

**Meeting of the Board of Management to be held at 4pm
on Tuesday 18th August 2020
remotely at via Microsoft Teams**

AGENDA

	<u>Lead Person</u>	<u>Action</u>
1. Apologies		
2. Declaration of interests	All	For information
3. Minute of meeting held on 23 June 2020	Derek Quinn	For approval
4. Matters arising from the meeting of 23 June 2020	Board Members	For decision
4.1 Outcome of trial of Surface Go equipment		
5. Annual accounts for year ending 31 March 2020: A representative of Alexander Sloan, Auditors, will be in attendance for this item:	John Russell	For approval
5.1 Annual accounts		
5.2 Consolidated accounts		
5.3 Auditors management letter and draft response		
5.4 Auditors letter of representation		
5.5 Performance against lenders financial covenants		
5.6 Re-appointment of auditors		
6. Quarterly performance for three months to 30 June 2020	Charles Turner	For approval
6.1 Quarterly key performance indicator report		
6.2 Management accounts		
6.3 Loan portfolio report		
7. Board appraisals 2020	Charles Turner	For decision
8. Preparations for Annual and Special General Meetings	Charles Turner	For decision
9. Chief Executive's report	Charles Turner	For decision
10. Subsidiary company and other minutes		For information
10.1 Audit & Risk Committee, 28 July 2020		
10.2 Health & Safety Committee, 5 August 2020		
11. Any other competent business	Derek Quinn	
12. Résumé of meeting	All Board Members	
13. Date of next meeting on Tuesday 29 September 2020		To note

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 18 August 2020 at 4.00pm
remotely on Microsoft Teams**

Present: Derek Quinn (Chairperson), Pauline Casey, Jeanette Goode, David Keltie-Armstrong, Howard Mole, Florence O'Hale, Willie Redmond and Owen Stewart

Attending: Charles Turner, Gary Naylor, Eleanor Derbyshire, John Russell, Ray Macleod and Sharon Craig-McLeary
Philip Morrice, Alexander Sloan Auditors

Derek Quinn welcomed Board members to the meeting, reminded them of the etiquette to be followed and confirmed that reports and supporting documents had been read. He thanked the authors of the reports which provided good evidence of standards for decision making. He also made comment that 50% of Board members had accepted the meeting invitation in advance and encouraged members to be doing this to enable Officers to readily see if there might be issues with a quorum.

Derek Quinn introduced Philip Morrice from Alexander Sloan for the approval of the Annual Accounts.

1. APOLOGIES

Charles Turner advised apologies had been received from Maureen Dowden and Abdifatah Hayde.

NOTED

Charlie also reported that George Alexander's leave of absence had ended, however, George remains unwell and proposed that the leave of absence is continued for this meeting. The Board of Management unanimously agreed to the extension of George's leave of absence.

DECIDED

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON 23 JUNE 2020

The minute of the previous meeting held on 23 June 2020 was approved as a correct and accurate record of the proceedings. Proposed by Pauline Casey and seconded by Owen Stewart.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON 23 JUNE 2020**4.1 Outcome of trial of Surface Go equipment**

Charles Turner referred to the positive report and proposed the purchase of Surface Go equipment for Board members at a cost of £560 each totalling £6,160. The Board members present who had tried the equipment unanimously agreed it was more user friendly and easy to use.

Board members were invited to ask questions and/or comment. Board members asked how long it would take to purchase and deliver the new devices and what about the return of I-pads? John Russell confirmed there were no anticipated delays to order and staff would arrange delivery to Board members once they are set up. John advised that once Board members were satisfied with their new devices arrangements would be made for the return of I-pads.

The Board of Management approved the purchase of the equipment and the delivery arrangements.

DECIDED**5. ANNUAL ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2020****5.1 Annual Accounts**

Derek Quinn invited John Russell to present the accounts prior to Philip Morrice giving his report on the audit findings. Derek also indicated Philip would leave the meeting at the end of Agenda item 5.5.

John Russell explained on this occasion the presentation slides had been issued within the papers and gave an overview of the financial highlights compared against the previous financial year which covered a statement of comprehensive income, operating costs, statement of financial position (aka balance sheet) and comparison with the previously reported management accounts. John advised the accounts were required to be presented to Members at the Annual General Meeting, however, it was the responsibility of the Board of Management to approve them. Board members were invited to ask questions and/or make comments. There was only one question in relation to capitalisation of building and improvement works which was detailed in the accounts.

Philip Morrice from Alexander Sloan referred to the standard Statement on Internal Financial Control on Page 6 of the Accounts which outlines the responsibilities of the Board of Management and on Page 8 the Report by the Auditors to the Members of Thenu Housing Association Ltd on Corporate Governance Matters which outlines the Auditors basis of opinions on the audit and for compliance of regulations. Philip confirmed the audit findings found adherence and consistency in regulation and compliance.

Philip stated the audit opinion emphasised a clean, true and fair view of accounting practices and adheres to the Scottish Housing Regulators Standards with no ongoing concerns to be highlighted. Proper books, processes and controls were in place.

Philip concluded that under the circumstances staff and audit teams had done remarkably well to produce the accounts with some aspects identifying future improvements in efficiencies and effectiveness.

Board members were invited to ask questions and/or make comment. There were none noted.

The Board of Management approved the Financial Statements for the year ending 31 March 2020. Proposed by Howard Mole and seconded by Derek Quinn.

DECIDED

5.2 Consolidated Accounts

John Russell advised the consolidated accounts were similar and based on the Parent Company's accounts plus the three subsidiary companies therefore several figures are higher than what was reported in the previous agenda item. John invited Board members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the Consolidated Report and Financial Statements for the year ending 31 March 2020. Proposed by Derek Quinn and seconded by Owen Stewart.

DECIDED

John Russell intimated electronic signatures are required to sign the accounts and requested that the email addresses for the Chairperson, Derek Quinn, Vice Chair, Pauline Casey and Chief Executive, Charles Turner be sent to the Auditor.

DECIDED

5.3 Auditors management letter and draft response

John Russell explained the purpose of this standard letter is for the auditor to comment and highlight any issues identified during the audit process.

Philip Morrice intimated the letter described the format of the audit and any items to be brought to the attention of the Board of Management. Philip was pleased to confirm there were no issues with the audit incorporating the financial risks associated with the COVID19 pandemic. He invited Board members to ask question and/or make comment.

In relation to a question concerning the time difference of a loan payment, John Russell confirmed there had been an error by the lender, the Royal Bank of Scotland which overstated figures and had been rectified.

The Board of Management approved the Auditors management letter and draft response.

DECIDED

5.4 Auditors letter of representation

John Russell advised the purpose of this standard letter is to cover items not easily identified in the accounts giving written assurances on a range of relatively routine accounting matters.

The Board of Management approved the Auditors letter of representation.

DECIDED**5.5 Performance against lenders financial covenants**

John Russell reported the covenants for two lenders were satisfied.

The Board of Management noted the performance against lenders financial covenants.

NOTED**5.6 Re-appointment of auditors**

John Russell confirmed the financial audit service from Alexander Sloan was good value for money, an excellent knowledgeable team and proposed their re-appointment for recommendation to the members at the Annual General Meeting.

The Board of Management approved the re-appointment of Alexander Sloan as financial auditor and recommendation to the members at the Annual General Meeting.

DECIDED

Derek Quinn thanked Philip Morrice for his participation and attendance. Philip confirmed his attendance for the AGM is September and he left the meeting at that point.

6. QUARTERLY PERFORMANCE FOR THREE MONTHS TO 30 JUNE 2020**6.1 Quarterly key performance indicator report**

Charles Turner referred to the quarterly report which had fewer red indicators than was expected considering the restrictions during the COVID19 pandemic lockdown. He confirmed the items highlighted in red were detailed in the Dashboard Exception Board and would be regularly reported until such times as the performance had improved. He advised that after the Executive Team had considered the quarterly performance, that it was likely that around 18 months would be required in order for overall performance to begin to match what was expected. He then referred to:

- Better rent collection than expected.
- Arrears had risen but lower than anticipated.
- Funding received by Community Regeneration had been spent on projects to assist residents through the COVID19 pandemic.
- Only emergency repairs in households and non-emergencies in common areas had been completed during the COVID19 pandemic.
- Due to shielding 36 gas safety checks are currently outstanding.
- Some lets had been made to homeless households however new regulations to be introduced are expecting RSLs to let up to 90% of voids to homeless

households. He advised that this will be a topic for the Board to return to at the next meeting.

- Staff attendance has been excellent.
- Noise and nuisance were the main anti-social behaviour issues.

Board members were invited to ask questions and/or make comments. The following were noted in relation to:

- Gas safety checks, was the Scottish Housing Regulator giving any extension on timescales? Eleanor Derbyshire confirmed there was no extension on time and a programme of forced access and capping will be progressed once safe to do so.
- Staff attendance, Board members were impressed. Well done!
- Factoring charges, what was the cause of the increase in the arrears? John Russell advised due to the COVID19 Pandemic some owners were contributing nothing to their charges, delaying payment, making smaller payments and cancelling direct debits. Where there were property sales, there were/are court delays to enable the setting up of new accounts. John is anticipating the Factoring arrears will be higher at the year end.

The Board of Management approved the quarterly performance report.

DECIDED

6.2 Management accounts

John Russell intimated the management accounts were presented in their usual detailed format and highlighted the areas where expenditure was lower than budget due to the COVID19 restrictions e.g. building/repairs work which will be completed in due course and office costs with staff homeworking. John referred to the forecast outturn indicating that expenditure may not catch up in this financial year 2020/21 presenting a bigger year end surplus and will spill into the following year 2021/22 with a lower year end surplus. John explained Teams had worked hard to keep rent arrears lower than anticipated and in September the 5 year projections review for submission to the Scottish Housing Regulator may require adjustment for the impact of the COVID19 pandemic.

Board members were invited to ask questions and/or make comment and the following was noted:

- What was the impact on lenders covenants? John Russell was confident there was no issue with covenants, had been in contact with lenders and are well within thresholds. The projected outturn anticipated a strong budget.
- What was the impact on the development programme? Eleanor Derbyshire suggested it would be prudent to refresh the slippage and spend indicating that the main financial impact would be in 2021/22.

The Board of Management noted the Management Accounts for the period ending 30 June 2020.

NOTED

6.3 Loan portfolio report

John Russell advised this was a straightforward update report and invited Board members to ask questions and/or make comment. There were no questions or comments.

The Board of Management noted the contents of the loan portfolio report.

NOTED

7. BOARD APPRAISALS 2020

Charles Turner thanked Board members for engaging in this revised process which did away with several tick boxes and replaced with boxes for supporting statements. Charlie referred to the summary sheet which highlighted the conclusions in respect to Board members unilaterally supporting the resolution that will be proposed at the Special General Meeting in September to amend the current Rules in favour of the new 2020 Model Rules, the potential dropping of Board members to seven and the succession plans for Board recruitment after the Annual General Meeting.

Charlie advised that a training session on Value for Money had been arranged for Thursday 17 September 2020 at 2.00pm for those that had indicated interest. He advised that alternatively a bespoke Thenue session was being discussed, at a date yet to be confirmed. Charlie will liaise with Board Members in between meetings in this regard.

The Board of Management noted the contents of the report and the arranged Value for Money training session.

NOTED

8. PREPARATIONS FOR SPECIAL AND ANNUAL GENERAL MEETINGS

Charles Turner confirmed the Special and Annual General Meetings will be held on Tuesday 22 September 2020 and due to the COVID19 pandemic restriction this will be held remotely on the ZOOM virtual platform. Charlie referred to the current Rules and the recent emergency legislation to allow meetings to be held virtually this year. The revised Model Rules have also been updated to allow this format for the future. A letter had been sent to all members to advise of the date, the remote access arrangements, voting by post only, no voting on the night and an invitation to contact us with any electronic difficulties.

Charlie intimated Abdifatah Hayde, Derek Quinn and Willie Redmond by rotation were required to stand down and can stand for re-election. Nicola McCurdy had indicated a preference to become a Thenue Communities Director.

Charlie also advised the annual report was ready for printing and issuing to members and the time table of meetings for 2020/2021 was attached at the end of the report.

Charles Turner invited Board members to ask questions and/or make comments. The following were noted:

- How will the quorum be checked at a virtual meeting? Charles Turner confirmed there would be an admin team behind the scenes checking the members.
- How will voting be counted particularly where there are more than one member in a household? Charles Turner advised it was possible to identify these household and suggested an option of using two devices. However, as voting on the night will not an option, double voting or electronic administration issues will not be problematic. Charles Turner was asked to ensure this was made clear in the correspondence to Members.
- Will the meetings start earlier in the day? Charles Turner intimated for continuity there would be no change to the starting time of 6.15pm.

The Board of Management approved the arrangements for the Special and Annual General Meetings on 22 September 2020.

DECIDED

9. CHIEF EXECUTIVE'S REPORT

Charles Turner indicated for approval there was one new membership application and ten share certificates to be cancelled. The information to be submitted to the Scottish Housing Regulator had been covered in the earlier performance agenda item and outlined the arrangements for a return to office which was dependent on the Scottish Government's announcement to lift restrictions.

The Board of Management approved the one new member, the cancellation of ten share certificates and the arrangements to return to the office, provisionally on 14th September 2020.

DECIDED

10. SUBSIDIARY COMPANY AND OTHER MINUTES

10.1 Audit and Risk Sub-Committee 28 July 2020

10.2 Health and Safety Committee 5 August 2020

Derek Quinn intimated the minutes were for information only and any questions to be direct to the Chair of the Sub-Committee or relevant Officer.

NOTED

11. ANY OTHER COMPETENT BUSINESS

11.1 DVD – I Daniel Blake

As an outcome from the appraisal process, Howard Mole had requested training to better understand the impact on the Universal Credit process and had watched the I Daniel Blake DVD which he had found enlightening and suggested this be used as a library item and shared resource for training on Universal Credit.

The Board of Management noted his comments and the return of the DVD can be a swap when his new Surface Go device was ready.

NOTED

12. RESUME OF MEETING

Derek Quinn invited Board members to comment on how well or otherwise the meeting had been. The following was noted:

- Several Board members lost connection during this meeting.
- The quality of the content in documents made the meeting more effective than a conventional meeting, with John Russell's presentation particularly helpful.
- Consider combining both physical and remote access for the future to allow hybrid meetings to take place. Charlie was asked to progress this matter to configure the Boardroom for this purpose going forward, regardless of how long the current pandemic might last.
- Agreed resuming the meeting time to 6.00pm as during the day was difficult for people who had work commitments.

NOTED

13. DATE OF NEXT MEETING

The next meeting will be held on Tuesday 29 September 2020 at the normal time of 6.00pm
remotely on Microsoft Teams

NOTED

The meeting concluded at 17.42.

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

Derek Quinn:
Chairperson

A black rectangular redaction box covers the signature of Derek Quinn. A horizontal line extends from the right side of the box.

Date: 29 September 2020