

Board meeting minutes

Minutes of the meeting of the Board of Keniston Housing Association Limited held on Thursday 25th February 2016 at 6.15 p.m. at The Conference Room, 13 Artington Close, Farnborough, Kent, BR6 7UL

Board members in attendance Jane Clark
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
Nevil Osborne, Chief Executive
Andrew Shiatis, Finance Director and Company Secretary

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

Minute 54/16 Apologies for absence were received from Simone Bailey, Sudhin Chatterji and Tracy Day.

Minute 55/16 After enquiry no one declared any interests.

Agenda item 2 Minutes of the Board meeting held 21 January 2016. Matters arising and actions

Minute 56/16 Minute 33/16 in which a point was raised about adding health and safety to the front page of the Property Services Director's report: Seema Jassi stated that she had been wrongly credited in this minute and thought that perhaps Simone Bailey had raised the query.

Matters Arising

Minute 57/16 Matters arising as shown in the tracker were noted.

Minute 58/16 Minute 16/16 – Nevil Osborne recommended that item 36 in the Delegated Authorities be amended to read "No member of staff may place an order with a value which exceeds their authority or budgetary responsibility." This was agreed.

Minute 59/16 Minute 18/16 – Vivienne Astall advised that she had not yet forwarded a copy of the revised Selection and Allocation policy to the residents' panel.

Minute 60/16 Minute 18/16 – Vivienne Astall advised that she had provided Simone Bailey with a blank copy of the form used to collect CORE data.

Minute 61/16 Minute 24/16 – Vivienne Astall advised that she had asked members of the residents' panel to review the strategy document, but that there were no significant comments. Nevil Osborne commented that he had briefly discussed the strategy document with staff at the staff meeting and had

invited comments.

Agenda item 3 Strategy 2016 to 2019

- Minute 62/16 Nevil Osborne presented the Strategic Plan. It was noted that a revised set of Keniston's values had been included within the plan which had been drawn up after discussions with the Board, staff and tenants. Each of the values includes a brief description. The Board agreed the amended values.
- Minute 63/16 Nevil Osborne also advised that section 2 in relation to External Factors affecting the Association had been expanded this year and included the significant matters introduced by the government in the summer of 2015 - Rent Reductions, Right to Buy, Pay to Stay and Lifetime Tenancies.
- Minute 64/16 Shehla Husain stated that she felt the plan came across very well and was realistic about the challenges which the Association would be facing. She asked how the Board would be reviewing progress against each of the items. Nevil Osborne said that these would be monitored and reported as part of the quarterly reports from the Directors and Chief Executive.
- Minute 65/16 Julian Miles asked whether the Mission statement should read to "provide more quality homes" rather than to "provide more homes". **Action: Nevil Osborne to check this against the notes from the Board away day.**
- Minute 66/16 Seema Jassi suggested that the introduction should make reference to the outcome of the tenant survey conducted in 2015.
- Minute 67/16 Peter Voisey asked about the timing of the objective: "establish our capacity for development" (page 9). Nevil Osborne stated that this referred to financial capacity and that this would in fact be covered along with the Association's updated Long Term Financial Plan which would be presented to the Board at the March 2016 Board meeting.
- Minute 68/16 Peter Voisey asked for clarity with regards to the objective to "assess the impact on the core business of providing different types of housing solution for different levels of housing need" (page 9). Nevil Osborne commented that this referred to the discussion that Keniston needs to have about provision for a wider client group, particularly in the context of government expectations in relation to home ownership and higher rents on new developments.
- Minute 69/16 Peter Voisey also asked for clarity with regards to page 10 where it stated "review the effectiveness of the Right to Buy replacement programme". Nevil Osborne commented that this referred to Keniston's own programme of replacement and our ability to achieve a 1 for 1 replacement on an ongoing basis within the time limits set by the government.
- Minute 70/16 In relation to the objective on page 11 "re-tender the internal audit service", Nevil Osborne commented that although this referred to Internal Audit, this process was in fact outsourced and that this service was due to be routinely re-tendered over the next financial year.
- Minute 71/16 **Action: Nevil Osborne to update the Strategy Plan in the light of the above comments.**

Agenda item 4 National Housing Federation Code of Governance 2015

Minute 72/16 Nevil Osborne presented the revised Code of Governance and summarised some of the key points and reasons that the National Housing Federation said the code needed updating. Overall the code is broadly similar to the 2012 version Keniston has adopted, with some areas strengthened.

Nevil Osborne has undertaken a compliance review in relation to the new code and identified some areas of non-compliance. These are as follows:

A1 – where a statement of non-compliance is made it should include “why and how the principles of good governance are being upheld”.

D3 – where a member comes to the end of a three year term of office and is eligible for reappointment, this must be “subject to the Board’s consideration of the member’s appraised performance and skills, and the wider needs of the Board at the time.” It was noted and agreed that a decision to implement Board appraisals had been taken at the Board awayday. Julian Miles will commence this process by arranging for his own appraisal to be carried out by the Co-Vice Chairs. The appraisals will be based on the questions agreed at the awayday and Shehla Husain to send Julian Miles an appraisal template which may be helpful.

F3 – the code is clear that “all but small non developing associations should have a separate Audit Committee”. Action: Nevil Osborne will obtain advice about whether this is necessary or not

E4 – The agenda programme includes an annual review of the performance and working of the Board. The code goes further and states that the annual review should include:

- format of agendas, papers, minutes and communications
- compliance with this code

and, there must be a formal review of these matters at least every three years.

In relation to D4, although Keniston is not non-compliant, we do not state anywhere that a member who has left the Board after serving the maximum tenure cannot be reappointed until at least a period of one full term of office has passed. This is to be added to the Terms of Reference.

Minute 73/16 In relation to G4, Shehla Husain noted that it states that the Board must delegate to a committee responsibilities that include the oversight of the Chief Executive and making recommendation to the Board on the chief executive’s remuneration.

Discussion followed as to whether remuneration for the Chief Executive should be linked to performance and whether this should similarly apply to all employees. After some discussion it was agreed not to pursue this. It was agreed that the chief executive’s appraisal should be better formalised and that details on this should be included in the new chief executive’s employment contract. **Action: Nevil Osborne to approach Campbell Tickell for advice about the contract of employment for the new Chief Executive on behalf of the Board.**

- Minute 74/16 It was agreed that the Board would need to see a draft of the new chief executive's employment contract. **Action: Nevil Osborne to present this at the March Board meeting.**
- Minute 75/16 It was agreed by the Board that the National Housing Federation 2015 Code of Governance be adopted by Keniston.
- Agenda item 5 Greater London Authority 2015 to 2018 Affordable Housing Programme contract**
- Minute 76/16 Nevil Osborne presented the Greater London Authority 2015 to 2018 Framework delivery agreement for the Board to consider. It was noted that Keniston would be required to sign up to this current contract if it is to receive grant in the 2015 to 2018 funding programme. It was also noted that the Board had agreed to the signing of the equivalent agreement for the previous funding programme in autumn 2011.
- Minute 77/16 Nevil Osborne stated that the agreement included many compliance issues which would need to be monitored and that Keniston would be very reliant on its development agents in order to do this.
- Minute 78/16 Two further significant matters regarding the agreement were brought to the Board's attention;
- the new definition of affordable rent which means that developments of rented homes must be half at capped rent and half discounted rent to qualify for grant, and
 - the various statements which the association would have to make in order to fulfil the requirements of the agreement.
- Minute 79/16 Peter Voisey asked about the representations and warranties which were included as schedule 1 of the agreement and whether Keniston was comfortable with these. Nevil Osborne stated these had not been reviewed in detail at this stage but he understood these not to have changed from the previous agreement which Keniston had signed up to and complied with.
- Minute 80/16 It was noted that the agreement has to be signed under seal but that the agreement has not yet been drawn up by the Greater London Authority.
- Minute 81/16 Shehla Husain proposed that the Association:
- accept to new Affordable Housing Programme 2015 to 2108 agreement with the GLA
 - apply the Association's seal to the agreement.
- This proposal was seconded by Anthony Mills and unanimously agreed.
- Agenda Item 6 Risk Management Policy, Risk Register and Strategy**
- Minute 82/16 Andrew Shiaty presented the Risk Management policy and Risk Management matrix which included a review of the business critical risks. It was noted that business critical risks are those which are considered fundamental to the overall viability of the business and where mitigating control measures may be limited.

- Minute 83/16 Seema Jassi suggested that the risk management policy should be referenced to the new regulatory standards and include more detail. She also suggested that the policy should state how time sensitive matters might be taken forward. Seema Jassi agreed to share an example of this. These points to be considered as part of the 2017 review of the Risk Policy.
- Minute 84/16 The policy was approved by the Board. **Action: Andrew Shiatīs to incorporate Seema Jassi’s suggestions as part of the 2017 review of the Risk Management policy.**
- Minute 85/16 Andrew Shiatīs highlighted the key changes which had been made to the risk matrix and in particular the inclusion of the risk around “escalating pension costs” to the business critical risk matrix and the also of a new risk around “imposed political changes”. It was agreed that “imposed political changes” could be included as part of the “long term business viability” risk which was already in the matrix.
- Minute 86/16 Shehla Husain asked how the risks within the risk matrix had been ordered and whether these were ranked in any way. Andrew Shiatīs stated that the matrix was not in any particular order.
- Minute 87/16 It was agreed that the “actions identified” title would be changed to “new actions identified”.
- Minute 88/16 Seema Jassi suggested that the impact of the “key personnel or several senior staff leaving simultaneously” risk should be upgraded to Medium from Low, especially in the light of the Chief Executive retiring. This was agreed by the Board.
- Minute 89/16 Seema Jassi suggested that the impact of the “significant decrease in resident satisfaction” risk could be downgraded from Medium to Low in the light of the results from the recent tenant satisfaction survey. This was agreed by the Board.
- Minute 90/16 It was agreed that the full matrix would be presented to the Board once a year in order to establish completeness of the main business critical risks. **Andrew Shiatīs to present the full risk matrix to the Board annually.**
- Minute 91/16 Subject to the above changes, the risk matrix was agreed by the Board.
- Agenda item 7 Policy Reviews: Membership; Staff disciplinary, Capability and Managing for attendance policies.**
- Membership**
- Minute 92/16 Nevil Osborne presented the updated Membership policy to the Board highlighting the minor changes which had been made for clarity purposes within the policy.
- Minute 93/16 The policy was approved by the Board.
- Capability and Managing for Attendance and Disciplinary policies**
- Minute 94/16 Nevil Osborne presented the three policies to the Board, highlighting the fact that the Disciplinary policy had been updated in line with the ACAS code of guidance. The Capability and Managing for Staff Attendance

policies had been aligned with the disciplinary policy, also consistent with the ACAS guidance.

Minute 95/16 Jane Clarke suggested that the appeals process with the Disciplinary policy should be heard by more than one Board member. This was agreed.

Minute 96/16 Shehla Husain stated that there should be time limits included as part of each stage of the disciplinary appeals process. This was agreed.

Minute 97/16 Anthony Mills stated that the clause relating to members of staff or anyone accompanying them must not make electronic or audio recordings at any meetings or hearings, in the disciplinary policy should refer to "covert" recordings.

Minute 98/16 Seema Jassi suggested that within the staff attendance policy the offer of phased return to work for staff that had been absent on long term sickness should be included.

Minute 99/16 Subject to the above items, the policies were approved by the Board.

Agenda item 8 Option to purchase the freehold of 318-328 Hornsey Road, London N7 7HE

Minute 100/16 Nevil Osborne presented this paper to the Board which summarised the potential partial redevelopment at Hornsey Road and the advantages to Keniston of acquiring the freehold of the site. He thought it was important to bring the matter to the Board for approval as it is perhaps one of the more financially risky and costly proposals that the Association may have considered in recent times; it will also involve need for additional borrowing and the selling of some flats at market value in order to cross subsidise the scheme. Nevil Osborne also stated that this scheme would, in his view, be unlikely be completed by March 2019 which would take it outside of the current GLA 2015 2018 funding programme which has been extended to March 2019.

Minute 101/16 Barry Luhmann asked what would happen to the shops at the front of the scheme. Nevil Osborne clarified that subject to Islington change of use consent, that these would be converted to residential units.

Minute 102/16 Jane Clarke asked about whether there would be any parking facilities. Nevil Osborne clarified that Islington's policy is for no parking facilities within the development plans for new residential units.

Minute 103/16 The Board confirmed that they were happy for Nevil Osborne to continue discussing the development options with the Freeholder and, as appropriate, enter a conditional agreement to purchase the freehold based on our development agent's assessment of viability.

Agenda item 9 Update on recruitment of Chief Executive

Minute 104/16 Nevil Osborne provided an update on recruitment of a new Chief Executive recruitment. Campbell Tickell has reported that their own advertisement has so far received 99 visits to the advert on their website and 32 downloads of

the information pack.

Minute 105/16 Nevil Osborne stated that volunteers from the Board were needed to meet the candidates as part of the second day of the interview process. He clarified that although this was not formally part of the interview process any feedback would be passed on to our recruitment consultants and could be taken into consideration. It was agreed that informal feedback from the morning of the day of the second interview would be made clear to the candidates.

Agenda item 10 Greater London Authority – development audit

Minute 106/16 Nevil Osborne presented the GLA development audit paper with regards to the Junction Road development. He stated that the report was for information purposes only and that there were no significant matters arising from the audit.

Agenda item 11 Informal merger discussions with Gravesend Churches Housing Association

Minute 107/16 It was noted that Keniston had received an informal merger approach from Gravesend Churches Housing Association through its Chief Executive, Veronica Mabey. This had arisen as it had come to her notice that Nevil Osborne was retiring, as she intends to do in the near future.

Minute 108/16 Nevil Osborne had met with Veronica Mabey, and it was evident that both associations had similar strengths and challenges. There is also no overlap of the geographical spread of the two associations. The conclusion of both chief executives was that a merger of the two organisations would not immediately bring any benefits and that cost savings would be difficult to establish. It was agreed that each Chief Executive would report this to their respective Boards. There was some discussion about whether the lack of geographical overlap was a hindrance to merger discussions going forward. It was noted that other more local opportunities could arise which would be more logical in terms of a prospective merger.

Agenda item 12 Company Seals

Minute 109/16 There were none.

Agenda item 13 Any Other Business

Minute 110/16 Nevil Osborne commented that the new company website was due to go live in the second week of March 2016. He asked that the Board profiles, which had been written as part of the chief executive recruitment pack, be included on the new website. The Board agreed they were happy with this.

Minute 111/16 Nevil Osborne also said that the Board contact list would be kept on the new website and would still be password protected, but would not contain address details.

Agenda item 16 Date of Next Meeting

Minute 112/16 The next Board meeting will be held on Thursday 24 March 2016 starting at 6.15 p.m.

Minute 113/16 The meeting ended at 8:40pm