

## Board of Management Minutes

### **Date of Meeting: 21st September 2020**

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**KINGDOM HOUSING ASSOCIATION (KHA) LIMITED  
MINUTES OF THE BOARD OF MANAGEMENT MEETING**

**HELD ON MONDAY 21 SEPTEMBER 2020  
AT 4.30 PM  
VIA VIDEO CONFERENCING**

**PRESENT:** Tom Barr David Redpath  
Freya Lees (Chair) Stephen Swan  
Linda Leslie Guy Thomson  
Graeme Mackay Carol Watson  
Loretta Mordi

**ABSENT:** Charles Oliver

**IN ATTENDANCE:** Bill Banks Lesley Proudfoot  
Matthew Busher Ken Tudhope

Freya welcomed everyone to the virtual meeting and reminded everyone that this is a time limited meeting we need to conclude by 5.45 pm to give Board members some time before the Special General Meeting starts at 6.00 pm on a separate Zoom call.

Freya also reminded everyone about the protocol for the meeting.

Freya advised that questions have been submitted pre meeting and confirmed responses have been provided, copies are available in Admincontrol.

**1. APOLOGIES**

Laura Brotherton and Laurie Naumann.

**2. DECLARATION OF INTEREST**

Freya highlighted that Board members may have an association or working relationship with other organisations that work in partnership with Kingdom and whilst this may not be a direct conflict of interest the relationship should be declared as a standard declaration. It was noted that if Board members are in doubt about what to declare speak to Bill or Calum.

The Board reviewed and approved the proposed treatments below;

**Agenda Item 7, Chief Executive Report, - Board Directors of KSC**

The Board **noted** that Linda Leslie is a Board member of KSC. It was agreed that

**ACTION BY**

**Board  
Members**

Linda could remain at the meeting while this item is being presented, however will not participate in any decision taken.

### **Agenda item 7, Chief Executive Report - Board of Directors of KI**

The Board **noted** that Loretta Mordi is a Board member of KI. It was agreed that Loretta could remain at the meeting while this item is being presented, however will not participate in any decision taken.

### **Agenda Item 8a, 8b & 8c - Confidential Items**

The Board agreed that all staff apart from Bill Banks will be excused from the meeting whilst this item is being presented.

#### **3. TO APPROVE THE MINUTES OF THE BOARD OF MANAGEMENT MEETING HELD ON 17 AUGUST 2020**

The minutes were **approved** by Graeme McKay and seconded by Loretta Mordi.

#### **4. MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 17 AUGUST 2020**

The Board **noted** that all items are concluded or covered in the papers.

#### **5. HOUSING REPORT**

Matthew talked through the report and invited questions.

Discussion took place in relation to; 2.1 - Rent Increase 2021 and Matthew confirmed that he and Ken will be carrying out an assessment over the next few weeks to explore if there are any viable options. Matthew advised that he hopes to present a paper to the Board in October.

David asked how concerned we should be going forward due to furlough schemes winding down and the position on UC debt. Matthew advised that this is a concern and that we are taking proactive measures to manage this. We are expecting to receive catch up payments from the DWP for outstanding UC payments over the next couple of months as the UC payment cycle is brought forward, which should improve the overall picture. Matthew advised that he is hoping for good outcomes in the next couple of months.

Loretta advised that the event on Scottish Housing Day was excellent and commented on the great work that is being done on digital engagement and support the tenants are receiving.

3.1.15 - UC Arrears Position – Matthew advised that the 90.3% figure (% UC Claimants in arrears) should read 67.7%.

#### **6. REVISED BUDGET 2020-21**

Ken presented the report which had one item for specific approval; **Five Year Financial Projections**.

**Matthew**

It was noted that the 5 year model is contained in appendix 1 and that this is consistent with the current approved business plan. Ken highlighted that this is subject to the following changes to assumptions which affect 2020/21 and the opening position for 2021/22;

- a) completion of the 2019/20 accounts which changes the opening position from estimated to actual,
- b) revised forecast for this year's out-turn (section B),
- c) the latest assessment of the development programme, which impacts on timings of rental income, loans, depreciation and grants.

Ken advised that the longer term 40 year model will be presented to the Board for review when the budget is prepared and the Board noted that the first 5 years of that model will reflect these financial projections.

The Board **approved** the Five Year Financial Projections for submission to the Housing Regulator.

Ken

Ken talked through the reforecast of the year end outturn to 31 March 2021 and highlighted the following factors which have caused some large movements. It was noted that some of which are accounting items which do not result in a movement in cash:

- Rental income - £72k (0.4%) lower,
- Void loss - £33k (16%) higher than budget,
- Bad debts (non-cash provision) - £83k (25%) higher than budget,
- Grant released from deferred income (non-cash adjustment) - £283k (9%) higher than budget,
- Non-employment costs -£94k (3%) lower than budget,
- Capitalised management expenses - £105k (13%) lower than budget,
- Housing depreciation - £347k (8% higher than budget),
- Loan interest - £199k (4%) lower than budget.

The Board **noted** the latest forecast for the Statement of Comprehensive Income.

## 7. CHIEF EXECUTIVE REPORT

### *Section A – Items for Specific Approval and Consideration / Discussion*

#### **2.1 - Delegated Authority and Reserved Powers**

The update and report was **noted** and **agreed**.

#### **2.2 - Electronic Decisions and Decisions through Delegated Authority**

The Board **noted** the report and ratified the approvals under delegated authority.

In relation to 3.2, Connecting Scotland Digital Fund; Guy asked if any internet access is included with the ipads and chromebooks. Matthew advised that a one year subscription with 'sim services' for internet access comes with the devices. Matthew highlighted that the devices are gifted on behalf of the funders and at the end of the 12 months a decision will need to be taken on going forward in relation to how broadband charges will be dealt with.

Sections B, C, D and E of the report were **noted**.

## 8. CONFIDENTIAL ITEMS

9. **ANY OTHER BUSINESS**

None identified.

10. **DATE OF NEXT MEETING**

Monday 19 October 2020  
5.30 pm - KHA Board meeting

Signed \_\_\_\_\_  
Chair

Signed \_\_\_\_\_  
Secretary

**ITEMS CARRIED FORWARD**

<b>Date of Meeting</b>	<b>Minute Ref.</b>	<b>Item</b>	<b>Scheduled Meeting Date</b>
20 August 2018	11	Management Salary, Terms & Conditions Benchmarking Review	August 2023 (or earlier if required)
17 February 2020	7	It was agreed a more comprehensive strategic management structure review should be carried out during 2020. It was agreed Bill should commence this during the summer of 2020.	August 2020
20 April 2020	9	ARC - The Board asked that in the future an external validation exercise is carried out every year; previously validation exercises were carried out every 2-3 years. Update: Due to the Coronavirus a full validation will be postponed until 2021.	May 2021
15 June 2020	8 – 2.3	The Board noted and approved the revised budget for 2020/21, with a further review to be undertaken in September.	September 2020
17 August 2020	11	Interim report from Secretary.	February 2021