

**Meeting of the Board of Management to be held at 6pm
on Tuesday 23 May 2023 in person at 423 London Road, Glasgow, G40 1AG
or at remote locations via Microsoft Teams**

AGENDA

	<u>Lead person</u>	<u>Decision or information</u>
1. Apologies for absence	Pauline Casey	For information
2. Declarations of interests	Pauline Casey	For information
3. Minute of the previous meeting held on 18 April 2023	Pauline Casey	For approval
4. Matters arising from the meeting of 18 April 2023	Pauline Casey	If required
5. Annual Return on the Charter (ARC) - Presentation	Gary Naylor	For decision
6. Annual Summaries Report	Gary Naylor	For approval
7. Management accounts for the year to 31 March 2023	Barry Allan	For approval
8. Five Year Financial Projections	Barry Allan	For approval
9. Loan Portfolio Report and Regulatory Return	Barry Allan	For approval
10. Annual Treasury Management Review	Barry Allan	For information
11. Procurement Report	Eleanor Derbyshire	For information
12. Thenue Communities Update for 2023	Gary Naylor	For information
13. Board Appraisals	Gary Naylor	For information
14. Electrical Testing Tender Report	Eleanor Derbyshire	For approval
15. Chief Executive's report	Gary Naylor	For information
16. Subsidiary Companies and other minutes:	Gary Naylor	To note
16.1 Health and Safety Committee 24 April 2023		
16.2 Audit and Risk Sub-Committee 02 May 2023		
17. Any other competent business	Pauline Casey	If required
18. Résumé of meeting	Pauline Casey	
19. Date of next meeting on 20 June 2023		To note

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 23 May 2023 at 6.00pm
in person and remotely on Microsoft Teams**

Present: Pauline Casey (Chairperson), Maureen Dowden, Abdifatah Hayde and Robert Kelly

Attending: Gary Naylor, Michael Byrne, Eleanor Derbyshire, Barry Allan, Sheena Fergusson and Nikita Watson

1. APOLOGIES FOR ABSENCE

Apologies were received by Bryan McMahon, David Keltie-Armstrong and Derek Quinn. **NOTED**

2. DECLARATIONS OF INTERESTS

There were no declarations of interest. **NOTED**

3. MINUTE OF THE PREVIOUS MEETING HELD ON 18 APRIL 2023

The minute of the previous meeting held on 18 April 2023 was agreed as a correct and accurate record of the proceedings. The minute was proposed by Maureen Dowden and seconded by Pauline Casey.

APPROVED

4. MATTERS ARISING FROM THE MEETING OF 18 APRIL 2023

Michael Byrne updated the Board on the 23/24 Lettings Targets for Section 5 cases. Glasgow City Council has agreed to increase the section 5 letting target to 40% and will confirm this with the Association in writing.

NOTED

5. ANNUAL RETURN ON THE CHARTER (ARC) – PRESENTATION

Gary Naylor presented the Annual Return on the Charter presentation to the Board and summarised the key information and comparisons contained in our annual return to the Housing Regulator. Gary advised the Board there had been improvements in all areas and he was delighted of the work all staff in the Organisation had carried out. Particularly, due to issues faced by staff, tenants and contractors coming out of the pandemic and the current cost of living crisis. Although there is progress and lots to be pleased about, we shouldn't become complacent.

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

- Board Members confirmed they were delighted with the result especially as there is a completely new Executive Team in place.

The Board of Management approved the Annual Return on the Charter to be submitted to the Scottish Housing Regulator.

DECIDED

6. ANNUAL SUMMARIES REPORT

Gary Naylor explained the Annual Summaries Report on Governance Registers for the year ended 31st March 2023. There were no entries in 6 of the registers for the year 1 April 2022 to 31 March 2023. The following information was reported in detail for the ARC:

- Complaints
- Evictions
- Abandoned Properties

Gary advised there were no disposals or acquisitions for last year, however there will be some this year. Statistics have been submitted to the regulator and no follow up is required.

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

- Board Member confirmed on page 8 the date of their first election is wrong. Gary Naylor confirmed this will be amended.

The Board of Management approved the annual summaries report.

DECIDED**7. MANAGEMENT ACCOUNTS FOR THE YEAR TO 31 MARCH 2023**

Barry Allan overviewed the report. Barry confirmed the account showed that the Association has generated an operating surplus. After accounting for non-operating items, the overall surplus was lower than assumed in the budget. The main factors contributing to this deficit against the budget are as follows.

- Lower than anticipated void loss
- Higher than anticipated overall Repair costs
- Lower than anticipated loan interest
- Lower than anticipated Office & Corporate overhead costs

Barry Allan explained there was a reactive repair backlog from 2021. Kitchen, boilers, and bathroom works are near completion and will be completed in the first quarter of 2023/24.

The results exclude the annual FRS102 adjustment to the pension scheme provision. This information is expected from the pension scheme later this month and will be incorporated in the audited accounts figures. The adjustment has no impact on cash.

The cash balance has increased from last reported at 31 December 2022.

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 asked if we anticipated such an increase in reactive repairs. Gary Naylor explained this is due to delays and the service delivery from Mears. However, we are now reaching the end of that period and monitoring this closely. If anything needs further addressed, the Board will be advised of this.

- Board Members were concerned with the backlog of Repairs. Michael Byrne confirmed volume of repairs increased after the pandemic and tenants may not have wanted contractors in their homes during the pandemic.

The Board of Management approved the Management Accounts for the quarter ended 31st March 2023.

DECIDED

8. FIVE YEAR FINANCIAL PROJECTIONS

Barry Allan intimated all registered Social Landlords are required to submit medium term financial projections to the Scottish Housing Regulator on an annual basis. The closing date for the submission is 31st May 2023.

The projections are based on the approved 2023-28 Business Plan and have been updated for the draft figures on 31 March 2023 management 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 2023 Five Year Financial Projection submission to the Scottish Housing Regulator.

DECIDED

9. LOAN PORTFOLIO REPORT AND REGULATORY RETURN

Barry Allan explained the loans position at 31 March 2023 shows a total of 55% of the balance non variable, with 45% remaining variable. This 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 confirmed the information from the report will be inputted to the SHR online portal ready for submission deadline of 30 June 2023. Copies of the completed return produced by the SHR portal will be placed on the Board Members portal on the website in due course.

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 annual loan portfolio information for submission to the Scottish Housing Regulator for 2022/23.

DECIDED

10. ANNUAL TREASURY MANAGEMENT REVIEW

Barry Allan advised the Board there were no significant changes to the Treasury Management Strategy Review. However, there were two specific recommendations. These were as follows:

- Most economic commentators are expecting interest rates to peak in Q3, Thenue should review rates ahead of the two maturing RBS fixed rates on 22nd December 2023. The Bank of England Monetary Policy Committee will decide on Bank Rate on 14th December 2023. Therefore, it may be worthwhile postponing any decision to put in place any further fixed rates

until after this announcement. It would be preferable not to put in place fixed rate loans when interest rates are at a peak.

- The approved Business plan and supporting financial projections do not envisage any new funding being required within the 5-year plan period. However, this may change once the standards and costs of EESSH2 are better known and if there is any increase in the development programme from any opportunities that may arise. If it is established that further funding is required because of the foregoing, we would recommend allowing at least 6 months to put in place new funding ahead of the requirement.

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 annual treasury management review and specific recommendations from ATFS Limited.

NOTED

11. PROCUREMENT REPORT

Eleanor Derbyshire gave a summary of the Annual Procurement Report covering the period 1 April 2022 to 31 March 2023. Eleanor explained that all procurement works were broken down by cost and that all procurement exercises have been carried out in line with policy as required by legislation.

Eleanor Derbyshire 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.

NOTED

12. THENUE COMMUNITIES UPDATE FOR 2023

Gary Naylor gave the Board an update on Thenue Communities. The focus for Thenue Communities over the past year has been on the recovery of income from lets, re-establishing services and activities in the post pandemic environment and contributing to efforts to reduce the impacts of the cost-of-living crisis on the communities in which we operate. The Wider Role costs are higher than expected in the year and are largely in respect of gardening services and drainage costs at the Netherholm Centre. This additional expenditure is being funded by additional Other Income received in the year. Given increase in costs, Thenue Communities provided a surplus. This is positive given the current circumstances.

There are a couple of significant challenges facing the Thenue Communities in 2023/24. One of these was that we were not able to secure funding to provide a member of staff for Netherholm Community Hall beyond March 2023. The budget within the Business Plan allows for a 3-month extension, but the role will come to an end in June 2023 as funding bids to both the Scottish Government Investing in Communities Fund and the Glasgow Community Fund were unfortunately unsuccessful. Rosemary Robertson and the team are looking at different options for the post including working with the local community and Staff to facilitate this. The second significant challenge is the need to generate rental income during 2023/24. As a result, Thenue Communities recently reviewed its pricing policy and implemented price increases, having held prices in 2022/23. The increase in running costs, energy prices etc have played a key part in this decision and it is vital that Thenue Communities remains financially sustainable. Thenue Communities will continue in attempting to generate funds that contribute to core costs and will support groups to also access funding so that they can continue to grow.

Thenue Communities held reserves on 31 March 2023. It is predicted that reserves will continue to grow over the next 5 years. We remain confident that Thenue Communities will continue to hold a strong long term financial position. Funding was received to deliver warm space/food projects over the winter of 2023/24.

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

- Board Members asked for feedback regarding funding requests. Gary Naylor confirmed Thenue Communities bids for funding are good and looked at different options to deliver these. Gary Naylor intimated he is confident with the partnerships Thenue Communities has and will continuously revisit resources to attract more funding.

The Board of Management approved the new 2023/2028 Thenue Communities Business Plan.

DECIDED

13. BOARD APPRAISALS

Gary Naylor advised Board Members it is time for the annual Board appraisals. The appraisal form will be an online document that enables Board Members to dip in and out of it over a period. Instructions will be sent for completing on the website and selecting 'My Appraisal' in the Board Members section. Board Members can choose a convenient 30-minute slot for their own appraisal from one of the following:

- Tuesday 13 June 2023, between 10am and 2pm
- Wednesday 14 June 2023, between 4pm and 6:30pm
- Thursday 15 June 2023, between 10am and 12pm

Gary Naylor confirmed himself, the Chair and Vice Chair will facilitate the meetings. Board Members are asked to book their slots by 7th June.

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

The Board of Management noted the commencement of the 2023 Board appraisals.

NOTED

14. ELECTRICAL TESTING TENDER REPORT

Eleanor Derbyshire explained that Reid Associates LLP Consultants have issued a supplementary report following completion of tender submissions. The contract will be over five financial years. Eleanor Derbyshire intimated the cost for the proposed works is slightly over budget, however there is contingency with this and is good value for money in the current climate.

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

The Board of Management approved the tender and to progress the contract works with Magnus Electrics Ltd.

DECIDED

15. CHIEF EXECUTIVE'S REPORT

Gary Naylor overviewed the report and confirmed that recruitment to the Board of Management in the lead up to the next AGM will be prioritised. The Board of Management were asked to consider a proposal to allow one member to seek re-election beyond the nine-year rule, for one year only, to assist with the onboarding of any new members and to reduce any risk to decision making given the loss of experienced Board members over the last couple of years and into next year. Gary Naylor had spoken with TC Young who advised that the rules regarding maximum term can be changed. If the rules are to change, a special general meeting would need to be held.

An update was provided on the timetable for delivery of strategies throughout the year following the delivery of the overarching Thenue Strategy. The next Strategy due is the Communication and Engagement Strategy for June.

Gary Naylor provided an update on Mears, our main reactive repairs contractor. Performance remains on a positive trend. In addition, Mears have been in talks to supply additional Community Benefit in the form of new kitchens to both our community centres.

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

- Board Members agree to a special general meeting to allow Board Member to be re-elected for one more year to help with the transition and ensure the Association continues to grow.
- Board Members suggest contacting the Regulator so they are aware of the Special General Meeting.
- Special General Meeting will potentially be held on the 20th June before the next Board of Management meeting.
- Board Members suggest giving the option to log in remotely for the Special General Meeting. Gary Naylor confirmed he would look into this.

The Board of Management approved the contents of the report.

DECIDED**16. SUBSIDIARY COMPANIES AND OTHER MINUTES****16.1 Health and Safety Committee 24 April 2023****16.2 Audit and Risk Sub-Committee 02 May 2023**

Pauline Casey intimated this was for information only. There were no questions or comments noted.

NOTED**17. ANY OTHER COMPETENT BUSINESS**

Gary Naylor explained to the Board that during the Covid pandemic, restrictions were in place for the number of people that were allowed in the meeting rooms. Gary Naylor confirmed the restrictions for number of people allowed in the meeting rooms have now lifted.

NOTED**18. RÉSUMÉ OF MEETING**

There were no comments or observations noted.

NOTED

19. DATE OF NEXT MEETING TUESDAY 20 JUNE 2023

The next meeting will be held on Tuesday 20th June 2023 at 6:00pm

NOTED

The meeting concluded at 19:24pm

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



Pauline Casey
Chairperson

Date: 20th June 2023