

**THE RIVERSIDE GROUP LIMITED**

**IRVINE HOUSING ASSOCIATION**

Two Hundred and Second Meeting of the Board held at 5.30p.m. on  
Tuesday 18 November 2014 at 44-46 Bank Street, Irvine

**Minutes**

Present: Mr A. West (In the Chair), Miss F. Dunlop\*, Mrs K. Gatherer, Mr C. Bell, Mrs W. Johnstone, Mr J. Wood\*\* Mr P. McGregor

In attendance were Mr P. Hillard, Mrs N. Thom, Mr A. Gladwin\*\*, Mr R. Clegg and Mrs D. Boyle

\*From item 3.

\*\* attended via video conference

Apologies for Absence

Apologies for absence were received from Mr D. McEachran, Mr R. Sturgeon and Mrs F. Garven.

Declarations of Interests

There were no declarations of interest.

1. **Minutes of the Last Meeting held on 18 June 2014 and the Special Meeting held on 20 August 2014**

The minutes of the meeting held on 17 September 2014 were approved subject to the first line of the last paragraph on page 8 being amended to read "Mr Hillard provided a full update on the Barony HA merger proceedings with SHR following ...".

2. **Matters Arising from the Minutes of 17 September 2014**

a) **Matters Arising from the Minutes of 17 September 2014 – Governance Documents (Min6.)**

Mr P. Hillard tabled the new Board Members Expenses Claim Form for Board Members to use if or when required.

b) Matters Arising from the Minutes of 17 September 2014 – Complaint – Member of the Association (Min7.)

Mr Hillard confirmed that he had written to the individual involved requesting that they resign from membership of the Association or expulsion would be sought at a Special General Meeting. The letter had been delivered by Mrs N. Thom and Mrs P. Johnstone. The individual had been verbally and racially abusive again. A time limit had been set for the individual to resign which had now past.

After discussion, the Board instructed the Managing Director to arrange a Special General Meeting on 27 January 2015 to seek the expulsion of the individual from membership. Mr Hillard undertook to write to the individual further advising him when the Special General Meeting would be held, the grounds for seeking his expulsion, the related evidence, and advising of the individual's right to speak at the meeting.

The Board noted that the individual's resignation could be accepted at any point up until the date of the Special General Meeting.

c) Matters Arising from the Minutes of 17 September 2014 – Factoring Policy (Min10.)

[REDACTED]

[REDACTED]

[REDACTED]

3. **Committee Minutes & Policies**

The Board noted the minutes of the:

- a) Draft Audit and Risk Committee meeting held on 9 September 2014;
- b) Draft Operations Committee meeting held on 21 October 2014
- c) Housing Services Committee meeting held on 24 July 2014
- d) Draft Housing Services Committee meeting held on 25 September 2014.

4. **Confidential Discussion**

See separate minute for Board Members only.

5. **Co-option Proposal**

Mr A. West indicated that he was content for Mr P. McGregor to remain present in the room for discussion of this item.

After consideration, the Board agreed to co-opt Mr P. McGregor as a Board Member until the next Annual General Meeting.

Mr McGregor commented that he was happy to join the Board and strengthen the link between the Tenancy Scrutiny Panel and the Board.

6. **Constitutional Partnership with Barony HA**

Mr P. Hillard stated that Barony HA had received a letter from the Scottish Housing Regulator on 31 August 2014 advising that it would be required to ballot its tenants if the SHR did not have a live Business Case with it by 20 November 2014.

A number of meetings and discussions had taken place regarding proposed governance structures which were acceptable to Barony, the Association and Riverside since Barony's previous Business Case had been rejected by the SHR on 25 August 2014.

Following the recent Constitutional Partnership Working Group Meeting, Officials had been instructed to prepare the new Business Case with a revised governance structure for approval by the Association's and Barony's Boards with a view to submitting the Business Case to the SHR prior to the 20 November 2014 deadline. This decision was arrived at because there was concern that there would be a further delay to the constitutional partnership process if the SHR's consideration of the Business Case was delayed until the SHR had developed its guidance for tenant consultation and group structures which was due out for consultation in January. The Working Group had no concerns balloting

tenants, in fact, Barony HA had planned to ballot its tenants regardless of whether this was a requirement or not.

During Barony's discussion with the SHR of its intentions, the SHR had indicated that it would not accept a Business Case from Barony prior to 20 November 2014 on the grounds that not enough tenant consultation on the new Business Case had been carried out. This was despite the Tenant Information Service signing off a report stating otherwise. The decision had therefore been made that it would serve no purpose to submit the Business Case to the SHR prior to 20 November 2014.

Mr Hillard elaborated on the new proposed governance structure and how this would operate in practice. The Board discussed this proposed structure and how it would operate in detail. Other changes which would be made to the Business Case would be the future branding of the Association and Barony due to them requiring to be seen as 2 separate charities based on OSCR guidance. The pension scheme section of the document would also require rewording due to the Strathclyde Pension Fund now being closed off to new members and the Enhanced or the Auto-Enrolment SHPS now being available to new staff.

The Board noted that due to the proposed change to the governance structure, the Association would no longer require to change its Rules and therefore a Special General Meeting was not required.

Mr Hillard advised on the new estimated timetable in relation to progress on the constitutional partnership, however, this was dependent on SHR timescales for approval.

The Board expressed concerns on the substantial costs involved due to the delays to this process. Mr Hillard highlighted the financial implications of how this expenditure would be treated due to the constitutional partnership not now being finalised prior to the year end.

The Board discussed in detail the interaction with the SHR to date and what lessons there were to be learned in ensuring that any future constitutional partnerships with other organisations be managed to avoid increased cost and delays to timescales. The Board also accepted however, that in order for any changes to be made in SHR guidance, representations required to be made in order to improve processes. It was agreed that the Association would actively contribute to the consultation of the SHR's guidance on group structures which would shortly be issued.

The Board approved the submission of the revised business case for the constitutional partnership with Barony Housing Association to the Scottish Housing Regulator.

7. **Restatement of Lloyds £26m Loan Facility**

The amendment and restatement of the loan facility with Lloyds Bank and Scottish Widows was discussed in detail.

The Board thereafter approved the attached detailed resolution.

8. **Arran New Supply Shared Equity – Conversion to Social Rent**

The Board noted Mrs N. Thom's report on the marketing process in relation to the sale of the properties in Arran and what issues had contributed to the lack of sales on the site.

The Board enquired if the owners on site had been consulted in relation to the potential conversion of the remainder of the properties on the site to rental properties. Mrs Thom advised that owners at the site had been made aware prior to them purchasing the properties that this was a possibility and all concerned had been content.

Following a Board query, Mrs Thom advised that if approvals to convert the properties for rent were received, it was the intention that the properties would be let prior to the Christmas holidays if possible.

The Board thereafter discussed the Business Plan implications of converting the properties for rental purposes.

After discussion, the Board agreed that a copy of the Board paper was submitted to the Scottish Government to formally request permission to convert 10 properties on Arran from New Supply Shared Equity to being available for rent.

9. **Energy Efficiency Improvement Works**

Mrs N. Thom advised that the contract which she had hoped to table at the Board Meeting, had not yet been finalised and was currently being finalised by the solicitors and would be available for signing by the Chairman at a later date.

The Board enquired on the Association's risk in relation to the payment of work by owners. Mr R. Clegg advised that there was no risk to the Association given that any work carried out by the contractor was arranged between the owner and the contractor, therefore payment of any work carried out was between the owner and the contractor. The Association had no involvement in this process.

The Board approved the contract between the Association and Npower and delegated authority to the Chairman to sign the contract when finalised.

10. **Office of Scottish Charity Regulator (OSCR) Annual Return**

After consideration, the Board approved the on-line submission of the OSCR Annual Return.

11. **Policy Review**

The Board:

- a) Noted that relevant guidance in relation to whistleblowing for Board Members was now contained within the Code of Conduct for Board and Committee Members.
- b) Adopted the Whistleblowing Statement on Confidential Reporting guidance for staff in place of the Whistleblowing Policy.

12. **Formal Registers**

The Board:

- a) Noted the previous entries and authorised the Chairman to sign off on the Formal Complaints, Fraud and Loss and Gifts and Hospitality Registers
- b) Noted that the Formal Complaints Register would no longer be presented for annual sign off given that new reporting arrangements were now in place for Complaints.
- c) Noted the replacement of the Schedule 7 Register with the Grant of Benefits Register
- d) Approved the creation of a Declaration of Interests Register.
- e) Authorised the Chairman to sign off the Declaration of Interests Register.
- f) Noted that the future reporting of the Fraud and Loss Register and Gifts and Hospitality Register would be considered as part of the review of the Anti-Fraud and Gifts and Hospitality Policies.

The Board thanked Mrs D. Boyle for her work in preparing the paper for consideration.

13. **Scheme of Delegation**

Mr P. Hillard advised that the Association would be first in all of the Group to roll out the new Purchase Order System, One Market Place. The proposed changes to the tabled authorisation limits were to bring them in line with authorisation levels within Group which were set up on the new system.

After consideration, the Board approved the changes to the Scheme of Delegation – Authorisation Limits.

14. **Corporate Plan Monitor (Implementation Plan)**

a) Develop a model, systems and training programme for the Virtual CSC within Irvine

Mr P. Hillard highlighted that the new Virtual CSC was now being delivered. Mrs Thom stated that the monitoring of any issues arising were being managed jointly by the Association and Riverside's Customer Service Centre.

b) Pro-actively seek new development sites in North Ayrshire

Mr Hillard stated that an options appraisal for the development of the Tarryholme site would be sought and proposals would be brought to the January 2015 Board Meeting for consideration.

The Board noted the Corporate Plan Monitor Report.

15. **Performance Management**

Mr P. Hillard advised that the health and safety indicator reported was not reflective of the actual position. This was a group-wide issue which was being addressed as a priority.

Following a query from Board regarding the effect on the new financial reporting standard, Mr Hillard confirmed that the Association's annual leave year would be changed to April to March.

Mrs N. Thom stated that staff were looking into why the Promaster system did not generate any prompts in relation to gas servicing which resulted in 2 properties annual gas service being overdue. The Board noted that the gas servicing to the properties in question had now been carried out.

In response to a query from Board, Mr Hillard confirmed that the Association still planned to meet its targets by year end. This would involve significant efforts by the teams.

Mrs Thom referred to the income collection dashboards and highlighted that the statistics reported that the cases over £1k arrears had no arrangements in place, however, there were. The Academy system only prompted after 2 missed payments. In the worst case scenario this could be 2 months broken arrangements. As such, staff had removed such arrangements from the system and did manual debt arrangements management. The result of this planned action, unfortunately, meant that the dashboard would show that no arrangements were in place. Mr J. Wood undertook to enquire if this issue could be addressed for the whole of the Group.

The Board:

- a) Reviewed the Association's performance against the Group's Top Ten Key Performance Indicators for Local targets.
- b) Noted the Association's performance against the current Monthly Performance Review Report and Analyse by Division reports.
- c) Reviewed the Association's compliance with the funder's financial covenants.

16. **Information Items**

a) **Health and Safety**

Mrs N. Thom stated that excluding Group KPI's, the Association was complying with its own indicators. The Association was being represented at all Group-wide Health and Safety meetings.

The Board noted that due to an increase in staff incidents, following discussions at team meetings, the Association had changed its approach in relation to escalation processes. It had been agreed that earlier action by managers to prevent escalation would prevent staff from potentially being in a vulnerable position when out on site. Staff were also now using the lone working tracking system.

The Board noted:

- i) The Current position within the Association with regard to the key Group health and safety risk areas, and compliance with the Major Risk Assessment KPI.
- ii) The staff Health and Safety training carried out in the period 1 April 2014 - 30 September 2014.
- iii) The staff and contractor accident/incident statistics for the period 1 April 2014 - 30 September 2014.

- iv) The safety inspections for the period 1 April 2014 - 30 September 2014.
  - v) The current position with the Association's Risk/COSHH Assessments.
  - vi) The meetings held by the Association's Health and Safety Working Group, Riverside's Health and Safety at Work Committee/Working Group and Riverside's Health and Safety Risk Management Group.
  - vii) The current audit position with regard to the Association's health and safety arrangements.
- b) PR & Networking Report

Mr P. Hillard highlighted that the Association had been shortlisted for the Best Not For Profit Employer at the Scotland's Best Employer Awards on 20 November 2014 and Excellence in Environmental and Energy Efficiency Works at the Chartered Institute of Housing's Excellence Awards on 21 November 2014.

The Board noted the content of the PR Events and Networking Report.

In addition, the Board noted that the Association had also now earned the Gold Award for Health Working Lives. The Award was due to be collected on 21 November 2014 by Mr M. Huggan who had devoted significant time leading the Association towards achieving this Award.

c) Complaints Monitoring Report

Mrs Thom stated that, in future, the paper would be entitled Customer Feedback Report which was more reflect of the content of the paper.

Mrs Thom stated that a new automated system was now in place and due to a different approach in the recording of complaints, there had been a significant increase in complaints. This, however, was a positive thing as it allowed the Association to analyse its service approach after every service failure. It was intended that reports would be presented to Board and the Tenant Scrutiny Panel review on a quarterly basis.

The Board noted that the new approach for analysing data had proven useful for identifying trends and issues with particular contractors. This allowed such matters to be addressed with them at regular meetings.

The Board thereafter noted the new format and statistics in relation to the reporting of Customer Feedback.

17. **Any Other Business**

a) Personal Assistant Duties

In response to a query from Board, Mr Hillard confirmed that Mrs K. Martin and Mrs D. Boyle were currently carrying out separate tasks within the PA role and that they would alternate attendance at Board and Committee Meetings.

b) Pension Scheme

Mr Hillard stated that auto-enrolment which was being offered to new staff involved 1 – 4% employee contributions and enhanced was 6-12%. The enhanced scheme was very attractive when compared with other schemes currently being offered by other employers.

18. **Date of Next Meeting**

Board Meeting - Tuesday 27 January 2015.

P. HILLARD  
Secretary  
19 November 2014  
PH/db

.....

This section of text will be subject to redaction prior to the publication of minutes on the website.