

THE RIVERSIDE GROUP LIMITED

IRVINE HOUSING ASSOCIATION

Two Hundred and Fourth Meeting of the Board held at 5.30p.m. on Tuesday
24 March 2015 at 44-46 Bank Street, Irvine

Minutes

Present: Mr A. West (In the Chair), Mr C. Bell, Mrs F. Garven, Mrs
W. Johnstone, Mr D. McEachran, Mr P. McGregor, Mr R.
Sturgeon and Mr J. Wood

In attendance were Mrs N. Thom, Mrs C. Matthews, Mr M.
Phillips*(For Items 1-6) and Mrs D. Boyle

*Via Tele-conference

Apologies for Absence
Miss F. Dunlop

Declarations of Interests
There were no declarations of interest.

1. **Preliminaries**

[REDACTED]

2. **Declaration of Interests**

None.

3. **Minutes of the Last Meeting held on 27 January 2015**

[REDACTED]



The minutes of the last meeting held on 27 January 2015 were thereafter approved and signed.

4. **Matters Arising from the Minutes of 27 January 2015**

a) **Committee Minutes and Policies** (Min, 4.a))

Mrs N. Thom confirmed that Riverside's IT team were now assessing the Association's request for an automated system for factoring debt recovery against other priorities and would advise on a timescale for implementation within the next couple of months. The Association's temporary member of staff had commenced manual debt recovery and was reporting that, despite it being early days, some payments were being recovered. Mrs Thom undertook to report further on progress at the next meeting.

b) **Corporate Plan Monitor** (Min. 8)

Mrs Thom stated that following discussion with Arneil Johnstone, some further option considerations were being looked at for the Tarryholme site. It was therefore intended that the full options appraisal be presented for discussion at the Board Strategy Day on 30 May 2015.

c) **Performance Monitoring** (Min. 9)

Mrs Thom referred to the previous discussion on the increase in tenancy terminations and advised that the analysis of reasons for terminations would be looked at early in the new financial year. The findings of this research would feed into ongoing discussions regarding the feasibility of some housing stock.

5. **Committee Minutes and Policies**

The Board noted the draft minutes of the Group Housing Services Committee Meeting held on 5 February 2015.

6. **Digital Inclusion Strategy**

Mr M. Phillips highlighted the key features of Riverside's Digital Inclusion Strategy.

A detailed discussion on the Strategy followed where the Board fed back its views to Mr Phillips advising that in its experience, in order to persuade customers to get online, it was best to promote it in a way which motivated them rather than promoting Riverside services. The promotion of such should come at a later date. The Board also suggested that linking with community groups would also assist as local volunteers and young persons could potentially become involved in training customers who wish to use devices and assist with any potential issues.

The Board also commented that in its experience, the older generation was also interested in getting online. The Association had recently held a Digital Coffee Morning at its sheltered units which had proven very successful and residents had fully participated and enjoyed the day.

The Board thereafter noted Riverside's Digital Inclusion Strategy.

7. **Governance Review**

The Board noted the current position in relation to the proposed Governance Review and the requirement to progress the review as a matter of priority given that the proposed Constitutional Partnership with Barony would no longer progress.

The Board noted the intention that the draft Governance Framework document would be presented for discussion and consultation at the May 2015 Board Meeting.

Mrs N. Thom highlighted that an additional Board Meeting may be required in July, to consider the membership applications of any potential new Board Members following a recruitment exercise.

Mrs F. Garven and Mrs W. Johnstone indicated an interest in being part of the proposed Governance Working Group.

The Board thereafter:

- a) noted the proposed format of the Governance Review.
- b) agreed to the formation of a short life Governance Working Group.
- c) delegated authority to the Governance Working Group to:

- i. Consider the results of the Board Member Skills Audit
- ii. Carry out some initial Succession Planning
- iii. Identify if any particular skills were required to be brought onto the Board
- iv. Agree a process for seeking to recruit any identified skills to the Board.

8. **Lloyds Loan Mandate**

The Board noted that the loan mandate had been reviewed to reflect the recent staff change in relation to the Managing Director post and also make it easier to arrange signatories in relation to any treasury matters which were now handled by the Group Finance Team at Speke.

After consideration, the Board approved the proposed Lloyds loan mandate.

9. **Membership of the Association**

The Board reviewed and approved the removal of 4 members from the Membership Register for failing to advise the Association of their new address within required timescales.

10. **Corporate Plan Monitor**

Mrs N. Thom stated that the report presented was the final report of the current Corporate Plan Implementation Plan. The items which had not been completed would be carried forward into the new Implementation Plan which would be produced following the Board Strategy Day on 30 May 2015.

The Board, referring to the item on the Launch of Homes4D&G with Dumfries and Galloway in the Implementation Plan Monitor Report, enquired if the Association or the partnership had commissioned Arneil Johnstone. Mrs Thom stated that the partnership had commissioned Arneil Johnstone.

The Board then went on to enquire on procurement arrangements in relation to the commissioning of consultants in the context of the work Arneil Johnstone were currently carrying out for the Association.

[REDACTED]

[REDACTED] The only work that the Association had recently commissioned was to carry out an options appraisal for the Tarryholme site.

The Board noted the scoring of the Governance item on the Risk Map was likely to be reduced by the next Board Meeting. The works involved in the Caley House item would be complete by year end.

The Board noted the updates given in the Corporate Plan Monitor Report.

The Board also noted the One Riverside Progress Report which detailed group-wide progress on Group's Corporate Plan. The Corporate Plan would be discussed further at the Board Strategy Day on 30 May 2015.

11. **Performance Management**

Mrs N. Thom referred to the 3 red indicators in the Group's Top Ten Key Performance Indicators and commented that the % Homes with a Valid Gas Certificate KPI was showing red due to the system looking for a gas certificate from some properties which did not actually have a gas supply at the property. Officials were currently working with the pro-master team to resolve this issue. The Board noted that there was no gas risk at these properties.

Mrs Thom stated that a strong team effort was being made to ensure that the % Stock Void and Relet Period KPI were brought back to green by year end.

Referring to the Monthly Performance Review, Mrs Thom stated that financial forecasting in relation to the surplus was very fluid at this stage of the financial year. She was, however, confident that the Association would end the financial year within budget.

The Board noted and agreed with officers decision to write off the professional fees in relation to the proposed constitutional partnership with Barony in the current financial year.

Mrs Thom referred to the Relet Period, Current Rent Arrears, Health and Safety and Data Quality KPI highlights and commented on the steps being taken by the staff team to improve these statistics by year end.

The Board noted that all front line staff were able to drill down and see their own individual performance within Riverside's Cash Collection Dashboard information. It was hoped that having access to this kind of information would encourage and motivate staff.

In reponse to a query from Board, Mrs Thom stated that Welfare Reform was the Association's top risk. The Board noted that Universal Credit was due to rolled out in North Ayrshire and Dumfries next month. Staff had indentified which tenants could potentially be affected by this significant change and steps were being taken to ensure that staff

worked with all partner organisations in order to assist customers and to safeguard the Association's income.

Thereafter, 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 Analysis by Division reports.
- c) Reviewed to the Association compliance with the funder's financial covenants.

12. **Regulatory Guidance Consultation**

Mrs N. Thom referred to the Scottish Housing Regulator's consultation documents and encouraged all Board Members to read the documents which would have a big impact on the Association's growth aspirations moving forward. Given the Association's experience with Barony, it intended making a robust response to the consultation.

The Board then discussed in detail the key implications from the consultation documents. Mrs Thom stated that Officials were currently working on a draft joint-response to the consultation from the Association and Riverside. She welcomed comments from the Board on its thoughts on the consultation documents.

Mrs Thom stated that the responses to the consultation were due by 24 April. She therefore requested any comments from Board Members by 10 April 2015. The Board noted that the draft response to the consultation would be sent out to Board for any further comment prior to submission.

The Board noted the key implications of the proposed regulatory guidance.

Mr J. Gordon left the Meeting.

13. **Senior Management Team Restructure**

The Board noted the content of the report regarding the decisions made by the Chairman under authority delegated to him by the Board.

Mr Gordon re-joined the Meeting.

14. **PR & Networking Report**

The Board noted the PR and Networking Report.

15. **Petty Cash Bank Mandate**

The Board noted the change to the petty cash account bank mandate.

16. **Tenancy Sustainability Strategy**

The Board agreed to defer this item to the next Board Meeting.

17. **Any Other Business**

a) **Governance Training**

Mrs N. Thom advised that Board training on Governance by CIPFA was being organised on 18 May 2015 through the Eydent group which was the ayrshire housing associations. Board Members would be contacted outwith the meeting to give further details and establish who would like to attend.

b) **ARC Return**

Mrs Thom requested that Board Members complete and hand in the Equality and Diversity questionnaire which would inform data requested as part of the Association's ARC submission.

c) **Board use of IT**

Mrs Thom advised of the intention to roll out the use of tablets for electronically accessing Board papers and eventually move away from sending out printed versions of the Board papers to Board. The item and how it would be trialled would be discussed in more detail at the next Board Meeting.

18. **Carol Matthews Update**

Mrs C. Matthews commented that she had enjoyed attending the Association's Board Meeting. She commented that joint-growth by the Association and Riverside was only being pursued in Scotland. As she saw it, there currently stood two barriers to that: current thinking in relation to constitutional partnerships by the Scottish Housing Regulator and pensions legislation. Indeed, these issues had been the two main stumbling blocks for the Barony partnership proceeding. If these issues

were not resolved, then it could be time to consider different structures which other English-based housing association's were currently using in the sector.

Mrs Matthews stated that the Association had proven to be a great partner and both the Association and Riverside had shared mutual benefits. The Association had been able to retain its staff and had been able to deliver promises to its customers. The Association led the way in the KPI stats and Riverside Officials wanted to take its energy and focus to other parts of the Group.

Mrs Matthews advised that her concerns for the operating environment moving forward would be results of the general election and ability of potential coalition governments in being able to produce and drive meaningful policies forward.

Mrs Matthews also had concerns regarding future problems of English rent setting structures and the affordability of Scottish rents in times where housing association's business plans were based on charging RPI+1% rent increases when there were very low increases in benefits. Indeed, one of the major benefits of the partnership with Barony would have meant that both organisations could have moved away from charging RPI+1% rent increases.

The Board expressed concerns about the costs of the Barony partnership given how far along the process had gone prior to Barony walking away. Mrs Matthews commented that it was important to move on from Barony and learn the lessons from the experience in relation to when to walk away. Some research also had to be carried out in relation to resolving the pensions issue to prevent this being a future problem. The outcome of the Scottish Housing Regulator's consultation would also be a major factor for consideration moving forward. A strong joint-response in relation to the consultation was crucial with regard to influencing the outcome of the consultation.

19. **Date of Next Meeting**

Board Meeting – 5.30 p.m. on Wednesday 13 May 2015, 44-46 Bank Street, Irvine.

N. Thom
Secretary
25 March 2015
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