

Board meeting minutes

Minutes of the meeting of the Board of Keniston Housing Association Limited

held on Thursday 17th May 2018 at 6.15 p.m.at

The Conference Room, 13 Artington Close, Farnborough, Kent, BR6 7UL

Board members in attendance Simone Bailey
Shehla Husain (Co-Vice-Chair)
Barry Luhmann
Julian Miles (Chair)
Sheila Sackey
Peter Voisey (Co-Vice-Chair)
Lucy Worrall

Also present Jonathan Card (Chief Executive)
Andrew Shiatis (Finance Director and Company Secretary)
Vivienne Astall (Housing Services Director)
Tony Coward (Property Services Director)

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

Minute 144/18 Apologies for absence were received from Seema Jassi and Tracy Day.

Minute 145/18 After enquiry there were no declarations of interest.

Minute 146/18 Health & Safety – there were no matters to note.

Agenda item 2 Minutes of the Board meeting held 22 March 2018: matters arising and actions

Minute 147/18 The Board approved the minutes from the board meeting held on 22 March 2018

Matters Arising and Actions

Minute 148/18 The matters arising and actions were taken as read. Jonathan Card clarified that the staff survey was not intended to be an annual exercise.

Agenda item 3 Strategic Plan 2018-23 (including resident panel feedback)

Minute 149/18 Jonathan Card presented the final draft of the 5-year strategic plan to the Board for their approval. It was noted that this would form one of three documents, Keniston's internal 5-year strategy, a public facing published strategic plan and an internal delivery plan which would become the Association's live working document. It was agreed that any new key risks identified as a result of either attempting to fulfil or not delivering the strategic plan would be considered within the risk register and that this would be actioned as part of the strategic delivery plan. **Action: Andrew Shiatis and Jonathan Card to consider emerging risks from the strategic plan and circulate to members.**

Minute 150/18 It was noted that the Management Team had reviewed comments made by residents on the strategic plan and where practical these comments would be taken forward into the internal strategic delivery plan. It was agreed that feedback would be given to residents in terms of their own specific comments on the plan.

Agenda item 4 Chief Executive Report (including development update, review of strategic objective for 2017/18)

Minute 151/18 Jonathan Card present his report to the Board which covered a review of complaints and human resources, a development update, an update on the Burnhill House feasibility study, IT enhancements, governance, staffing and an update on the implications of the cessation of the Penge Churches maintenance contract.

Minute 152/18 Jonathan Card highlighted that the Association had applied for and would most likely be awarded a £60k grant from the GLA for the re-purchase of lease at 3 Nethewode Court. It was noted that the Association had set the rent at a level (£116 p.w.) giving a break-even Net Present Value on the property rather than at the much higher London Affordable Rent – an anomaly stemming from the relatively low values in the area. This approach is being piloted for this property, and any wider changes will be reflected in the next review of the rent policy.

Minute 153/18 It was noted that an architect had now been appointed for the feasibility study into the long term sustainability of Burnhill House. It was agreed that Jonathan Card would keep the Board informed of the proposed timelines on this study and any subsequent proposed works.

Minute 154/18 It was noted that as an element within the strategic plan Jonathan Card would be looking to develop a digital vision for the Association. This would be informed by responses received from residents from the resident satisfaction survey to be conducted later this year. Jonathan Card clarified that he was also reviewing options with regards the Association's customer portal with other like-minded Associations, although this was in very early stages of discussions.

Minute 155/18 It was agreed that Jonathan Card would only circulate a Chief Executive update to Board members outside of meetings when there was something of significance to report.

Agenda item 5 Darrick Wood Development – Commit to Invest

Minute 156/18 Jonathan Card presented this report asking the Board to commit for the Association to invest up to £46k plus VAT of abortive fees into the Darrick Wood infill development project. It was noted that a tender exercise had been conducted to appoint architects and that a shortlist of two firms had been asked to present to Keniston's development working group.

Minute 157/18 It was agreed that the risk register should include site construction health and safety compliance.

Minute 158/18 Andrew Shiatis confirmed that the Darrick Wood project had been modelled

as part of the Long Term Plan and stress tested accordingly and that updated financial modelling would be carried out as and when additional financial information had been received.

Minute 159/18 The Board approved the potential abortive fee budget as proposed.

Agenda Item 6 Finance Director's Report – including annual treasury report and regulatory and statistical return

Minute 160/18 Andrew Shiatis presented the Finance report to the Board. It was noted that the figures were not yet audited and might be subject to change. He highlighted that there was a surplus for 2018/19 of £1,746k which was ahead of budget by £787k, the main reason being a £456k profit on the sale of flat 4, 65 Elliott's Row, slight lower contract works spend than budget and a positive effect of higher capitalisation of component replacement works, although it was noted that this later item had no cash flow effect. It was noted that a 15% provision had been made against Foxley leaseholder roof recharges last year totalling some £28k and that most of this provision had now been reversed due to a significant part of the balance having now been recovered.

Minute 161/18 It was noted that financial performance indicators remain strong and all bank loan covenants have been met throughout the year. The outstanding loan balance had been reduced to £2,234k compared to £2,410k last year and some 41% of Keniston's properties were currently secured on the existing loans (59% unsecured). In answer to a question, Andrew clarified that Keniston had the financial capacity to borrow circa. an additional £9M. Due to our cash reserves, no new borrowing facility was yet required.

Minute 162/18 Accounting estimates and judgements: Andrew Shiatis asked the Board to consider the key areas of accounting estimates and judgements which had been used in the preparation of the Financial Statement as assumptions used would affect the amounts reported for assets and liabilities and for income and expenditure.

Minute 163/18 Going Concern: It was noted that the Association needs to make and document their assessment of whether the company is a going concern when preparing the financial statements, (i.e. that the Association will remain in business for the foreseeable future). The Board considered this assessment and approved the going concern status of the Association.

Minute 164/18 Regulatory and Statistical Return: It was noted that it is a requirement that the return is approved by the Chief Executive and that it is presented to the board for their information. All those named within the return consented to being so named.

Agenda item 7 Review of Compliance with Code of Governance and Regulatory Standards

Minute 165/18 Andrew Shiatis presented this report to the Board stating that it covered the Association's annual review of compliance with the Regulator for Social Housing's regulatory standards and its compliance with the NHF Code of Governance. This report had been prepared much earlier than in previous years so that particular areas of non-compliance could be reviewed and inserted into the March 2018 Financial Statements.

Minute 166/18 Andrew Shiatis explained that there were two areas of non-compliance with the NHF Code of Governance and one other area considered note-worthy, which had been included in last year's Financial Statements. It was noted that the Association was now in compliance with all areas of the code and that an update would most likely be required within the Financial Statements. The draft proposed wording for inclusion within the Financial Statements was approved by the Board.

Agenda item 8 Housing Services Director's Report

Minute 167/18 Vivienne Astall presented her quarterly report to the Board, highlighting that many residents still seemed to be ignoring the potential impact of the introduction of Universal Credit. Although Keniston were still running Universal Credit surgeries for residents, there were only a limited number of residents who were attending. Vivienne also highlighted the vetting process carried out prior to lettings to test sustainability of the tenancy, including affordability checks, vulnerability assessment, and support needs assessment.

Minute 168/18 It was noted that the Resident Involvement Policy and the Pet Policy had both been reviewed and agreed by the management team and key changes were reported to the Board.

Minute 169/18 It was noted that a low number of residents were switching energy tariffs as part of the Green Doctor review despite the large savings this would bring to many of them (although it was not known how many may have switched following the review). It was agreed that the Association would look to try and feature a resident who had successfully switched tariffs in its next issue of TalkBack.

Agenda item 9 Property Services Director's Report

Minute 170/18 Tony Coward presented his quarterly report to the Board. It was noted that the proposed stock reinvestment programme had been successfully delivered on time and to budget, save one contract would be being partly deferred to the current year. Resident satisfaction continued to be high, and feedback was welcomed and was used for learning and contractor management.

Minute 171/18 Tony Coward reported that a full set of fire risk assessments for our schemes had now been received with no significant matters of concern. Tony Coward also reported that all high priority health and safety and fire risk actions had now been completed bar one in relation to fire safety doors at Foxley Hall, which was due to purchasing lead times. The programme to install smoke detectors was on target to complete at the end of May.

Agenda item 10 Value for Money Reporting and Targets for 2018/19

Minute 172/18 Jonathan Card presented this report to the Board, highlighting that the Regulatory standard had changed as of 1st April 2018. The revised Regulatory Standard was now a concise one page document with further detail provided in an accompanying Code of Practice. The standard restates the definition of 'VFM' as being to achieve an optimal balance of economy, efficiency and effectiveness to achieve the maximum benefit from available

resources, while managing risks and ensuring long term viability. It was noted that the approach taken by Keniston given its relatively small size was to incorporate VFM within its new strategic plan and to provide some assurance through the inclusion of VFM data and commentary within the financial statements, thereby requiring scrutiny by the external auditor.

- Minute 173/18 It was noted that the Regulator had identified seven standard metrics around reinvestment; delivery of new supply; gearing; earnings before interest, tax, depreciation, amortisation with major repairs included; and headline social housing costs per unit, that all providers are required to report against.
- Minute 174/18 It was noted that sickness levels continued to be worse than target even when removing those on long term sickness. The Management Team would be reviewing this and developing an action plan, potentially incorporating some form of training for staff.
- Minute 175/18 It was noted that a number of targets had been based on budgeted figures and that this better represented a tolerance level rather than a target.
Action: Jonathan Card to revisit these targets and update the Board accordingly.
- Minute 176/18 It was noted that other KPIs would be developed in order to help monitor the achievement of items included as part of the internal strategic delivery plan, once this had been finalised.

Agenda item 11 Resident Involvement Impact Statement

- Minute 177/18 Vivienne Astall presented this report to the Board. The Board agreed that this was a very thorough and positive report.

Agenda item 12 Policy Reviews – Treasury Management Policy & Finance Policy

- Minute 178/18 Andrew Shiatis explained that these policies needed to be reviewed and approved by the Board annually. He explained the main changes which had been made. The Board approved the Treasury Management Policy and the Finance Policy.

Company Seals

- Minute 179/18 There were no new contracts requiring a company seal.

Any Other Business

Board Authority to activate telephone and online banking at HSBC

- Minute 180/18 Andrew Shiatis asked the Board to approve the setting up of telephone banking and/or internet banking with HSBC and to sign the presented authority form. This was agreed by the Board

Managing Gas Safety – Carbon Monoxide Detection

Minute 181/18 Jonathan Card presented this paper which had been drafted in response to the recent false alarm at Nethewode Court last week where a tenant mistakenly believed that a faulty smoke detector was a Carbon Monoxide detector and had reported this to the gas emergency services. It was noted that Keniston was currently compliant with all gas safety regulations although advice received suggested that it would be best practice to install CO detectors. The Board commended the Management team on its prompt and thorough response to the incident and agreed to the installation of battery operated monitors in all units and to a publicity campaign to help raise awareness of risks of matters outside Keniston's control such as Calor Gas heaters and BBQs.

Date of next meetings

Minute 182/18 The next Audit & Risk Committee meeting will be held on Monday 9th July 2018 at 6.15pm.

Minute 183/18 The next Board meeting will be held on Thursday 19th July 2018 starting at 6.15pm.

Minute 184/18 The meeting ended at 9 pm