

## THE RIVERSIDE GROUP LIMITED

### A meeting of the Board of Riverside Cumbria was held at 4:00pm on Thursday 18 June 2015 at English Gate Plaza, Carlisle

#### Minutes

**Present** M Little (Chair), J Bainbridge, A Bishop (via VC), C Carre, D Butterworth, P Harkness, E Mallinson, S Powell.

In attendance were G Brough, K Doran, S Kellock, P Taylor, S Taylor-Gage, L Gaddes (minutes).

**Apologies** G Caig, J Franklin and S Layden.

#### 584 Apologies for Absence

584.1 Apologies for absence were received from G Caig, J Franklin and S Layden.

584.2 The Chair advised Board members that this was E Mallinson's last meeting as a Co-optee Board Member on the Cumbria Divisional Board. He advised that he would be saying a few words to thank Liz for her contribution at the end of the meeting.

584.3 It was noted that this year's Riverside Board Members Conference will take place on Thursday 15th October 2015 at the Edwardian Radisson Blu Hotel in Manchester. The Chair asked Board members to let Laura know whether they were available to attend.

584.4 The Chair advised that the Divisional Board away day will take place on 3<sup>rd</sup> July at the Hallmark Hotel between 10am and 4pm. He added that he hoped all Board members would be able to attend.

#### 585 Declarations of Interest

585.1 No declarations of interest were received.

#### 586 Minutes of the last meeting held on 9 April 2015

586.1 The minutes of the meeting held on 9 April 2015 were approved for signing.

#### 587 Matters Arising from the Minutes

587.1 Minute 570.1 Matters Arising from the Minutes - Positive press release on the work of the Divisional Scrutiny Panel: Board members asked for an update on the planned press release. D Butterworth advised that at the upcoming joint meeting producing a press release would be discussed with the Scrutiny Panel members.

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Butterworth

- 587.2 Minute 576.2 Board Scrutiny of Evictions – Additional information on outright orders requested: G Brough advised Board members that for the outright orders included in the previous meeting’s evictions report none were for vacant / abandoned properties all were traditional evictions.
- 587.3 Minute 576.3 Board Scrutiny of Evictions – Request for amendment to spreadsheet to include Universal Credit information: P Taylor advised that feedback had been given to Group in regards to amending the report spreadsheet to include a column showing the amount of Universal Credit. He added that more information would be shared on Universal Credit later in the meeting.
- 587.4 Minute 580.2 Performance Update – Top 10 KPIs for 2014/15: D Butterworth advised the Board that to celebrate the performance achieved within the Division during 2014/15 a staff celebration event was taking place at Carlisle Cricket Club on 10<sup>th</sup> July. Board members thanked staff for the hard work demonstrated in achieving this level of achievement.
- 588 Divisional Directors Report
- 588.1 D Butterworth took the Board through the report and highlighted current issues of interest including Divisional Board Away Day, The Queen’s Speech, Extension of the Right To Buy (RTB), Sickness Absence, Think Forward, Board Briefing 2 June 2015 and Corporate Plan – Year 2.
- 588.2 It was noted that the Board away day will be dedicated to the topics of Board responsibilities, the Regulatory Framework, Risk Management and the future of governance within Riverside. The session will take place on 3<sup>rd</sup> July at the Hallmark Hotel.
- 588.3 D Butterworth highlighted the issues from the Queen’s speech which will affect Riverside as a social housing provider. It was noted that the proposed bills may change dramatically before being passed as law, such as the removal of entitlement to housing support for 18-21 year olds may be extended to the age of 25.
- 588.3.1 It was noted that this uncertainty causes problems in regards to future developments. Grant rates are expected to stay static and Riverside will continue to build properties. It is expected that the process will become more difficult as we will have to more actively seek this out funding and development opportunities.
- 588.3.2 Joy Baggaley and Andy Coghill have stress tested Riverside’s Business Plan with various scenarios to best predict the impact on the business going forward. Once these new laws come into effect this will be able to be repeated to better understand the forecast effect.

588.4 The change which will have the most impact is the extension of RTB. It was noted that Carol Matthews is working with the NHF to understand the detail and mitigate potential losses and ensure new build replacements. It is expected 75% of our tenants would meet the new criteria. As only 10% of current tenants are eligible under the current criteria the 65% increase will have a major impact on Riverside's stock numbers and rental income. Efforts to reduce turnover will also have a negative effect by increasing the number of eligible tenancies.

588.4.1 The Government is still in the process of discussing how to reimburse housing associations financially to cover the loss of RTB. One suggestion which has been made is a like for like replacement of properties D Butterworth advised he would be very surprised if this happens. Another suggestion is 50% of the selling price being reimbursed. In Cumbria this would be challenging as house prices do not increase much between the cost to build new properties and their value after three years. Therefore 50% would not cover the cost to build a new property. For some areas in the UK such as London this approach would be effective as house prices increase dramatically.

588.4.2 Board members agreed that the RTB changes is a big challenge area for Riverside but we will have to wait and see how effective lobbying is in influencing change. It was agreed that the discussion will come back to the Board on regular basis.

588.5 The Board were advised that staff attendance had increase from 95% at the beginning of the year to 95.8% in April.

588.6 Board members noted an update on the key projects within Think Forward, Riverside's modernisation project.

588.7 The Board noted that content of the 'How we are delivering better homes and places' presentation which had been presented to Board members at the Board Briefing on 2<sup>nd</sup> June.

588.8 Board members welcomed an update on the progress made in delivering the Riverside Corporate Plan.

588.9 The Board noted the content of the report.

589 End of Year Review 2014/15

589.1 **Customer Feedback**

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

589.1.2 Board members expressed concern with the 51% increase of complaints. Members asked whether this large increase had also

happened in the other Divisions. S Taylor-Gage advised the increase had only happened locally as the level of complaints was already high for all the other Divisions as the CSC handle their calls. S Taylor-Gage advised that it is a positive thing that customers are getting their concerns addressed quicker as a result they should be more satisfied.

589.1.3 It was noted that the results of the STARS survey will be presented to the September Board meeting.

589.1.4 The Board asked whether the transfer of calls to the CSC had effected the service delivery to customers. It was noted that initially customers were effected due to some teething problems when making an appointment which have been resolved, some diagnostic issues remain which are being looked at on a day by day basis. D Butterworth noted that part of the issue is that the annual survey does not have any interim figures so you are unable to see if service changes have an impact in a real time way, Group are looking at ways to improve this information. The Board requested a regular update report to show what is happening to affect customer satisfaction. S Taylor-Gage

589.1.5 The inclusion of repairs service failures formerly called 'chasers' has increased the complaints figures dramatically, the increase and impact was discussed. It was noted that a 'chaser' is where an appointment is missed or a job is not completed. Although they are indicative of a customer's dissatisfaction very few appointments are missed and it is more likely that a job goes wrong in a different way a few days later rather than being left incomplete.

589.1.6 It was noted that complaints regarding rechargeable repairs have reduced, the Board asked whether more tenants were being let off with charges or if performance had improved. S Taylor-Gage advised the new process of giving Inspectors ownership is a more efficient system however as there are six inspectors charges are being applied subjectively.

589.1.7 The Board noted the progress to date in implementing wide-scale changes in the customer feedback mechanism and the plans to move forward.

589.1.8 Board members noted the positive outcomes of the service improvements made as a direct result of customer feedback.

## 589.2 **Financial**

589.2.1 S Kellock took the Board through the report and highlighted the summary financial information for 2014/15. The Chair commented that the figures demonstrated a very healthy financial position. It was noted that due to devolved budgeting staff have a great understanding of their budgets.

589.2.2 The Board noted the content of the report.

### 589.3 **Performance**

589.3.1 S Taylor-Gage took the Board through the report and highlighted that although overall RHO and Irvine performed better than us in 2014/15 Riverside Cumbria was still the best performing general needs Division. The Board commended the staff in Carlisle for achieving this high level of performance.

589.3.2 Board members noted the performance demonstrated.

### 589.4 **Stock Investment and Cyclical Maintenance**

589.4.1 Copies of the Stock Investment and Cyclical Maintenance report were circulated to Board Members.

589.4.2 K Doran took the Board through the report and highlighted the detail of the work completed including projects funded by the additional £1M of Group funding. KD added that it had just been confirmed that Cumbria would have additional funding of £900,000 this year to complete fencing and remedial works.

589.4.3 The Board noted the content of the report.

### 590 Top 10 KPIs 2015/16

590.1 S Taylor-Gage took the Board through the report and highlighted a change to the reporting on 24 hour call back compliance. The planned change to make the figure a year to date measure only applied for April. In May this figure has returned to a monthly snapshot. It is not expected that this performance area will fall below target during this year.

590.2 It was noted that achieving all of the performance targets was going to be very challenging this year. The Board were given assurance that efforts were being made to achieve all of the targets.

590.3 The Chair advised that through the HSC he had asked for each Division to make a step up with performance. He added that he understood this would be particularly challenging for the indicators relating to cash leakage. It was noted that performance improvements are needed across the Group.

590.4 Board members noted the targets for 2015/16.

### 591 Corporate Plan 2015/16

591.1 S Taylor-Gage took the Board through the report and highlighted the detail of the plan.

591.2 The Chair recognised that there was a reduced number of objectives compared to previous years he asked what was missing compared to other years. S Taylor-Gage advised that the nature and content of the Divisional plan has changed year on year as it now supports the larger Riverside Corporate Plan rather than being a stand-alone business plan. As a result the overall number of objectives had reduced. In addition there are dozens of Think Forward projects underway which local staff are involved in, these projects are not yet ready to be implemented within the Divisions so are not included in our plan.

591.3 The introduction of an agile office in Dartford was discussed. It was noted that looking at making all offices across the Group more agile was a Think Forward project which, Carol Matthews is very supportive of this approach. With this in mind an options appraisal is to take place of our office space in Cumbria.

591.4 Board members approved the objectives for 2015/16.

#### 592 Development Programme Update

592.1 D Butterworth took the Board through the report and highlighted that he had checked and the authority to approve the pipeline schemes had been delegated to the Divisional Boards and not to the Divisional Director.

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

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

#### 593 Board Scrutiny Of Evictions

593.1 G Brough took the Board through the report.

593.2 The Chair asked why arrears of £4000 were present for two of the tenancies. GB advised that staff were following the procedure in both of the cases however during court hearings the judge suspends the warrant. This has been a particular problem lately due to a retiring judge who was reluctant to take action, a new judge is now in place and taking action.

593.3 D Butterworth suggested that a case study be brought to the next Board meeting to show the actions taken and the court action which we do not have control over.

G Brough

593.4 Board members expressed concerns regarding the high level of monthly repayment for one of the tenancies. G Brough advised that the judge makes the decision for the repayment amount based on

what the person can afford, on this occasion £300 per month must be realistic for the tenant.

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

#### 594 Stakeholder Engagement Strategy

594.1 P Taylor took the Board through the report and highlighted that the best method for communicating for each neighbourhood would be identified as part of the Neighbourhood Planner role.

594.2 The Board were advised that an appointment had been made to the Neighbourhood Planner role, Stella Eggleston who is passionate about housing and positive about the prospect. She will be working over the local Asset Management and Operations teams. Stella will be coming to meet Board members at their meeting in September.

594.3 The Board reviewed the content of the stakeholder engagement strategy.

#### 595 Divisional Risk Mitigation Plan

595.1 D Butterworth took the Board through the report and highlighted the changes which had been made to the risk map since November 2014 and explained the rationale behind these changes.

595.2 D Butterworth asked the Board whether they felt the right risks were included in the report. Board members expressed that they felt that the report provided a comprehensive cover of all relevant risks.

595.3 It was noted that the risk relating to the speed of IT systems including speed, connectivity and the tools needed to improve efficient working practices. Lack of mobile signal is a significant issue in some areas to overcome this a roaming sim is being trialled which guarantees to get a signal 99% of the time, if the trial is successful they will be rolled out as part of the modernisation project.

595.4 Board Members discussed and approved the revised Divisional Risk Mitigation Plan.

595.5 The Board noted that a further review of the Divisional Risk framework will be brought to the November 2015 Divisional Board.

#### 596 Management Accounts

596.1 S Kellock took the Board through the report and highlighted an overspend on voids totalling £97,000 in the first two months of the year. Initial analysis suggests this is due the use of subcontractors for painting plus unexpected costs associated with replacing

S Kellock

kitchens which is charged to the voids team. Further analysis will take place and this will be discussed at next week's Divisional Management Team meeting. Positive solutions will be looked at for reducing the overspend, information on this will be presented at the September Board meeting.

- 596.2 It was noted that all costs pertaining to the sheltered housing schemes, now managed by RECHG, are no longer included in our Divisional budget. For our remaining sheltered scheme, Barras House, the decant process is progressing well in preparation for remodelling of the scheme.
- 596.3 The Board noted the contents of the Management Accounts for the 2 months to 31 May 2015.
- 597 Performance Update – May 2015
- 597.1 S Taylor-Gage took the Board through the report and highlighted the May performance figures and the relevant performance improvement plans.
- 597.2 It was noted that first time fix performance has been affected by the increase in the use of blanks and the impact of jobs which cannot be completed first time i.e. require a follow up visit to complete for jobs such as painting a door or tiling. The use of blanks will be analysed.
- 597.3 The way H&S performance is calculated has changed revealing an administrative capacity problem. Following an upload to C365 variances are created which need to be manually updated to advise of actions taken to address issues such as asbestos or legionella risks. For instance the system must be updated for communal areas where there is not water to show that any risks have been considered and checked. K Doran added that not all the uploaded information is inaccurate, the issues are mainly down to timing. This means that sufficient time to mitigate is not available prior to the performance figure being taken. D Butterworth added that a review of C365 is taking place, it reports on only what we put in the system so it is in our gift to fix this.
- 597.3.1 Board members were concerned that they never get an accurate picture of H&S performance. K Doran advised the Board that actions were being taken to mitigate the impact of future uploads with work going on behind the scenes to make this happen. D Butterworth assured the Board that as it is his responsibility to ensure that the Division is correctly reporting and getting 100% the issue had been pushed up the agenda to be addressed. D Butterworth asked the Board to give the teams time to put plans in place to make improvements. He added that if he did not feel the performance target could be achieved he would be honest with the Board at September's Board meeting.



597.4 Board members noted the actions planned to ensure targets are met by 31/03/16.

598 Staff Lettings Report

598.1 G Brough took the Board through the report and highlighted that the report was confidential.

598.2 D Butterworth advised that previously this report had been anonymised. Additional information is now included to add to the transparency of the process.

598.3 The Board noted the staff lettings detailed in the report.

599 Items for Information

- 599.1 Board Members noted the following items:
- a Management Team briefings of May and June 2015.
  - b Housing Services Committee Minutes of 01.04.15.
  - c Group Board Headlines May 2015.

S Kellock left the meeting.

600 Any Other Business

600.1 The Board asked for an update on the recruitment of new tenant Board members. The Chair advised that following a day of interviews one tenant was recommended for recruitment however the successful applicant has not accepted the offer for this post. He added that the challenge with recruitment is that sufficient people have been interviewed to fill all of the vacancies, they did not have the minimum competencies to be able to appoint. It was noted that a targeted advertising campaign will take place with hopefully some success before September's Board meeting.

600.2 The Chair closed the meeting by making a presentation to E Mallinson and thanking her for her commitment to the role and for her contribution to the Board by being a fantastic ambassador since the stock transfer process began in 2002.

601 Date and Time of Next Meeting

601.1 The next meeting was set for 4:00pm on Thursday 17 September 2015.