

**Meeting of the Board of Management to be held at 6pm on Tuesday 24th September 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 20 August 2024	Pauline Casey	For approval
4. Matters arising from the previous meeting on 20 August 2024	Board Members	For decision
5. Annual accounts for year ending 31 March 2024:	Barry Allan	For approval
Steven Cunningham, from Alexander Sloan, Auditors, will be in attendance for this item:		
5.1	Annual accounts (including presentation on the night)	
5.2	Subsidiary 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. Chief Executives Report	Gary Naylor	For information
7. Lenders Financial Covenant Report	Barry Allan	For approval
8. AFS Return 2023/24	Barry Allan	For approval
9. SHAPs Financial Assessment	Barry Allan	For approval
10. Annual Assurance Report	Gary Naylor	For approval
11. Business Plan mid-year review	Gary Naylor	For information
12. Finnart Street Sandstone Tenement Tender	Eleanor Derbyshire	For approval
13. Subsidiary company and other minutes	Pauline Casey	For information
13.1	Health & Safety Committee	
14. Any other competent business	Pauline Casey	

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

	<u>Lead Person</u>	<u>Action</u>
15. Résumé of meeting	All	If required
16. Date of next meeting 5th November 2024		To note

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 24 September 2024 at 6.00pm
in person and remotely on Microsoft Teams**

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

Attending: Gary Naylor, Michael Byrne, Eleanor Derbyshire, Barry Allan, Ray MacLeod, Nikita Watson and Steven Cunningham from Alexander Sloan.

1. APOLOGIES

Apologies were received by Bryan McMahon and Linda Chelton.

NOTED

2. DECLARATIONS OF INTERESTS

Robert Kelly declared an interest in the Annual Accounts as their employer also use the services of Alexander Sloan for audit.

NOTED

3. MINUTE OF MEETING HELD ON 20 AUGUST 2024

The minute of the previous Board of Management meeting held on 20th August 2024 was approved as a correct and accurate record of the proceedings. Proposed by Howard Mole and seconded by David Keltie-Armstrong.

NOTED

4. MATTERS ARISING FROM MEETING OF 20 AUGUST 2024

Ruth Hewitt confirmed that she would be able to attend the Annual General Meeting on Thursday 26th September 2024.

APPROVED

5. ANNUAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2024

5.1 Annual Accounts (including presentation on the night)

Barry Allan introduced Steven Cunningham from Alexander Sloan and presented a summary of the annual accounts. The accounts showed that the Association continued to remain in a strong financial position. Barry Allan noted that in previous years, consolidated accounts had been prepared, however, these were no longer required as the accounts for Thenue Communities, Thenue Housing Services Ltd and Thenue Trust would be approved at their respective Annual General Meetings.

Barry Allan gave a presentation report of the account, and intimated that Alexander Sloan were 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 asked in terms of contingent liability on page 52, is this in addition to the pension adjustment already included. Barry Allan confirmed yes and there is an ongoing court case. Board members asked what the impact would be for this. Steven Cunningham from Alexander Sloan confirmed at this stage, it depends on the result of the court case and other Associations.

The Board of Management approved the annual accounts for the year ended 31 March 2024.

DECIDED

5.2 Subsidiary Accounts

Steven Cunningham from Alexander Sloan confirmed the subsidiary accounts for Thenue Communities, Thenue Trust and Thenue Housing Services Ltd and explained these were standard practice.

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

- Board members asked if development salaries could be pro rata. Barry Allan confirmed he would speak with Eleanor Derbyshire regarding this and advised that some staff had been undertaking Homemaster training which would be lower percentage being capitalised.

The Board of Management approved the subsidiary accounts for the year ended 31 March 2024.

5.3 Audit summary report and draft response

Steven Cunningham noted the following key points:

- Note of potential changes on page 7 which had been made to the financial statements and 2 unadjusted errors that had not been processed where the amounts involved were not considered material and therefore the accounts were not adjusted for the item in question.
- Page 9 of the letter referred to three new control weaknesses identified during the audit, all three items identified had been easily resolved and would be reviewed by the Finance team to ensure they do not reoccur.
- Page 10 of the report referred to a recommendation point of the previous years audit which had been resolved and implemented on 1 April 2023 in line with the report on Proposed Component Lifecycles for Major Repairs that Board approved in November 2022.

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 and approved the draft response to the report.

DECIDED

5.4 Auditors letter of representation

Barry Allan confirmed the Association was required on the completion of the annual audit, to provide the auditors with a letter of representation. This was a standard letter that provided 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

Board Members confirmed on this occasion, it was not required to have an Executive session as the financial position remained strong.

The Chairperson thanked Steven Cunningham for attending. Steven Cunningham left the meeting.

DECIDED

5.6 Appointment of auditors

Barry Allan explained that the Association re-tendered its external audit service for Thenu in 2023, resulting in Alexander Sloan LLP being re-appointed as auditors for an initial 3-year period with the possibility of extending the contract for a further 2 years.

Barry Allan confirmed he was happy with the service provided by Alexander Sloan and recommended the re-appointment of Alexander Sloan as auditors for 2024/25 to the members at the forthcoming Annual General Meeting.

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 re-appointment of Alexander Sloan and the recommendation to Members at the Annual General Meeting.

RECOMMENDATION TO AGM

6. CHIEF EXECUTIVES REPORT

Connal Street

Gary Naylor confirmed an agreement had been reached with Glasgow City Council for the connection of the site to the District Heating Network. Contractors had been instructed to make the connection and the heating functional would be operational very soon. This meant that the Association was ahead of target with CCG Ltd making good progress on all the properties on site and ahead of schedule. Gary Naylor confirmed that arrangements would be made for Board Members to re-visit the site.

Annual Return on the Charter Consultation

Gary Naylor provided details on the consultation launched by the Scottish Housing Regulator on the proposed changes to the Annual Return on the Charter. Gary Naylor confirmed that the Regulator was proposing to introduce indicators on tenant and resident safety, specifically electrical testing and damp and mould. The Executive Team would review the proposed changes and draft a response to the consultation questionnaire. The consultation was due to close on 8th November 2024, with the revised ARC indicators to be in place for the collection year 2025/26. Gary Naylor intimated a draft response would be presented at the next Board of Management meeting.

Mears Update

Gary Naylor explained that himself and Michael Byrne met with the new Senior Commercial Director, Paul Timmons. This followed on from our contract moving away from the Mears Facilities Management arm of the organisation.

Paul Timmons had reassured that recent recruitment of operatives and planners would help to alleviate some of the capacity issues within the contract and assist in delivering performance in line with the service standards. Gary Naylor intimated it had been raised the areas for improvement, including communication and quality of work and that this would continue to be a focus of contract meetings as we move forwards.

Mears explained during the meeting that they were keen to build up their contracts base within Scotland, including bidding for major improvement works contracts as well as repair ones. Gary Naylor advised that we would continue to keep the Board of Management up to date in relation to the ongoing performance of the contract, whilst also continuing to develop our Repairs strategy for the future.

GWSF Annual Conference

Gary Naylor confirmed that the annual Glasgow and West of Scotland Forum of Housing Associations were holding their annual conference on 29th November 2024 at the Radisson Blu Hotel in Glasgow. The event would focus on the topic of future proofing the community-based housing association sector. Gary Naylor explained that if any Board Members had interest in attending to let himself know.

Gary Naylor 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. LENDERS FINANCIAL COVENANT REPORT**

Barry Allan overviewed the report and confirmed the performance against our lenders financial covenants was reported quarterly to the Board as part of the Management Accounts. Barry Allan advised that THFC was measured annually in advance and auditors had reviewed the calculations and confirmed the figures used in the financial covenants were in accordance with the audited accounts. A letter from the auditors would be submitted to the relevant lenders along with the audited accounts following tonight's approval.

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

8. AFS RETURN 2023/24

Barry Allan confirmed that all registered Social Landlords were required to submit the Annual Financial Statements return to the Scottish Housing Regulator on an annual basis. The closing date for the submission is 30th September 2024.

The Annual Financial Statement Return summarised the figures from the audited financial statements for the year ended 31 March 2024. A copy of the submission was included for approval by the Board as required by the Scottish Housing Regulator.

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 2024 Annual Financial Statements Return for submission to the Scottish Housing Regulator.

APPROVED

9. SHAPS FINANCIAL ASSESSMENT

Barry Allan advised that all registered Social Landlords who are members of the SHAPS pension scheme were required to submit the annual financial assessment return to SHAPS to allow SHAPS to assess the level of covenant of its participating employers.

Barry Allan intimated the return had been delayed this year and an email was issued in September with a closing date for submission of 13 September 2024. As in previous years, the financial assessment was low risk. Therefore, no additional notification was required.

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

10. ANNUAL ASSURANCE REPORT

Gary Naylor explained that Thenue Housing Association Ltd was required to produce its 6th Annual Assurance Statement by 31st October 2024. The report was split into three sections:

- Summary report
- Evidence report
- The proposed assurance statement

Within the evidence report, there was one main area we were being asked to give assurance within our statement this year. This was to confirm whether we meet all duties in relation to tenant and resident safety, and that we had obtained appropriate assurance about compliance with all relevant safety requirements including:

- Gas safety
- Electrical safety

- Water safety
- Fire safety
- Asbestos
- Damp and Mould
- Lift Safety

During the last year we had also completed our assessment into potential presence of RAAC in our stock and can confirm that none had been identified.

In reviewing compliance, we had adopted an ongoing improvement focus and had also identified three areas that were currently in progression and would continue to be during the course of the year. The areas in progression were as follows:

- Successful implementation of our communication and IT systems to realise the efficiencies and access to data set out in our Digital Transformation Strategy, and to aid in improved service delivery.
- Fully develop a vision and direction for Repairs to be delivered for Board consideration for the length of the contract and beyond, to achieve higher satisfaction for tenants.
- Tenant and ongoing skills-based recruitment to Board.

Overall, because of the strength of our risk-based approach, strength and understanding at Board level, and performance across the Association, we felt the assurance statement for 2024 was a strong one.

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

- Board Members asked how presence of RAAC is checked within our stock. Gary Naylor confirmed this was a combination of records that we have, as well as age of the property and physical testing on selected properties.

The Board of Management approved the content of the Association's 6th assurance statement.

APPROVED

11. BUSINESS PLAN MID-YEAR REVIEW

Gary Naylor confirmed that the current Business Plan had been approved by the Board of Management on 12th March 2024. Gary Naylor advised that 8 of the 9 business objectives would be achieved and completed by the end of the financial year. There was uncertainty around objective number 5 as this was reliant on further information on SHNZs funding and delivery being made available by the Scottish Government.

Gary Naylor intimated that the IT system implementation was being actioned for our new digital and communications systems as set out in our Digital Transformation Strategy and would be due to go live in December 2024. The statement for ESG was also currently in development following the adoption of our Sustainability Strategy 2023-28.

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

- Board Members asked in relation to target number 1, in terms of succession and hand over, would this continue until the end of the year? Gary Naylor confirmed succession plan would continue and that recruitment for the Board needs to be focused on over a period of time. Gary

Naylor confirmed two members would be joining the Board of Management, however it is important to have ongoing discussions with others interested in joining.

- Board Members asked if this could be updated to say that recruitment would continue to be the key focus in the coming year.

The Board of Management noted the contents of the report.

NOTED

12. FINNART STREET SANDSTONE TENEMENT TENDER

Eleanor Derbyshire overviewed the report and confirmed the proposed project would be to carry out refurbishment works to blocks 52-64 Finnart Street. Works that would be required would be to common areas involving specialist stonework repairs, roof replacement and rainwater goods and in addition some internal close repairs, which were all contained within the supplementary report from TCS Consultancy.

Eleanor Derbyshire advised TCS were appointed as Quantity Surveyors and Contract Administrators to produce the tender documents via Scottish Procurement Alliance Framework. Following receipt of the tenders a quality assessment was scored using SPA scoring, and a final tender report provided by TCS outlining the most economically advantageous tender, balancing quality and price was from CCG Scotland Ltd for the proposed works.

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

- Board Members confirmed they were happy with the report and asked for CCG capacity information. Eleanor Derbyshire confirmed CCG was a large company and previously worked on the new builds at Connal Street. Eleanor Derbyshire intimated we believe that CCG had the capacity to carry out the proposed works and had no issues with CCG.

The Board of Management approved the tender and works to be carried out by CCG Scotland Ltd.

APPROVED

13. SUBSIDIARY COMPANY AND OTHER MINUTES

13.1 Health & Safety Committee

Chairperson advised the item was for information only and any questions or comments directed to the relevant Chair or Officer.

NOTED

14. ANY OTHER COMPETENT BUSINESS

14.1 Gary Naylor advised David Keltie-Armstrong had officially stepped down and this would be his last meeting as Board Member. Gary on behalf of the Board and Executive Team warmly thanked David Keltie-Armstrong for his service and contribution over the last six years.

NOTED

14.2 Howard Mole gave his apologies for the Annual General Meeting.

NOTED

15. RÉSUMÉ OF MEETING

There were no comments or observations noted.

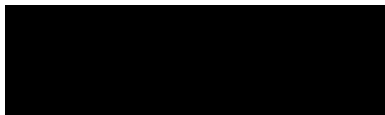
NOTED

16. DATE OF NEXT MEETING TUESDAY 5 NOVEMBER 2024

The next meeting will be held on Tuesday 5th November 2024 at 6:00pm

The meeting concluded at 18:53pm

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



NOTED

Pauline Casey
Chairperson

Date: 5th November 2024