

# Board meeting minutes

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**Minutes of the meeting of the Board of Keniston Housing Association Limited**  
**held on Thursday 16<sup>th</sup> May 2019 at 6.15 p.m.at The Conference Room, 13 Artington**  
**Close, Farnborough, Kent, BR6 7UL**

**Board members in attendance** Simone Bailey  
Shehla Husain  
Barry Luhmann  
Julian Miles (Chair)  
Sally Rice  
Sheila Sackey  
Peter Voisey (via conference call)  
Lucy Worrall

**Also present** Jonathan Card (Chief Executive)  
Andrew Shiaty (Finance & Resources Director and  
Company Secretary)  
Vivienne Astall (Operations Director)  
Tony Coward (Property Services Director)  
Tracy Day (Minute Secretary)

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

Minute 144/19      Apologies for absence were received from Seema Jassi (Board Member).

Minute 145/19      There were no declarations of interest.

Minute 146/19      Health & Safety – there were no matters to note.

**Agenda item 2      Minutes of Board meeting held on 19<sup>th</sup> March 2019**  
**Matters arising and actions**

Minute 147/19      The Board approved the minutes from the Board meeting held on 19<sup>th</sup> March 2019.

**Matters Arising and Actions**

Minute 148/19      Jonathan Card informed the Board that the sale of the freehold at Hornsey Road has not gone ahead; the current freeholder still wants to sell the freehold and a new potential buyer has been found. Keniston is not currently aware of the intentions of the new prospective freeholder for the site.

Minute 149/19      The remaining matters arising and actions were taken as read and there were no further comments made.

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<b>Agenda item 3</b>	<b>Chief Executive's Report including development &amp; growth, governance (Chair recruitment) confirmation of urgency panel decisions on Bickley stock transfer.</b>
Minute 150/19	Jonathan Card presented his report to the Board. He advised that with regard the acquisition of the site at Bickley, completion was due for the 20 <sup>th</sup> May 2019. Keniston staff were working through a large amount of issues and projects in order to get ready for the acquisition with the aim of making the handover as smooth as possible. A specialist consultant has been engaged to advise and support Keniston on the biomass boiler system at Southwood Close.
Minute 151/19	Vivienne Astall has had a meeting with Bromley council regarding housing benefit payments and lettings. A part time Rent Income Officer has been recruited on a fixed term contract to assist with the transition following acquisition. Keniston's HR consultant is resolving TUPE issues for transferring staff over to Keniston.
Minute 152/19	Jonathan Card advised that the Robert Whyte House building is an old model sheltered scheme, and that the long term viability of this scheme needs to be reviewed. Sally Rice advised that she could recommend someone to assist with the review of Robert Whyte House.
Minute 153/19	Jonathan Card asked the Board to ratify the decision made by the Urgency Panel to exchange contracts, execute the transfer document and complete on the purchase of the Bickley site from Stonewater HA. This was agreed by all.
Minute 154/19	Jonathan Card presented all Board members with an Invitation to a Meet & Greet at the newly acquired site at Bickley, on Friday 14 <sup>th</sup> June.
Minute 155/19	With regards current staffing structure following the acquisition, Jonathan Card advised that the Management Team would be keeping this under review. Vivienne Astall advised that her priority was to get the rent arrears down, to bring the standards of cleaning and gardening up to normal Keniston expected levels and to let the high number of vacant units at Robert Whyte House.
Minute 156/19	Darrick Wood Estate – Jonathan Card advised that Keniston were in the process of reworking some designs following the pre-planning response received from Bromley Council. Work is being done to submit a bid proposal to Bromley for potential top up grant in order to provide more rented properties at the proposed scheme rather than shared ownership.
Minute 157/19	<b>Action: Jonathan Card to circulate some dates for the Development Committee in order to consider the next stages of the Darrick Wood infill project and Keniston's development and growth strategy.</b>
Minute 158/19	Chair Recruitment – Jonathan Card tabled 2 further documents following a conference call with Keniston's recruitment panel. He advised that external support from a consultant would be needed for the recruitment and that this would be followed up with the panel members.
Minute 159/19	Visual Identity – Jonathan Card updated the Board on progress. He advised that all staff and the resident panel had been given the opportunity to review the proposed designs. He advised that anyone could get involved in the decision and welcomed volunteers.
Minute 160/19	Jonathan Card advised the Board that next year marked 50 years since the

formation of Keniston, and invited comments from all as to how this occasion could be commemorated.

**Agenda item 4 Strategic plan delivery update**

- Minute 161/19 Jonathan Card presented the updated Strategic Action Plan to the Board. He explained that the format of this had been reworked since the last quarter and the Board agreed that this format was a significant improvement. He advised that Sheila Sackey, Lucy Worrall and Julian Miles had agreed to help work on this document.
- Minute 162/19 A discussion was had as to whether the report needed to include KPI's and whether Asset Management should be included within the Development/Growth Strategy. **Action: Jonathan Card to take this to the next Development Committee Meeting.**

**Agenda item 5 Full year performance report and 2019/20 targets**

- Minute 163/19 Jonathan Card presented the review to the Board. He advised the Board that the performance measures for 19/20 will include the Bickley stock. Whilst it is important to understand variances in performance for this stock, it was noted that it was not practical to set targets and report performance separately. In general, voids and lettings performance were expected to be more challenging for the Bickley properties, especially for Robert Whyte House as it is less attractive and in lower demand.
- Minute 164/19 The key areas of focus are mainly on rent income, practically on debt owed over £500 as these have steadily increased, anti-social behaviour where cases were becoming more complex and more frequent and staff sickness levels also remained high.

**Agenda item 6 Review of Compliance with Code of Governance and Regulatory Standards**

- Minute 165/19 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.
- Minute 166/19 Andrew Shiatis explained that in the previous year there were two areas of non-compliance with the NHF Code of Governance and one other area which had been considered note-worthy. It was noted that the two areas of non-compliance, relating to Board appraisals and the Chair of the Board not being a voting member of the Audit & Risk Committee, had now been resolved and did not need reporting in this year's financial statements. The area of note, concerning the role of Company Secretary being split over two employees would still be disclosed in the financial statements although this would be discussed with the external auditors. **Action: Andrew Shiatis to append the next review with the NHF Code of Governance to the Board papers.**
- Minute 167/19 The review of the compliance with Regulatory Standards was considered and noted

- Agenda item 7      **Finance Director's Report**  
**Including Treasury report and summary of cash movements**  
**confirm of urgency panel decision to draw down on the Clydesdale**  
**loan facility and make payment for Bickley Site Completion, and**  
**regulatory statistical return.**
- Minute 168/19      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. It was also noted that the figures did not yet include the final pension adjustments required under the new SHPS accounting treatment for Final salary schemes being introduced this year.
- Minute 169/19      He highlighted that there was a surplus for 2018/19 of approximately £1,454k which was ahead of budget by £228k but slightly behind last year by £151k. The main reasons behind the variances as detailed in the report were noted and discussed.
- Minute 170/19      Andrew Shiatis clarified the accounting treatment with regards abortive costs whereby costs in relation to a prospective development or stock acquisition would be capitalised as WIP on the Balance Sheet, but if, for any reason the project ceased or did not complete, these costs would need to be written off to the Income and Expenditure account. As such there was a potential risk that such costs if written off at the same time and in conjunction with other one-off increases in various other costs such as non-capitalised stock reinvestment works, could significantly reduce surpluses in that particular year and potentially breach banking covenants. It was noted that the risk of the Bickley site not completing as planned was remote, although particular care would need to be taken with regards the Darrick Wood infill development costs.
- Minute 171/19      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 £2,037k compared to £2,234k last year and some 35% of Keniston's properties were currently secured on the existing loans including the new Clydesdale facility.
- Minute 172/19      Notification to Board of Breach of Policy and of transfer of funds: It was noted that Keniston had been transferring funds from its deposit accounts into its main NatWest current account in order to maximise the funds available for the Bickley site acquisition. As a result, the NatWest balance is in total higher than our treasury management limit of £1.25m. This breach in policy is a temporary measure whilst the Association gears up for the payment of the final completion proceeds for the Bickley stock acquisition (20th May 2019) and has been notified to and agreed with both the chair of the Board and of the ARC. It was also noted that the transfer of funds were notified and approved by the Chair of the ARC in line with our delegated authorities.
- Minute 173/19      Confirmation of Urgency Panel decision to approve to borrow up to £6.5m from Clydesdale Bank: It was noted that it had been agreed with the Urgency Panel to borrow up to £6.5m from Clydesdale. It was noted that £6.5m had now been borrowed from Clydesdale. This decision by the Urgency Panel was ratified by the Board.
- Minute 174/19      Confirmation of Urgency Panel decision to approve the final payment to Stonewater of the balance of just under £8.5m in relation to the acquisition of the Bickley site: This payment relates to the balance payable to

Stonewater on completion of the Bickley site stock acquisition. This decision by the Urgency Panel was ratified by the Board.

- Minute 175/19      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. It was noted that details of the new Pension adjustment had not been included in the report as at the time of writing the estimates and judgements required were not known. The TPT had since issued more details on the accounting treatment for pensions in the 2019 financial statements and estimates and judgements would need to be made around several areas, including discount factor, future salary increases and mortality rates.
- Minute 176/19      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 177/19      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 8      Operations Director's Report**

- Minute 178/19      Vivienne Astall presented her report to the Board. It was noted that ASB case levels had significantly increased over the past year and is still increasing with more complex cases especially around mental health. It was agreed that resources will be considered in order to deal with these cases appropriately. **Action: Vivienne Astall to separate out the Universal Credit cases in terms of % and how much that contributes towards arrears.**
- Minute 179/19      Sheila Sackey made her apologies and left the meeting

**Agenda item 9      Property Services Director's Report**

- Minute 180/19      Tony Coward presented his report to the Board. It was noted that the Silver Court kitchen refurbishment programme had not been completed during 2018/19 and had been included within the 2019/20 budget.
- Minute: 181/19      The Board agreed that the report on Health & Safety showed that the Association was now in a strong position with regards Health & Safety, and that this reflected well on the efforts of staff.
- Minute: 182/19      **Action: Tony Coward to review lessons learned from resident satisfaction feedback on repairs.**
- Minute: 183/19      **Action: Tony Coward to consider how contractors might be incentivised to achieve works to a satisfactory level.**

**Agenda item 10 Resident Impact Involvement Statement**

Minute 184/19 Vivienne Astall presented this report to the Board. The Board agreed that this was a very thorough and positive report. It was noted that the scrutiny panel's report was due in September and that Vivienne was still looking to recruit a third period for the panel.

**Agenda item 11 Policy Review  
Treasury Policy  
Finance Policy**

Minute 185/19 Andrew Shiatis explained that the Board had asked for these policies to be reviewed and approved by the Board annually as part of the recent governance review. He explained the main changes which had been made. The Board approved the Treasury Management Policy and the Finance Policy.

**Agenda item 12 Company Seals**

Minute 186/19 Andrew Shiatis explained that he had received two stock transfer agreements in relation to the Bickley site, which had been approved for signing under seal by the Urgency Panel. The Board ratified this decision.

**Agenda item 13 Any Other Business**

Minute 187/19 Jonathan Card asked the Board if it would be possible to move the date for the October meeting from Thursday 24<sup>th</sup> October to the 30<sup>th</sup> October. This would have a knock on effect for the Board Away Day that was scheduled for the weekend 8<sup>th</sup> and 9<sup>th</sup> November. He advised that he would e-mail all Board members regarding this.

Minute 188/19 Jonathan Card advised that he had spoken to Julian Miles and asked if he would extend his time as Chair until October in readiness for a new Chair. Julian Miles had agreed to this.

**Agenda item 14 Date of next meetings**

Minute 189/19 The next Audit & Risk Committee meeting will be held on Tuesday 9<sup>th</sup> July 2019.

Minute 190/19 The next Board meeting will be held on Thursday 18<sup>th</sup> July 2019 starting at 6.15pm

Minute 191/19 The meeting ended at 8.40 pm