

THE RIVERSIDE GROUP LIMITED

IRVINE HOUSING ASSOCIATION

Two Hundred and Third Meeting of the Board held at 6.00p.m. on Tuesday 27 January 2015 at The Gailes Hotel, Marine Drive, Irvine

Minutes

Present: Mr A. West (In the Chair), Mr C. Bell, Miss F. Dunlop, Mrs F. Garven, Mrs K. Gatherer, Mrs W. Johnstone, Mr D. McEachran, Mr P. McGregor, Mr B. Sturgeon, Mr J. Wood

In attendance were Mr P. Hillard, Mrs M. Hutchinson, Mrs K. Martin and Mrs N. Thom.

Apologies for Absence

There were no apologies.

Declarations of Interests

There were no declarations of interest.

1. **Minutes of the Last Meeting held on 18 November 2014**

The minutes of the meeting held on 18 November 2014 were approved. Mr P. Hillard confirmed that the section highlighted yellow would be subject to redaction prior to publication.

In response to a comment from Mr J. Wood, Mr Hillard noted that the minute relating to the Constitutional Partnership with Barony Housing Association provided details of the process to date in detail in the interests of full transparency.

2. **Matters Arising from the Minutes of 18 November 2014**

a) Matters Arising from the Minutes of 18 November 2014 – Committee Minutes & Policies (Min3 (c).)

Mrs N. Thom confirmed that the automated IT system for debt recovery would require a further few months for development. A temporary member of staff was therefore currently undergoing

training to allow a manual debt recovery process to begin in February 2015 as a short term solution.

b) Arran New Supply Shared Equity from the Minutes of 18 November 2014 (Min8.)

Mrs Thom confirmed that the Scottish Government had now approved the conversion of 10 properties in the Arran development from New Supply Shared Equity to being available for rent. Mrs Thom noted that these properties had been allocated the previous week.

Mrs N. Thom and Mrs M. Hutchinson left the room.

c) Confidential Item from the Minutes of 18 November 2014 (Min4.)

See separate minute for Board Members only.

Mr P. Hillard left the room.

3. **Managing Director Secondment**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Board thereafter :

- a) agreed to the secondment of Mr P. Hillard, Managing Director, to the Riverside Group Limited from 1 February 2015 to 31 January 2016;
- b) delegated authority to Mr P. Hillard to continue to manage the constitutional partnership with Barony Housing Association;
- c) agreed to the appointment of Mrs N. Thom as Interim Managing Director and Company Secretary for the period of 1 February 2015 to 31 January 2016;
- d) noted that this was a notifiable event to the Scottish Housing Regulator.

Mr P. Hillard, Mrs N. Thom and Mrs M. Hutchinson re-joined the meeting.

4. **Committee Minutes & Policies**

The Board noted the draft minutes of the:

- a) Housing Services Committee meeting held on 27 November 2014;
- b) Audit and Risk Committee meeting held on 2 December 2014.

5. **2015/16 Budget and Long Term Financial Plan**

[REDACTED]

[REDACTED]

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After full consideration, the Board :

- a) approved the rent and service charge increase for 2015/16 at 3%;
- b) approved the 2015/16 budget and 30 year business plan, both subject to final approval by The Riverside Group Ltd Board.

6. **Anti-Fraud Policy**

Mr P. Hillard advised that the draft Anti-Fraud Policy had been presented to the Audit and Risk Committee at its meeting on 2 December 2014. The Committee had fully reviewed both the Policy and the Fraud Response Plan (FRP), as detailed in the minutes of that meeting.

Mr D. McEachran had requested several changes be applied to the FRP prior to submission to the Board for approval. Those changes had now been made and the revised FRP was attached at Appendix 2.

The Committee now recommended the Policy to the Board for approval.

Board thereafter:

- a) noted the Fraud Response Plan;
- b) approved the Anti-Fraud Policy.

7. **Membership of the Association**

After consideration, the Board:

- a) approved the membership of one application as detailed at Appendix 1.

Mr P. Hillard confirmed that it was the aim to streamline the membership as it was felt that many members no longer wished to actively participate.

8. **Corporate Plan Monitor**

Referring to Appendix 2, section B3.1, Mr P. Hillard updated that the Options Appraisal for the Tarryholme site was ongoing, with Arneil Johnson carrying out this process. A full update would be provided at the March 2015 Board meeting.

Regarding section B3.2, Mr Hillard confirmed that the revised Business Case for the proposed constitutional partnership with BHA had been submitted to the SHR for consideration under the new arrangements and therefore BHA would be required to carry out a tenant ballot.

The timetable documented in Appendix 2 had been discussed and agreed with BHA and SHR, with SHR confirming to BHA earlier in the week that they could start the process of consulting with their tenants.

BHA had previously carried out extensive tenant consultation, with the only change to the business case being the governance structure and how many IHA nominees would sit on BHA's Board. Mr Hillard confirmed that SHR had accepted the revised governance structure.

Mr Hillard noted that he would retain responsibility for the constitutional partnership whilst on secondment.

In response to a query from Board regarding the Customer Service Centre, Mrs N. Thom advised that a new Team Leader had been recruited and would be in post within the next few weeks. Interviews had also been held for an additional 2/3 advisors to be based in Irvine.



Referring to Appendix 3, Mr Hillard advised that two additional risks had been added to the Corporate Risk Map after discussion at the Audit and Risk Committee. These risks, Health and Safety KPI's and Caley House, were both high impact but low probability.

Board noted the content of the Corporate Plan Monitor Reports.

9. **Performance Monitoring**

Referring to Appendix 1, Mr P. Hillard advised that the issue with the % stock void KPI was due to the turnover of stock now being much higher. Mr Hillard attributed the increase in stock turnover in part to the decline in the older population and properties being re-let to a more challenging client base who may experience difficulties sustaining their tenancies. Mrs N. Thom noted that the increase in properties available to customers, due to new developments, also made it more difficult to let properties. Mrs Thom felt it may now be appropriate to analyse termination reasons with tenants, noting that all housing providers faced the same problems.

Mr A. West noted the performance in the rent arrears KPI. Mrs Thom confirmed that this period included the two free rent weeks, noting that in comparison to last year's figures of the same period, there had been improvement.

Mr Hillard confirmed that a commitment had been made on all health and safety KPI's and these would be addressed by the end of the year.

Mrs M. Hutchinson provided a brief update on the Income and Expenditure summary noting year end variances. In response to a query from Board, Mrs Hutchinson noted that the surplus at end December figures were greater than that at the end of year due to the Arran properties.

Regarding the Irvine Cash Collection Dashboard at Appendix 6, Mr Hillard advised that table 9 and 10 referred to those affected/not affected by Bedroom Tax, noting that there was a marked difference.

Thereafter, the Board:

- a) noted the Association's performance against the Group's Top Ten KPI's for Group and Local Targets;
- b) noted the Association's performance against the current monthly Performance Review report and Analyse by Division reports;
- c) reviewed and ensured the Association's compliance with the funder's financial covenants;
- d) noted the Group and Irvine Cash Collection Dashboards.

10. **Information Items**

Board noted the following items:

a) **PR & Networking Report**

Mr P. Hillard highlighted that the Association had received Scotland's Best Employer Award 2014, noting this was an exceptional achievement especially as it was out of sector.

Mr Hillard advised that he had participated in the Infrastructure and Capital Investment Committee, with eight other Chief Executive's from the sector.

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

11. **Any Other Business**

- a) In response to a query from Board, Mrs N. Thom confirmed that the AQ Trust continued to apply for grants/national funding to enable it to continue to provide the service. There was still funding available from the Charity Cycle in 2014 and more fundraising opportunities would be undertaken this year. Mrs Thom noted that being able to tap into the Riverside Charity Foundation enabled certain requirements to be met via this route rather than the AQ Trust. Ideally the AQ Trust required a Co-ordinator in post and this would be explored further.

- b) Mr P. Hillard advised that he would ensure that the Grayling report would be issued to Board when received.
- c) Mr A. West took the opportunity to thank Mr Hillard for his service to date, with Board formally recognising the contributions made by Mr Hillard and wishing him all the best for his secondment. Board also congratulated Mrs Thom and wished her well in the post of IMD.

12. **Date of Next Meeting**

Board Meeting – Tuesday 24 March 2015.

P. HILLARD
Secretary
1 February 2015
PH/kom

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