



CUNNINGHAME
HOUSING ASSOCIATION

More than just a landlord

Board of Management Minutes

Date of Meeting: 18th January 2024

Please note that these minutes have been edited to remove any information relating to personal/confidential/commercially sensitive or of a personal nature.



Present	In Attendance
Janet Strang (Chair) Brenda Johnstone Brian McCabe Drew Hall Elizabeth Shedden John Kelly John Nisbet June Fenelon Margaret Davison Willie Gibson Cllr Stephen Canning (EAC) (MS Teams)	Linda Anderson, Acting CEO Fettes McDonald, FMD Financial Consultant (MS Teams) Elaine Nimmo, Minute Secretary

Item		Action
1.	Apologies Apologies were received from Frank Sweeney, Liam Loudon, and Cllr Eleanor Collier (NAC).	
2.	Chairperson’s Remarks <ol style="list-style-type: none"> 1 The Chair welcomed everyone to the meeting and asked all members to ensure that their mobile phones are switched off or on silent. 2 As there were confidential items on agenda the Chair read out the following confidentiality statement: In compliance with the Regulatory Code of Governance and Board Members’ Code of Conduct all items detailed in this notice as being confidential should not be discussed with any external party either prior to or after said meeting by any Member of the Board of Management. 	
3.	Declaration of Interest None.	
4.	Items Requiring a Decision	
4.1	New Building Funding (CONFIDENTIAL) <i>(Confidential Report is commercially sensitive therefore has been withheld because disclosure would harm commercial interests.)</i> The Financial Consultant referred members to the previously circulated report regarding future new build funding loan terms which have now been received. He confirmed it was prudent to convene the special board meeting to progress matters given security will be required and can be take a considerable period of time to put in place, rather than wait until the February Board meeting. Loan terms were issued to the Association’s lenders (excluding Canada Life) on 6 th November 2023 with a return date notified as 24 th November 2023.	



Item		Action
4.1	<p>The Board noted that the Clydesdale Bank declined the opportunity to submit terms given they still only offer short term loan facilities. The Financial Consultant advised it may be practical to consider expanding the list of lenders in the future.</p> <p>The Board discussed in detail and considered the terms offered from Bank of Scotland and RBS. The Board enquired about the difference between EUV basis and MVST basis. The Financial Consultant confirmed EUV basis is existing use value which describes what property or land is worth in its current form and MVST basis refers to the value of a property with an existing tenancy in place.</p> <p>The Financial Consultant highlighted he has discussed with RBS the potential to a reduction in the margin as part of the transaction and they have agreed they could reduce over a 20-year term.</p> <p>As detailed in the report additional security for the funding shall be required. Board members enquired which development projects the loan will be covering, this was confirmed as Bridgehousehill, Garven, Collin and Stanfield. Members queried if there remains to be sufficient security for any further borrowing. The Financial Consultant confirmed in the recent treasury management report taking account of excess security and unencumbered stock the Association has the ability.</p> <p>The Financial Consultant advised RBS, have also agreed to amend the interest cover covenant, as raised with the Board at the meeting in October 2023 to discuss the updated loan term projections. Canada Life are still reviewing the covenant sector wide and will advise in due course.</p> <p>After a discussion the Board of Management agreed the recommendation to select RBS as the preferred funder.</p> <p>It was noted the loan documentation will be progressed and the new agreement will be presented to the Board for signing in March 2024.</p>	FMD
5.	Any Other Business	
5.1	<p>CEO Absence Update (CONFIDENTIAL) <i>(Confidential Report is commercially sensitive therefore has been withheld because disclosure would harm commercial interests.)</i></p> <p>The Chair provided an update on the CEO's absence. Board members requested the Chair pass on their good wishes to FS.</p>	Chair



Item		Action
	<p>Executive Director of Finance & Corporate Services</p> <p>The Board of Management noted that the Executive Director of Finance & Corporate Services has left the Association and board members expressed their thanks for her service over the last 28 years and wished her good health.</p> <p>A discussion took place with regard to recruitment of the Executive Director’s post. The Chair advised, following discussion with the Acting CEO, that a staffing report will be presented to the 1st February 2024 board meeting.</p>	CEO
6.	Date of Next Meeting – 1st February 2024	

The meeting closed at 2.00 pm.