

THE RIVERSIDE GROUP LIMITED

IRVINE HOUSING ASSOCIATION

Two Hundred and Eighth Meeting of the Board held at 5.30p.m. on
Wednesday 25 November 2015 at 44-46 Bank Street, Irvine

Minutes

Present: Mr A. West (In the Chair), Mr N. Alexander, Mr C. Bell, Miss F. Dunlop, Mrs F. Garven, Mrs W. Johnstone, Mr D. McEachran, Mrs J. Murray, Mr B. Sturgeon and Mr J. Wood

In attendance were Mrs N. Thom, Mrs D. Boyle, Mrs M. Hutchinson and Mr D. Thompson

Apologies for Absence

Apologies for absence were received from Miss K. Osborne

Declarations of Interests

There were no declarations of interest.

1. **Minutes of the Last Meeting held on 28 September 2015**

The minutes of the meeting held on 28 September 2015 were approved and signed.

It was agreed that only the decisions detailed at a) to e) of Minute No. 4 would be redacted and be replaced with a brief summary of decisions made excluding commercially sensitive information.

2. **Matters Arising from the Minutes**

a) **Riverside Board Members' Conference (Min2.b))**

The Board commented that although the conference had been down-beat, they felt that it tackled the current issues that the sector

was facing and that strategies to deal with these issues were being considered by Group.

Miss F. Dunlop joined the Meeting.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



3. **Committee Minutes & Policies**

Mrs N. Thom referred to Item 4 of the Audit & Risk Committee minutes and advised that the mediation meeting with 3 owners regarding the Association's right to charge for factoring services had proven useful in order to discuss each parties arguments, however, there had been no resolution to the dispute and the complaint will now be escalated to the Homeowner Panel. The Board noted that the Homeowner Panel will decide upon matters relating to the Property Factors (Scotland) Act 2011 as opposed to the legality of the right of the Association to charge factoring fees. This matter will require to be reviewed via the legal system as part of our debt recovery process.

Mrs Thom advised that the Association had recently taken the 3 highest debtors to the sheriff court to recover payment. These cases had been due to call in court on 27 November 2015. Each of these owners had taken legal advice and 2 of the owners had subsequently paid the outstanding amounts to the Association. The other owner had failed to pay within the specified deadline, but had since advised that they would not defend the action in court and would pay the outstanding amount.

Whilst this was positive news, it still meant that this matter had not been considered by a sheriff court. In order to seek to draw this matter to a conclusion, officers are currently preparing legal debt recovery for additional non payers. It was anticipated that once a sheriff had ruled that payment was due to the Association, the other owners who were with-holding payment would commence making payments for factoring charges.

In response to a query from Board, Mrs M. Hutchinson advised that factoring debt currently equated to circa. £180k.

A discussion then followed on the merits of considering the removal of members, should these owners continue to with-hold this payment following a court ruling on the grounds that this would be detrimental to the Association's objectives. It was noted this matter would require to be considered and approved by the Association's shareholders at a Special General Meeting should this action be considered appropriate by Board.

The Board thereafter noted the draft minutes of the:

- a) Group Housing Services Committee Meeting held on 1 October 2015.
- b) Group Scotland Committee Meeting held 8 October 2015.
- c) Operations Committee Meeting held on 27 October 2015
- d) Audit & Risk Committee Meeting held on 4 November 2015.

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

The Board noted and approved the Annual Return for submission to OSCR and authorised the Interim Managing Director to submit the on-line Return on behalf of Irvine Housing Association.

5. **Risk Map**

The Board noted that the Corporate Plan Monitor Report would recommence being presented for consideration by Board from January 2016, at which point the Risk Map would become an appendix to this paper again.

Mrs N. Thom referred to the Welfare Benefits Reform risk and stated that this was currently the Association's highest risk due to the impact that the implications from the Government's Spending Review would have on tenants' ability to pay their rent. This risk score would be reviewed following analysis of the potential implications.

A discussion followed on the implications of the introduction of direct payments to tenants and how any adverse effects could be mitigated, some of which were dependent on the Scottish Government and the Department for Work and Pensions working together on. Mr J. Wood stated that to date, the implications of direct payments to tenants of Riverside had not been as detrimental as originally envisaged. The Board noted that the Association's staff would pursue all options available to them to minimise the impact of this issue.

The Board noted that the risk scores for the Governance and Board Skills risks were expected to reduce in the New Year following the completion of the Governance Review Action Plan and the implementation of the Board Learning and Development Plan.

Mrs M. Hutchinson referred to the Pensions risk and advised that Group were currently carrying out a review of its liabilities and obligations. The Association would require to consider the findings of this review in line with its own pensions' arrangements.

The Board thereafter considered and noted the content of the Corporate Risk Map.

6. **Performance Management**

Mrs N. Thom referred to the HB Adjusted Arrears KPI, which was currently red, and noted it had reduced from the previous month. In order for the Association to finish the financial year within target £25k arrears has to be recovered each month from January – March 2016. An action plan had been put in place in order to achieve this which includes refocussing some resources in order to tackle the £0-800 arrears. Officers were confident that this target could be met by year end.

The Board noted that despite the Gas Compliance KPI currently showing red, the Association was 100% compliant. This error was due to the anomaly within Promaster which had previously been discussed by Board. Officers continued to seek to resolve this issue.

Mrs Thom stated that in respect of Data Quality an action plan was in place and staff were working additional hours in order to fill in the data gaps currently outstanding in order to seek to achieve the target.

Mrs M. Hutchinson referring to the Monthly Performance Review stated that the income and expenditure statement would detail some significant differences following the reforecast during December. She then highlighted the key variances within the current statement and the reasons for them.

Following a query from Board, Mrs Hutchinson commented that the Association tended to be overly cautious when projecting the Bad Debts overheads. Officials would consider reducing this amount in the next forecast.

In response to a further question from Board, Mrs Hutchinson advised that some contracts had originally been planned to take place during the summer were still to be carried out. She confirmed that these contracts would be carried out by year end and that appropriate resources would be in place in order to manage all of these contracts within this short timescale.

The Board enquired if the backdated service charges for the Bank Street office were a one-off. Mrs Hutchinson confirmed that the Association had previously thought that these charges were included in the office rent, however, this had been found to be incorrect. All future charges would be provided for within the future year's budgets.

Mrs Hutchinson highlighted that the Association was within target for all of its financial covenants and that this was also expected to be the case for the remainder of the financial year.

Thereafter, the Board:

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

7. **Information Items**

The Board noted the following items:

- a) **Chair's Action Procedure**
The Board noted the Chairman's decision to approve the Committee Membership and Chairpersons under Chair's Action Procedure.
- b) **Formal Registers**
The Board noted the entries in, and authorised the Chairman to sign off, the following Registers:
 - Declaration of Interests
 - Fraud and Loss
 - Gifts and Hospitality
 - Grant of Benefit
- c) **Health and Safety**
The Board noted:
 - The Association's current position with regard to the key Group Health and Safety risk areas, and compliance with the Health and Safety KPI
 - The staff Health and Safety training carried out in the period 1 April 2015 - 30 September 2015
 - The Staff and Contractor Accident / Incident statistics for the period 1 April – 30 September 2015
 - The safety inspections for the period 1 April 2015 – 30 September 2015

- 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 in the period 1 April 2015 – 30 September 2015
- The current position with the Association's Risk / COSHH Assessments
- The current audit position with regard to the Association's health and safety arrangements.

d) PR & Networking Report

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

8. **Any Other Business**

a) Community Development

Mrs F. Garven offered any advice she could give in relation to community development opportunities. Mrs Thom stated that could prove useful given that the Association's Corporate Plan Implementation Plan identified actions to link with local authorities in the development of their Neighbourhood Plans.

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[REDACTED]

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9. **Date of Next Meeting**

Board Meeting – 5.30 p.m. on Thursday 28 January 2016, 44-46 Bank Street, Irvine.

N. Thom
Interim Secretary
26 November 2015
NT/db

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■ = This section of text has been subject to redaction prior to the publication of minutes on the website.