

MINUTE OF MEETING OF KEY BOARD
HELD ON WEDNESDAY, 26 AUGUST 2020

AT 6 PM - *The meeting was hosted virtually*

Page 1 of 5

<u>PRESENT</u>	<u>IN ATTENDANCE</u>	<u>ACTION</u>
John Paterson	Andrea Wood (CEO)	
Sheenagh Simpson (till Item 1.7)	Alison Wood (Head of Finance)	
Jack Crombie	Gordon Anderson (Head of Housing, Development and Corporate Services)	
Ann McGuigan	Grace Semple (Head of HR)	
David Meechan	Jean Ramsay (Head of Support)	
Bob Parry	Jim Kearns (Head of Administration)	
Dave Le Sage		
Gillian Anderson		
Jo Pearson		
Angus Turner		

1.1 APOLOGIES

Apologies were received from Bill Mooney (leave of absence), Karen Jamieson and Rebecca O'Donnell.

1.2 MINUTE OF PREVIOUS MEETING (24.6.20)

With amendment to reflect the tendered apologies from Angus Turner, the minute of the meeting of 24 June 2020 was approved.

1.3 MATTERS ARISING

1.3.1 SHR Returns (Old item 1.7)

Chief Executive spoke to confirm Key's submission of the ARC return for 2020, ahead of the 31 July target date.

1.3.2 Covid-period Pay Arrangments (Old item 1.8.1)

Chief Executive spoke to report which was noted by the Board.

1.4 STAFFING MATTERS

Head of Human Resources spoke to report which was noted by the Board.

1.5 COVID-19 UPDATE

Chief Executive and Head of Support spoke to report on Key's ongoing response to the COVID-19 outbreak, noting in particular the government's recent extension of its national principles for sustainability payments to social care providers during the pandemic, including funds for additional costs relating to the pandemic. With regards to the latter, it was also noted that most Local Authorities had still to confirm their funding position, with two suggesting funding only for reduced levels of delivered support.

Recognising that this was a developing picture, it was noted that further reports would be presented to the Board, as detail becomes available.

1.5.1 Service Mobilisation

Head of Support spoke to report on the progress of Key's internal Service Mobilisation Plans towards the phased re-establishment of services, in line with the Scottish Government's Route-map out of lockdown.

The Board noted the report, which included detail on the work being undertaken to enable a growing number of services to return to normal, or near normal, levels of support.

ACTION

HofS

1.6 RISK MANAGEMENT REVIEW

Chief Executive spoke to report on the annual review of the wide range of challenges being faced by Key at this time, describing how the associated risks and opportunities have been aligned with the new strategic plan whilst taking account of the current context.

The Board discussed the importance of taking account of the impact of the Covid-19 pandemic in the risk narrative, noting that a separate detailed risk analysis was in place to mitigate and manage the risks associated with the pandemic. It was agreed that this should be brought together with the organisation's existing risk management plan, to ensure Key protects against and manages long-term risks arising from the pandemic.

The Board also discussed the organisation's risk appetite, recognising that the organisation deals with risk on a daily basis because of the nature of its work. It was noted that Key needs to do this in a way that assures the quality of our services and the safety and wellbeing of the people we support, our tenants and the people we employ. As such, it was agreed that Key's overall approach to risk should remain safe and cautious, particularly in relation to health and safety, reputational risk and compliance.

Noting that the Risk Register specific to Key's housing function would be reviewed at the Housing Review Group meeting in October prior to its incorporation into the final version of the Risk Register, the Review was approved in readiness for its submission to the Scottish Housing Regulator at the end of October.

CEO

1.7 FINANCIAL REPORT 2019/20

1.7.1 Annual Accounts for Year to 31.3.20

Head of Finance spoke to a presentation on the main aspects of the Annual Accounts, referring to the income and expenditure account and the balance sheet.

Noting that the accounts had been considered in detail at the recent meetings of the Audit Committee and Finance Review Group, the Board approved the accounts for presentation to the membership at the forthcoming Annual General Meeting.

1.7.2 Letter of Representation

ACTION

The Board approved the signing of the annual letter of representation to Key's auditor (presently Scott Moncrieff Audit Services, soon to change name to Azets Audit Services Ltd), confirming the Board's confidence that it had taken all reasonable steps to make the auditor aware of any information relevant to its audit of the financial statements of Key Housing Association Limited for the year ended 31 March 2020.

1.7.3 Audit Management Report

Head of Finance spoke to the Audit Management Report, in which it was confirmed that Key's latest Financial Statements give a true and fair view of the state of the Group's and Key's affairs at 31.3.20, including income and expenditure for the year then ended. In particular, it was noted that there were no issues affecting the Group's or Key's ability to continue as a 'going concern', and that the auditor had gained satisfactory assurance that the audit risks identified at the audit planning stage have been mitigated.

1.7.4 2019/20 Overall Review

Head of Finance spoke to a presentation on Key's financial performance for the year ending 31.3.20, including income and expenditure details across all areas of activity and in each local authority area, together with details of the balance sheet.

The Board accepted the Financial Review report.

1.8 AUDIT COMMITTEE

1.8.1 Minute of Meeting (11.8.20)

The minute of the Audit Committee meeting of 11 August 2020 was noted.

1.8.2 Audit Committee Report

The Board received with approval the annual report from the Audit Committee for the year ending 31 March 2020, noting that the Committee had met on a quarterly basis during the year to consider Key's internal and external audit programmes. The internal auditor (TIAA Ltd) had presented audit reports during the year covering: Voids Management, Creditor Payments, Budgetary Control, Recruitment and Retention, Staff Development, GDPR and IT – General Controls, with the overall level of assurance being given as 'Reasonable', and no 'Priority' recommendations.

The Board further noted the external auditor's report following the audit process for year ending 31 March 2020 and the Audit Committee's concluding view that the Board had met its responsibilities as detailed in the financial statements.

1.8.3 External Auditor – Year to 31.3.21

In accordance with the agreement to appoint Scott Moncrieff as external auditor following a tender process in 2015, the Board approved the Audit Committee's recommendation to appoint of Scott Moncrieff (soon to become Azets Audit Services Ltd) as external auditor for the Key Group for the year ending 31 March 2021.

ACTION

1.9 AGM ARRANGEMENTS - UPDATE

Head of Administration spoke to report on preparations for the AGM and SGM to be held 'virtually' on Wednesday, 16 September 2020, which was noted.

The Board also approved an amendment to the Model Rules being presented for adoption at the forthcoming SGM, being an additional clause empowering the Board to determine the means by which general meetings may be held and to apply provisions for hosting 'virtual' meetings, should such be considered desirable or necessary.

1.10 SECRETARY'S REPORT UNDER RULE 68

Noted with approval by the Board.

1.11 ISSUES ARISING FROM BOARD APPRAISALS

Chief Executive spoke to update members on actions being taken to address the small number of 'general' issues arising from Board Members' recent Collective and Individual Appraisals and these were noted with approval. It was also noted that the Chairperson's annual appraisal for 2020 had now also been completed.

1.12 NOTE OF GOVERNANCE SESSION (9.7.20)

Chief Executive spoke to report on the proceedings of the Board Governance Session held on 9.7.20 (originally scheduled for 24.6.20). With the addition of Jo Pearson to the names of those present, the report was noted.

1.13 TUPE REPORT

Head of Housing, Development and Corporate Services spoke to report on a recent approach from a local authority regarding the possibility of Key accepting the inward transfer of an existing service supporting 52 people.

The Board noted the ongoing dialogue with the Council to enable full of consideration of associated risks and mitigations for what would entail the transfer of an existing group staff to Key under TUPE regulations with a likely transfer date of 1 October 2020.

HofHR

2. COMMUNITY LIFESTYLES

2.1 Meeting of Directors (18.8.20)

The minute of the Directors' meeting held on 18.8.20 was noted. In particular, members noted the imminent retiral of Director, John Cameron, after more than 12 years' service.

2.2 Annual Accounts to 31.3.20

The Board approved the Annual Accounts for Community Lifestyles Ltd for the year to 31 March 2020. These had been considered and approved by the Directors and will now be submitted to the AGM of Community Lifestyles being held on 8 September 2020.

2.3 Key Representative to Lifestyles' AGM (8.9.20)

Members noted that the AGM of Community Lifestyles Ltd would be held on the evening of 8 September. With all members cordially invited to attend this meeting (albeit remotely), it was also noted that at least one Board member (who is not also a Director of Community Lifestyles) is required to attend this AGM, to represent Key; John Paterson agreed to do so.

ACTION

3. KHA DEVELOPMENTS LTD

3.1 Director's Meeting (17.8.20)

Head of Housing and Development spoke to report on the meeting of Directors held on 17.8.20. It was noted that the Directors had approved and signed the audited accounts for KHA Developments Ltd for the period to 31.3.20, a copy of which had been included in the papers for this meeting of the Board.

It was also noted that, given the absence of any planned activity in the foreseeable future, and having sought legal and accountancy advice on the matter, the Directors had agreed to render the company dormant.

3.2 Annual Accounts to 31.3.20

As sole shareholder of KHA Developments Ltd, the Board approved the Annual Accounts for KHA Developments Ltd.

4. REVIEW GROUPS

4.1 Finance (11.8.20)

Noted by the Board.

5. QUARTERLY REPORTS

The Board noted the report on key performance indicators, which included detail on income and expenditure for support and housing-related activity, management expenses, debtor analysis and cash flow.

6. AOB

There was no other business considered.

7. DATE OF NEXT MEETING

The Board will next meet on Wednesday, 7 October 2020.