

**Meeting of the Board of Management to be held
on Tuesday 20 November 2018
at 6.00pm in 423 London Road, Glasgow, G40 1AG**

AGENDA

- | | | |
|------------|---|------------------------|
| 1. | Apologies | To note |
| 2. | Declaration of interests | To note |
| 3. | Minute of meeting held on 30 October 2018 | For approval |
| 4. | Matters arising from previous meeting on 30 October 2018 | For approval |
| 5. | Quarter two operational performance : | For approval |
| | 5.1 Quarterly performance report | |
| | 5.2 Management Accounts | |
| | 5.3 Loan Portfolio report | |
| 6. | 2019/20 Business Plan, Draft Budget and proposal for rent consultation | For decision |
| 7. | Mid-year review of Treasury Management Strategy for 2018/19 | For decision |
| 8. | Disposal of Phoenix House | For decision |
| 9. | Bad debit write off | For decision |
| 10. | Chief Executive's report | For decision |
| 11. | Subsidiary Company draft minutes: | For information |
| | 11.1 Thenue Communities 29 October 2018 | |
| 12. | Any other competent business | |
| 13. | Date of next meeting Tuesday 29 January 2019 | To note |

THENUE HOUSING ASSOCIATION LTD

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

Present: Derek Quinn (Chairperson), Pauline Casey, Maureen Dowden, Jeanette Goode, Abdifatah Hayde, David Keltie-Armstrong, Foday Keran, Filbert Musau, Willie Redmond and Owen Stewart

Attending: Charles Turner, John Russell, Brian Gannon, Beth Reilly

1. APOLOGIES

Apologies were received from George Alexander, Charlotte Levy, Howard Mole, Nicola McCurdy and Florence O'Hale.

NOTED

Charles Turner intimated he had requests from George Alexander and Nicola McCurdy for leave of absence which was agreed by the Board of Management for a period of three months.

DECIDED

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

NOTED

3. MINUTE OF MEETING FROM THE PREVIOUS MEETING HELD ON 30 OCTOBER 2018

The minute of the previous meeting held on 30 October 2018 was approved an accurate and correct record. Proposed by Pauline Casey and seconded by David Keltie-Armstrong.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON 30 OCTOBER 2018

There were no matters arising from the previous meeting held on 30 October 2018.

NOTED

5. QUARTER TWO OPERATIONAL PERFORMANCE

5.1 Quarterly Performance Report

Charles Turner overviewed the quarter two performance report reminding Board members of the two 'red' areas expected to remain red until there was evidence of performance improvement. Charlie was pleased to report the improvement of the number of houses failing the Scottish Housing Quality Standard, referred Board members to the explanation included in the report and requested this be changed. He advised the other area was the percentage of houses let within two weeks which will remain the same until the programme of new build allocations and subsequent transfers had completed. He referred Board members to the development programme expenditure report.

Derek Quinn invited Board members to comment on the report and asked how Board members to consider how to improve their attendance. The Board of Management approved the report, agreed the category change and suggested the improvement in Board attendance be discussed at the forthcoming Business Planning Event.

DECIDED

5.2 Management Accounts

John Russell gave a presentation summarising the Management Accounts for the six months to 30 September 2018. His summary highlighted income and expenditure and the main variances in income, operating expenditure, non-operating items and performance against lenders financial covenants.

The Board of Management noted the results in the Management Accounts for the six months to 30 September 2018.

NOTED

5.3 Loan Portfolio Report

John Russell overviewed the report and the Board of Management noted its contents.

NOTED

6. 2019/20 BUSINESS PLAN, DRAFT BUDGET AND PROPOSAL FOR RENT CONSULTATION

Derek Quinn introduced the item and asked Board members for their consideration and decision to commence the rent consultation process.

Charles Turner gave an overall view in the context of the Business Planning and recapped on the process so far. He reminded Board members of their discussion at the last meeting and referred to the REST Group (scrutiny panel) conclusion agreeing that the rent increase proposal was fair and reasonable and the gardening project an option/choice.

To demonstrate and confirm viability John Russell presented the changes in financial changes in key assumptions comparing the 2019 draft plan versus the 2018 plan, the 30 year cash flow demonstrating the impact of an inflation only increase and the implications of an inflation only with a rent freeze in 2019.

Brian Gannon referred to Thenue's rent policy on affordability, explained in detail our method of assessment and measurement using the SFHA's new rent affordability calculator and the outcome of tenants views on affordability during the tenants' satisfaction survey. He concluded only a small percentage of our tenants feel Thenue's rents are not affordable and rents are affordable against the four SFHA measures of affordability.

Brian Gannon on the basis of Thenue's rent policy on comparability presented a series of rent comparisons and conclusions.

Brian Gannon presented background information on the rent option with the Garden Project describing the benefits and improvements to the environment and for the people. The existing project was due to end soon.

Charles Turner summarised the decision required for consultation with tenants' over an eight week period, consider the feedback from the REST Group and invited Board members to ask questions and/or make comment.

In relation to the new method to measure affordability Board members discussed and expressed concern that responses were from tenants not reliant on Housing Benefit.

Board members discussed in depth the Garden Project option as concern had been expressed that tenants have a responsibility within their tenancy agreement to be maintaining their garden and expecting others to financially be contributing is fundamentally wrong. It was noted that the help was being provided to help the tenant maintain the garden more easily themselves in future. It was also noted that feedback from the Calton area by tenants, staff and visitors had been overwhelmingly positive in that walking through the area and overlooking the area from windows is more appealing. The project has helped volunteers and tenants learn new skills and made gardens accessible and easy to maintain. They also commented on the wording for consultation suggesting that there is clarity in the core increase and reasons why and the option of adding a Garden Project and the reasons, including links to more information on the project.

Board members thanked John Russell and Brian Gannon for a well rationalised presentation.

The Board of Management agreed:

- Option 1: 3.3% inflation only, or
- Option 2: 3.8% inflation plus Garden Project
- Text providing an explanation for each option
- Consultation over an eight week period

DECIDED

7. MID YEAR REVIEW OF TREASURY MANAGEMENT STRATEGY FOR 2018/19

John Russell referred back to June when the Board of Management approved the Treasury Management Strategy and this report gives the six monthly update. John highlighted the interest rate forecasts, the positive relationships with lenders, outlined the existing borrowings and new borrowing facilities for future building, proposed five year 'revolver' loan to deliver the three year development programme, terms and conditions and the proposal to borrow money.

John expects the loan document once checked by lawyers will be ready to conclude around the end of January.

The Board of Management noted the contents of the report and approved the proposed borrowing of the new borrowing facility.

DECIDED

8. DISPOSAL OF PHOENIX HOUSE

Beth Reilly gave an update on the disposal of Phoenix House. The Board of Management:

- Noted the contents of the report.
- Agreed the disposal of the site at 574-586 Keppochhill Road to Glasgow City Council at the valuation provided by the District Valuer.
- Agreed that an application for Specific Consent under S107 is made to the Scottish Housing Regulator to allow the disposal to proceed.
- Certified that the conditions attached to the request for Specific Consent have been made.
- Authorised staff to progress the disposal once the consent from the Scottish Housing Regulator (SHR) is in place and to instruct the association solicitor, T C Young, to act in this matter.

DECIDED

9. BAD DEBT WRITE OFF

Brian Gannon indicated this was a regular report to agree the write-off tenant rent arrears. The Board of Management agreed to write-off the bad debts as detailed in the report.

DECIDED**10. CHIEF EXECUTIVE'S REPORT**

Charles Turner outlined the contents of the report highlighting:

- The EVH salary survey consultation conclusions.
- The EVH succession planning event.
- The SFHA fee structure change and renewal of affiliation.
- The 'Housing Beyond 2021' consultation document.
- Our retention of Investors in People Gold and Health & Wellbeing Awards.
- The requirement for the Board of Management to focus on performance targets for 2019.
- The appointment of our new Community Regeneration Manager, Ruth Adam.
- The Christmas social event on 12 December 2018.
- The Business Planning event on 4 December 2018.

The Board of Management approved the annual affiliation to SFHA and noted the contents of the report.

DECIDED**11. SUBSIDIARY COMPANY MINUTES****11.1 Thenue Communities 29 October 2018 (Draft)**

Derek Quinn intimated the minute was for information only and any questions to be directed to the relevant Chair or officer outwith the meeting.

NOTED**12. ANY OTHER COMPETENT BUSINESS**

Charles Turner requested delegated authority to the Chairperson for any emergency or important decisions required before the next meeting at the end of January 2019. The Board of Management approved the delegated authority.

DECISION**13. DATE OF NEXT MEETING TUESDAY 29 JANUARY 2019**

The next meeting will be held on Tuesday 29 January 2019 at 6.00pm.

NOTED

The meeting concluded at 7.46pm.

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

Derek Quinn:
Chairperson



Date:

26 Feb 2019