

## THE RIVERSIDE GROUP LIMITED

### A meeting of the Board of Riverside Cumbria was held at 4:00pm on Thursday 16 June 2016 at English Gate Plaza, Carlisle

#### Minutes (unconfirmed)

**Present** M Little (Chair), J Bainbridge, A Bishop, D Butterworth, C Carre, J Franklin, P Harkness, W Macfarlane and S Powell.

In attendance were G Brough, K Doran, E Mallinson, S Kellock, S Taylor-Gage, A Graham, L Gaddes (minutes).

#### **Apologies**

##### 670 Apologies for Absence

670.1 The Chair informed the Board that the Governance and Remuneration Committee (GRC) had approved the appointment of S Powell as new Chair of the Cumbria Divisional Board with effect from the date of 17 June 2016.

670.2 It was noted that Elizabeth Mallinson was returning to the Divisional Board as a council nominee. The Chair recommended the appointment of Councillor Elizabeth Mallinson to fill the Council nominee vacancy which had arisen for representation on our Board. It was noted that Carlisle City Council had advised Riverside of their nominees. The Board agreed to recommend the new appointment as a Board Member of Riverside Cumbria Divisional Board, to the next Governance and Remuneration Committee (GRC).

##### 671 Declarations of Interest

671.1 No declarations of interest were received.

##### 672 Minutes of the last meeting held on 31 March 2016

672.1 The minutes of the last meeting held on 31 March 2016 were approved for signing.

##### 673 Matters Arising from the Minutes

673.1 Min 664.4 Asset Management – Delays in issuing handheld devices and cost of boilers: Board members asked for an update on the delays with issuing handheld devices to operatives and clarification on the cost of boilers. D Butterworth advised that the handheld devices had now been issued to all operatives and configured for new lone worker system. K Doran advised that the £2800 per boiler quoted in the previous report was not only like for like swaps the cost

would include the additional works for changing from one type of heating system to another.

- 673.2 Min 658.1.7 Divisional Directors Report – Governance Review discussions with Carlisle City Council: D Butterworth advised Board members that Colin Glover and Jason Gooding from CCC were visiting Liverpool on 20 June to meet with Carol Matthews. He added that he would be able to update the Board on any progress after these discussions. D Butterworth
- 673.3 Min 657.5 Matters Arising from the Minutes – First time fix performance: D Butterworth advised that due to P Birks leaving Riverside it had not been possible to complete a full breakdown of first time fix performance. He advised that Diane Hill would be picking up this outstanding action with information to be presented to the September Board meeting. D Hill
- 673.4 Min 664.3 Asset Management – MOTs resulting in reduction of number or value of repairs: K Doran advised that the initial indications show that following a MOT the cost per repair and number of repairs is coming down. She added the caveat there was only two months data so far.
- 674 Divisional Directors Report
- 674.1 D Butterworth took the Board through the report and highlighted current issues of interest including; Ged Caig, TOM and the Governance Review updates, Careline, Attendance at work, Floods and Corporate Plan.
- 674.2 D Butterworth shared the sad news of the passing of Ged Caig a friend and colleague and thanked him for his contribution to the Board. He sent his sincere condolences to Ged's wife and two sons. Board members added their condolences.
- E Mallinson joined the meeting.
- 674.3 D Butterworth advised that there was no formal TOM update as design workshops have been taking place to redesign services and create staffing structures this process will conclude by the end of June. Staff affected by the changes will then be leaving there is no further information at present. He added that P Birks' departure is a clear example of making decisions when required and managing duplication as part of rolling out the National Evolve model. D Butterworth thanked Pam for her sterling performance over ten years and wished her good luck for the future, Board members added their best wishes.

- 674.3.1 It was noted that the recommendations for the governance model had been accepted so a move will be made from a Divisional to National governance structure. The terms of reference for the new governance arrangements are out for consultation with Directors and Divisional Chairs.
- 674.3.2 D Butterworth advised that it appears that the move towards a Regional structure will happen in October therefore it is expected that the next meeting in September will be this Division's last meeting. Additional details will be provide when available. Board members advised that they were not surprised by this as it had been expected for some time.
- 674.3.3 D Butterworth advised that a unilateral decision to end our Divisional Board could not be made as discussions with CCC are needed to make an amendment to the constitution which will need to be signed off by both parties. It was noted that although the Housing and Planning Act is relevant at this time the element referring to council representative on boards of governance of stock transfers had not yet been enacted. D Butterworth added that if an agreement cannot be reached Riverside would have to continue as planned and CCC would need to take legal advice.
- 674.3.4 Changes with customer and stakeholder engagement were discussed including the roll out of new mechanisms through agile front line workers, national and local scrutiny and neighbourhood plans.
- 674.3.5 It was noted that the Neighbourhood Services Committee will be appointed to on skills and competency rather than geography and there is a chance there will be no Cumbria voice. D Butterworth encourage Board members to apply and represent local Cumbrian views.
- 674.4 D Butterworth advised that following the formal ending of Careline the call handling service has been transferred to Helpline and the home response service being developed by Eden Independent Living. Through challenging times the outcome for service users has been receiving the service they deserve. He thanked all staff who have worked for Riverside and provided this service to the most vulnerable people.
- 674.5 It was noted that the target for staff attendance of 97% was not achieved during 2015-16 due to the impact of the floods and pre TOM downsizing it is expected that the target will be met this year. Feedback relating to the effect of the TOM has been given to Carol Matthews as we have to be aware of this risk to staff attendance.

- 674.6 D Butterworth thanked all staff and partners for the assistance given to those affected by the floods. Now over six months later, customers are getting back in their homes.
- 674.6.1 Board members asked whether flooded properties which are empty are being looked at for disposal. G Brough advised that the five vacant flooded properties where customers have decide to stay elsewhere have been repaired and advertised for let, there is interest in these properties. It was noted that work to the effected properties has been completed to a high standard to avoid future issues. D Butterworth added that costs have been covered by insurance this time however those properties with an increased risk of future flooding may need to be looked at for disposal.
- 674.6.2 It was noted that tenant's contents insurance will still be offered to flood affected customers at the same price as before.
- 674.6.3 K Doran confirmed that Riverside did not qualify for government monies however our insurance has covered additional works to assist with future flood prevention.
- 674.7 D Butterworth advised the Board that we were in the third and final year of the Riverside Group Corporate Plan.
- 674.8 Board Members noted the content of the report and were asked to raise any issues/questions which will be fed back to the Group Board.
- 675 Year End Review 2015/16
- 675.1 **Performance**
- 675.1.1 S Taylor-Gage took the Board through the report and highlighted that the Division had achieved nine out of ten KPIs during 2015/16.
- 675.1.2 Board members congratulated the Division on this performance achievement especially in regards exceeding target and achieving the three cash leakage indicators; % stock void, relet period and arrears.
- 675.1.3 Board members asked why there had been a dip in Former Tenant Arrears (FTA) levels at week 39. It was noted that the Division had no information about this as the central team is responsible for FTAs, although it is expected that this is a result of a bad debt write off. D Butterworth agreed to provide the Board with a full review of arrears at September's meeting. D Butterworth

675.1.4 Board members noted performance achieved by the Division during 2015/16.

## 675.2 **Financial**

675.2.1 S Kellock took the Board through the report and confirmed that the repairs and maintenance spend that was reducing included day to day repairs.

675.2.2 Board members asked what was included in the 45% spend referred to as central costs & reinvestment. It was noted that this spend related to investment into other areas of group including development both in Cumbria and throughout the Group and public realm bids which Cumbria has been able to benefit from.

675.2.3 It was noted that the pre TOM staffing costs had been met through a central budget, Board members asked whether this arrangement would continue. S Kellock confirmed that staff redundancy costs etc. as a result of the TOM will continue to be met by the central budget.

675.2.4 D Butterworth thanked S Kellock and budget holders for their management of budgets in achieving the better than budget operating margin of 49%.

675.2.5 S Kellock agreed to provide an update on delays with getting money back for 'lost' rent from Lovells to the Board at their September meeting. S Kellock

675.2.6 Board members queried whether there were outstanding issues with the painting contract. K Doran advised that all issues had been resolved and asked Board members to provide her with details of any outstanding problems. D Butterworth advised that the Asset Management report to September's meeting should include a summary of the painting complaints and what we have done to resolve them. K Doran

675.2.7 K Doran advised she was unsure whether it was AW Byrne or A Bagnalls who were delivering the painting contract in Cumbria. K Doran agreed to check and confirm with Board members via email who holds the painting contract for properties within Cumbria. K Doran

675.2.8 Board members noted the content of the report.

## 675.3 **Asset Management**

675.3.1 K Doran took the Board through the report and highlighted that in regards to the option agreement for 82 Castlerigg Drive it was not made clear that if the decision is made to release

the covenant then we would need to be paid for this, Jayne Grant will claim a proportion back of the increased valuation.

- 675.3.2 Board members highlighted a dip in P1 and appointable response targets and asked why this had occurred. It was noted that this was likely as a result of the pre TOM staffing changes in Property Services. D Butterworth agreed to ask Diane Hill to explain this dip in performance to the September Board meeting. D  
Butterworth  
/ D Hill
- 675.3.3 The Board asked about void levels for the proposed acquisition of 32 units in Raffles. K Doran responded that it was not known at present however it can be guessed that some will be void. G Brough added that properties in this area are not difficult to let. It was noted that this possible acquisition had come back up and it could be at least 12 months before fruition.
- 675.3.4 It was noted that there was an error in the report in reference to the target of 25% of the Divisions stock who would receive MOTs being only 795. K Doran advised that this figure should have advised that 795 was the full MOTs required excluding voids where a mini MOTs takes place which accounts for approximately 600 per year. When added together this equates to 25% of total stock.
- 675.3.5 Board members advised that feedback they had received was that the MOT open day to tell tenants about MOTs was well received and encouraged for more to take place. K Doran thanked for feedback and agreed to pass on to her team.
- 675.3.6 Board members noted the content of the report.
- 675.3.7 The Board approved the disposal of: K Doran
- Land at 13 Rye Close
  - Shady Grove Road
  - 82 Castlerigg Drive
- 675.4 **Customer Feedback**
- 675.4.1 S Taylor-Gage took the Board through the report and highlighted there had been a larger increase in customer complaints due to change in the definition. This change has included the addition of chasers, which are automatically upheld prior to investigation, for repairs when an operative does not turn up or the repair problem reoccurs. Steps are being taken to performance manage when poor workmanship occurs in order to get the job right first time.

- 675.4.2 D Butterworth advised we currently have single skilled operatives and need to move towards multi skilled operatives in the future. He added that the Division has 12-18 months to get Property Services to reflect the Evolve model. He added that our completions per day per operative 1.2 are nowhere near the average of 4. It was agreed that there would be a report to the September Board on this topic. D Butterworth / Diane Hill
- 675.4.3 K Doran advised that during MOTs in Manchester an operative is visiting properties with Asset Officers to complete required repairs. The Asset Management Team is looking to roll this approach out in Cumbria.
- 675.4.4 The Board noted the content of the report and actions to be taken.
- 675.5 **Cumbria Divisional Corporate Plan**
- 675.5.1 S Taylor-Gage took the Board through the report and highlighted that other than one amber objective relating to staff attendance and some changes to development plans all objectives from year two had been completed.
- 675.5.2 It was noted that due to the service coming to an end there were no information on the Livetime project to report.
- 675.5.3 The Board noted the Divisional achievements during 2015/16.
- 675.6 D Butterworth advised that looking back on 2015/16 though the previous reports he wished to thank staff and others in Group for completing this excellent work and achieving this level of success.
- 676 Top Ten Key Performance Indicators (KPIs)
- 676.1 S Taylor-Gage took the Board through the report and highlighted that although the target was to achieve 10 out of 10 targets, she did have a feeling that customer experience was not going to be met.
- 676.2 D Butterworth advised it was his aspiration for the Division to achieve 10 out of 10 targets and would not want to start with anything less. It was noted that customer experience performance within our Division was doing better than other areas and is shown as amber as it is currently better than last year's performance.
- 676.3 It was noted that performance targets are currently based on Divisions which will need to change and introduce regional targets. D Butterworth added that the situation was very fluid

and will allow Riverside to look more intelligently at objectives as the regional structures are implemented.

676.4 Board members noted targets for 2016/17.

677 Management Accounts

677.1 S Kellock took the Board through the report and highlighted that a budget forecast had been submitted today which already showed an improvement on the budget at this early stage.

677.2 Board members asked whether the savings made with the safe, clean and clear approach to voids was pushing the spend somewhere else. K Doran advised this was not the case as the savings are being made with aesthetics which are not being removed/replaced such as carpets and bathroom furnishings, the savings are not through repairs. A separate incentive budget is also available for allocations to use for hard to let properties.

677.3 The Board asked what the Wolseley cost referred to. S Kellock explained that the fees referred to an arrangement which was made during contract negotiations. The idea was to channel spend from other parts of the Group through our contract with Wolseley and the fee would have been waived. Due to staff changes within the Property Services team plans did not come into fruition and we have had to pay the fees. It was noted that the Wolseley contract is being reviewed plus Evolve have a different contract with Wolseley so it is expected that these fees will drop off.

677.4 The Board noted the contents of the Management Accounts for the two months to 31 May 2016.

678 Performance Update – May 2016

678.1 S Taylor-Gage took the Board through the report.

678.2 Board members noted that performance in moving in a positive direction. D Butterworth highlighted that void relet time was 36 days last year and is currently 18 days against a target of 24.

678.3 The week 8 Cash Collection Dashboard was received by Board members.

678.4 Board members noted the actions planned to ensure targets are met by 31 March 2017.



679 Corporate Plan 2016/17

- 679.1 S Taylor-Gage took the Board through the report and highlighted that the key activities focuses on business as usual although it is not clear what will be the focus after October.
- 679.2 The Chair highlighted that the key was getting the basics right and generally speaking this is what has been achieved through a positive move in performance.
- 679.3 Board members approved the objectives for 2016/17.

680 Divisional Risk Mitigation Plan

- 680.1 D Butterworth took the Board through the report and highlighted that to avoid duplication with Group the high level risks had been taken out of the local risk map to enable focus on local risks.
- 680.2 It was noted that adverse local publicity, flood management and business as usual activities adversely impacted by the TOM were the risks which had been added to the local risk map.
- 680.3 Board members queried why welfare reform which is a local issue had been removed from the local risk map. D Butterworth advised that although there is a local impact of welfare reform and the approach is being driven from a local point the risk remains with group. He added that locally there are low levels of Universal Credit this is expected to increase in the next 12 months.
- 680.4 Board Members discussed and approved the revised Divisional Risk Mitigation Plan.
- 680.5 The Board noted the Group Risk Map for information.
- 680.6 It was noted that a further review of the Divisional Risk framework is brought to the November 2016 Divisional Board.

681 Development Programme Update

- 681.1 D Butterworth took the Board through the report.
- 681.2 The Board queried the application of HCA space standards to the pipeline schemes. D Butterworth advised that the space standards only apply to section 106 schemes not to private developer. Riverside makes every effort to negotiate on room sizes with developers but in some cases this is not always possible. It was noted that although room sizes for some our

developments are smaller than we would have like the demand is high and there is a waiting list for the new properties. S Taylor-Gage advised that there had been a lengthy discussion at Management Team regarding space and development opportunities being limited.

681.3 D Butterworth highlighted that part of the discussion with Carlisle City Council was the need for land to build to our space standards otherwise we are dependent on section 106. We also need to have these discussions with Cumbria County Council as most pockets of land we could develop belong to them.

681.4 The Board noted the progress of the current development schemes.

681.5 The Board approved the pipeline programme in terms of complying with the strategic priorities of both the Division and Group.

#### 682 Board Scrutiny Of Evictions

682.1 G Brough took the Board through the report and highlighted that following changes with the judges in Carlisle we were now starting to find decisive court orders being granted earlier. This includes the outright order on line 16 for a single male with arrears of less than £1000. GB added that this case is a Universal Credit claimant with the law centre appealing on his behalf.

682.2 Board members expressed concerns that some of the arrears cases looked like working families. G Brough advised that some working families are struggling to pay rent including their bedroom tax payments due to irregular income as a result of being on zero hours contracts.

682.3 The Board felt it was encouraging that the number of completed evictions was continuing to reduce significantly.

682.4 The Board reviewed the report and provided the authority required to proceed with eviction.

#### 683 Items for Information

- 683.1 Board Members noted the following items:
- a Housing Services Committee Minutes of 14.04.16.
  - b Group Board Headlines – February 2016.

684 Any Other Business

684.1 D Butterworth advised that following a discussion with S Powell this afternoon it had been agreed to change plans for the Board Away Day on 8 July to a half day. More information will be coming out about this event shortly.

684.2 It was noted that this was Mike Little's last meeting following nine years of service as Chair of our Divisional Board. D Butterworth thanked Mike for his excellent contribution to Riverside both locally and nationally and added a personal thanks for the support and mentoring Mike had given to him. D Butterworth formally invited Board members to say goodbye to Mike for an evening meal on 13 July.

684.3 D Butterworth presented a bouquet of flowers to Mike for his wife to thank her for allowing Mike to commit his time to Riverside over the last nine years.

684.4 Mike responded that he was delighted to have served beginning with Carlisle Housing Association and moving on to Riverside. Thought all he has been involved in he has focused on tenants and getting the business right seeing social justice as our responsibility. Mike added thanks to all Board colleagues who had come and gone, all Riverside colleagues delivering the performance and to the Divisional MTeam doing the hard work, of producing papers and responding positively to questions and challenges. He ended by thanking all current Board colleagues for their support.

685 Date and Time of Next Meeting

685.1 The next meeting was set for 4:00pm on Thursday 22 September 2016.