

**THE RIVERSIDE GROUP LIMITED**  
**IRVINE HOUSING ASSOCIATION LIMITED**

Two Hundred and Fifty First Meeting of the Board held at 5.30 p.m. on  
Wednesday 30 November 2022 at the 44-46 Bank Street, Irvine and via MS  
Teams.

**Minutes**

Present:

Mr J. Strang (In the Chair), Mrs M. Burgess, Mrs M. Crearie (Items 1-13), Mr G. Darroch, Mr S. Easton, Mrs. J Galbraith, Mr R. Hill, Mr T. McInnes, Mr P. New (Teams), Mrs S. Petrie and Mr S. Stewart.

In attendance were: Mrs D. MacLean, Mrs H. Anderson, Mrs D. Boyle, Mr C. Dillon (Teams, Items 1-4), Ms K. Dooley (Teams, Items 5-17) and Ms G. Gascoigne (Item 17).

Apologies for Absence

Nil.

Declarations of Interests

Nil.

1. **Apologies for Absence**

There were no apologies for absence.

2. **Declarations of Interest**

There were no interests to declare.

3. **Financial Performance Report**

Mr C. Dillon highlighted the key differences between the budget and Q1F when comparing QF2, as follows:

[REDACTED]

[REDACTED]

[REDACTED]

Following a query from Mr R. Hill, Mr Dillon confirmed that the change in bad debt provision calculation was being discussed with the auditor with the approach re-visited again in January.

Mr Dillon confirmed that all covenants remained fully compliant and then highlighted that the current economic and political uncertainty continued to present risks, particularly the impact of the higher inflation affecting costs and customers.

Mr R. Hill requested that information regarding any change to the bad debt provision calculation be presented to the Audit & Risk Committee in order to understand the context prior to the Committee recommending approval to the Board.

The Board thereafter NOTED the contents of the Quarter 2 Forecast Summary and the Summary Financial Performance for the year to 30 October 2022.

#### 4. Draft Budget

Mr C. Dillon presented the draft budget which had been prepared together with the Association's budget holders, particularly highlighting the significant differences when compared to the current forecast as follows:

- There was no percentage increase to rental income, given the Scottish Government's approach in relation to a proposed rent freeze / rent cap was unknown until January 2023.
- No assumed budget for disabled adaptations as Scottish Government funding was not approved until January of each year.



Mr Dillon advised that due to the Head of Finance and Planning currently being away from the business, any assumptions required for inclusion in the draft budget had been agreed with the Managing Director. Mr Dillon confirmed that when the Scottish Government's position with regard to rent increases was known in January, if appropriate, rental income would be amended to reflect a potential increase in income, however, if this was not possible, the business would remain viable and all covenants would remain compliant.

The Board requested that its best wishes were passed on Mrs M. Hutchinson, Head of Finance and Planning.

The Board commented that any rental increase would have an impact on the customers' ability to pay which should have an effect on the consideration of the bad debt provision.

Mr R. Hill queried if the completion of disabled adaptation works was purely dependent on funding being received and commented that previously the Association had taken the decision to fund works in excess of funding received to ensure no backlogs were created. Mrs D. MacLean advised it was currently envisaged that additional allocation would not be required, given the intention that the funded Handyman post would carry out required low level adaptation works moving forward.

Mrs M. Burgess enquired if the Association would self-fund adaptations works should funding not be received. Mrs MacLean advised that there would be difficult decisions to make for the next financial year ahead when more certainty around being able to apply a rent increase was known. If grant funding was not forthcoming, a paper for board consideration would be prepared.

Following a query from Mr T. McInnes regarding the capitalisation reducing costs, Mr Dillon confirmed that the Association was now able to capitalise other items which it had not previously been able to. Further clarity from the Scottish Government was required prior to decisions being made on the detail of future works programmes. Mrs MacLean advised that a paper would be brought to the March Board on this matter once there was more certainty.

The Board thereafter AGREED the draft budget for 2023/24.

Mr C. Dillon left the meeting.

Ms K. Dooley joined the meeting.

Mrs MacLean expressed her thanks to Mr Dillon and Ms L. Roberts from Group's Finance Team who had provided great support during Mrs Hutchinson's current absence.

5. **Minutes of Previous Meeting – 250<sup>th</sup> Board Meeting held on 18 August 2022 and the Special Board Meetings held on 21 September and 19 October 2022**

The minutes of the 250<sup>th</sup> Board Meeting held on 18 August 2022 were APPROVED as an accurate record and the minutes of the Special Board Meetings held on 21 September and 19 October 2022 were APPROVED as an accurate record.

6. **Matters Arising from the Previous Minutes**

**Special Board Meeting – 21 September 2022**

**Governance Documents (Min. 5)**

Mrs D. MacLean advised that further to item 3.1 being removed from the Governance Policy Scottish Addendum pending a review of the RCVE's constitution and a discussion with the Chair of the RCVE, it was now appropriate for this item to be reinstated in the Addendum given that it had been confirmed that the RCVE would have no role in the governance structure of Riverside Scotland. The Board noted that relevant changes would also be made to Group's Governance Framework to reflect this agreement and thereafter APPROVED the reinstatement of the original item 3.1 to the Addendum confirming that references to RCVE were not applicable to Riverside Scotland.

## Matters Arising Action List

The Board NOTED the update on actions identified from previous Board Meetings. Mr R. Hill requested that a “date for completion” column was added to the action list to allow the future tracking of progress.

### 7. **Co-option Proposal**

Mrs D. MacLean advised that the Association had been seeking to recruit Tenant Board Members for some time and had taken the opportunity during the Big Conversation survey to identify interested individuals. Mr P. Lynn had been identified by consultant, Ms E. Byrne of Arneil Johnston, who had facilitated the focus group meetings, and Mr Lynn had since met with both the Chair and herself regarding his interest in joining the Board.

Mr J. Strang commented that Mr Lynn would be an asset to the Board and would be able to provide good feedback on where service improvements were required.

The Board thereafter AGREED to co-opt Mr Lynn as a Tenant Board Member until the Annual General Meeting in 2023.

### 8. **OSCR Return**

The Board APPROVED the submission of the on-line Annual Return to the Office of the Scottish Charity Regulator.

### 9. **Membership Register**

The Board discussed the possibility of seeking to increase the membership in the future and thereafter AGREED to pass a resolution that:

“The 8 members identified at Appendix 1 shall be deemed to have withdrawn from membership of the Association and his / her ordinary share shall be cancelled and the amount paid thereon shall become the property of the Association.”

### 10. **Asset Compliance Review Update**

Mrs D. MacLean advised that further to the recent concerns regarding the Association’s EICR compliance and the current staffing restructure, Group’s Asset and Internal Audit Teams were currently supporting the Association with a review of its asset management function and compliance with the Scottish Housing Quality Standard (SHQS) and

Scottish Social Housing Charter. Mr J. Walker, Head of Strategy and Planning for Group's Asset Team was currently reviewing the asset management function in liaison with the Asset Team Leaders and had produced the update report presented.

Mrs MacLean updated on the imminent staffing changes within the Asset Team following the restructure announcement and paid tribute to the Asset Team Leaders, for their professionalism in ensuring the effective transfer of knowledge to Group, given the difficult time.

The Board noted the key actions arising from the asset review to date as follows:

- The required migration of the Association's asset data from the AMIF spreadsheets on to Group's asset data systems.
- Addressing the compliance issues identified in the recent stock condition survey.
- Carrying out further stock condition survey work to inform SHQS data.

The Board noted that Mr S. Gambling, Group's Director of Internal Audit & Risk was carrying out an audit of the SHQS data reporting, the findings of which would be reported in the new year.

Mrs MacLean highlighted that the Association was seeing an increase in reports of damp and mould issues and Board were due to consider the adoption of Group's policy in this regard. Both asset and housing staff were being supported with appropriate training in order to deal with this matter effectively moving forward.

Mr T. McInnes enquired on the transfer of data to Group systems and if they would link with the Association's contractor's systems. Mrs H. Anderson confirmed that the gas systems did and the electrical systems did not as yet, however, would in time, pending the resolution of the interfacing issues which were currently being worked on.

Following a query from Mr G. Darroch on the level of knowledge which had left in recent months and was due to the leave the business, a discussion followed on the recent and imminent staff changes, the proposed new approach to service delivery, the increased use of data systems and the recruitment exercise to supplement the new staffing structure. Mr S. Stewart suggested the consideration of supporting staff with training to carry out future SHQS survey works which would also strengthen internal knowledge of the Association's housing stock.

Mr P. New enquired if the compliance issues identified in survey works could have been picked up during day-to-day service delivery. Mrs Anderson confirmed that the issues identified had not previously been known to the Association and were currently being worked through on a priority basis.

The Board NOTED the interim findings and initial actions put in place following the review of the asset compliance function.

11. **EICR Update**

Mrs H. Anderson referred to the review of the Association's approach to electrical safety management carried out by Group's Director of Building Safety and the improvement actions identified, which had been considered in detail by the Audit & Risk Committee at its meeting in October. Mrs Anderson gave an update on current progress on:

- The work programmes to ensure all properties had valid EICRs / a clear audit trail of contact attempts by March 2023.
- The implementation of the new EICR process which involved both the asset and housing teams.
- The EICR improvement actions for the asset team and the change to the completion dates of these from December 2022 to January 2023 due to the current restructure and staff members leaving the business.

Following a query from Mr S. Easton on lessons learned, Mrs Anderson reported on the increased focus on compliance reporting moving forward.

Mr P. New enquired if there was a risk of this service being impacted by staff leaving the business and new staff learning their roles. Mrs Anderson was hopeful that targets could be met, given the administration of this function would be delivered by the new Business Support Team moving forward and appropriate training had already been delivered, with staff beginning to work on this function.

In response to a query from Mr S. Stewart regarding the practice of forcing access to carry out necessary safety works, a discussion took place on the current conflicting legal advice within the sector, with guidance on this matter being sought from the Scottish Government. The Board debated the pros and cons of this practice and agreed that Officers should monitor the effectiveness of gaining access with the new processes in place and present a paper for further consideration of this matter at the May 2023 Board Meeting.

Mr R. Hill queried some of the update information in the improvement actions given some items were reported as "on track" when the completion date had passed. Mrs Anderson undertook to clarify this information and report back as appropriate.

The Board thereafter NOTED the progress against the Electrical Safety Action Plan as set out in the report presented.

## 12. Asset Compliance Policies

Mrs H. Anderson stated that the recent review of the Association's electrical safety management process had flagged that the Association's tenant safety management policies had differed to that of Group. Given the legislation, guidance and regulation governing social landlord's responsibilities in this regard were UK-wide, it was now considered appropriate for the Association to align with Group's Asset Compliance Policies and utilise the appropriate available data systems.

Mrs Anderson advised on the review process and confirmed that all policies had been approved by Group's Safety First Group which the Managing Director regularly attended. The Roles and Responsibilities Section within each policy presented had been updated to reflect the accountability levels within Riverside Scotland, given its legal responsibilities.

Mr T. McInnes acknowledged the significant task involved in maintaining the data systems detailed and enquired if appropriate resource was in place to deliver this function. Mrs Anderson advised that assistance would be provided by Group to transfer all Riverside Scotland stock data from the current spreadsheets to the centralised systems over the next 6 months and the contractor's systems would link to these systems which would negate the requirement for manual data processing on an ongoing basis.

Mr S. Easton enquired on the Association's policy approach to the management of LD2 smoke detectors. Mrs Anderson undertook to liaise with Group's asset team and report back to Board on this matter.

Following a query from Mr McInnes in relation to the output of the data systems, Mrs D. MacLean confirmed that the Association's stock condition survey information would be recorded in the Promaster system and suggested that a demonstration of the system could be provided prior to a future Board Meeting. This was agreed.

The Board thereafter AGREED to adopt the following Group Asset Compliance Policies:

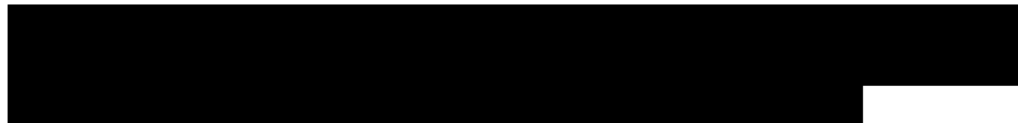
- Fire Safety Management Policy
- Electrical Safety Management Policy
- Building Safety Management Policy
- Asbestos Management Policy
- Gas Safety, Heating & Ventilation Systems Policy
- Mechanical Equipment Policy
- Radon Gas Policy
- Water Hygiene Policy.



13. **Damp and Mould Policy**

Mrs D. MacLean advised the Board on a recent article which had featured in the local press regarding a property with damp and mould issues and also a rent refund refusal. Unfortunately, the Association's service had failed to take timely action despite the damp and mould issues being previously reported and this had highlighted that change to our processes and staff awareness of damp and mould issues was required. The Board noted the actions which had since been implemented in order to address these issues for the tenant and also that contact had been made by the Managing Director and Head of Service to apologise for this service failure, offer compensation and provide appropriate financial advice. Mrs MacLean highlighted that this matter would require to be reported to the Scottish Housing Regulator as a Notifiable Event.

Mrs H. Anderson highlighted the new change in approach for dealing with reports of damp and mould to being proactive rather than reactive in solving these issues for customers. She advised of the intention that all reported cases would be inspected, with 6 monthly follow-up inspections moving forward under the proposed new policy, with all asset and housing staff being supported with appropriate damp and mould awareness training.



The Board noted that given the recent media coverage on this issue, and the current cost of living crisis affecting people's ability to adequately heat their homes, an increase in reports of damp and mould was expected which would have a resource implication. Mrs Anderson confirmed the intention following implementation of the policy, that customer facing staff would work with customers to promptly resolve these issues and provide financial and energy advice where appropriate.

The Board thereafter AGREED to adopt Group's new Damp and Mould Policy.

Mrs M. Crearie left the Meeting.

14. **Collecting Equalities Data**

The Board AGREED that the Association should continue to collect equalities data and link it to customers and colleague accounts.

15. **Quarterly Performance Report – Q2**

Mrs H. Anderson reported that overall satisfaction had seen a decline since the previous quarter, however, it was hoped that improvements would start to filter through as the new staffing structure was implemented and the customer partner relationships with customers were built.

Referring to the decline in repairs and maintenance satisfaction, Mrs Anderson confirmed that officers were liaising closely with the contractor to improve service delivery and to resolve the outstanding IT issues which were almost complete.

The Board noted that the Association was currently in a transitional period as staff left the business and the new staffing structure was implemented in the New Year and staff were trained in delivering their new roles.

Mrs D. MacLean highlighted that information on EICR compliance was now included within the report.

Mr P. New left the meeting.

Mr G. Darroch referred to indicator ref 26 and commented that it had previously been agreed that a target should be included for this indicator. Mrs MacLean confirmed that the target should be 100% and this would be included in the report moving forward.

The Board thereafter NOTED the Association's KPI's covering Quarter 2 of 2022.

16. **Operational Performance Report**

Mr P. New joined the meeting.

The Board NOTED the operational KPI's as at Period 7 2022, including the key risk areas and identified improvement actions.

17. **Income Collection Improvement Plan**

Mrs G. Gascoigne reported on the increase in arrears since April and the service improvements which had been and were continuing to be put in place in order to seek to improve performance prior to the financial year end, particularly highlighting the planned changes to the arrears ladders in Scotland, which had recently delivered a £110k arrears reduction in England over a 7 week period.

Mrs Gascoigne also reported on the actions which were being taken to address the 58 cases over the £2.5k threshold.

Mrs H. Anderson stated that good progress had been made at the income collection workshop earlier that day between income collection and housing staff, where process improvements were discussed, pending the implementation of the new staffing structure and the customer partner roles being able to provide a holistic approach to money advice and having increased interactions with customers due to smaller patch areas. Mrs Gascoigne advised that the importance of data recording on systems had been discussed, given this was crucial to the liaison between the teams.

Following a query from Mrs M. Burgess, Mrs Gascoigne advised on the process for the initial automated system providing 4 contacts prior to the housing team making contact with the customer at the 4 week period.

The Board acknowledged the challenges which were currently being experienced in income collection, given the current cost of living crisis, rises in energy prices and the eviction ban etc. however, expressed concern regarding the level of arrears and the Association's performance when compared with peers and questioned if the Association was being proactive enough to reduce the arrears levels. Mrs Anderson advised on the intention that all new tenancies would be referred to the new funded Affordability Officer post in order to provide support and money advice to customers prior to their tenancies commencing and also begin working with the 750 customers who would be due to move from housing benefit to universal credit in the next 2 years. Mrs MacLean advised that she had been pleased with the progress made at the workshop that day and was hopeful that the changes to processes discussed could deliver a more successful operating model in Scotland.

The Board enquired if the teams were confident that the changes discussed could deliver positive improvement. Mrs Gascoigne confirmed she was confident that positive change would come, despite the difficult times customers were facing, and the teams would take individual circumstances into account in their communications with customers. She confirmed that Riverside Scotland would also now have access to Group's "helping hands" fund from the Riverside Foundation which staff would now raise awareness of and assist customers with applications.

The Board thereafter NOTED the performance position in relation to income collection and the actions being taken to improve the arrears and mitigate further increases and REQUESTED that a further report on the improvement action plan was presented in the next quarter.

Ms G. Gascoigne and Ms K. Dooley left the meeting.

18. **Managing Director's Report**

a) **Restructure**

The Board noted the update on the restructure progress and the difficulties during the transitional phase as some staff left the business and new members of staff were recruited. The Board acknowledged that staff morale was low at this time and that experienced staff and their knowledge would be leaving the business, however, reaffirmed their support to the Senior Management Team, the new structure and the new direction of the Association which would change the focus of service delivery and the culture of the organisation.

b) **Rent Increase**

Referring to the recent Cost of Living (Tenant Protection) Act 2022, passed by the Scottish Government, Mrs D. MacLean reported on her and fellow Chief Executive's discussions with the Scottish Federation of Housing Associations regarding the impact of rent freezes / rent caps on RSLs business plans in order to assist the SFHA make representations to the Scottish Government on this matter. The SFHA was currently working on developing a Statement of Intent from the sector to agree with the Scottish Government and was currently consulting with registered social landlords on the content of this Statement.

The Board noted that the Scottish Government was expected to announce its intention in January with regard to a rent freeze / rent cap for the next 6 months, however, it was hoped that a rent cap would be proposed given that England and Wales had adopted this approach.

The Board noted the detail of the current rent increase consultation with the Association's customers and confirmed their support for the Association's approach which clearly set out the implications of each of the options.

c) **Dundonald**

Mr P. New expressed his thanks to the team for the completion of the handover of the Dundonald development.

The Board were pleased to note that a visit by the Scottish Government's senior civil servants to the new build estate and modular factory was scheduled to take place on 16 December 2022.

The Board thereafter NOTED the contents of the MD's Report.

19. **Formal Registers**

Mrs D. Boyle advised that the registers reported all entries up to September prior to the new Entitlements, Payments and Benefits Policy being agreed. Reports from the implementation of the new Policy would be presented to Board in May 2023.

The Board thereafter NOTED:

- a) the entries in the Declaration of Interests, Fraud and Loss, Gifts and Hospitality and Grant of Benefits Registers; and
- b) that the Board Members Declaration of Interests Register was published on the Association's website.

20. **Minutes / Updates**

The Board NOTED the:

- a) Unconfirmed Audit & Risk Committee Minutes – 3 October 2022
- b) Confirmed Customer Experience Committee Minutes – 30 June 2022.
- c) Group Board Highlights – October 2022.

21. **Any Other Business**

a) **Festive Season**

The Chair passed on his best wishes to the Board and Staff for the festive season.

22. **Date of Next Meeting**

5.30 p.m. on Thursday 26 January 2023 at 44-46 Bank Street, Irvine,  
KA12 0AL.

D MacLean  
Secretary  
1 December 2022  
DMcL/db

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Date: .....