

THE RIVERSIDE GROUP LIMITED

Riverside North Divisional Meeting Held at 4.00pm on
Thursday 17 March 2016 at Riverside Offices
Unit 6 Staithes, The Watermark, Gateshead, NE11 9SN

Minutes

Present: Mr D Warneford (Chair) Mrs D Pearce, Mr L Middleton, Mr S Ward and via video conference: Mr C Leavy, Mr B Barkworth, Mr P Rice, Mr A Gladwin

In attendance: C. Mitchell (via vc), S. Aldred, K. Doran and C. Hodgson

Apologies for absence

Apologies were received from Miss S Trueman and Mr P Clark. Mr M Pearson was on route to meeting but had to turn back due to traffic conditions.

The Chair, on behalf of the group, welcomed new Tenant Board member Lee Middleton to his first North Divisional Board meeting.

Declarations of Interest

None

158 Minutes of the last Divisional Board Meeting held 21 January 2016 Action

The minutes of the last meeting were agreed as a true record.

159 Matters Arising

There were no matters arising from previous minutes.

160 Financial Performance Report

The Board noted the contents of the financial performance report for period April 2015 - January 2016. The following points were discussed:

- a. SA reported that we are in a similar position to last year, the year to date operating margin of 38.9% falls just short of the target of 39.9% by 1.0%.
- b. Some of the major variances in the year to date include a reduction in rental income due to late handover of new build properties, and an increased number of policy voids.
- c. There was an overspend on responsive repairs, due to exclusions in the Greater Manchester Evolve contract, which changed to SOR pricing on 17th November.
- d. There was additional void repairs expenditure to bring major voids in Greater Manchester back into use. SA advised that the void budget next year is particularly challenging, reporting that the housing team are to get a small budget for enhancements to be used if necessary to secure lettings.
- e. A member queried the variance in rental income for student accommodation, SA advised that the building has been re-designated and is to be let as general needs once the remaining students have vacated.

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- f. A member also queried training and travel contained within the overhead budget which is showing as above budget and asked if this was due to the extended geography. SA confirmed that travel costs had increased and alternative means of arranging meetings were being encouraged in response.
- g. SA confirmed that the contracts for the 37 properties being transferred to Salix Homes were exchanged yesterday with a view to complete by end of the week.
- h. The full year budget predicted a total of 10 RTB sales (4 in North Bransholme and 6 in Greater Manchester), along with 99 other disposals across Tyne Tees Wear and Greater Manchester, a mix of outright sales and transfers to other Registered Providers (RPs). SA confirmed that the property and disposal team worked with local staff to produce the disposal list.

161 Business Plan Update

The Board noted the contents of the Business Plan for 2016-21. The following points were discussed:

- a. A variety of cost saving and income generating proposals were formulated by Riverside to help achieve the required operating margin following the announcement of the 1% rent reduction, which required all Registered Provider's (RP's) to submit revised Business Plans taking into account the effects. Some of the proposals included the service charge maximisation and stock acquisition/disposal.
- b. The formulation of the new Business Plan for 2016/17 onwards is based on Year 2 of the revised October 2015 plan and has been updated at a Group level for the anticipated effects of the broad cost saving measures. In particular a thorough revision of repairs and maintenance costs has been carried out to consistently take account of the MoT process, void cost reduction programme and an additional focus on "compliance" costs.
- c. The void rate has been reduced from 0.67% to 0.5% to reflect recent performance.
- d. The recovery of grounds maintenance costs at North Bransholme has been included together with the revised costs of the new Your Place service in Greater Manchester.
- e. SA reported that the overall group business plan was approved yesterday by the Group and they now need to produce a Divisional plan for the May Board meeting.

162 Divisional Director's Report

The Board noted the contents of the Director's report and;

- a. Approved the recommendation of Mr Lee Middleton to the GRC for formal appointment to the Riverside North Divisional Board at the GRC meeting to be held on 21 April 2016.

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The following points were also noted:

- b. SW informed the Board that the Hull City Council leader has now signed off the proposals for dissolution of the North Bransholme Area Board (NBAB), which was now being completed by legal teams.
- c. SW confirmed that the original Head Lease for the Open Arms premises, which is still owned by Manchester City Council, in favour of CE has now expired, and will need to be renewed before the consequent sub-lease from CE to Riverside can be executed.
- d. Interviews for the TBM position took place on 10 February Mr Ray Hogben was unsuccessful in his application. The Group agreed with the recommendation by the Director to write to Mr Hogben on their behalf to thank him for "stepping into the breach" as interim TBM and therefore noted his retirement from the Divisional board as of 9 March. **SW**
- e. SW confirmed that Riverside Cumbria and Riverside North would be the new combined region post TOM.
- f. SW announced that following the recent review of the CE/RI activities the 2 North Division staff members were successful in their CE Team leader posts and will be supported by the CE officers located in Carlisle.
- g. SW discussed potential themes for the upcoming Board Away day scheduled for 26 May. Everyone was happy with the suggestion from SW on Rural Housing solutions.
- h. SW briefly announced the results from the Best Companies survey. In summary the North results are excellent and achieved a One Star score (classed as very good), we also had an 89% response rate for completion. Everyone agreed this was an excellent result. SW confirmed he would bring results to meeting in May for a more detailed discussion. **SW**
- i. SW delivered a presentation on the Governance Review Sounding Board proposal produced by Paul Hillard. The results of the survey recently conducted by Campbell Tickell and completed by all board members, have assisted with the development of this proposal. Some items highlighted in the presentation included the national and regional approaches, Paul's view of the executive team, proposals for the Housing Services Committee (HSC) including responsibilities, membership, and customer involvement as well as key risks and transitional arrangements. All consultations should be complete by end April 2016 then the work on the detailed Governance Framework will commence thereafter.
- j. The Chair asked for any comments, a member commented that it was a logical follow through for One Riverside as well as making efficient savings.
- k. The Chair noted that the Board were broadly in favour of the sounding board proposals.
- l. SW confirmed that PH would be happy to answer any questions directly.
- m. CH to forward email including presentation received from Paul Hillard to all Board members. **CH**

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163 Operational Reports

163.1 Operations Report

The Board noted the contents of the Operations Report which included an update on Monthly Performance KPIs, income collection dashboard, legal action summary and community projects update. The following points were discussed:

- a. CM updated the group on the recent KPI's. Re-lets is still showing a strong performance at 15.1 days. Data quality has shown an improved performance over the last couple months and is now at amber 98.45%. New tenancy remains consistent at 96.85%. Call backs is currently amber at 85.10% CM confirmed he has spoken to all managers to put some further safeguards in place and ensure we keep on top of these.
- b. HB arrears stands at 4.14% which has shown some improvements, CM advised that we have been trying to release some time from the income team by sending BLM solicitors to court hearings in their place, this has allowed the income team to concentrate on chasing debt. There have been 93 court hearings since January.
- c. CM advised that the Income Collection team are not giving up on the arrears target, which is likely to be an amber year end position.
- d. A member commented that for arrears/possession cases it looks like we are starting to see a reduction in the number of the higher debt issues, CM confirmed he was happy to do a comparison on evictions for the past year at the next board meeting.
- e. Members commented that it was good to see that previous issues with first tenancy visits are now resolved.
- f. Some of the community regeneration activities discussed for the past year to date included:
 - Affordable warmth where a total of 140 people were supported with a total of £22,384.62 net benefit to tenants and £20,216 cash gains obtained through trust fund applications etc.
 - The employment and training team managed to get 51 people into work and 101 into training/education.
 - Financial inclusion - Riverside have signed up as one of the local partners to the Moneysmart awareness campaign, to help to promote the savings and health benefits that can be made by making just a few small changes to everyday lifestyles
 - Volunteering at foodbanks in the Hull and Gateshead areas.
- g. Work began on the Re-lets Scrutiny exercise throughout the month of February with Scrutineers from around the North Division taking part in joint

CM

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Void Inspections with Riverside and Evolve staff. The Panel will be meeting at the end of March to collate the results of the scrutiny exercises and will produce a report for the May Board meeting if available.

- h. SW confirmed that we now have a new apprentice in the income collection team who is local to North Branshome office.
- i. The board agreed there were some interesting and positive projects in the pipeline.

163.2 Asset Management Report

The Board approved

- a. The disposal of 159 Hampstead Road, Benwell which is being placed on the open market.

The Board also noted the contents of the Asset Management Report. The following points were discussed:

- b. KD updated the board on the performance and relevant activities of the Asset Management department for 1 April – 31 January 2016.
- c. KD confirmed that Riverside North will hit target with gas compliance, the outstanding items are in relation to items not being uploaded to academy in time.
- d. A member queried the stock voids and the difference in the cost of Manchester's which is higher compared to the other 2 regions and asked if it was down to MOT's starting in that area. KD confirmed that it is a combination of factors, however the MOT cost is less than it is in Cumbria. Costs are starting to fall in Manchester due to the hard work being put in.
- e. A member asked whether less has been spent on stock in Manchester in general, KD advised that at the time of the stock transfer there wasn't a massive investment on kitchens and bathrooms.
- f. In the Greater Manchester area the large roofing, boiler and fencing programmes remain on target to be delivered before year end along with the kitchen and bathroom programmes.
- g. Next year's roofing programme/allowance will be top-sliced for some ad-hoc re-roofs, which have been revealed through day to day repairs or inspection.

164 Development Report

The Board approved the pipeline programme set out in table 2 of the report in terms of complying with the strategic priorities of both the Division and Group.

The Board also noted the contents of the Development Report and the progress of current schemes listed in table 1. The following points were also discussed:

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- a. SW updated the group on one of the pipeline schemes at Congleton, Cheshire East which is a mixed tenure scheme of 84 units. SW informed the group that Riverside is Cheshire East's preferred development partner.
- b. A member asked about the return to Riverside in the Land Pooling Agreement at Langley. SW agreed to follow this up and advise the Board in due course.
- c. Members noted the excellent work of the regeneration team evidenced in the report.

SW

165 Any Other Business

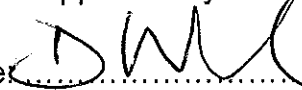
- a. SW asked the Board for their thoughts on how successful they thought the video conferencing trial has gone. Some members would still prefer face to meetings, however it was agreed that we need to be mindful of costs so a suggestion was made to still meet occasionally but continue using VC also.

166 Date and Time of Next Meeting

The next Riverside North Divisional Board Meeting will be held on **Thursday 26 May** and will co-inside with the Board Away Day.

Meeting will be held at Riverside Gateshead Office, Unit 6 Staithes, The Watermark, Gateshead, NE11 9SN. Further details to be announced nearer the time.

Signed and Approved by Chair

Signature: 

Date: 26.5.16

Papers shown as an Appendix to the Minutes

Minute Numbers

- 158 – Minutes of Divisional Board meeting held 21 January 2016
- 160 – Financial Performance Report
- 161 – Business Plan Report
- 162 – Divisional Director's Report
- 163 – Operational Reports
 - 163.1 – Operations Report
 - 163.2 – Asset Management Report
- 163 – Development Report

File Reference: M:\Admin\Board Meetings\Minutes and Agendas\Minutes\2016\2016.03.17 Riverside North Divisional Board Minutes