

Board meeting minutes

Minutes of the meeting of the Board of Keniston Housing Association Limited held on Thursday 21st July 2016 at 6.15 p.m. at The Conference Room, 13 Artington Close, Farnborough, Kent, BR6 7UL

Board members in attendance Shehla Husain (Co-Vice Chair)
Seema Jassi
Barry Luhmann
Julian Miles (Chair)
Anthony Mills
Peter Voisey (Co-Vice Chair)

Also present Vivienne Astall, Housing Services Director
Tony Coward, Property Services Director
Tracy Day, Minute Secretary
Nevil Osborne, Chief Executive
Andrew Shiatis, Finance Director and Company Secretary
Jonathan Card – Observing
Jackie Oakes – Audit Partner at Smith and Williamson

Agenda Item 1 Apologies for absence, declaration of interest and Health and Safety items to note

Minute 248/16 Apologies for absence were received from Jane Clark and Simone Bailey

Minute 249/16 After enquiry no one declared any interests.

Nevil Osborne introduced Jonathan Card. Jonathan Card takes on the role of Chief Executive from 25 August; he was attending the meeting as an observer. Julian Miles welcomed him on behalf of the Board.

Minute 250/16 Jonathan Card would like to meet individual members of the Board; members were asked to send their availability to Tracy Day to arrange the meeting.

Minute 251/16 There were no Health and Safety items to note.

Agenda item 2 Minutes of the Board meeting held 16 June 2016 and the Complaints Sub Committee meeting held 28 June 2016. Matters arising and actions

Minute 252/16 The minutes of both meetings were approved.

Matters Arising and Actions

Minute 253/16 Matters arising as shown in the tracker were noted.

Minute 254/16 Minute 205/16 – it was agreed that three months should be the normal period of notice for Board members who resign.

Minute 216/16 – Andrew Shiatis advised that the Fraud Policy had been updated as discussed at the last meeting.

Minute 222/16 – Nevil Osborne handed the Board a list of comments from tenants in response to being consulted about Keniston merger priorities.

The issue of whether tenants should be consulted or vote on a merger was discussed. Peter Voisey was concerned of the possibility of good governance being undermined. It was agreed that should the opportunity for a merger arise, each situation would be considered on its merits in relation to whether a vote or consultation with tenants should take place.

Agenda item 3 Financial statements for the year ended 31 March 2016 Jackie Oakes, Audit Partner at Smith and Williamson

Minute 256/16 Jackie Oakes presented the Financial Statements, Audit Management Letter and Letter of Representation to the Board. She highlighted that this was the first year that the accounts had been prepared under the new accounting reporting standards (FRS 102). She stated that despite this, it had been a very smooth audit process with no adjustments required. She summarised the key control point from the management letter and confirmed that the point raised was low priority with no serious financial consequences. She advised that FRS 102, first issued in 2013, was to be reviewed on a 3 year cycle; therefore it would be reviewed over the upcoming accounting year.

She also commented that Value for Money still remained a key area of focus for the regulator and drew attention to the increase in the contribution to the Social Housing Pension Scheme which is now reflected in the income and expenditure account.

Minute 257/16 She also commented that Keniston had managed the implementation of FRS 102 extremely well and that most of the new disclosures within the financial statements had been agreed well in advance of the audit. She expressed her particular thanks to Andrew Shiatis for his competence in understanding and working through the implications, and his hard work done in achieving this.

Minute 258/16 Peter Voisey asked a question about the letter of representation and specifically about the board signing off on the disclosure of information to the auditors. It was agreed that the Management Team would provide the board with a reciprocal letter of representation to confirm that as far as they were aware all appropriate information had been disclosed to the auditors, and it was also agreed that this letter would be issued to the Board after this meeting.

Minute 259/16 Barry Luhmann proposed that the financial statements be approved and the letter of representation be signed by the board; this was seconded by Anthony Mills and unanimously agreed. It was further agreed that a recommendation is made to the Annual General Meeting to adopt the financial statements.

Agenda item 4 Annual review of Board proceedings

Minute 260/16 Unfortunately due to a clerical error this paper was not sent to the Board in advance; it was decided to deal with the matter at the September meeting.

Agenda item 5 Review of Compliance with the regulatory standards

Minute 261/16 Nevil Osborne presented this review to the Board; he explained that the

Board needed to discuss the report and any areas of non-compliance with the Regulatory Standards.

Minute 262/16 Nevil Osborne confirmed that his understanding from the last Board meeting was that a separate Audit Committee should be established. The board report within the financial statements notes that there are two areas of non-compliance. Firstly in relation to the maximum term of office of 9 years, one member of the Board having served for a longer period but is due to step down in September 2016. The second point is in relation to the requirement of an annual appraisal of individual Board members, which is to be implemented by 310 September 2016.

There was a discussion about whether the current lack of an Audit Committee was a third point of non-compliance. In addition, it was noted that although the Finance Director is the Company Secretary, in practice the Chief Executive is fulfilling certain aspects of the role in relation to advising the board on compliance with the organisation's constitution, the code of governance and other statutory or regulatory requirements.

After discussion although there was some doubt about whether these two points constituted actual non-compliance, it was decided the Association should be transparent about these areas and to amend the non-compliance statement included with the financial statements to include these two additional areas.

Agenda Item 6 Audit committee terms of reference (no papers)

Minute 263/16 Nevil Osborne advised that the first draft was in place for the terms of reference for an Audit Committee, it was discussed how often the meeting should be held and when. It was noted that the chair of the board, could not also be chair of the audit committee but could be a member of the audit committee. After a discussion it was decided that initially the Audit Committee would only look at the internal and external audits. It was agreed that the terms of reference seemed appropriate as a starting point for the new audit committee. It was agreed that there would need to be a up to five members of the committee and that a quorum would be three members. It was also agreed that a maximum term of office should be 6 years.

Agenda item 7 Annual review of Health and Safety and the statement of Intent

Minute 264/16 Tony Coward presented this paper to the Board for discussion and approval of the statement of intent. He advised that there had been no significant changes since last year. Barry Luhmann asked if the statement covered all essential items. It was noted that the Statement had been drawn up by the previous Health and Safety advisor and so it was agreed that the Statement would be passed to the current Health and Safety advisor for comment.
Action: Tony Coward to consult the Health and Safety advisor on the Health and Safety Statement of Intent.

Minute 265/16 Tony Coward advised that Keniston now had a Health and Safety team, including a representative from each team, meets periodically to discuss health and safety issues. The general level of awareness of health and safety has increased which is positive. All staff have been issued with their own risk assessments and further training has been identified and provided.

Minute 266/16 Shehla Hussain proposed approval of the statement of intent; this was seconded by Seema Jassi and unanimously agreed.

Agenda item 8 Annual review of diversity

Minute 267/16 Nevil Osborne presented this report to the Board; he commented that there were additional statistics this year; lettings to people from Black and Minority Ethnic backgrounds were back within the expected percentages (compared to the previous year where those percentages were lower). The diversity of the Board has also increased over the last 3 years which is positive.

Minute 268/16 The report and the actions going forward were noted.

Agenda item 9 Chief Executive Report

Minute 269/16 Nevil Osborne presented his final report to the Board before his retirement. He advised them about the development currently being built on the Bassett's House site at the top of Broadwater Gardens; disappointingly the local council had set the affordable rent levels so high it would they would be let to a different client group and therefore outside of Keniston's core business. The developer has been advised that the Association has withdrawn from making an offer.

Minute 270/16 Nevil Osborne advised that he had taken external advice on the units that were being offered for sale in Islington by Crown Simmonds Housing Association. It was noted that due to the high potential value of the properties within the scheme, this opportunity would not be affordable for Keniston and that we had therefore not pursued this opportunity.

Minute 271/16 Nevil Osborne thanked the Board for their support over the years and advised that he was leaving a fantastic management team in place at Keniston. He wished the Association every success as it continues into the future under the leadership of Jonathan Card.

Agenda item 10 Finance Director's Report

Minute 272/16 Andrew Shiatis presented the Finance Director's report for the first quarter to 30 June 2016 and stated that these management accounts were now being prepared under the new accounting standard, FRS 102. He advised that the surplus was ahead of budget and also slightly ahead of last year running through some of the key variances as highlighted in his report. He stated that Keniston had had a net cash inflow of £231,000 for the quarter. There is currently over £3.6m of cash in the bank and all banking covenants and financial performance targets had been met.

Minute 273/16 Andrew Shiatis advised the Board that tenants would soon be able to view their rent account and repairs history securely via the Keniston website through 'My Tenancy', a system operated by Omniledger.

Agenda item 11 Housing Services Director's Report

Minute 274/16 Vivienne Astall presented her report to the Board. She advised that rent arrears had increased. During the last period there had also been more void properties than in the previous year (which had been very low turnover). One property in particular had taken a long time to let: it had a wet room and Keniston were trying to source someone needing this facility through the local authority's waiting list of people with disabilities. In the end this was unsuccessful.

There are several training sessions for tenants at Darrick Wood being held in the autumn providing back to work initiatives.

Vivienne Astall also reported that there had been a handful of Universal Credit claims since April.

Minute 275/16 Shehla Hussain asked if there had been an increase in anti-social behaviour cases since the results of the referendum to leave the European Union. Vivienne Astall advised that there was one current case which may be linked to the referendum which was being monitored.

Minute 276/16 The Board asked if there had been any feedback for the tenant who had observed the previous meeting. Vivienne Astall explained that the tenant, was keen to become a member of the Board but unfortunately was unable to so at present.

The Board agreed re-imburement of child care expenses and Vivienne Astall advised that she would let the tenant know about this.

It was further agreed that tenants who wish to apply for Board membership should have a clear rent account.

Agenda item 12 Property Services Director's Report

Minute 277/16 Tony Coward presented this report to the Board, he advised the Tollington Park contract had been awarded to KORR Construction, this is a new contractor, they have recently won a lot of tenders and Tony Coward had checked that they had the capacity to carry out all these works.

Tony Coward advised that Homeworks Energy had historically carried out cavity wall installations at Keniston, they usually are able to obtain a full grant for these works and as a result these works are not tendered under Keniston's usual procedures. This company have provided a costing for the elements of this project that will not be covered under the grant. Grants are only available for buildings currently heated by electric storage heaters, on this basis Tony Coward advised the Board that it has been agreed by the senior management team to let the contract to this contractor following assurances from himself that scaffold and extraction cost were in-line with comparable costs.

Minute 278 /16 Tony Coward advised that the stock reinvestment programme was well underway, some projects are currently out to tender. There have been fewer orders raised during the first quarter of the year. Having the schedule of rates from contractors is saving time and money on our void properties and has brought down the average work period.

Agenda item 13 Performance Dashboard June 2016

Minute 279/16 Andrew Shiatis presented the performance dashboard to the board highlighting that the sickness absence reporting now excluded those on long term sick, which would give a clearer picture of the underlying average number of days lost due to sickness within the Association. It was noted that for the purposes of this disclosure that long term sickness had been defined as a period greater than 4 weeks.

Agenda item 14 Company Seals

Minute 280/16 There were no contracts requiring a company seal.

Agenda item 15 Any Other Business

Minute 281/16 Nevil Osborne advised the Board that the Bromley Court Hotel is available on the date required, Friday and Saturday 12 and 13 November, they have a larger room available for the meeting on the Saturday. After discussion it was agreed to book this for the Board away day.

Minute 282/16 Nevil Osborne asked if a member of the Board would be able to hear a 2nd stage complaint. Peter Voisey and Anthony Mills had already said that they were available. Shehla Husain said that she would be available to help out.

Agenda item 16 Date of next meeting

Minute 283/16 Annual General Meeting will be held on Thursday 15 September 2016 starting at 6.15 p.m. followed by a Board Meeting.

Minute 284/16 The meeting ended at 9.10pm.