

## **THE RIVERSIDE GROUP LIMITED**

### **IRVINE HOUSING ASSOCIATION**

Special Meeting of the Board held at 5.30. p. m. on Tuesday 9 June 2020 by  
Blue Jeans video conference

#### **Minutes**

Present: Mr D. McEachran (In the Chair), Mrs M. Burgess, Mrs M. Crearie, Mr G. Darroch, Mr C. Donohue, Mrs J. Galbraith, Mr R. Hill, Mrs C. McGuinness and Mrs J. Murray.

In attendance were Mr P. Hillard and Mrs D. Boyle.

#### Apologies for Absence

Apologies for absence were received from Mr C. Bell and Mr D. Thornton.

#### Declarations of Interests

None.

#### 1. **Proposed Rule Changes**

Mr P. Hillard gave a presentation highlighting the main changes being proposed to the Association's Rules. The Board noted that there were 3 drivers for the Rules being changed:

- To remove the 'requirement' for tenant Board members from the Rules
- To align with the 2020 Scottish Federation of Housing Associations Model Rules
- To make the wording of the Rules gender neutral

Referring to Rule 11a), the Board enquired on the rationale for changing the age of those not tenants from 18 to 16 to be eligible for membership. Mrs D. Boyle advised this change was proposed in order to align with the SFHA's Model Rules. After discussion the Board agreed they were content with the amendment. The Board noted that members had to reach the age of 18 to be considered for Board Membership.

Mr Hillard highlighted that at Rule 13e), members would be able to transfer their share or its value to someone they nominated following their death. This change, again, was to align with the SFHA Model Rules. Following a query from the Board, Mr Hillard confirmed that the value of a share was £1 and they had to advise the Association in advance of this nomination. The Board enquired if it was possible for multiple members to transfer their share to the same person. Mr Hillard undertook to check this point with the Association's solicitors and come back to the Board.

The Board referred to Rules 18 d) and g) and enquired if market rates would be applied if ever lending to the Parent. Ms C. McGuinness advised that in the unlikely incidence of this happening, it would be on the basis of the most beneficial use of cash for all involved, the same principle which was used when Group lend to the Association. After discussion, it was confirmed that any of these lending circumstances would always require Board approval. Mr Hillard confirmed that this was another change which had been proposed in order to align with the Model Rules.

Mr Hillard highlighted the changes proposed in relation to proxy voting where this would now count towards a quorum and the ballot voting for the Board Member elections if there were more members standing for election than there were vacancies at Rules 24 and 28 respectively.

Referring to Rule 40, Mr Hillard stated that if approved, Annual General Meeting (AGM) notifications would now be sent out 28 days in advance of the meeting with appropriate nomination paperwork. Any Board nominations would require to be returned within 21 days which would allow Board consideration of all nominations received in advance of the AGM. Board were able to reject a nomination in line with 3 criteria of which 75% of the Board would require to agree on. Mr Hillard advised that this strengthened the current process allowed for in the Rules and was in line with the Model Rules. The Board noted that time would require to be built into the new process which allowed appropriate Board consideration of any Board Member nominations received.

Mr Hillard reported that Rule 35 allowed the arrangements for attendance and voting at general meetings to be determined by the Board. This permitted more modern, flexible methods of participation at meetings. Mr Hillard highlighted that if approved, this new power could be used at all meetings after the Special General Meeting which would be called to approve the proposed Rule Changes.

The Board referred to Rule 37 and clarified that the rule change would not preclude the recruitment of tenants to the Board. Mr Hillard advised that it would not. A tenant perspective was a skill set that the Association would promote and seek to have on its Board. It was proposed to remove the reference from the Rules, however, the appropriate

governance policy would give the strong message that the Association wanted tenants actively involved in the strategic decision-making of the organisation.

The Board enquired on the arrangements for the sign-up to the Code of Conduct for Board and Committee. Mr Hillard confirmed that this would require to be signed directly after election at the AGM in order for the new Board Member to join their first Board Meeting. The Code would be issued in advance of any election to ensure new Board Members were aware of its contents prior to signing-up.

Referring to Rule 78b), the Board requested that issues such as understanding the source of funding and verification of a legitimate business, agreed giving and receiving monetary limits and clarity on use of donations were incorporated into any new policies and procedures created in relation to the gift and receipt of donations. This was agreed.

The Board requested the following amendments be made to the proposed Rules:

- Second line of Rule 37i) to read "... the best interests of the Association and its tenants and will not place any personal or ...".
- Ninth line of Rule 40b) to read "...A member cannot nominate or second himself / herself for .....".

Mr Hillard then outlined the process, subject to Board approval, for gaining approval of the Rule Changes from Group, the membership and the Financial Conduct Authority in order for them to become valid for use.

After full consideration, the Board thereafter:

- a) approved the proposed changes to the Rules, and
- b) instructed the Managing Director to seek the written approval of the proposed changes from Group, and
- c) subject to written consent being provided by Group, instructed the Company Secretary to call a Special General Meeting of the Association to allow the Association's membership to consider the proposed Rule Changes when the current Covid-19 restrictions allowed this to happen.

## 2. **Any Other Business**

### a) **Annual Return on the Charter Submission**

Mr Hillard referred to a reporting anomaly in relation to some figures at the C1 indicator of the Association's ARC submission which had been approved at the May 2020 Board Meeting, where the staff head count number had been used rather than the full time equivalent in

calculations. Mr Hillard highlighted the changes that were therefore required to the number of staff employed, staff turnover and absence %.

Mr Hillard advised that processes were being altered in relation to the verification of Returns to ensure there was no repeat of this error.

The Board thereafter approved the amended ARC submission to the Scottish Housing Regulator.

3. **Date of Next Meeting**

Board Meeting – 5.30 p.m. on Thursday 2 July 2020, 44-46 Bank Street, Irvine.

P. HILLARD  
Secretary  
10 June 2020  
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