential economies of scale the tender has been procured as one contract with two phases. Delegated authority is required by the Chief Executive to instruct acceptance of the tender if in budget. This was agreed.

AGREED**13. SUBSIDIARY COMPANY DRAFT MINUTES****13.1 Staffing Sub-Committee – 12 November 2019**

The minutes of the staffing sub-committee held on 12 November 2019 were agreed as a true record and proposed by Charlotte Levy and seconded by Owen Stewart.

13.2 Pensions Working Group – 5 November 2019

Board of Management invited to agree the proposal to consult with staff on a 50/50 split of the 5% increase in contributions applicable from 1 April 2020. It was agreed that only if feedback from staff required further consideration by the Board of Management would this result in a delay in advising the Pensions Trust of the contribution rates. If no further consultation was required, then it was agreed to share the 5% increase on a basis of 50/50.

AGREED**14. ANY OTHER COMPETENT BUSINESS**

There was no other business.

15. RESUME OF MEETING

There were no specific comments.

16. DATE OF NEXT MEETING

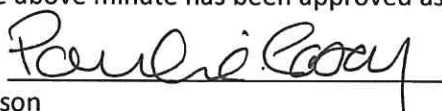
Unless required, the next scheduled meeting will be held on Tuesday 11 February 2020

NOTED

The meeting concluded at 19.55pm

I certify that the above minute has been approved as a true and accurate record of the proceedings.

Pauline Casey
Acting Chairperson



Date:

21/01/2020

