

**Meeting of the Board of Management to be held at 6pm on Tuesday 15th August 2023
in person at 423 London Road, Glasgow, G40 1AG and remotely via Teams**

AGENDA

| | <u>Lead Person</u> | <u>Action</u> |
|---|---------------------------|------------------------|
| 1. Apologies | | |
| 2. Declaration of interests | All | For information |
| 3. Minute of the previous meeting held on 20 June 2023 | Pauline Casey | For approval |
| 4. Matters arising from the previous meeting on 20 June 2023 | Board Members | For decision |
| 5. Annual accounts for year ending 31 March 2023: Steven Cunningham, from Alexander Sloan, Auditors, will be in attendance for this item: | Barry Allan | For approval |
| 5.1 Annual accounts(including presentation on the night) | | |
| 5.2 Consolidated accounts | | |
| 5.3 Audit summary report and draft response | | |
| 5.4 Auditors letter of representation | | |
| 5.5 Executive Session (if required) | | |
| (Item 5.6 to be discussed once Steven Cunningham, from Alexander Sloan has left the meeting) | | |
| 5.6 Appointment of auditors | Barry Allan | For approval |
| 6. Quarterly performance for three months to 30 June 2023 | | |
| 6.1 Quarterly key performance indicator report | Gary Naylor | For information |
| 6.2 Management Accounts for period ending 30 June 2023 | Barry Allan | For approval |
| 6.3 Loan Portfolio Update | Barry Allan | For approval |
| 7. Risk Review Update | Gary Naylor | For information |
| 8. Review of IT Policy Handbook and changes relating to Information Security | Barry Allan | For approval |
| 9. Communication Strategy Presentation (to be presented on the night) | Gary Naylor | For discussion |
| 10. Damp & Mould Policy & Procedure | Eleanor Derbyshire | For approval |
| 11. Hybrid & Flexible First Working Policy | Gary Naylor | For approval |
| 12. Older Persons Strategy | Michael Byrne | For approval |
| 13. Kitchen & Bathroom Tender | Eleanor Derbyshire | For approval |

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

| | | | |
|-----|--|---------------------------|-------------------------------------|
| 14. | Guttering & Anchor Testing Tender | Eleanor Derbyshire | For approval |
| 15. | Preparations for Annual General Meeting | Gary Naylor | For approval |
| 16. | Board Appraisal Report | Gary Naylor | For information |
| 17. | Chief Executive's report | Gary Naylor | For information and decision |
| 18. | Subsidiary company and other minutes | Pauline Casey | For information |
| | 18.1 Audit & Risk Sub-Committee, 25 July 2023 | | |
| | 18.2 Special General Meeting, 25 July 2023 | | |
| 19. | Any other competent business | Pauline Casey | |
| 20. | Résumé of meeting | All | If required |
| 21. | Date of next meeting and Stock Tour on Tuesday 26th September 2023 | | To note |

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 15 August 2023 at 6.00pm
in person and remotely on Microsoft Teams**

- Present:** Pauline Casey (Chairperson), Maureen Dowden, Howard Mole, Linda Chelton, David-Keltie Armstrong, Robert Kelly, Bryan McMahon and Abdifatah Hayde
- Observing:** Derek Quinn, Ruth Hewitt and Irene Clark
- Attending:** Gary Naylor, Michael Byrne, Eleanor Derbyshire, Barry Allan, Ray Macleod and Nikita Watson
Allison Devine, Alexander Sloan (Auditors)

1. APOLOGIES FOR ABSENCE

Pauline Casey introduced Ruth Hewitt and Irene Clark to the meeting.

There were no apologies received.

NOTED

2. DECLARATIONS OF INTERESTS

Robert Kelly declared a commercial partnership with Alexander Sloan.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON 20 JUNE 2023

The minute of the previous meeting held on 20 June 2023 was agreed as a correct and accurate record of the proceedings. The minute was proposed by David-Keltie Armstrong and Maureen Dowden.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING ON 20 JUNE 2023

There were no matters arising.

NOTED

5. ANNUAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2023

5.1 Annual Accounts (including presentation on the night)

Barry Allan introduced Allison Devine from Alexander Sloan and presented a summary of the annual accounts. The accounts show that the Association continues to remain in a strong financial position. Barry Allan intimated that Alexander Sloan are happy with the accounts and that they represent a true and fair view of the Association's financial position.

Barry Allan invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members confirmed annual accounts are as expected this year.

The Board of Management approved the annual accounts for the year ended 31 March 2023.

DECIDED

5.2 Consolidated Accounts

Barry Allan confirmed the consolidated accounts were in a similar format to the financial statement but includes the accounts from Thenue Communities, Thenue Trust and Thenue Housing Services. Our subsidiaries aren't large so there was no real change to the accounts, and reserves are still the same. Barry Allan explained the Financial Conduct Authority can provide an exemption to prepare the consolidated accounts. This will be looked at going forward.

Barry Allan invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the consolidated accounts for the year ended 31 March 2023.

DECIDED

5.3 Audit Summary Report and Draft Response

Barry Allan provided the audit summary report to Board Members. Barry Allan explained this is prepared for the purpose of raising any key matters arising during the audit. There are no audit recommendation points in the report relating to any weaknesses. There was one weakness resolved during the financial year from last years points. There were two potential adjustments to the accounts, however the accounts involved were not considered material and therefore the accounts were not adjusted for the item in question. Barry Allan referred to the recommendation point of the previous years' audit which has been resolved and implemented from 1st April 2023, in line with the report on Proposed Component Lifecycles for Major Repairs that Board approved in November 2022. Barry Allan confirmed if Board Members are happy with the report, this will be submitted by 31st September 2023.

Barry Allan invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management noted the contents of the report and approved the draft response to the report.

DECIDED

5.4 Auditors Letter of Representation

Barry Allan confirmed the Association is required on the completion of the annual audit, to provide the auditors with a letter of representation. This is a standard letter that provides the auditors with written assurances on a range of routine matters in relation to the accounts.

Barry Allan invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the letter of representation.

DECIDED

5.5 Executive Session

Barry Allan intimated that in his previous post, when an external audit was carried out and Board Members had any concerns, they could speak to the auditors without any staff present.

Board Members confirmed on this occasion this was not required as financial position remains strong and is looked at on a regular basis. Board Members noted that this is good practice to be offered this opportunity.

The Chairperson thanked Allison Devine for attending. Allison Devine explained to the Board Members that the audit had gone well and there were no significant matters in the audit. Allison Devine thanked everyone involved for conducting the audit and left the meeting.

5.6 Appointment of Auditors

Barry Allan explained the Association was required to re-tender its external audit service. Tenders were returned from two firms and the tender that received the highest score in terms of quality and cost was Alexander Sloan. Barry Allan confirmed the Audit and Risk Sub-Committee were presented with a report and recommended the re-appointment of Alexander Sloan for a 3-year period with the possibility of extending the contract by up to a further two years. The first year of the appointment will begin in the financial year 31 March 2024.

Barry Allan invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved Alexander Sloan as external auditors of Thenue Housing Association and its subsidiaries for the year ending 31 March 2024.

DECIDED**6. QUARTERLY PERFORMANCE FOR THREE MONTHS TO 30 JUNE 2023****6.1 Quarterly Key Performance Indicator Report**

Gary Naylor confirmed to Board Members that the meeting would be Derek Quinn's last meeting as an Observer and confirmed quarterly performance report was positive. There were three red areas included in the performance report. Gary Naylor explained to the Board Members this is the lowest it has been with red areas in the last couple of years. Rent collection was better than it had been last year. Gary Naylor intimated the reason for this is the continued support to tenants. There was an overspend in Reactive repairs and void expenditure due to bigger job projects. Repairs, Property Services and Finance teams are holding regular meetings to look at the data and trends to aid overall spend as the year progresses. Repairs reports were over 90% and gas safety compliance aims to be 100% by the next Board of Management meeting. Gary Naylor confirmed this gives strength in key compliance areas. Section 5 homeless lets were below target due to sickness and training of replacement staff. The teams are now aiming to recover the shortfall in quarter 2. Attendance with Board of Management meetings was low due to poor attendance at Mays meeting. However, Gary Naylor intimated the meeting in June was well attended and doesn't think there will be any further issues going forward. Recruitment is ongoing for Board of Management meetings and Gary Naylor confirmed Ruth Hewitt will be joining the Board in September. Gary Naylor advised it would be a good idea to include more tenants on the board also.

Gary Naylor invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members raised a question regarding the section 5 homeless lets and had concerns over pressure on RSL's regarding homeless percentage and section 5 referrals. Michael Byrne confirmed he will be having a meeting with Glasgow City Council on 21st August and will report back on this at the next Board meeting.
- Board Members asked a question regarding the reactive repairs overspend and asked if this was one job or a few different jobs. Barry Allan confirmed this was several jobs and some invoices had been received later than expected.
- Board Members raised concern on the SHQS failures and raised a question on the 0% target. Derbyshire confirmed 100% target may not be realistic however this will be reviewed.

The Board of Management approved the quarterly performance report.

DECIDED

6.2 Management Accounts for Period Ending 30 June 2023

Barry Allan confirmed that the accounts show that the Association has generated an operating surplus representing an under performance. After accounting for non-operating items, the overall surplus was higher than assumed in the budget. Barry Allan intimated that the reason for the overall surplus was due to a sale of a property. There were delays with the completion of Landressy Street and income for this was budgeted from April 2023, however, handover for this is not expected until August at the earliest. Barry Allan confirmed all financial covenants are satisfied.

Barry Allan invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members raised question on current ratio 1.2 and asked what the timing would be for this. Barry Allan confirmed this would be towards the end of the calendar year as there are a couple of developments on planning permission taking longer than anticipated.

The Board of Management approved the accounts for the quarter ended 30th June 2023.

DECIDED

6.3 Loan Portfolio Update

Barry Allan intimated this report was for the Board Members information. The loans position on 30 June 2023 showed a total of 56% of the balance being non variable with 44% remaining variable which is in line with the overall limits set down within the Treasury Management policy and is consistent with the current years treasury strategy agreed by the Board in March 2022. Barry Allan explained monitoring of funds will be continued.

Barry Allan invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management noted the Loan Portfolio update.

NOTED

7. RISK REVIEW UPDATE

Gary Naylor provided an update on risk register to the Board Members. The Audit and Risk Sub-Committee reviewed the updated Risk Register and have recommended the approval to the Board of Management. The Executive Team have reviewed risks associated with the Association and updated this where necessary. Gary Naylor explained a summary of all the changes and updates in the Risk Register with eleven new business risks approved earlier in the year for the Business Plan. Gary Naylor confirmed plans to present the IT Strategy to the Board of Management and advised an alternative web-based system is being looked at for the Association in order to deliver the best possible service for our customers.

Gary Naylor invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members are concerned about cyber security risks involved and asked if something can be introduced to help prevent this. Gary Naylor confirmed a recent internal audit was carried out and this will be mentioned when discussing the IT strategy.

The Board of Management approved the changes and amended Risk Register as recommended by the Audit and Risk Sub-Committee.

DECIDED

8. REVIEW OF IT POLICY HANDBOOK AND CHANGES RELATING TO INFORMATION SECURITY

Barry Allan explained to the Board Members that a full review of the IT policy handbook had been carried out and confirmed that the Information Security has a change of title and has been re-written in line with cyber essentials standards. Barry Allan intimated there will be a cloud-based solution going forward and the Association will have a yearly vulnerability scan of all external IP addresses carried out by a suitable external company. The Association will act on the recommendations of the external company following the vulnerability scan to reduce the security risks. The results of the scan and any changes made will be reflected in the company risk assessment and security policy as appropriate.

Barry Allan invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members raised a question on training, if this is given to staff members relating to IT and data security, and if they do, is this a regular training program. Barry Allan confirmed a regular training program is given to all staff.
- Board Members asked if information is checked before staff send information out, particularly information related to Freedom of Information enquiries. Gary Naylor explained staff have a general understanding of handling information and we have an external Data Protection Officer we can refer information to. Gary Naylor confirmed all staff attend GDPR Training once a year.
- Board Members raised a question regarding freedom of information responses being signed off by Senior Management. Gary Naylor confirmed this would be looked into.

The Board of Management approved the updated IT Policy Handbook.

DECIDED

9. COMMUNICATION STRATEGY

Gary Naylor presented the communication strategy to the Board of Management and confirmed this was about developing our approach to communication both internal and external. The communication strategy outlines the Associations direction, approach and objectives involving customers, staff and stakeholders. Gary Naylor intimated our approach is clear and consistent. The communication strategy supports our vision, values and strategy. Gary Naylor explained the communication strategy is about engaging communication with our customers and the different ways of communicating that customers may prefer. The communication strategy was recently presented to staff at a staff briefing session and encourages the Association to be the best we can be. Gary Naylor advised that a customer survey will be issued next month, part of this will be over the phone and part of it will be in person.

Gary Naylor invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members agreed it is a very good strategy that takes the association a step forward and provides more communication opportunities.
- Board Members asked if staff are given templates for universal approach to external communication and raised question on empowerment of staff. Gary Naylor confirmed engagement with area associations and explained team charters from staff.
- Board Members advised the strategy has a good framework for moving forward and they particularly liked the style and tone.

The Board of Management noted the contents of the presentation.

NOTED**10. DAMP & MOULD POLICY & PROCEDURE**

Eleanor Derbyshire explained that a new policy has been drafted to outline how we will manage any reports of Damp and Mould in our housing stock. The aim of the policy is to ensure that we are proactively managing the potential risks arising from damp and mould in our properties, including communal areas. Committing the needs of our customers and providing homes that are safe, warm and dry.

Eleanor Derbyshire invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board members asked if a section around education and timescales can be added.
- Board members were concerned for increase of dampness and mould in properties unless people ventilate their properties. Eleanor Derbyshire confirmed this will be followed up and that Board Members will be receiving an update on performance report.
- Board Members raised question on if property types can be included, and if number of damp and mould reports will be included. Eleanor Derbyshire confirmed amendments will be added.

The Board of Management approved the draft damp and mould policy subject addition of the amendments discussed above.

DECIDED

11. HYBRID & FLEXIBLE FIRST WORKING POLICY

Gary Naylor confirmed to Board Members the policy had been developed following the successful trial of the Flexible First Working Model that had seen an increased performance in several key areas. Gary Naylor advised that Team Charters are in the process of being reviewed again to reflect learning on how the different teams operate and delivery for our tenants, customers and receive the benefits on a personal level that will only strengthen us as an organisation. The policy makes the expectations clear, and the Association has the ability to remove the Flexible First way of working by giving notice should there be performance issues or the model no longer meets the requirements of the business. The Unions have been consulted and are happy for this working model to become permanent with the introduction of this policy. Subject to Board of Management agreement, staff will be issued with letters informing of this change as advised by our solicitors.

Gary Naylor invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members concerned that members of staff will get used to working from home and they may begin to isolate themselves. Gary Naylor advised that a significant number of staff prefer office based as it's more interaction with our customers. Gary Naylor confirmed that there are regular checks with Management regarding any concerns colleagues may have with the Flexible First Working Model. Gary Naylor ensured Board Members that wellbeing is a key priority for Thenue, and the People and Wellbeing Strategy will be introduced to Board Members soon.

The Board of Management approved the Hybrid and Flexible First Working Policy.

DECIDED**STANDING ORDERS**

The Board of Management agreed to the suspension of Standing Orders at this point to complete the business for the evening.

DECIDED**12. OLDER PERSONS STRATEGY**

Michael Byrne explained that the Older Persons Strategy was developed and approved in 2017. The review had been delayed due to the COVID pandemic. The strategy is reviewed on a 3 yearly basis and will be next due for review in 2026. Michael Byrne intimated there has been an increased demand for properties in the area and it is important how we address these demands. An action plan is included in the strategy on how to meet these objectives. Following approval of the Draft Strategy by the Board, it will be issued for consultation to the Scrutiny Panel.

Michael Byrne invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members suggested that this be provided in multiple languages.
- Board Members agreed this was a very good report.

The Board of Management approved the proposed draft changes to the Older Persons Strategy and plans for consultation.

DECIDED

13. KITCHEN & BATHROOM TENDER

Eleanor Derbyshire outlined the report and explained that 114 kitchens and 206 bathrooms over various estates is to be included within the Major Repairs Programme for 2023/24. Four submissions were received all within the return date, following assessment of quality by two members of Thenue Housing Association Property Services Team, a quality score was awarded to each tender. Eleanor Derbyshire confirmed that the report from Reids Associations Ltd noted the submission from Hugh LS McConnell had been calculated as best value overall. However, this tender is substantially over budget. Subject to the availability of appropriate finance or the application of a Savings Exercise, it is recommended that this offer be considered for acceptance.

Eleanor Derbyshire invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members suggested if it was worth looking at the tender report again to keep costs low. Eleanor Derbyshire confirmed costs have increased due to the quality of materials.

The Board of Management approved the tender from Hugh LS McConnell for the proposed works.

DECIDED

14. GUTTERING & ANCHOR TESTING TENDER

Eleanor Derbyshire confirmed the requirement for the contract and proposed Patterson Safety Anchors Ltd to carry out the contract for the gutter cleaning. Eleanor Derbyshire intimated that Patterson Safety Anchors Ltd had the highest quality score and lowest cost.

Eleanor Derbyshire invited the Board Members to ask questions and/or make comment. The following had been noted:

- Board Members asked if procurement policy can be reviewed going forward. Eleanor Derbyshire confirmed this will be looked at.

The Board of Management approved the tender and to progress the contract works with Patterson Safety Anchors Ltd.

DECIDED

15. PREPARATIONS FOR ANNUAL GENERAL MEETING

Gary Naylor explained to the Board Members that the Annual General Meeting is planned to be held on the 19th September 2023 in the Calton Heritage Learning Centre at 18:15pm. Gary Naylor confirmed that three of the nine elected Board Members are required to stand down at this year's Annual General Meeting.

Gary Naylor invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the Annual General Meeting to be held on the 19th September 2023 at the Calton Heritage and Learning Centre and the contents of the report.

DECIDED

16. BOARD APPRAISAL REPORT

Gary Naylor thanked the Board Members for participating and for their time and effort in completing the Board Appraisal form. Gary Naylor outlined the following points:

- Board Members were keen on a stock tour and confirmed that this would take place before the September Board meeting on Tuesday 26th September.
- Board Members agreed that in person meetings were more productive and enabled good engagement.
- A review of how financial reports are presented to allow ease of understanding from members when making key decisions.
- Succession planning remains a priority.
- Explore more training opportunities around Regulation and Governance.

The Board of Management noted the contents of the report.

NOTED

17. CHIEF EXECUTIVE REPORT**Scottish Housing Regulator Framework Review**

Gary Naylor confirmed a survey was sent out in June to all Registered Social Landlords in Scotland asking for opinion on the Regulators thoughts regarding some potential changes to the Regulatory Framework. A new strategy for 2024-27 highlighting the regulatory priorities will be finalised on the back of any feedback, with a view to implementing new Framework documents from 1st April 2024. The Regulatory Framework will focus on the greatest risks to the interests of tenants and service users. For tenants and service users both Registered Social Landlords and local authorities, these include the risk of:

- Living in a poor quality or unsafe home
- Being unable to afford to live in their home
- Being homeless, or at risk of homelessness, and unable to access appropriate housing.

The Scottish Housing Regulator proposes that a significant focus of their work from April 2024 onwards will be on landlords:

- Listening and responding effectively to tenants and service users
- Providing good quality and safe homes
- Keeping homes as affordable as possible
- Doing all they can to reduce the number of people who are experiencing homelessness.

Gary Naylor confirmed that the Executive Team have considered the priorities and returned the survey. The feedback on this includes that they believe that the existing framework has worked effectively and agree with the priorities, particularly around tenant safety. A formal consultation will follow in the Autumn of this year prior to any changes being implemented.

Annual Assurance Statement

Gary Naylor intimated that there is stronger assurance that we are meeting our Regulatory requirements. Gary Naylor confirmed key areas of the annual assurance statement will feature strongly in any changes to the ARC reporting in future years and are already key focus of our service delivery at Thenue. As highlighted in the Quarter 1 Performance report, Electrical Testing has seen a change in contractor and approach to ensure we are able to reach 100% compliance and maintain this level of performance. The Annual Assurance Statement is due to be submitted by 31st October

2023 and the report and draft statement will be presented at the Board of Management meeting on 26th October 2023 for approval.

Mears Performance

Gary Naylor advised that Mears performance has been consistently improving overall and figures are now over 90%. Gary Naylor confirmed that the Repairs Team are positive about the relationship with Mears and are continuing to meet regularly to discuss performance and service improvements. Gary Naylor discussed the recent commitment to the Communities and reported that Mears has replaced the kitchens in both the Calton Heritage and Learning Centre and Netherholm Community Centre. In addition, Mears have also contributed to the success of a recent Calton Clean Up Day held on 3rd August 2023.

Business Planning Session

Gary Naylor intimated that the original date for the Business Planning Session on 11th November 2023 has been rescheduled due to office bearers unable to attend. The new proposed date is 24th October between 2pm and 5pm.

Membership

Gary Naylor confirmed the new membership applications and the cancellation of two following memberships.

Gary Naylor invited the Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the date of this year's Business Planning Meeting and the new and cancelled memberships.

DECIDED**18. SUBSIDIARY COMPANY AND OTHER MINUTES****18.1 Audit & Risk Sub-Committee, 25 July 2023****18.2 Special General Meeting, 25 July 2023**

Pauline Casey intimated the minutes were for information only and any questions to be directed to the relevant Chair or Officer.

NOTED**19. ANY OTHER COMPETENT BUSINESS**

Gary Naylor confirmed the Annual General Meetings for The Thenue Trust and Thenue Housing Services Ltd will be held remotely via Microsoft Teams on Tuesday 12th September from 6pm.

The Board of Management noted the contents of the report.

NOTED**20. RÉSUMÉ OF MEETING**

Gary Naylor advised it was Derek Quinn's last board meeting and thanked Derek Quinn for serving the community well. The Board Members presented Derek Quinn with a card and gift and thanked him for being a part of the Board for such a long period of time.

NOTED

21. DATE OF NEXT MEETING AND STOCK TOUR ON TUESDAY 26TH SEPTEMBER 2023

The next meeting will be held on Tuesday 26th September 2023 at 6:00pm.

David Keltie-Armstrong gave advance apologies for the Annual General Meeting.

NOTED

The meeting concluded at 20:22pm

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

NOTED



Pauline Casey
Chairperson

Date: 26 September 2023