

**Meeting of the Board of Management to be held at 6pm
on Tuesday 20th March 2018 in 423 London Road, Glasgow, G40 1AG**

AGENDA

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|------------|---|--|------------------------|
| 1. | Apologies | | |
| 2. | Declaration of Interests | | For information |
| 3. | Minute of meeting held on 27 February 2018 | | For approval |
| 4. | Matters arising from meeting of 27 February 2018 | | |
| 5. | Community Regeneration – return on investment | | For approval |
| 6. | Policy review | | For approval |
| | 6.1 Property Services Policy Handbook (last reviewed in April 2015) | | |
| | 6.2 Tenancy Management Policy Handbook (last reviewed October 2012) | | |
| | 6.3 Estate Management Policy Handbook (last reviewed November 2013) | | |
| 7. | Annual review of insurance cover | | For decision |
| 8. | Report on treasury matters | | For decision |
| 9. | Chief Executive’s report | | For decision |
| 10. | Review of housing bad debts | | For decision |
| 11. | Subsidiary Company and other minutes: | | For information |
| | 11.1 Audit & Risk Committee 20 February 2018# | | # = draft minute |
| 12. | SHARE Conference feedback 9th to 11th March 2018 | | For information |
| 13. | Any other competent business | | |
| 14. | Date of next meeting on Tuesday 17 April 2018 | | To note |

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 20 March 2018 at 6.00pm
within 423 London Road, Glasgow, G40 1AG**

Present: Owen Stewart (Chairperson), George Alexander, Pauline Casey, Maureen Dowden, Abdifatah Hayde, Charlotte Levy, Howard Mole, Filbert Musau, Florence O'Hale, Derek Quinn and Willie Redmond

Attending: Charles Turner, Brian Gannon, Beth Reilly, John Russell, Ray Macleod, Sharon Craig-McLeary and Lawrence McCabe (Agenda Items 1 – 5)

Owen Stewart on behalf of Board members expressed condolences to Willie Redmond on the loss of his brother.

1. APOLOGIES

Apologies were received from Nicola McCurdy.

NOTED

2. DECLARATIONS OF INTEREST

Charlotte Levy and Brian Gannon expressed declarations of interest for Agenda Item 13.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON 27 FEBRUARY 2018

The minute of the previous meeting held on 27 February 2018 was approved a correct and accurate record. Proposed by Pauline Casey and seconded by Maureen Dowden.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON 27 FEBRUARY 2018

Charles Turner referred to the Health and Safety sections of the Governance and Staff Policy Handbooks in agenda item 6 and the suggestion to obtain ISO 18001 accreditation which will shortly be superseded by ISO 45001. He advised that the Health and Safety Committee had met the day before and had discussed the suggestion. The Health & Safety Committee had considered the system in place with specific detailed control manuals which were verified and prepared by a third party, Employers in Voluntary Housing (EVH). Thenue's voluntary health and safety specialist advised that our current system can be expected to be 85% compliant with ISO 18001 however to go forward with accreditation an additional external consultant would be required to further develop our systems. He also commented companies accredited were normally in an environment tendering for work. The Health & Safety Committee concluded that for the additional work and expenditure required, it was not beneficial at the moment to go forward with accreditation. The Board of Management agreed the conclusions of the Health and Safety Committee.

DECIDED

5. COMMUNITY REGENERATION – RETURN ON INVESTMENT

Lawrence McCabe gave a summary of the background and context for the report. He explained that community regeneration went beyond the core remit of housing provision and captured the

wider needs of residents. The report highlighted several projects giving an idea of their timescale and the difficulty in quantifying the impact. Grant funding had been very successful.

Lawrence described "Social Return", the benefits to individuals and their communities and the measures to assess the impact. He gave examples of hard and soft outcomes; hard, individuals securing employment and soft, individuals becoming more confident. He indicated the projects all supported Thenue's strategic objectives and targeted primarily Thenue tenants and other residents within our areas of operation. To demonstrate, Lawrence gave the example of the Learning Works Project which had been very successful.

Lawrence invited Board members to ask questions or make comments. Board members:

- Asked what the position was for future funding for the Learning Works Project? Lawrence confirmed that the funding application was through to the second stage with the Big Lottery and if successful it would secure the project for another two years. He commented that obtaining funding was particularly challenging at the moment.
- Asked if there would be projects in conjunction with the Job Centre? Lawrence confirmed there would be but the Job Centre now had an online portal and projects were agreed on a contract system. Contracts would be based on Not-for-profit therefore could be managed by Thenue HA as the parent company.
- Found the case studies helpful and very informative.
- Expressed their appreciation on the hard work in the process to secure funding and deliver the projects. Fantastic effort! They asked that their sentiments are passed on to the staff.

The Board of Management approved the report which measured the return on investment of our Community Regeneration Projects.

DECIDED

6. POLICY REVIEW

Charles Turner explained the aim was to review policy handbooks every three years unless there are any legislative changes during the period. He indicated there was one exception, the Factoring Policy Handbook which was overdue for review. The Scottish Government is currently undertaking a review of the existing Code of Conduct for Property Factors which is expected to be published at the beginning of 2019 and Charlie proposed that the Factoring Policy Handbook review is delayed until that time.

John Russell also intimated that he wanted to make some changes to the Financial Regulations in advance of the next planned review in February 2020. John would aim to bring the changes to the Board of Management for approval by the summer.

The Board of Management agreed to the delay in the review of the Factoring Policy Handbook and noted the forthcoming review of the Financial Regulations.

DECIDED

6.1 Property Services Policy Handbook

Beth Reilly summarised the changes a number of which were updating terminology and reference to new legislation, best practice, and revised processes. The asbestos policy had been completely revised and replaced. Beth referred to the new Health and Safety Landlord Facilities Control Manual and the adoption and addition of policies for CDM

Regulations 2015, Electrical Safety, Energy Performance Certificates, Lifts Safety, Redevelopment of Land and Buildings and Water Systems and Legionella. She advised some tidying of language and terminology will be made prior to final publishing of the Handbook. The Board of Management approved the Property Services Policy Handbook.

DECIDED**6.2 Tenancy Management Policy Handbook****6.3 Estate Management Policy Handbook**

Brian Gannon gave a presentation on the major changes to the Tenancy and Estate Management Policy Handbooks bringing them into line with the 2014 Housing Act. He intimated that the Scottish Governments drafting of some provisions in the 2014 Housing Act and the issuing of the Commencement Order was still delayed and had decided to no longer delay the review of policies which are significantly overdue. He highlighted the general policy updates, the amendment to succession/assignment/sub-letting and the 3 key new provisions for tackling anti-social behaviour. He detailed how the 12 month qualifying period for succession would work and the exceptional circumstances.

The Board of Management in relation to succession discussed the broad terminology of “qualifying persons” and “exceptional circumstances”, Brian advised the forthcoming commencement order will have definitions clarified and it was optional for the Board to agree whether our policy contain provision for “exceptional circumstances”. They also asked how tenants would be informed and Brian confirmed each tenant will be issued a letter clearly stating the changes and impact.

The Board of Management approved the review of the Tenancy and Estate Management Policy Handbooks and the addition of “exceptional circumstances” provision.

DECIDED**7. ANNUAL REVIEW OF INSURANCE COVER**

John Russell intimated the report was required to be presented annually and detailed insurance categories, excesses, limits, changes and increases. He highlighted the reasons given in the report for recommending an increase in the employer and public liability cover from £15 million to £20 million. The Board agreed with this proposal.

The Board proceeded to consider the recommendation set out in the report not to extend the current long term agreement with insurers beyond 31 March 2019, but instead re-tender our insurance later this year for a 1 April 2019 renewal. John advised that this was year 3 of a 3 year contract which has an option to extend for a further two years. The insurers had offered a 9% discount on the housing stock premium if we renew for a further 3 years as opposed to one year however the report set out the reasons for not extending the current agreement beyond the one year proposed.

John was questioned with regard to the short-term discount offered versus the proposed longer-term saving, and his response reassured the Board in this regard.

The Board of Management approved the level and scope of insurance cover required by the Association for 2018/19 and agreed to re-tender our insurance for the year beginning 1 April 2019.

DECIDED

8. REPORT ON TREASURY MATTERS

John Russell reminded Board members of the decision in January 2018 to renegotiate with the Royal Bank of Scotland (RBS) the loan agreement and explained the recommendations. The Board of Management:

- Noted the agreement reached with RBS regarding revising the split of the facility between facility A and facility B, the revised repayment profile and the extension of the availability period to 31 March 2021 in respect of the undrawn part of the revolver facility B and 31 March 2020 for the term loan facility A.
- Approved the “variation letter” from the Bank attached under Appendix 2 to the report, for signing by the Secretary on behalf of the Association. In the event that any final changes are required to the draft letter then the draft minute under Appendix 3 requests delegated authority to the Chief Executive and the Head of Finance to agree such amendments. Any such amendments will be advised to the Board at their next meeting.

- Approved the Officers certificate required by the Bank as set out in Appendix 4 to the report.

DECIDED

- The Board proceeded to approve the undernoted wording required by the Bank in relation to this matter:

£45,000,000 REVOLVING CREDIT AND TERM LOAN FACILITIES FROM THE ROYAL BANK OF SCOTLAND PLC

1. It was reported that the meeting of the Board of Thenue Housing Association Limited (“**Thenue**”) had been duly convened and that a quorum was present.
2. The following documents, in connection with £45,000,000 revolving credit and term loan facilities from The Royal Bank of Scotland plc (the “**Bank**”) were produced to the meeting:
 - 2.1 an amendment agreement (the “**Amendment Agreement**”) amending a facilities agreement originally dated 31 March 2010 as amended by a subsequent amendment and restatement agreement dated 26 August and 2 September 2014 and as further amended by an amendment letter dated 29 January 2016 and 24 February 2016, and made between (1) Thenue as Borrower and (2) the Bank in its capacities as Arranger, Original Lender and Agent (the “**Restated Facilities Agreement**”) under which certain amendments are made to the terms of the revolving credit and term loan facilities with the Bank (the “**Facilities**”); and
 - 2.2 an Officer’s Certificate (the “**Officer’s Certificate**”) to be given by an authorised signatory of Thenue containing various certifications required pursuant to the Amendment Agreement and including a list of the authorised signatories of Thenue with a specimen signature of each authorised signatory;

(the Amendment Agreement and the Officer’s Certificate being hereinafter referred to as the “**Documents**”).

3. It was reported to the meeting that entering into the Amendment Agreement would not breach the rules or any existing contractual or statutory obligations of Thenue and that

Thenue was fully empowered to enter into the Documents and to perform its obligations thereunder.

4. The Board, having reviewed the advice of the Chief Executive, Charles Turner, and the Head of Finance, John Russell, on the financing arrangements for Thenue, considered that:
 - 4.1 the terms of the Amendment Agreement were reasonable having regard to the status of Thenue as a charity and a registered housing association; and
 - 4.2 in accordance with forecasts set out in the Business Plan, it will be able to repay the Facilities on the terms set out in the Restated Facilities Agreement as amended by the Amendment Agreement.

5. The Board RESOLVED:
 - 5.1 that the Documents be approved in substantially the form of the relevant draft presented to the meeting with such amendments as the Chief Executive, whom failing the Head of Finance, shall in his discretion approve;
 - 5.2 that the Chief Executive, whom failing the Head of Finance, be and is hereby authorised to agree the final terms of the Documents and any other document which he considers necessary or desirable in connection with the entry by Thenue into the Documents, with such amendments as he shall approve;
 - 5.3 that the Chief Executive, whom failing the Head of Finance, be and hereby is authorised on behalf of Thenue to execute the Documents and any other document which is required to be executed pursuant to the Documents and any other Finance Document (as defined in the Restated Facilities Agreement) which is required to be executed, which documents shall be either sealed or witnessed as appropriate, and registered in the books of Thenue;
 - 5.4 that the Chief Executive, whom failing the Head of Finance, be and hereby is authorised on behalf of Thenue to execute and deliver any other documents, notices, letters or other communications and to perform all matters, acts and things which such person in his absolute discretion deems to be necessary or desirable in connection with the Documents or any other Finance Document (as defined in the Restated Facilities Agreement) including the provision of any certificates or drawdown requests required as a condition precedent to a loan advance.

DECIDED

Charlotte Levy and Brian Gannon left the room at this point.

9. CHIEF EXECUTIVE'S REPORT

Charles Turner summarised the contents of the report and specifically invited Board members to consider membership with SHARE, the number of people serving on the Audit and Risk Sub-Committee as the last meeting was inquorate, the proposal for Brian Gannon to provide temporary part-time Senior Officer services to another housing organisation and the tender for the ventilation systems primarily in the Commonwealth Games Villages properties and others.

The Board of Management:

- Approved the renewal of membership and affiliation fees for Glasgow and West of Scotland Forum and the Scottish Federation of Housing Associations.
- Questioned Charlie with regard how exposed the arrangement with Calvey would leave Thenue. He advised that from a timing point of view it was fine, as a lot of the big pieces of work that Brian was involved in had come to a logical end or pause. He also reassured the Board that a combination of four very competent Managers and his ability to support those Managers meant that for that short time, and on a part-time basis, nothing at Thenue would suffer. On this basis the Board approved the appointment of Brian Gannon as temporary part-time Senior Officer with Calvey Housing Association which will attract a fee income to Thenue Housing Services. They also requested the Scottish Housing Regulator be notified out of courtesy.
- Agreed to Pauline Casey and Florence O'Hale serving on the Audit and Risk Sub-Committee.
- Declined the renewal of membership and affiliation fees for SHARE.
- Noted the arrangements for staff during the adverse weather 28 February to 2 March 2018. They asked Charlie on their behalf to thank the staff for their efforts in offering a service to the association's tenants during that period,
- Noted the arrangements for the official openings for the housing projects in Bridgeton and Castlemilk.
- Noted Thenue's comments associated with the Freedom of Information and the Regulation of Social Housing through the Glasgow West of Scotland Forum.
- Noted the EVH AGM on Sunday 8 April 2018. George Alexander agreed to represent Thenue at this event.
- Noted the tender notice and arrangements for ventilation systems.

DECIDED

10. REVIEW OF HOUSING BAD DEBTS

Brian Gannon intimated this is a regular report presented to the Board for the control of writing off debts and credits and management of accounts. He gave an overview of the contents of the report, the various category breakdowns and the list of individual debt and credit write-offs. Brian confirmed the highest debt write-offs are evictions and no way of recovery. The Board of Management approved the debt and credit write-offs as detailed in the report.

DECIDED

11. SUBSIDIARY COMPANY AND OTHER MINUTES**11.1 Audit and Risk Committee 20 February 2018**

Owen Stewart advised the draft minute is for information only and any questions are directed to the relevant Chair or servicing officer outwith the meeting.

NOTED

12. SHARE CONFERENCE FEEDBACK 9 TO 11 MARCH 2018

Charlotte Levy and George Alexander attended the Conference and Jeanette Goode provided a comprehensive written report of the weekend which Board members found useful and inspiring.

NOTED

13. ANY OTHER COMPETENT BUSINESS

13.1 Scottish Veterans Housing Association

Charles Turner reported the Scottish Veterans Housing Association is seeking board members and anyone interested is asked to contact Charlie for details.

NOTED

13.2 EVH SHAPS

Charles Turner advised notice of the next meeting on 30 May 2018 had been received. One place is guaranteed with Owen Stewart agreeing to attend, however, an additional place at a cost may be available depending on numbers and Charlotte Levy agreed to also attend.

DECIDED

13.3 PROPERTY SERVICES MANAGER (TECHNICAL)

Charles Turner notified the Board of Management that a new Manager had been selected and once the appointment was confirmed in writing their name would be announced. Charlie also commented on how well Nicola McCurdy had represented the Board of Management on the recruitment panel.

NOTED

14. DATE OF NEXT MEETING

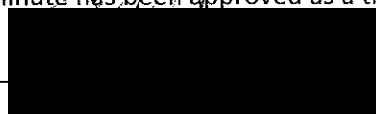
The next meeting will be held on Tuesday 17 April 2018 at 6.00pm.

NOTED

The meeting concluded at 7.25pm.

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

Owen Stewart: _____
Chairperson



Date: _____

17/4/18

