

**MINUTE OF MEETING OF KEY BOARD
HELD ON WEDNESDAY, 15 MAY 2024**

AT 6.00 P.M. IN THE SQUARE, 70 RENTON ST., GLASGOW

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PRESENT

John Paterson (Chair)
Jack Crombie
David Meechan
Gillian Anderson
Rebecca O'Donnell
Musab Hemi
Paul Hush
Dee Fraser (online)
Ann McGuigan (online, until 7pm)
Dave Le Sage (online, exc. in camera items)

IN ATTENDANCE

Andrea Wood (CEO)
Alison Wood (Director of Finance)
Gordon Anderson (Director of Housing, Development and Corporate Services)
Glenn Harrold (Director of People and Organisational Development)
Jean Ramsay (Director of Support)
Asa Brooks (Governance, Regulation and Compliance Manager)
Leam MacKeown (Inclusion Manager – Supporting TAG)

1.1 APOLOGIES

Apologies were received from Sheenagh Simpson, Brian Kemsley and Angus Turner. Karen Jamieson currently has a leave of absence.

1.2 DECLARATIONS OF INTEREST

Dee Fraser declared a potential conflict of interest in an element of the Tender and Development Report at item 1.10. To avoid a conflict, Dee did not contribute to the decision made by the Board at that agenda item.

1.3 MINUTE OF PREVIOUS MEETING (13.3.24)

The minute of the meeting of 13 March 2024 was approved.

1.4 MATTERS ARISING

1.4.1 Board Appraisals (old item 1.10)

The Chief Executive advised that appraisals had very nearly been completed by all Board members. The appraisal of the Chief Executive is to be rescheduled, and if any Board members would like to take part in this they should let the Chairperson know.

1.5 STAFFING ISSUES

The Board noted the report and approved the proposals contained within.

1.6 REVIEW GROUPS

1.6.1 Workforce

The Board noted the report.

ACTION

CEO/
Chair

	<u>ACTION</u>
<p>1.6.2 <u>Finance (7.5.24)</u></p> <p>The Director of Finance explained that the Five Year Financial Projections provided to the Board incorporated the year-end pension adjustment. This pension information had not been available at the time that the Finance Review Group considered the projections in detail.</p> <p>Noting this amendment, the Board approved the Five Year Financial Projections for submission to the Scottish Housing Regulator.</p>	<p><u>DF</u></p>
<p>1.6.3 <u>Housing & Development (15.5.24)</u></p> <p>The Director of Housing provided a verbal report of the main business of the Review Group meeting which was held immediately before the Board meeting.</p> <p>In accordance with delegated authorities, the Review Group discussed and gave approval for the Annual Return on the Charter (ARC) to be submitted to the Scottish Housing Regulator.</p> <p>The Review Group also considered a report on Key’s rent affordability. It was demonstrated that we follow good practice in this area and, as per our SHR engagement plan, we will provide evidence of our rent affordability to the Regulator by the end of June.</p> <p>The Group also reviewed the Housing Strategic Plan and risk map paying particular attention to elements of the plan related to tenant safety, affordability, decarbonisation and our tenant participation activities. Members noted that the risk register ratings remain largely unchanged albeit there is a slight increase in the risk rating associated with the maintenance of Key’s housing stock in line with the Scottish Housing Quality Standard, although the risk rating remains low overall. This reflects the need to reassess Key’s 60-year life cycle replacement of major property elements, with a continued uncertainty over the timescales associated with the journey to net zero.</p> <p>The Board noted the verbal report from the meeting.</p>	<p><u>DH</u></p> <p><u>DH</u></p>
<p>1.7 <u>AUDIT COMMITTEE – MINUTE OF MEETING (7.5.24)</u></p> <p>David Meechan, member of the Audit Committee, provided the Board with an overview of the meeting. It had been reported to the Audit Committee that, of the seven internal audits in the year 2023/24, two had substantial assurance and five had reasonable assurance. The Director of Finance confirmed that the Internal Audit Annual Report would be provided to the Board at its August meeting.</p> <p>David also informed the Board that the current year’s internal audit programme is on schedule, and that six local service internal audits had provided good results with only one recommendation being reported.</p>	<p><u>DF</u></p>

1.8 RISK MANAGEMENT REVIEW

The Chief Executive delivered a presentation to the Board on Risk Management in the Key Group. This included responsibilities of the Board and of officers; the features of our operational, internal and external assurance systems and approaches; and supporting our assurance through understanding of the risks, scrutinising and challenging and learning from mistakes and near misses.

The Board asked for some examples of how learning from mistakes and near misses is undertaken in practice. The Chief Executive described how our serious incident process involves improvement actions being taken at an individual service/team level, as well as part of locality planning meetings, and that incidents are reported to and scrutinised by the Support Review Group.

The Board also noted that risk management is also supported by a range of officers being tasked with horizon-scanning for upcoming changes that could affect the organisation. The narrative of the Risk Management Review also gives Board members an update on anticipated changes to our business environment over the short to long-term.

The Chief Executive also spoke to the report on Key's Risk Management Review for 2024, relating to Key's group and support activities. The Board noted the report, including that risks are being kept under constant review by senior staff, to ensure Key's actions are adequate and appropriate.

The Board welcomed the inclusion of ICT and cyber risks in the main report for the first time, and agreed that the risk assessment level for it was accurate. The Chief Executive informed the Board she and the Director of Corporate Services would be attending a meeting with another organisation that had recently suffered a cyber security breach, to learn lessons which could be applied to increase Key's security.

Noting that the Risk Register for Housing had been reviewed at the Housing and Development Review Group meeting today, the Risk Management Plan was approved.

1.9 SHR ENGAGEMENT PLAN

The Governance Manager spoke to the report, which was noted by the Board. The Engagement Plan published by SHR at the end of March states that Key's regulatory status is "compliant" and Key remains "systemically important" due to the scale of our operations. The SHR has requested an updated business plan, along with other documentation, to be submitted to them by the end of June. This will be brought to the Board for approval before submission.

ACTION

CEO/
DCS

CEO

	<u>ACTION</u>
<p>1.10 <u>TENDER AND DEVELOPMENT REPORT</u></p> <p>The Board noted the first half of the report, which was the summary of all tenders that Key considered through the year, the reasons for us declining to submit tenders where relevant and the results of those we did submit. The Board agreed that the reasons for us participating, or not, in the listed procurement exercises were appropriate and reflected Key's values, strategic aims and approach to risk management.</p> <p>The Board discussed and approved delegated authority to the Chief Executive and Director of Development to progress negotiations around a potential new service in Falkirk.</p>	<p><u>CEO/</u> <u>DD</u></p>
<p>1.11 <u>ANNUAL PROCUREMENT REPORT</u></p> <p>The Board noted the report which outlined our procurement activity as at 31 March 2024.</p>	
<p>1.12 <u>WRITE-OFF OF NON-RECOVERABLE DEBT</u></p> <p>The Director of Finance spoke to the report, reviewing debtor balances which will inform part of the year-end external audit.</p> <p>Noting the circumstances behind each of the debtor cases and the ongoing attempts to recover debt where possible, the Board approved the write-offs of the non-recoverable debt for Key, as detailed in the report.</p>	
<p>1.13 <u>BOARD GOVERNANCE SESSION (19.6.24)</u></p> <p>The Governance Manager spoke to the report.</p> <p>The Board noted the draft programme for the Governance Session due to be held on 19 June, which would include a review of the collective appraisals from Board members, the annual review of the composition of the Board and self-assessment of Key's performance against regulatory requirements.</p>	
<p>1.14 <u>AGM ARRANGEMENTS</u></p> <p>The Governance Manager spoke to the report, advising that the AGM is to be held on Wednesday 11 September 2024.</p> <p>Dave Le Sage, David Meechan, Angus Turner and Gillian Anderson volunteered to retire at the AGM. All may stand for re-election without nomination.</p>	

	<u>ACTION</u>
<p>2. <u>HOUSING, DEVELOPMENT AND ADMINISTRATION ISSUES</u></p> <p>2.1 <u>Bank Mandates</u></p> <p>The Board approved the signatories on the new bank mandates for the accounts presented, and noted the amended bank mandates that were also presented.</p> <p>2.2 <u>Company Credit Cards</u></p> <p>The Board approved a request in relation to the company credit cards.</p> <p>The Director of Finance confirmed that there was a policy governing the use of business credit cards.</p> <p>2.3 <u>Lease agreement</u></p> <p>The Board noted the renewal of the a lease agreement for offices in Clydebank.</p>	
<p>3. <u>AOB</u></p> <p>The Board approved a leave of absence for Angus Turner.</p>	
<p>4. <u>DATE OF NEXT MEETING</u></p> <p>The Board will next meet on Wednesday, 19 June 2024.</p>	