

THE RIVERSIDE GROUP LIMITED

IRVINE HOUSING ASSOCIATION

Special Meeting of the Board held at 9.30 a.m. on Saturday 28 October 2023
via MS Teams

Minutes

Present: Mr J. Strang (In the Chair), Mrs M. Burgess, Mr G. Darroch
Mr S. Easton, Mrs J. Galbraith, Mr R. Hill, Mr T. McInnes,
Mr P. New and Mrs S. Petrie.

In attendance were Mrs H. Anderson, Mrs D. Boyle and
Mrs M. Hutchinson.

Apologies for Absence

Apologies for absence were received from Mr S. Stewart
and Mr P. Lynn.

Declarations of Interests

There were no interests declared.

1. **Annual Assurance Statement**

Mrs M. Hutchinson reported that the new Analyst Team had carried out the compliance assessment process during the year, making some changes to the previous process, which the Board had been updated on.

Mrs Hutchinson, referring to the regulatory compliance assessment document, highlighted that compliance with AN3 had been assessed as partially compliant due to the Association not having achieved 100% compliance levels for EICRs. Due to the Association now adopting the approach of forcing access for those properties where access had not been provided, full compliance would be achieved in due course and moving forward. Given this area was one element of this wide-ranging requirement, Officers had assessed the overall compliance level as materially compliant and this had been reflected in the draft Assurance Statement presented.

Mrs Hutchinson advised that the Regulatory Compliance Action Plan contained proposed actions for improving performance areas further and, subject to Board's approval, would thereafter be populated with action owners and target deadlines.

Mrs Hutchinson stated that the Audit & Risk Committee had considered the reports presented in detail at its meeting earlier in the month. At this meeting the Committee had agreed the following areas to be assessed in more detail during the year, in order to provide additional assurance as part of next year's compliance assessment process:

- Statutory inspections processes, specifically relating to gas and electrical safety
- Verification of data from the contractor, specifically relating to repairs by appointment and first-time fixes
- Year end accruals - accuracy of identification and accounting

Mrs Hutchinson confirmed that any areas for improvement identified as part of these deeper dive reviews would be added to the Improvement Plan moving forward.

Mr R. Hill then reported on the discussions at the Committee meeting regarding the small area of partial compliance relating to EICR compliance in the overall context of the Association's compliance with the regulatory framework. The assessment of material compliance had been agreed at the meeting, however, it had been considered appropriate to make reference to EICR compliance within the Assurance Statement.

At the meeting, the Committee had been assured that the evidence presented had been documentation previously presented to Board or Committee for consideration and / or approval throughout the year. The Committee had also been pleased with the content of the Internal Audit report on the audit of the compliance assessment process carried out during the year and were therefore content to recommend the proposed Annual Assurance Statement for approval by the Board.

Following queries from Mr P. New, Mrs Hutchinson confirmed that the Improvement Plan would be reported back to the Board in line with the process and that the Association was currently 95% compliant with EICRs and 100% compliance was envisaged by March 2024 at the latest.

Following Board's consideration of the requirements of the Annual Assurance Statement set out in the SHR's Statutory Guidance, the outcomes of the self-assessment process set out in the Regulatory Compliance, the Assessment Report and associated Improvement Plan; the Board APPROVED the draft Annual Assurance Statement for submission to the SHR.

The Board thereafter requested that their thanks were passed on to the Team for their efforts in producing this excellent piece of work.

2. **Chair's Action Procedure**

The Board NOTED the Chair's approval of:

- a) the 2023 Annual Financial Statements Return to the SHR.
- b) the grant of benefit of an allocation offer of accommodation to Peter Lynn for a property in the Pennyburn area.

3. **Rent Consultation**

Mrs M. Hutchinson presented the current options being considered for the proposed rent increase in 2024/25 which the Association was soon to consult with tenants on. Mrs Hutchinson highlighted that decision-making relating to next year's rent increase would be challenging in order to strike the correct balance between generating enough income to be able to run the business effectively, whilst also taking into consideration the tenants' ability to pay their rent, given the current cost of living crisis. Mrs Hutchinson highlighted that the introduction of EESSH2 and Net Zero targets would bring significant costs to the business in the next few years.

[REDACTED]

Mrs Hutchinson referred to the 4 possible increases identified in the paper, the lowest being CPI which was currently sitting at 6.7% and highlighted that to go below this, as the Association had the previous year, would be a risk to the business. A rent increase of 6.7% would mean the Association maintaining the current service and the higher options would allow the Association to increase services [REDACTED]

[REDACTED] which were known areas of customer aspirations. Mrs Hutchinson advised that it was intended that the Association would consult on 3 of the increase options and requested Board views on which options should be considered.

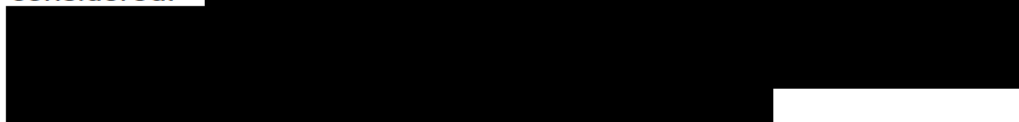
A [REDACTED]



Following queries from the Board Mrs Hutchinson advised on the format of the consultation information sent to customers and confirmed that proposed rents by other local housing providers was not shared at this stage, prior to formal decision-making, however, average weekly rent information and how this compared to others was shared in another Association publication issued during the year. Information on how the Association's revenue income was spent was also provided to customers.

Mrs H. Anderson stated that the following the previous year's rent consultation exercise, the majority of customers who responded had opted for the higher rent increase, and it was envisaged that this had been due to the presentation of the impact of each of the options considered. The Board noted that the response rate to the consultation was usually low and the Association was not obliged to agree the rent increase chosen by customers. It was also recognised that the impact of the rent increase was felt more by those customers paying rent as opposed to customers whose rent was paid via the benefits system.

Following further discussion, the Board agreed that the Association should not consult on an increase lower than CPI, however, it should make this clear in the consultation, why this option was not being considered.



The Board thereafter AGREED that the Association should consult with tenants on the following 3 rent increase options:

- 6.7%
- 7.2%
- 7.7%

4. **Board Strategy Day**

Mrs D. Boyle queried the Board's preference with regard to the possible re-arrangement of the October Board Strategy Day prior to the Christmas break, and any potential date preferences. Mrs Boyle highlighted that

further Board Strategy Day was been scheduled at the end of March 2024.

The Board discussed the possibility of bringing forward the date of the March Strategy Day to mid-February in order to consider the proposed rent increase in more detail. Mrs Hutchinson advised that, due to timescales, the Board would be asked to make a decision on the rent increase at the Board Meeting on 1 February 2024, therefore the re-arrangement of the Board Strategy Day would require to take place during January. After discussion, the Board therefore agreed not to re-arrange the Board Strategy Day and the March Strategy Day date should remain as planned.



5. **Any Other Business**

The were no other items of business for discussion.

6. **Date of Next Meeting**

Special Board Meeting – 5.30 p.m. on Wednesday 29 November 2023, at Riverside Scotland’s offices, 44-46 Bank Street, Irvine, KA12 0LP and via MS Teams.

D MacLean
Secretary
30 October 2023
DMcL/db

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