THENUE HOUSING ASSOCIATION LTD

Minute of the Board of Management meeting held on Tuesday 13 August 2019 at 6.00pm within 423 London Road, Glasgow, G40 1AG

Present: Derek Quinn (Chairperson), George Alexander, Pauline Casey, Jeanette Goode, Charlotte Levy, Nicola McCurdy, Howard Mole, Florence O'Hale, Willie Redmond and Owen Stewart

Attending: Charles Turner, Brian Gannon, Beth Reilly, John Russell and Ray Macleod
Steven Cunningham, Alexander Sloan Auditors

Derek Quinn welcomed Steven Cunningham from Alexander Sloan Auditors to the meeting for the Annual Accounts items on the agenda. Derek asked that mobile phones were silenced and questions were to be asked through the Chair. He also intimated that this was the last meetings for Brian Gannon and Beth Reilly.

1. APOLOGIES

Apologies were received from Filbert Musau, Maureen Dowden and David Keltie-Armstrong.

NOTED

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON 11 JUNE 2019

The minute of the previous meeting held on 11 June 2019 was approved a correct and accurate record. Proposed by Pauline Casey and Willie Redmond.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON 11 JUNE 2019

Charles Turner referred to Agenda Item 13.2, advised the recruitment process had been completed and Eleanor Derbyshire appointed Head of Property Services.

NOTED

5. ANNUAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2019

5.1 Annual Accounts for Year Ending 31 March 2019

5.2 Consolidated Accounts for Year Ending 31 March 2019

John Russell gave a presentation of the financial statements which included comparisons with the contents of the previous year's accounts and indicated this presentation would be electronically posted for future reference. John outlined the contents and overviewed in detail comprehensive income, operating costs, cash flow, balance sheet and the financial position.

In comparison with the Management Accounts there was only a pension adjustment to be made.

John referred to the audited consolidated accounts incorporating the finances of the subsidiary companies, Thenue Housing Services Ltd, The Thenue Trust and Thenue Communities and confirmed their relevant Boards of Directors had approved their individual financial statements.

On behalf of the auditors, Steven Cunningham explained the purpose of the audit was to give and true and fair view of the Association's finances for the year ended 31 March 2019 and was pleased to confirm a clean audit with good standards and compliance in place. He was happy to report there were no areas of concern. John Russell invited questions and comments from Board members.

Charlotte Levy praised staff for their work and effort to prepare and present a positive set of accounts. The Board of Management approved the Financial Statements for the year ending 31 March 2019 for the parent company Thenue Housing Association Ltd and the consolidated Financial Statements for the Thenue Group. Proposed by Charlotte Levy and seconded by Owen Stewart.

DECIDED

5.3 Auditors Management Letter and Draft Response

John Russell intimated this is a standard letter issued by the Auditor to raise any key matters identified during the external audit and for the Board of Management to consider and respond to. Again, this year there are no external audit recommendation points in the management letter. The Board of Management considered the contents of the Auditors management letter, noted the key audit risks and approved the response.

DECIDED

5.4 Auditors Letter of Representation

John Russell confirmed this was also a standard letter issued providing the Auditors with written reassurance on a range of relatively routine matters in relation to the accounts. The Board of Management considered and approved the contents of the letter.

DECIDED

5.5 Performance against Lenders Financial Covenants

John Russell reported that financial performance satisfied all financial covenants as detailed in the report. The Board of Management noted this satisfaction.

NOTED

Derek Quinn thanked Steven Cunningham for attending the meeting and completing the audit and he therefore left the meeting at this point.

5.6 Re-appointment of Auditors

Charles Turner advised the report on the external audit tender exercise had been presented to the Audit and Risk Sub-Committee for consideration and recommendation to the Board of Management and Thenue members to approve the outcome. The Board of Management approved the re-appointment of Alexander Sloan, Chartered Accountants as auditors to the Thenue Group for an

initial three year period with the possibility by mutual agreement of extending the contract by up to a further 1 year (subject to satisfactory annual performance reviews). The first year of the appointment will be for the financial year to 31 March 2020. The re-appointment will be presented to members at the Annual General Meeting on 17 September 2019.

REMIT TO AGM

6. QUARTERLY PERFOMANCE FOR THE THREE MONTHS TO 30 JUNE 2019

6.1 Quarterly Key Performance Indicator (KPI) Report

Charles Turner referred to the new Regulatory Standard section on the cover of each report and by clicking on the number Board members will be taken and hyperlinked to an explanation of the standard. This will be a feature on all future reports and will assist with evidence for the annual statement.

Charlie gave an overview of each KPI and specifically highlighted the topics colour coded in amber and red. Charlie invited questions and comments from Board members which led to in depth discussion and examples of anti-social behaviour within specific areas requiring action and examples of how issues had been improved in other areas.

The Board of Management approved the quarterly KPI report and agreed specific issues would be dealt with by staff outwith the meeting.

DECIDED

6.2 Management Accounts

John Russell reported there were positive variances measured between the accounts and budget. John gave a presentation detailing the main variances in income, operating expenditure and non-operating expenditure. He also confirmed satisfactory performance against lenders financial covenants. The Board of Management noted the Management Accounts for the three month period to 30 June 2019.

NOTED

6.3 Loan Portfolio Report

John Russell intimated the report detailed lenders and loan amounts for the quarter to 30 June 2019. The Board of Management noted the contents.

NOTED

7. UPDATE ON TWO BUSINESS PLAN OBJECTIVES

7.1 Review Our Future Plans for All Our 'Hostel' Type Accommodation

Brian Gannon reminded Board members of the historic background and reasons for the objective ensuring contingency planning for the potential withdrawal of project funding and Glasgow City Council's Rapid Rehousing Transition Plan, (RRTP). A summary of the contingency plan for each individual hostel was listed in the report. The Board of Management approved the contingency options for our four hostels if and when funding for services is withdrawn and approved the disposal of Monreith Road and Bridge Street hostels.

DECIDED

7.2 Develop an Affordable Strategy for Community WI-Fi

Brian Gannon gave an overview of the Business Plan objective and referred to the two successful pilot schemes. He highlighted the importance of the benefits of internet access and affordability supporting the good reasons to roll out a programme where there is demand. He noted that 2 recent attempts to pilot Communal wifi in 2 storey blocks had not been successful.

The Board of Management approved the proposed communal Wi-Fi strategy:
1. Thenue aim to amend the new build specification to include the installation of communal wifi at all future new build developments and charge the communal wifi rent factor from the start of new build tenancies but also assess the affordability for Thenue of doing this on a scheme by scheme basis.
2. We continue to be open to installing communal wifi in response to a demand from tenants in existing blocks.

DECIDED

8. DEVELOPMENT UPDATE, INCLUDING AUTHORITY TO ACCEPT TENDERS

Beth Reilly gave a detailed update on the two sites, Abercromby Street and Landressy Place, going through the tender process, explained the complexities for calculating the loan finance and submissions for grant funding levels. Beth updated Board members on the other projects and highlighted Glasgow City Council's Building Standards with the significant costs between 'Silver' and 'Gold'. Board members were curious as to the reasons why two departments of government had two different methods for the calculation of grant funding. Beth Reilly explained the differences and the equalizing of costs to ensure compliance with Thenue's rent policy with some rents higher or lower.

The Board of Management:

8.1 Approved the use of the 3p+5% rent levels in calculating the loan finance to be carried per unit in the schemes at Abercromby Street and Landressy Place.

8.2 Approved the savings in relation to the Abercromby Street project as detailed in the report.

8.3 Authorised the Head of Property Services to accept the MEAT (Most Economically Advantageous Tender) tender for the Abercromby Street project subject to an offer of grant being made by DRS.

8.4 Approved the savings in relation to the Landressy Place project as detailed in the report.

8.5 Authorised the Head of Property Services to agree savings in excess of 10% for the Landressy Place project if required to allow DRS to fund the project.

8.6 Authorised the Head of Property Services to accept the MEAT tender for Landressy Place subject to an offer of grant being made by DRS.

DECIDED

The Board of Management agreed to the suspension of Standing Orders for 20 minutes to complete the evening's business.

DECIDED

9. CHIEF EXECUTIVES REPORT

Charles Turner gave an overview of the report, confirmed that Willie Redmond will be representing Thenue at the Glasgow and West of Scotland Forum AGM and invited Board members to attend the formal leaving presentations for Brian Gannon and Beth Reilly on the afternoon of Friday 23 August 2019 at 1.00pm in the Calton Heritage & Learning Centre.

The Board of Management:

9.1 Approved one new membership application and the cancellation of three membership shares.

9.2 Agreed the recruitment panel for the post of Head of Community Housing Services of Derek Quinn, Pauline Casey and Maureen Dowden.

9.3 Approved the disposal of 171 Lethamhill Road.

9.4 Noted the handover arrangements, opening ceremony and visit at the Monteith Hotel site.

9.5 Noted the lateness of the tri-annual pension valuation, dated September 2018, and the subsequent pressure this would put ion the association to make contribution decisions early 2020.

9.6 Noted the remaining items in the report.

DECIDED

10. SUBSIDIARY COMPANIES AND OTHER MINUTES

10.1 Audit & Risk Sub-Committee Minute 30 July 2019

The Board of Management noted the minute and any questions to be asked outwith the meeting.

NOTED

11. ANY OTHER COMPETENT BUSINESS

11.1 Event Invitations

- Shettleston Housing Association, 30 August 2019 at 13:45 with Pauline Casey agreeing to attend.
- New Gorbals Housing Association, 23 August 2019 at 12 noon with Nicola McCurdy agreeing to attend.

DECIDED

11.2 Rapid Rehousing Plans

The Board of Management agreed to Charles Turner suggestion of a Board Briefing session on Glasgow City Council's Rapid Rehousing Plans on a Tuesday evening.

DECIDED

11.3 Glasgow and West of Scotland Forum Event

George Alexander requested to attend the Conference on 15 November 2019.

DECIDED

11.4 TIS Digital Awards Ceremony

Florence O'Hale gave feedback on the event.

NOTED

11.5 Brian's leaving

Derek Quinn on behalf of the Board of Management expressed well wishes and congratulations on his appointment as Chief Executive Officer at West of Scotland Housing Association.

NOTED

11.6 Beth's Retiral

Derek Quinn on behalf of the Board of Management presented Beth Reilly with her retiral gift, a painting of Colonsay Beach. Derek warmly wished Beth a very good retirement and thanked her for her outstanding contribution to Thenue over 28 years. He expressed the sentiment of all Board members in that she will be very much missed.

NOTED

12. RESUME OF MEETING

It was noted that the discussion on anti-social behaviour had been too specific and longer than required.

NOTED

13. DATE OF THE NEXT MEETING

The next meeting will be held on Tuesday 24 September 2019 at 6.00pm in the Boardroom.

NOTED

The meeting concluded at 8:10pm.

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

Derek Quinn: _____ Date: 24.09.19
Chairperson