

MINUTE OF MEETING OF KEY BOARD
HELD ON WEDNESDAY, 4 DECEMBER 2024

At 6.00 p.m. at The Square, 70 Renton Street, Glasgow

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PRESENT

Sheenagh Simpson (Chair)
John Paterson
Jack Crombie
David Meechan
Dave Le Sage
Rebecca O'Donnell
Karen Jamieson
Dee Fraser
Paul Hush
Brian Kemsley

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)

ACTION

1.1 APOLOGIES

Apologies were received from Ann McGuigan and Gillian Anderson.

1.2 DECLARATIONS OF INTEREST

There were no declarations of interest.

1.3 MINUTE OF PREVIOUS MEETING (2.10.24)

The minute of the meeting of 2 October 2024 was approved.

1.4 MATTERS ARISING

1.4.1 Annual Assurance Statement (old item 1.10)

The Chief Executive confirmed that officers had planned to provide Board members with a link to access the new website, containing evidence that we are meeting our regulatory requirements. However, after further development work and review it was felt that the website was still not as straightforward and user-friendly as we would like. Further review of possible improvements will take place before it is brought back to the Board. In the meantime the website can still be used to produce reports for the Board, as part of their ongoing assurance processes.

GRCM

The Chief Executive informed the Board that the Annual Assurance Statement was submitted to the Scottish Housing Regulator in time for the 31 October deadline. Also, as part of measures in place due to Key being a Systemically Important Registered Social Landlord, the Regulator will attend our January 2025 Board meeting.

1.5 STAFFING ISSUES

The Director of People presented the report which was noted by the Board.

ACTION

1.6 REVIEW GROUPS

1.6.1 Housing & Development (2.10.24)

The Board noted the report.

1.6.2 ICT (10.10.24)

The Chief Executive advised Board members that the Review Group had reviewed our approach to cyber security. This was in follow up to a CCPS meeting officers had attended to learn of the experiences of peer organisations that had suffered cyber attacks. From the information received, the Review Group concluded that although no security system can fully eliminate the risk or human error, Key's approach to cyber security was progressive in its prevention and detection measures. Further measures are being implemented to meet the requirements of Cyber Essentials Plus including the the use of multi-factor authentication for all staff. Consideration of Cyber Insurance is also progressing.

The Board also noted that work was ongoing with the replacement of our HR and Evolve software systems, with an options appraisal being completed with the Review Group to consider the risks around these.

1.6.3 Workforce (22.10.24)

The Director of People informed the Board that various HR colleagues and other stakeholders had attended this Review Group meeting to consider the range of workforce objectives for our new strategic plan. A number of actions were agreed to help improve recruitment and retention, increase effective voice and develop more opportunities for career progression. The Board agreed that a version of the presentation given at the Review Group should be delivered to the Board at its January 2025 meeting.

DPOD

The Director of People also confirmed that Sheenagh Simpson had been in attendance at the Review Group meeting and been missed from the attendance note in error.

DPOD

1.6.4 Finance (5.11.24)

The report was noted by the Board.

1.7 AUDIT COMMITTEE – MINUTE OF MEETING (5.11.24)

The Board noted the report, including that five of the planned internal audit visits have taken place, with corporate governance and rent setting, collection and arrears to be covered in January and February respectively.

ACTION

1.8 6-MONTH VARIANCE REPORT

The Director of Finance spoke to a report and presentation reviewing income and expenditure during the first six months of the current financial year. The overall position shows a surplus. The Board noted the factors contributing to the financial position. The Director advised that support providers across the sector are facing a similar financial picture, as the staffing crisis is sector-wide.

The Board noted that a series of budget monitoring meetings are underway, developing detailed action plans to address these issues.

With the detail of the variance report having been considered at the Finance Review Group meeting in November 2024, the Board noted the report.

1.9 EMPLOYERS' NATIONAL INSURANCE IMPACT

The Director of Finance spoke to a report and presentation informing the Board of the implications of the UK Government's increase to Employers' National Insurance contributions from April 2025. The Board noted that the rate will rise from 13.8% to 15% with the lower threshold reducing from £175 per week to circa £96 per week.

The Board noted with approval that Key is working both independently and in partnership with other providers in the sector to challenge the Government's decision and campaign to protect non-profit care providers from the damaging effects of the policy. The first action had been to seek exemption, in line with that afforded to public sector organisations, but the Chancellor has so far refused this. The second step is to request funding from the Scottish Government to help cover the costs, including writing to and meeting with MSPs to raise the matter. Should this request also be unsuccessful, we will consider, with the Board, the overall implications of the resulting financial position.

The Board agreed that our March review of the risk register and risk management plan should take this development into account.

CEO

1.10 GOVERNANCE REVIEW

This item was taken *in camera* with a confidential minute circulated separately.

1.11 TRAINING/BRIEFING SESSIONS 2025

The Chief Executive spoke to propose the schedule contained in the report. The Board approved the proposal, noting that it would be subject to change at the discretion of the Board and that the January Board meeting would include an abbreviated version of the Workforce Review Group presentation discussed earlier.

	<u>ACTION</u>
<p>1.12 <u>NOTE OF BUSINESS CONTINUITY TEAM MEETING (15.11.24)</u></p> <p>The minute of the latest Business Continuity Team meeting was noted by the Board. The Governance Manager informed that Board that an agreed action from the February 2024 internal audit, to impact assess our critical functions, was ongoing with an expectation that it would be completed early in 2025.</p>	<u>GRCM</u>
<p>1.13 <u>ESOS ACTION PLAN</u></p> <p>The Director of Corporate Services explained that organisations of Key’s size are required to have their energy consumption audited by an external assessor and the results of this have been submitted on the UK Environment Agency website as required. As a further stage Key is also required to develop an action plan for four years, with the aim of improving energy use, for submission to the UK Government. The Board approved the action plan for submission.</p>	<u>DCS</u>
<p>1.14 <u>STRATEGIC PLAN DEVELOPMENT UPDATE</u></p> <p>The Chief Executive provided a progress report on the activities undertaken so far in support of the preparation of the new Strategic Plan 2025—28. The Board noted the range of stakeholders who had been engaged with, including people we support, tenants, National TAG, staff and our various review groups. The Chief Executive reminded Board members of some of challenges Key is facing in relation to the economy, workforce, service demand and the changing national policy scene, all of which are being factored into the strategic response contained in the Plan.</p> <p>Noting that the Housing element of the Strategic Plan is under consideration directly by the Housing and Development Review Group, the Board noted the overall corporate and support strategic aims and objectives developed.</p>	
<p>1.15 <u>BOARD APPOINTMENT</u></p> <p>The Chief Executive updated the Board on discussions with Daniel McCafferty of NHS Education for Scotland, who had expressed an interest in joining Key’s Board. The Board noted that he had met with the Chairperson and Chief Executive and had been an observer at the last ICT Review Group meeting. Both the Chair and CEO felt he would be a valuable addition to the Board, and his co-option to the Board was approved.</p>	
<p>2. <u>COMMUNITY LIFESTYLES – MEETING OF DIRECTORS (19.11.24)</u></p> <p>The Board noted the report. The Chief Executive explained that the meetings calendar for 2025, adopted in September, contained an error, with the Community Lifestyles Directors’ meeting due on 11 February rather than 18 February. An updated copy of the calendar has been circulated to Board members.</p>	

ACTION

3. QUARTERLY REPORTS

The Board noted the report.

4. HOUSING, DEVELOPMENT AND ADMINISTRATION ISSUES

4.1 Share application

The Board approved the application for Association membership and use of the seal on a share certificate.

4.2 Bank mandates

The Board approved the signatories on new bank mandates for the account presented, and noted the amended bank mandates that were also presented.

4.3 Lease agreements

The Board noted three new lease agreements in Alloa, Stranraer and Faifley.

4.4 Scottish Government Grant Funding for Adaptations

The Director of Housing spoke to the report. He informed the Board that the Scottish Government had announced significant cuts to funding for Stage 3 adaptations, which help disabled and older people modify their homes, so they can continue to live in them for longer. The Board noted that whilst the cuts were a setback, Key should still be able to continue with adaptation works for its tenants.

4.5 Tenders and Service Developments

The Board had planned to review the approach Key takes in deciding which social care contracts to bid for. However, it agreed that it would be more appropriate to delay this until May, when the Tender and Service Developments report is being considered.

5. AOB

There was no other business.

4. DATE OF NEXT MEETING

The Board will next meet on Wednesday, 22nd January 2025.