

**Meeting of the Board of Management to be held at 6pm on Tuesday 20 August 2024
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 18 June 2024	Pauline Casey	For approval
4. Matters arising from the previous meeting on 18 June 2024	Board Members	For decision
5. Chief Executive Report	Gary Naylor	For information
6. Quarterly performance for three months to 30 June 2024		
6.1 Quarterly key performance indicator report	Gary Naylor	For information
6.2 Management Accounts for period ending 30 June 2024	Barry Allan	For approval
6.3 Loan Portfolio Update	Barry Allan	For approval
7. Preparations for the Annual General Meeting	Gary Naylor	For approval
8. Board Succession and Recruitment Plan	Gary Naylor	For approval
9. Board Appraisal Report	Gary Naylor	For information
10. Development Funding Report	Eleanor Derbyshire	For approval
11. Connal Street Lettings Plan	Michael Byrne	For approval
12. Allocations Policy Amendment	Michael Byrne	For approval
13. Windows and Doors Tender Report	Eleanor Derbyshire	For approval
14. Subsidiary company and other minutes No meetings have been held in between Board meetings	Pauline Casey	For information
15. Any other competent business	Pauline Casey	
15.1 RBS Loan Facility	Barry Allan	For information
16. Résumé of meeting	All	If required
17. Date of next meeting on Tuesday 24 th September 2024		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 20 August 2024 at 6.00pm
in person at 423 London Road, Glasgow, G40 1AG
and remotely on Microsoft Teams**

Present: Pauline Casey (Chairperson), Maureen Dowden, Howard Mole, Abdifatah Hayde, Ruth Hewitt, Bryan McMahon, Robert Kelly, David Keltie-Armstrong and Linda Chelton

Attending: Gary Naylor, Michael Byrne, Barry Allan, Eleanor Derbyshire, Ray MacLeod and Nikita Watson

1. APOLOGIES

There were no apologies received.

NOTED

2. DECLARATIONS OF INTERESTS

There were no declarations of interest.

NOTED

3. MINUTE OF MEETING HELD ON 18 JUNE 2024

The minute of the previous Board of Management meeting held on 18th June 2024 was agreed as a correct and accurate record of the proceedings. The minute was proposed by Ruth Hewitt and seconded by Bryan McMahon

NOTED

4. MATTERS ARISING FROM MEETING OF 18 JUNE 2024

There were no matters arising.

NOTED

5. CHIEF EXECUTIVE'S REPORT

Investors In People

Gary Naylor confirmed Investors in People conduct an assessment every three years, our last assessment being in 2020/21. A survey had been conducted with all staff in May this year and the results had now been assessed. The assessment concluded that the Organisation was currently at gold level. There had been positive feedback. This included feedback on our strategy, our values and training and development, which had been encouraged. From the report, Gary Naylor advised we were on the right path with this and making really good progress with clear development plans including the new check-in system. There were some areas Investors in People noted to approve on including building relationships with the leadership team, approach to reward and recognition, and clear development plans. Further work would be done to approve on these areas. Despite the assessment being gold, Investors in People had offered us the opportunity to be reassessed in May

2025 for Platinum status once the Organisation had been given a chance to implement changes on the recommendations they had made. In the meantime, we would be able to continue using the Platinum Status. The Association would continue to make improvements on this and keep the Board of Management up to date on our progress. The results of the survey had been shared with all staff and action plan for this would now begin.

Mears Update

Gary Naylor advised there had been a dip in Mears' performance at year end following on from two winter storms and the backlog from this. Quarter one had been a period of catching up due to the demand exceeding the capacity. The results had been mixed with emergency response performing well, however non-emergency required improvement, and it was anticipated the figures would improve over the course of quarter two. The Repairs team continued to have meetings with Mears and a change to the structure at Mears had been anticipated in the coming weeks. Four years ago, Mears had moved its housing contracts to Mears FM which managed contracts on commercial buildings. Mears had intimated their plans to move away from Mears FM and focus more on the housing contracts. Gary Naylor explained he had yet to see more details on this and asked for continued update on Mears performance.

Membership

Gary Naylor confirmed in preparation for the Annual General Meeting, the Membership register had been assessed and five memberships had been cancelled. Four of these had been due to the member not attending five years of AGM meetings and one member had deceased. Therefore, the membership was now at 81 members before any new approvals, prior to the Annual General Meeting.

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

- Board members asked, when tenants are signing their tenancy agreement during sign ups, can they be asked if they wish to be a member. Gary Naylor explained tenants are asked during their sign-up, however the cost for membership is £1 and agreeing to become a member is voluntary.

The Board of Management noted the updates in relation to Investors in People and Mears, as well as approving the cancellation of the five memberships.

APPROVED

6. QUARTERLY PERFORMANCE FOR THREE MONTHS TO 30 JUNE 2024

6.1 Quarterly Key Performance Indicator Report

Gary Naylor reported the performance included five red areas in quarterly one. Compliance was a key area, there had been really strong performance from gas checks with 100% of the certificates completed on time. Electrical testing also had a really strong performance with only eight properties in abeyance, with three of these being long term voids. Gary Naylor confirmed five areas with overdue jobs which had led to overspend in quarterly one. Performance management had been ongoing with our main contractor, and we would continue to communicate with Mears in regards to this. A new repairs strategy was underway to help manage this in future.

Section five homeless lets was below the 45% target for the first quarter. This was mainly due to timing and Gary Naylor intimated this would be on target in quarter 2. Michael Byrne advised he would be meeting with Glasgow City Council on 5th September and would

update Board Members at the next Board of Management meeting. Barry Allan explained Fife Council was asking for 60% target for section 5 lets. Board Member confirmed Wheatley Homes had been asked for 67% target.

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

- Board Members asked the reason for the decrease in target for the section 5 lets. Gary Naylor advised there had been a slow start to the Allocation progress, however the teams were now working closely to address this.
- Board Members raised concern on percentage of repairs completed right first time. Gary Naylor explained the importance of the regular communication with Mears on any performance issues and intimated the importance of tenants getting value for money.
- Board Members asked how long the contract with Mears was for. Gary Naylor confirmed there are three-years remaining on the contract.
- Board Members asked what repairs would be carried over and was there anything in place to accrued this. Barry Allan confirmed audit works being carried out and will update Board of Management at the September meeting.
- Board Members asked if targets were realistic. Gary Naylor explained the importance of working with Mears to make sure targets and service standards were met. Development of new Repairs Strategy would give Mears the chance to address this.
- Board Members explained the importance of meeting targets for repairs and giving a direct service to our tenants with satisfaction being one of the key drives for repairs.

The Board of Management approved the quarterly performance report.

APPROVED

6.2 Management Accounts for Period Ending 30 June 2024

Barry Allan overviewed the report and confirmed that the accounts showed the Association generated an operating surplus. After reviewing for non-operating items, the overall surplus was higher than assumed in the budget. The main factors contributing to this had been as follows:

- Lower than anticipated rental income
- Lower than anticipated void loss
- Lower than anticipated grant amortisation
- Lower than anticipated overall repair costs
- Lower than anticipated property depreciation charge
- Lower than anticipated office and corporate overhead costs
- Lower than anticipated loan interest charge.

The cash balance had decreased from last report on 31 March 2024. Barry Allan explained the results do not include the annual FRS102 adjustment to the pension scheme provision and any other audit adjustments. These figures would be updated in quarterly two following the approval of the annual accounts. Barry Allan confirmed all financial covenants were satisfied.

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

The Board of Management approved the accounts for the quarter ended 30 June 2024.

APPROVED

6.3 Loan Portfolio Update

Barry Allan confirmed the loan position at 30th June showed a total of 43% of the balance being non variable with 57% remaining variable. This was out with the overall limits set down within the Treasury Management policy of a minimum of 50% non-variable and was consistent with the current years treasury strategy agreed by the Board in March 2024.

The Board of Management had previously been made aware of the short-term change within the previous treasury management update, we had been in contact with our treasury management advisors monitoring the current economic and market conditions. In addition to the two legacy loans that fixed term expired in December, we have a facility where the fixed term rate expires in 30th September 2024.

Barry Allan invited 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

7. PREPARATIONS FOR THE ANNUAL GENERAL MEETING

Gary Naylor advised Board Members a decision was required to approve who would be standing down at the Annual General Meeting this year and confirmed plans to hold the Annual General Meeting on the 26 September in the Calton Heritage and Learning Centre. Gary Naylor confirmed the current Board of Management composition, and three of the nine elected members had been required to stand down:

- The longest-serving re-elected Board Member was Maureen Dowden and due to automatically step down.
- The second member required to step down at the end of their nine-year term was Howard Mole. However, due to the change in the rules following the Special General Meeting on 25th July 2023 and the results of the Board Appraisals a decision would be required on allowing Howard Mole to seek re-election for a one-year period only.
- The third person to step-down would-be David Keltie-Armstrong, who made the Chair aware of his intentions to stand down after six years on the Board during the recent Board of Management member appraisals.

Gary Naylor intimated there was two members that wished to seek election during the Annual General Meeting to join the Board of Management. Our membership currently stands at 81 after 5 members had been removed.

Following on from the Annual General Meeting, the Board of Management October meeting would be rescheduled to the 5th of November to coincide with the Business Planning Session.

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

- Ruth Hewitt noted her apologies for the Annual General Meeting.

The Board of Management noted the contents of the report.

NOTED

8. BOARD SUCCESSION AND RECRUITMENT PLAN

Gary Naylor clarified the current position with two Board Members reaching the end of their terms and one member intending to stand down at this years Annual General Meeting. Recruitment for tenant Board Members was ongoing and focus on the coming year would be succession plan for our Chair. Tenants had been interviewed to join the board however, it was understood these tenants were not quite ready to join the Board of Management. Both Gary Naylor and Michael Byrne would be looking at Scrutiny Panel members for potential Board Membership. Gary Naylor confirmed that two members of Thenue Trust would stand down and these positions would need to be filled for 2024/25. Abdifatah Hayde and Linda Chelton registered their interest in becoming a Trustee with Thenue Trust.

Gary Naylor advised two people had been interviewed for joining the Board of Management and their nominations would be made to the Board of Management at the Annual General Meeting. Gary Naylor outlined the current plans in terms of recruitment for the Board of Management and confirmed the successful recruitment of Ruth Hewitt to the Board. Gary Naylor intimated the importance of adding tenant members over the next couple of years.

Gary Naylor confirmed that with Maureen Dowden stepping down from the Board of Management and unable to seek re-election, it was proposed that the position of Vice Chair would be vacant for 2024/25. Within the rules it was the Boards decision as to the Office Bearers required, it was therefore not necessary to have a vice chair for 2024/25. Following on from the appraisal process, it was suggested that the Board of Management could invite Maureen Dowden to join the Board as a Co-optee in 2024/25, to assist with Supporting the Chair and the Board of Management as we look to onboard our new recruits successfully and to assist with further tenant recruitment.

Maureen Dowden left the Board of Management meeting whilst Board Members voted. It was confirmed that Maureen Dowden would join the Board of Management as a co-optee post Annual General Meeting for 2024/25. It was also agreed that Howard Mole would seek re-election for one year.

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

The Board of Management approved the applications of membership for Julia Cheung-Buchanan and Neve Beaton, and approved Howard Mole for re-election for one year.

APPROVED**9. BOARD APPRAISAL REPORT**

Gary Naylor confirmed that all Board Appraisals had been carried out and thanked the Board Members for their time and effort in completing the forms. The questions in the appraisals included Thenue's five-year strategy and the direction in which Thenue was going. Following on from conversations last year regarding the hybrid aspect of meetings, it was agreed that there was more benefit of in person attendance at the meetings. The appraisals also highlighted the need for a bitesize session in relation to financial management to enhance members knowledge and understanding. The Executive team would look to progress this over the course of the year.

Board Members had been asked during their appraisals what they felt the biggest challenges would be for the Association over the year. The feedback for this included keeping rents affordable whilst continuing to invest in our housing stock. The rising cost of contracts, staff retention and salaries,

and cuts in the Affordable Housing budgets. Board Members included the uncertainty on SHNZs and net zero targets have a potential impact on our future Business Plans and funding requirements. Discussions also centred on the recruitment of tenants to the Board and the succession of key Board members. It was understood that succession planning needed to continue to be prominent over the next couple of years. Board Members also explained they would like to see more tenant participation. Ensuring the smooth transition for key positions of responsibility would be important and Robert Kelly would be helping Ruth Hewitt in development with potential to succeed to the role of Chair for Audit and Risk Committee. Focus on the succession plan for our Group Chair would also be planned over the next year. All members felt that the Board took collective responsibility in their roles and the decision-making process. The environment continued to be one that allowed for positive challenge and members felt comfortable in airing their viewpoint and then committing to the collective decision.

Gary Naylor intimated the appraisals had been positive and Chairperson thanked everyone for attending the appraisals.

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

NOTED

10. DEVELOPMENT FUNDING REPORT

Eleanor Derbyshire overviewed the report and confirmed Glasgow City Council NRS recently advised that due to several cuts to the 24/25 and 25/26 Affordable Housing Supply Programme budgets, and a large Block A carry over, there was little funding available in the programme for Block B and Block C Pipeline projects. The provisional gross planning target had been mostly taken up with Block A projects Connal Street and 44 Dalmarnock Road. This didn't leave much budget costs for the other projects.

A meeting was held with colleagues from Glasgow City Council NRS to discuss a way forward. They had agreed with potentially front funding current projects to ensure that we could continue with some of our Development Programme. Due to the limited grant available, Eleanor Derbyshire explained it would be best to prioritise projects at Queen Mary Street and Anson House as these were at the most advanced stage. To continue to progress these projects, we would be required to front fund costs for this.

Eleanor Derbyshire confirmed we were still awaiting final statutory approvals for the project at 44 Dalmarnock Road before we could start on site. Should we be able to start, we would require to front fund for this. Glasgow City Council NRS had advised that any grant that became available prior to year-end would be allocated to Block A projects. Again, we would seek written confirmation from Glasgow City Council NRS that any outstanding grant funding would be provided in the next financial year.

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

- Board Members asked if there would be an agreement in place for the front funding. Eleanor Derbyshire confirmed Glasgow City Council NRS would be asked if they could guarantee grant offer. As we were unsure when we would receive this, we would need something in writing.
- Board Members recommended deferring the report to further understand the risks involved and to commit to front funding could lead to unintended consequences due to the fact that the Council was asking a number of Organisations to front fund but unable to guarantee all Organisations when they would receive the funding.

- Board Members agreed that it was important to protect our existing tenants in regards to Repairs needing carried out.
- Eleanor Derbyshire explained that NRS required Board approval before agreeing to grant funding. Board Members agreed they would need more clarification on this, and confirmation on when the grant funding would be received for this.

The Board of Management agreed to defer the report. Eleanor Derbyshire confirmed that further information would be requested from NRS in relation to the dates the costs would be received back and this brought back to the Board of Management for consideration.

NOTED

11. CONNAL STREET LETTINGS PLAN

Michael Byrne confirmed the development would deliver 41 new flats and houses. The work began on site in August 2023 and the first lets was estimated to be completed in October this year. The Lettings Plan aimed to ensure that a range of needs were met including assisting Glasgow City Council with their statutory duty in relation to settled accommodation for section 5 referrals.

It was proposed that a portion of the lets would be made to transfer applicants who were currently tenants at Dalmarnock that are overcrowded. Michael Byrne explained we would apply our transfer policy in respect of the condition of the tenant's existing property to ensure that any transfers would result in minimal void re-let expenditure. It was also proposed that we give priority to existing Thenue tenants who are under occupying in the Dalmarnock area. Michael Byrne intimated that it was previously recognised that Letting Plans for new development successfully addressed the shortage of family sized accommodation by prioritising those existing tenants who were under occupying large family housing and need to move to smaller properties and this would be something the Organisation would like to repeat.

Michael Byrne overviewed the Letting Plan targets for the development and confirmed priority groups as follows:

1. Transfer – Current Dalmarnock under occupying or overcrowding tenants.
2. Transfer – Current non-Dalmarnock under occupying or overcrowding tenants
3. Waiting List – Under occupying or overcrowding and/or medical.
4. Section 5 Homeless Referrals – Homeless referrals from Glasgow City Council
5. Children and Families Referrals – “Looked after young people” leaving care
6. Medical transfer cases- Requiring wheelchair adaptable accommodation

Due to the summer recess, the Lettings Plan would be presented to the Bridgeton and Dalmarnock Area Association at their next meeting on 27th August 2024.

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

- Board Members inquired about the budget for void re-let. Michael Byrne explained looking at general void target comes in at .5 percent and days to let are 21 days.

Chairperson congratulated Eleanor Derbyshire and Michael Byrne on the excellent report and progress on the site.

The Board of Management approved the Lettings Plan for staff to begin the letting process.

APPROVED

12. ALLOCATIONS POLICY AMENDMENT

Michael Byrne confirmed recommendation for two minor amendments to the Allocation Policy in relation to the award of either High Management Transfer Priority or Urgent Priority. Michael Byrne explained this was clarification required for applicants to ensure that any offer of rehousing made within the Management Transfer category and the Urgent Priority category was made on a “like for like” basis. This was a further amendment to the previously reviewed Policy.

Michael Byrne invited Board Members to ask questions and/or make comment. There were no questions or comments noted.

The Board of Management approved the two minor amendments to the Allocations Policy.

APPROVED**13. WINDOWS AND DOORS TENDER REPORT**

Eleanor Derbyshire explained that a replacement of doors and windows would be included with the Major Repairs Programme for 2024/25. Four tender submissions had been received for this and Reid Associations Ltd noted the submission from Sidey Solutions Ltd had been calculated as best value. Eleanor Derbyshire confirmed the tender costs are under the Major repairs budget allowance.

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

The Board of Management approved the tender from Sidey Solutions Ltd for the proposed works.

APPROVED**14. SUBSIDIARY COMPANY AND OTHER MINUTES**

No meetings had been held in between Board meetings.

NOTED**15. ANY OTHER COMPETENT BUSINESS****15.1 RBS Loan Facility**

Chairperson and Vice Chair were concerned that the report was being shown to Board Members at such a late stage and suggested discussing the report at the next Board of Management meeting on 24th September so that Board Members had more time to decide on this. Barry Allan advised that no explanation had been given by RBS on why terms of the refinancing agreement had been delayed. As set figures for fixed term loan had not yet been received from RBS, a draft had not been submitted to Board Members. Barry Allan confirmed the first meeting to discuss the loan facility began in October 2023 and RBS had been made aware of the timescales for this.

As final terms had not yet been agreed and with a deadline of 30th September 2024 to complete this process, our solicitors TC Young had recommended that the Board approve the creation of a sub-committee to have delegated authority on behalf of the Board to sign off the loan refinancing. This had been due to the fact that the next Board of Management

meeting on 24th September would have been too close to the deadline and it would only have given two working days to sort out the legalities of this. Board Members agreed having a meeting before the 24th September to discuss the report in detail.

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

- Board Members discussed looking at other options for refinancing agreement and potentially have a revolver be drawn down to pay this temporarily. Barry Allan confirmed he would check the terms of the loan agreement and speak to TC Young for further advice. Board Members agreed as no Business Plan approval would be required, there should not be a refinance restriction for this.

The Board of Management noted the report and confirmed a one-item agenda meeting before the Board of Management meeting on 24th September to further discuss the RBS refinancing update.

NOTED

16. RÉSUMÉ OF MEETING

There were no comments or observations noted.

NOTED

17. DATE OF NEXT MEETING

The next meeting will be held on Tuesday 24th September 2024 at 6:00pm

The meeting concluded at 19:40pm

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

NOTED


Pauline Casey
Chairperson

Date: 24th September 2024