

## Board of Management Minutes

### **Date of Meeting: 19 April 2021**

Please note that these minutes have been edited to remove any commercially sensitive or confidential discussions.

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

**HELD ON MONDAY 19 APRIL 2021  
AT 5.30 PM  
VIA VIDEO CONFERENCING**

<b>PRESENT:</b>	Tom Barr	Loretta Mordi
	Laura Brotherton	Laurie Naumann
	Ian Crocker (Co-optee)	Charles Oliver
	Freya Lees (Chair)	Stephen Swan
	Linda Leslie	Guy Thomson
	Graeme Mackay	Carol Watson
<b>IN ATTENDANCE:</b>	Bill Banks	Lesley Proudfoot
	Matthew Busher	Alan Simpson
	Scott Kirkpatrick	Ken Tudhope

Freya welcomed everyone and thanked Matthew for his pre Board briefing session on the overview of Rent Affordability. Matthew advised that he will be presenting a Universal Credit paper as part of his May report.

Freya welcomed Ian Crocker to his first meeting as a co-opted Board member.

Questions received prior to the meeting are highlighted in the minutes and a copy of the full questions and responses is held on admin control along with the papers for the meeting.

**1. APOLOGIES**

Alan Hobbett (Co-optee) and David Redpath.

**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 8, Chief Executive Report, - Board Directors of KSC**

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

**Agenda item 8, Chief Executive Report - Board of Directors of KI**

**ACTION BY**

**Board  
Members**

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 9 - 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 15 MARCH 2021**

Subject to the following amendments highlighted at the meeting, the minutes were **approved** by Loretta Mordi and Laurie Naumann.

Page 1, 2<sup>nd</sup> paragraph - A note to be added to advise that Alan Hobbett and Ian Crocker are interested in joining the Board.

Lesley

Page 4, 2<sup>nd</sup> paragraph – should read ‘particularly’, not ‘particular’.

Lesley

4. **MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 15 MARCH 2021**

**Agenda Item 9, Chief Executive Report – 2.7 Arrears Write-off**

Graeme highlighted that although these tenants have been sequestrated a claim can be submitted to see if KHA could recover monies depending on the individual’s circumstances. Bill agreed to check with Matthew to see if this has been done.

**Response from Matthew** - we routinely complete forms to stake any claim we can to recover debt. However in reality we do not usually see any return on this.

5. **TO RECEIVE A VERBAL UPDATE FROM THE AUDIT AND FINANCIAL COMPLIANCE SUB COMMITTEE HELD ON 19 APRIL 2021**

Guy provided a verbal update on the meeting held earlier in the day.

The Board noted that the Internal Audit reports have been provided as Agenda Item 5 on admin control.

It was noted that an internal and external auditor’s report were presented as well as a Director of Finance Report.

In relation to internal audit, the auditors were able to confirm that they found no issues identifying major internal control weakness in the areas examined. Their overall opinion based on the work of the 2020/21 year and of the work undertaken since their first appointment in 2013 was that the Group has adequate and effective arrangements for risk management, control and governance and proper arrangements are in place to promote and secure value for money.

Guy advised that the Group internal audit follow up reports had made good progress with implementation of the recommendations followed up as part of the review with 14 of the 22 actions categorised as ‘fully implemented’. Six recommendations have been assessed as ‘partially implemented’ and one action is not yet past its completion date. These recommendations will be subject to follow up at a later date.

The Board **noted** the Internal audit annual report and follow up work and **approved** the Internal Audit Plan 2021/22.

Guy advised that the Director of Finance's report covered the following;

- Approval of the accounting policies for the Group Annual Accounts,
- 2020/21 External Audit Plan,
- 40 year financial projections,
- Financial Year end timetable and guidance 2020/21.

**This minute has been removed due to it being commercially sensitive.**

The Board **approved** RSM's audit plan for the forthcoming audit of financial statements for the year ended 31 March 2021.

## 6. **DEVELOPMENT REPORT**

Scott presented the report.

A pre Board question covered the following area;

- Do we know if the jobs created are just for the period of the work on particular developments or if the developers continue to employ those who they have taken on?

A response to the above is provided on admin control.

Scott referred to *2.2.1 Combined Capital Spent 2020/21 – Targets and Actuals as at Year End* and advised that these are estimates based on what we know to date. It was noted that the reconciliation will be taking place over the next few weeks and completed numbers will be available in May.

## 7. **CORPORATE PLAN 2021 - 2026 REPORT**

Bill presented the Corporate Plan for the period 2021 – 2026.

The pre Board questions and comments covered areas related to;

- Relationship between the Corporate Plan and the Business Plan,
- New Board Members names being added to the Plan,
- Query related to one of the KI objectives.

Responses to the above have been provided on admin control.

It was noted that the plan reflects the areas discussed and agreed at the various Kingdom Group Board and Management strategy sessions held between November 2020 and January 2021.

Bill advised that a full Corporate Plan and Summary Plan has been produced for consideration and approval, along with the Financial Plans and appendices.

It was noted that the report provided summarises the various sections of the plan.

Bill explained that we have tried this year to reduce the size of the plan; however given the full range of activities we undertake it's been difficult to reduce it too much.

Bill advised that the covering report provides a summary of the areas covered and a delivery plan section has been incorporated into this year's update.

The Board noted that appendix 3.6, related to the sensitivity analysis, is still to be issued, however Ken will provide some information on this and will issue it later this week.

Ken

The Board noted that most of the Directors were in attendance at the meeting and were happy to take any questions on the narrative of the financial plans, however no questions were received.

It was noted that whilst the Board liked the front cover of the Summary Report, the photo on the Main Plan did not project the correct image for Kingdom. It was noted that the design of the main plan had still to be done so the front cover will be changed.

The Board thereafter **approved** the following:

- The Summary and full Corporate Plan and appendices for the period 2021 – 2026,
- The Financial Plan and appendices for KHA.

## 8. CHIEF EXECUTIVES REPORT

Bill presented the report.

The pre Board questions and comments covered areas related to;

- Appendix C; Management Feedback on Scrutiny Panel Report,
- Appendix D; Scrutiny Panel Formal Reporting Process; Proposed Route,
- Appendix F; SFHA Research document,
- New Board Members to KI,
- Additional Clause inserted into the FHA Shared Services Agreement.

Responses to the above have been provided on admin control.

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

#### 2.1 - Delegated Authority and Reserved Powers

Bill reported that the Chair had been asked to approve the additional clause in the Fairfield Agreements.

It was noted that the staffing changes have been reported and the update was **noted**.

The Chair's decision through the use of Emergency Powers is **endorsed** and the delegated decisions are **ratified**.

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

The Board **noted** that no electronic decisions were recorded over the last month.

## **2.3 – Furlough / Job Retention Scheme**

Bill confirmed that there are only 3 staff who retain on furlough and they all fall into the shielding category.

## **2.4 - Board Response to Tenant Scrutiny Panel Investigation on Planned Maintenance**

The proposed Scrutiny Panel Reporting Process was **approved** and adopted, including the creation of a Scrutiny Focus Group to support this and the proposed draft response from the Board to the Scrutiny panel was **approved**.

## **2.5 - Membership**

Bill advised that there are 8 new membership applications for consideration. The Board **approved** David Brown, Gary Heaney, Karen Koyman, Jeff Lockhart, Finlay Ross, Andrea Saunders, Sue Shone and Lawrie West as members of KHA subject to them paying the £1 membership fee.

## **2.6 - Approval of Appointment to the Subsidiary Boards**

Bill advised that potential new Board members have been identified for both KSC and KI.

The Board **approved** that David Brown, Karen Koyman, Jeff Lockhart and Sue Shone are **appointed** to the KSC Board.

The Board **approved** that subject to the KI Board being satisfied, that Gary Heaney, Finlay Ross, Andrea Saunders and Lawrie West are **appointed** to the KI Board.

*Post Meeting Note:* Gary Heaney has since withdrawn his application for membership. The £1 membership fee was not paid; therefore this will not be progressed.

## **2.7 - Key Performance Indicators**

The Board **considered** and **approved** the targets reported in the paper for 2021/22.

## **Section B - Highlighted items, including areas for noting**

Bill advised that there were no items for approval, however updates have been provided on;

- Subsidy Review Group KSC and KI,
- Business Continuity,
- Focus Groups,
- Coronavirus Finding, and
- Other standards updates for information.

Calum

## Section C - Items for Update / Information

The Board **noted** Section C.

## Section D – Quarterly updates

The Board **noted** Section D.

## Section E – Corporate Governance Report

The Board **noted** Section E.

### 9. **CONFIDENTIAL ITEMS**

Not for circulation.

### 10. **ANY OTHER BUSINESS**

A pre Board comment was received expressing congratulations on achieving / exceeding targets, related to the Development and Kingdom Works Programme and thanks for the work involved in producing the Corporate Plan. Bill responded by advising that the comments have been passed on to the management and teams.

It was noted that the originally planned pre Board briefing on Risk Management will take the form of a briefing note and will be issued shortly.

It was confirmed that an induction session for new Board members has been set up for Thursday 29 April. It will be a virtual session starting at 9.15 am and concluding at 3.00 pm.

It was noted that the draft programme covers all areas of activity undertaken by the Kingdom Group and a copy of the programme for the day had been uploaded to Admin Control under AOCB.

It was confirmed that current Board members may wish to attend these sessions as an opportunity to meet new Board members and as a refresher session. It is possible to dip in and out of the session if attendance for the full day is problematic. Board members should email Bill or Calum to advise if they wish to attend.

### 11. **DATE OF NEXT MEETING**

**Monday 17 May 2021** - Freya confirmed that she had submitted her apologies and Linda has agreed to Chair the meeting.

**5:30 pm** - KHA Board meeting  
Signed (Chair)

**Calum**

**Board  
Members**

Signed (Secretary)