

**Meeting of the Board of Management to be held at 6pm
on Tuesday 11 February 2020 at 423 London Road, Glasgow, G40 1AG**

AGENDA

	Lead Person	Decision or information
1. Apologies	Derek Quinn	
2. Declaration of Interests	Derek Quinn	For information
3. Minute of meeting held on 21 January 2020	Derek Quinn	For approval
4. Matters arising from meeting of 21 January 2020	Derek Quinn	For decision
5. Draft Business Plan:	Charles Turner	For approval
5.1 2020 to 2025 Business Plan		
5.2 2020/21 rent review		
5.3 2020/21 service charge review	John Russell	
5.4 2020/21 hostel rents		
6. Quarter two operational performance :		For approval
6.1 Quarterly performance report	Charles Turner	
6.2 Management Accounts	John Russell	
6.3 Loan Portfolio report		
7. Subsidiary Companies and other Minutes:	Charles Turner	For information
7.1 Audit & Risk Committee, 28 January 2020#		# = draft minute
7.2 Health & Safety Committee, 27 January 2020#		
7.3 Thenue Communities, 27 January 2020#		
8. Chief Executive's report	Charles Turner	For decisions
9. Any other competent business	Derek Quinn	
10. Résumé of meeting	Derek Quinn	
11. Date of next meeting Tuesday 17 March 2020		To note

THENUE HOUSING ASSOCIATION LTD

**Minute of the Board of Management meeting
held on Tuesday 11 February 2020 at 6.00pm
within 423 London Road, Glasgow, G40 1AG**

Present: Derek Quinn (Chairperson), Maureen Dowden, Jeanette Goode,
David Keltie-Armstrong, Howard Mole, Willie Redmond and Owen Stewart

Attending: Charles Turner, John Russell, Eleanor Derbyshire and Ray Macleod

Derek Quinn went through the domestic arrangements for the evening, asked and confirmed that Board members present had read the documents circulated for decision and thanked them for attending. He referred to the migration onto Microsoft 365 technology and members experiencing issues with their I-pad or needing support a one-to-one session can be organised.

1. APOLOGIES

Apologies had been received from Charlotte Levy and George Alexander. Nicola McCurdy currently has a leave of absence.

NOTED

2. DECLARATIONS OF INTERESTS

There were no declarations of interest.

NOTED

3. MINUTE OF THE PREVIOUS MEETING HELD ON 21 JANUARY 2020

One Board Member noted that the voting under item 6.2 was recorded as 7 votes to 9, and this was in fact 7 votes to 2. This correction to the minute was agreed unanimously. With this correction, the minute of the previous meeting held on 21 January 2020 was approved as a correct and accurate record of the proceedings. The minutes were proposed by Owen Stewart and seconded by Willie Redmond.

APPROVED

4. MATTERS ARISING FROM THE PREVIOUS MEETING HELD ON 21 JANUARY 2020

Charles Turner referred to the debate concerning the nine-year rule for Board member service and confirmed review of this matter will commence in the spring of 2020, with a conclusion by the summer to propose the rule change at a Special General Meeting in September 2020.

NOTED

5. DRAFT BUSINESS PLAN

5.1 2020 TO 2025 Business Plan

Charles Turner gave a presentation summarising the format and contents of the Business Plan which outlined the context for the proposed 2.6% rent increase. He highlighted:

- The timeline of review, what had been done and where we are at the moment. He indicated the rent and service charge increase needed to be approved to ensure timeous implementation; however, the remainder of the Business Plan if further adjustments were needed could be approved at the meeting in March.
- Our core values which were central to the Business Plan.
- The three current priorities: impact of Universal Credit; protecting our tenants safely in their homes and effectively utilising electronic technology.
- Our three highest risks, two of which are linked to the implementation and impact of Universal Credit and the other information technology and cyber-crime breaches.
- On Universal Credit, he highlighted the fact that 47% of the gross arrears balance is owed by just 22% of the association's tenants that relied on Universal Credit to pay their rent. This reinforced the reason why 2 of the 3 high risks are associated with Universal Credit arrangements.
- The detail of 12 new business objectives against our five strategic objectives which remain unchanged.
- The Thenue Group of companies and the successful year for Thenue Communities in comparison to last year.
- Our growth potential describing the current development programme and potential future projects.
- Our three strands of growth.
- Procurement, SWOT analysis, staff complement and governance structure.

Charles Turner invited Board members to comment and ask questions on the proposed Business Plan. Board members commented and asked questions concerning:

- The impact on Universal Credit - staff intimated it affected people whose circumstances had changed and their benefits needed to be reviewed. Delays were up to 8 weeks before payments were made.
- Stock numbers for new properties – staff clarified the difference between the stock numbers in the growth section of the plan and the actual numbers for which grant had been secured, which are absolute and the potential new developments whereby stock numbers can change during planning and funding, these are aspirational.
- Use of the self-service app, currently at 55% of customers and mobile working technology and the subsequent efficiency gains for evidencing.
- On Page 25 to review the section on commercial strategic decisions.

Budget

John Russell presented the Budget summarising the key changes between the previous year 2019 and this year. John highlighted the assumptions, number of properties which included supported housing bed spaces count, proposed rent increase of 2.6%, loan drawdown, repair costs, employee salaries and associated costs, bad debts and voids and anticipated income and expenditure for 2020/21.

John prepared charts looking at the longer term beyond the next 5 years and up to 30 years, had looked at 12 different "what if" scenarios to test financial viability and confirmed compliance with lending covenants. He also erred caution on the unknown with the impact of Brexit and potential additional costs for repairs and building works.

John Russell invited Board members to comment and ask questions on the proposed Budget. Board members commented they were comforted, complimented staff on the good work to produce the Budget and were assured the presentation covered regulatory standards 3 and 4 for evidence towards the Annual Assurance Statement.

5.2 2020/21 Rent Review

Following presentation of the Budget for the Business Plan and the proposed rent increase of 2.6%, Charles Turner summarised the results from the rent increase consultation with tenants and tenants groups and referred to the comments from the 24 responses. Charlie invited Board members to comment or ask questions. The following were noted:

- On this occasion tenants were not given a yes or no option, only asked for comment/s and it was noted evidencing the outcome is easier to count either yes or no. Staff asked to bear this in mind for 2021/22.
- Comments from tenants brought attention to rent comparison with neighbours of other housing providers particularly GHA who charge different amounts and have not restructured their rents. It was noted that rent setting structures of GHA behind the averages published are complex and historical making it very difficult to compare like with like. Board members agreed explanation and promotion of our rent package be made to our tenants.

5.3 2020/21 Service Charge Review

John Russell explained a full review is completed on a three year cycle with the last full review in 2019 and involved projecting costs forward with a view to setting a service charge to cover all of the Association's service costs for 2019/20 plus an inflationary increase thereafter up to and including 2021/22. The Board were invited to approve the proposed inflationary increase of 2.1%.

5.4 2020/21 Hostel Rents

John Russell briefly outlined the proposed increases for hostel rents.

The Board of Management approved the:

- 5.1 Business Plan for 2020 to 2025 subject to amendments in wording on Page 25 and clarity on stock numbers.
- 5.2 Rent increase of 2.6%
- 5.3 Service charge increase of 2.1%
- 5.4 Hostel rents – 2.1% Rainbow House; 2.6% Green Wynd; 3.1% Bridge Street and Kirkhaven.

DECIDED

6. QUARTER TWO OPERATIONAL PERFORMANCE

6.1 Quarterly Performance Report

Charles Turner detailed each period target concluding many were on target with good systems in place and invited Board members to comment and ask questions. Board members:

- Noted Board members attendance had not been sustained and apologies not given before meetings.

- Asked for reasons where there was over or under budget expenditure in the development programme. Staff clarified this was due to timing in reporting expenditure projections and the final account stage.
- Confirmation of no data protection breaches that required reporting to the Information Commissioner, but seven entries in the association's register.

The Board of Management approved the quarterly performance report.

DECIDED

6.2 Management Accounts for the 9 month period to 31 December 2019

John Russell gave a presentation summarising income and expenditure, the main variances in income, operating expenditure and non-operating expenditure, and lenders covenants. The Board of Management noted the Management Accounts results for the 9 months to 31 December 2019 detailed in the summary statement and full report.

NOTED

6.3 Loan Portfolio Report

John Russell explained the report was for information and detailed the loans position at 31 December 2019. The Board of Management noted the report.

NOTED

7. SUBSIDIARY COMPANIES AND OTHER MINUTES

7.1 Audit and Risk Sub-Committee 28 January 2020

7.2 Health and Safety Committee 27 January 2020

7.3 Thenue Communities 27 January 2020

Derek Quinn intimated the minutes were for information and noting with any questions to be directed to the relevant officer.

NOTED

8. CHIEF EXECUTIVE'S REPORT

Charles Turner overviewed the contents of the report and the Board of Management:

- Approved the two new membership applications.
- Approved the 2020 affiliation fee to Employers in Voluntary Housing.
- Approved the proposed schedule of various policy reviews for 2020.
- Noted the remainder of the report.

DECIDED

9. ANY OTHER COMPETENT BUSINESS

Charles Turner intimated there would be a Staffing Sub-Committee meeting, requested four Board members to attend and confirm the date. The Board of Management agreed the date of Thursday 27 February 2020 at 10:30am with Maureen Dowden, David Keltie-Armstrong, Owen Stewart and Willie Redmond attending.

DECIDED

10. RESUME OF MEETING

Board members agreed the meeting was very good with a number of big decisions (rent increase, budget and business plan) effectively and efficiently decided. Information issued had been easy to understand and thorough.

Staff welcomed the good questions which tested the reporting and gave re-assurance that Board members had read and understood the decisions to be made.

NOTED

11. DATE OF NEXT MEETING

The next meeting will be held on Tuesday 17 March 2020 at 6.0pm

NOTED

Derek Quinn thanked everyone for coming along and the meeting concluded at 7.40pm.

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

Derek Quinn:
Chairperson



Date: 17. March 2020

