

THE RIVERSIDE GROUP LIMITED

IRVINE HOUSING ASSOCIATION

Twenty Third Annual General Meeting (AGM) of the Irvine Housing Association held at 5.30 p.m. on Tuesday 16 August 2016 at the Gailles Hotel, Marine Drive, Irvine

Minutes

Present:

Mr A. West, Chairman

Mr C. Bell
Mrs M. Blair
Mrs M. Burgess
Ms A. Carson
Mr G. Darroch
Mr J. Dunlop
Mrs F. Dunlop
Mr T. Farrell
Mr M. Fullerton
Mrs K. Gatherer
Mr S. Grubb
Mrs M. MacPherson
Mr F. McCulloch
Mrs J. McCulloch
Mr D. McEachran

Mr P. McGregor
Mr W.D. McKeen
Mrs M. Marks
Mrs J. Mason
Miss J. Meek
Ms J. Murray
Brig R.A.S. Rickets
The Riverside Group Ltd
Mr B. Sturgeon
Mrs W. Wallace

In Attendance:

Mrs N. Thom	Interim Managing Director and Secretary
Mrs M. Hutchinson	Head of Finance and Corporate Services
Mrs D. Boyle	Personal Assistant to the Interim Managing Director
Mr P. Hillard	Director – Mersey South, The Riverside Group

1. **Preliminaries**

a) **Quorum**

The Meeting noted that a quorum was present.

b) Appointment of Chairman

The Chairman of the Association, Mr A. West, presided as Chairman of the Meeting in accordance with Rule 26(a).

- c) The Chairman welcomed all Shareholders present to the Twenty Third Annual General Meeting (AGM) of Irvine Housing Association and reminded attendees that only items specified on the Agenda would be discussed as part of the formal business of the AGM, and that if any member wished to raise other points they should do so at the close of the AGM.

2. Apologies for Absence

Mr A. McCulloch, Mr F.C. Fitch, Ms J. Browne, Mr D. Riley, Mrs M. Miller, Mr J. Miller, Mrs A. Walker, Mrs C. Legget, Miss F. Dunlop, Mrs J. Hamilton, Mrs S. Brown, Mr A. Brown, Mrs C. Farrell, Mrs C. Horner, Mr G. Horner, Mr A. McPhail, Mr J. Flannigan, Mrs F. Flannigan, Mr W. Hall, Mrs M. Strannigan, Mrs S. Gilmour, Mrs J. McKeen, Mr J.P. Gilmour, Mrs C. Taylor, Mrs W. Johnstone, Mr N.A. Alexander, Mr D. Nerurkar, Mrs F. Garven, Mrs M. Fontana, Mr R. Frew, Mrs A. Frew, Mrs M. McPhail and Mrs A. Robertson.

3. Previous Minutes

The minutes of the Twenty Second Annual General Meeting, held on Monday 17 August 2015, were approved on the motion of Mr M. Fullerton which was seconded by Mr P. McGregor.

4. Matters Arising

Mr M. Fullerton enquired why there had been no shareholder's conference prior to the Annual General Meeting. Mrs N. Thom stated that due to the attendance numbers at the conference in recent years, it was considered more economical just to hold the Annual General Meeting, given that any updates which were planned to be given to the shareholders could easily be incorporated within the agenda of the AGM.

5. Chairman's Report

Mr A. West reported on the highlights of 2015/16 and advised that the Association:

- Had spent much of the last year reviewing its services and exploring new and more efficient ways of working. Having staff

dedicated to specific areas of the business would allow a quicker reaction to customers' needs and provide more positive outcomes from services.

- Had rolled out mobile working in Dumfries where staff could work on the go which was an opportunity to boost service levels and increase customer engagement, as staff had more time to spend with customers.
- Had created more jobs within its Customer Service Centre for local people, as well as opportunities to progress for some of the original advisors.
- Had invested over £550k of improvements to its housing stock and over 93% of repairs had been completed right first time.

Mr West advised that in current challenging times, the Association's support services were in increasing demand and the community involvement team had worked tirelessly and were dedicated to getting the best outcomes for its customers. Some examples of these were:

- 28 customers into employment
- £800k in cash gains and benefit backdates by its Money Advice Service
- 288 home energy checks and over £35k in cash gains by its Affordable Warmth Service

Mr West stated that in terms of 'revitalising communities' the community fund, administered by the scrutiny panel, had awarded over £5k to a variety of projects that delivered services in Association communities. The Riverside Foundation had part-funded a free breakfast club for the next three years in Kilwinning and also funded a sports project in Irvine, bringing sporting activities to our customers' doorsteps and helping to keep kids off the streets. The examples given were just a snapshot of what the Association did.

Mr West advised that as well as delivering all of the above, thanks to the hard work and commitment of the dedicated team at IHA, it smashed the top 10 performance targets for the year, exceeding the targets in all areas – including current rent arrears, re-let period and positive customer experience.

Mr West took the opportunity to thank the scrutiny group who dedicated a lot of time to improving service delivery and performance to ensure the Association met the standards set out in the Scottish Social Housing Charter. Their recommendations and critical eye were invaluable and helped the Association to continuously improve. Over the last year various recommendations had come to Board and the Association was now piloting new ways of working as a result.

He stated that, being a strong, viable organisation was crucial in allowing the Association to continue investing in its housing assets and thus maximising its income, whilst generating efficiencies remained a key part of its strategy. Financially the Association had positioned itself to ensure it could continue to grow and a strong financial performance for the year resulted in a surplus of £1.9M which would be re-invested in Association stock and communities in the coming years. Overall reserves remained very positive at £7.5m.

When reflecting on the last year and contemplating what lay ahead for Irvine, Mr West stated that it was hard to believe that his five years as Chair had come to an end. Scotland and the UK had changed so much economically, socially and politically in this time and the Association had adapted to ensure it was fit for the future. Joining Riverside in 2011 had allowed it to build on already solid foundations. Their continued support and collaboration had enabled the Association to achieve and deliver the promises it made to communities on joining the Group. Mr West stated that he was proud to have been part of this journey.

In closing, Mr West thanked Mr P. Hillard, Mrs N. Thom and the whole staff team for their unwavering support and dedication. He thanked all his fellow Board Members for their enduring commitment and counsel and finally, he thanked Mr B. Sturgeon, Miss F. Dunlop and Mrs W. Johnstone who were stepping down from the Board after many years of service. They had made the job of Chair easy and a pleasure. He wished everyone well and believed an exciting and vibrant future lay ahead for IHA.

6. **Managing Director's Report**

Mrs N. Thom stated that the last 12 months had been a mixture of looking at new ways of working, considering how the Association could work more efficiently, whilst continuing with business as usual. This had been against the most bizarre political backdrop and uncertainty of how political policies, objectives and priorities would shape up for the future. Throughout this time, it had been crucial that customers continued to benefit from services as the Association strived for excellence and improving levels of customer satisfaction.

Helping the Association to achieve this had been the army of volunteers who made up the Scrutiny Panel. Their tireless commitment to Association communities and customers, to improving front line services, to questioning the processes had allowed the continued focus on Association customers at all times, despite the fast changing world. The Panel were meeting within the next few weeks, to review the Association's performance of the last year, to consider how it compared with peers across the housing sector, and to agree the priorities for scrutiny in the year ahead. Other associations do similar exercises, and the Association had

had visits from a few in relation to the Association's exceptionally high performance around void control and the reletting of its houses.

Mrs Thom advised that the Association had been carrying out a comprehensive review of everything that it did, the way it was done, the cost of delivering its services, asking what customers now and in the future needed from the Association and considering – could it be done better? The Association had undertaken to change how it served the needs of its customers – without compromising on quality, tailored support and assistance and high levels of performance.

She updated that the Association aimed to do this in a number of ways:

- Reviewing the staffing structure - it hadn't carried out a full review of its staff team in many years – although certain parts had been reviewed as the need arose. Were the right people, with the right skills, and the right tools in place to serve the changing needs and aspirations of our customers?
- Understanding the costs of delivering services – could the Association deliver the same level of service by other means which would be more cost effective? For example different teams collect rent money due and factoring charges that were due from owners – income collection was income collection – could resources be shared to allow the further investment in the wider communities? By considering this type of approach, the Association would be in a better position to offer more intense tailored support to those who were experiencing difficulties within their tenancy, or crisis within their family circumstances, and ensure that the Association was able to offer even more help to its customers in particularly challenging times.
- Modernising the method of delivering services. The Association was working towards mobile working and had already started to introduce this approach within its communities in Dumfries. The concept was to ensure that customers had a range of ways to contact the Association and access services. By offering more services from its customer service teams, and making more available on-line for customers to check rent accounts, report repairs etc. this would free up the local teams to spend more time in the community – either face to face with customers, or inspecting and maintaining the assets to inform investment plans. The officers would have modern technology to allow this approach to be efficient, immediate and responsive to the needs of customers.

Mrs Thom commented that having spoken briefly about the way in which the Association planned to improve and streamline its

services for customers – she would now update on the Association's growth / investment plans.

She stated that the business plan was effectively the Association's 30 year budget. It detailed investment plans, repayment of loans, projected income and expenditure. The Association was currently in the midst of a complete review of this budget, focusing on a number of crucial areas that would have a fundamental impact on customers, staff and services.

Mrs Thom advised that the review comprised:

- Looking at investment assumptions – what would be spent, where and when. A considerable amount of time had been devoted over the past year to ensure that the information the Association held on its properties was not only up-to-date, including the newly emerging requirements relating to energy efficiency, but was collated in such a way to allow it to make more informed decisions. Furthermore, this approach allowed the introduction of more efficient means of procurement, utilising partners like the Scottish Procurement Agency, using robust property information which would drive savings throughout the investment strategy. This meant – getting more for less – and customers would benefit as a result. The Association would be innovative when developing its business plan to ensure that it maximised the potential of this approach.
- The review would also ensure that a strategic approach to growth was taken – whether within existing market areas – or in new areas. The Association was committed to developing the site at Tarryholme in Irvine, and had secured grant funding from the Scottish Government to start the first phase of the development, comprising 84 new homes, in the next financial year. Discussions were also taking place with colleagues within the health and social care sector to plan for the further development of housing for people with particular needs. The Association was also currently scoping other development and growth opportunities and would ensure that it had the financial capacity within its plan to allow it to serve other customers and communities, across Scotland, where there was unmet need.
- A crucial part of any budgeting, was understanding your income. The Association's income was based on a rent structure that had been inherited over many years, and which had been influenced by a variety of funding methods and grant regimes. The Association was therefore reviewing its rent structure – and would be consulting with its customers in a range of ways.

Mrs Thom referring to the political perspective, stated that the Association in uncharted waters in terms of what the future held. Globally, we there was a need to be patient to understand the impact

– good or bad – from Brexit. All anyone could really say with certainty at this point was that the uncertainty must be recognised as a potential risk.

Mrs Thom stated that the Board was at a crossroad – as a number of longstanding Board members had reached the end of their term. The Association had had a successful year of recruiting new Board members who brought a wealth of knowledge from a diverse background that would undoubtedly allow IHA to continue to grow and charter new territories. It was with the greatest respect for the outgoing members that she wished them all well – and thanked them on behalf of the staff team, customers and their fellow board members for the unfaltering commitment they had shown to IHA. Mr A. West was retiring from the Chairman role which he had carried out for the past 5 years. Mr West took up this role shortly after the Association joined the Riverside Group, and his determined steer and supporting guidance throughout that period of significant change allowed the Association to be in the successful, strong position it was today. Mrs Thom wished all retiring Board Members the very best for whatever endeavours they embarked on next ...and thanked them all personally for helping make IHA the team that it was.

Mr P. McGregor enquired on the process for consultation on the planned rent restructure. Mrs Thom stated that the consultation process would commence during September 2016. The first phase of this consultation would commence with the Tenant Scrutiny Panel.

7. **Election of Board Members**

Mr A. West explained that, in accordance with Rule 39(a), a third of the Board was required to retire at the AGM. Mr G. Darroch, Mrs A. Robertson and Miss J. Meek who filled casual vacancies during the year were standing down in accordance with Rule 41. Mrs F. Garven and Mrs M. Burgess had been appointed as co-optees during the year would also stand down in accordance with Rule 38(a). Mrs F. Dunlop, Mr B. Sturgeon and Mrs W. Johnstone were also retiring from the Board.

Mr West confirmed that Mr G. Darroch, Mrs A. Robertson, Miss J. Meek and Mrs M. Burgess had offered themselves for election and had delivered the appropriate election forms to the Association. No other Election forms had been received.

The Meeting was advised by the Chairman that Rule 40(a) stated that, where Board Members offering themselves for re-election, together with any other Members of the Association duly nominated for election, did not exceed the number of Board Members to be elected, then said Members should be declared to have been duly elected or re-elected.

Mr West, under Rule 40(a), thereafter declared Mr G. Darroch, Mrs A. Robertson, Miss J. Meek and Mrs M. Burgess to have been duly elected to serve on the Board of the Association.

8. **Annual Accounts and Auditor's Report**

Mr A. West advised that each Shareholding member had been given access to a copy of the accounts, and that there were spare copies available for any member who had not brought their copy with them.

Mrs M. Hutchinson then gave a short presentation on the annual accounts and provided a summary of the Association's Statement of Comprehensive Income.

There being no further questions from Shareholders, the Annual Accounts and Auditor's Report was thereafter adopted on the motion of Mr M. Fullarton which was seconded by Mr P. McGregor.

7. **Appointment of Auditors**

Mr A. West advised that in accordance with Rule 73(a), an auditor appointed to audit the accounts and statement of financial position of the Association for the preceding year of account shall be re-appointed as auditor of the Association for the current year of audit, subject to satisfying the relevant criteria.

Mr West confirmed that KPMG satisfied the required criteria and proposed a resolution that KPMG be re-appointed as auditors of the Association. The appointment was proposed on an interim basis, pending a review of the Association's external audit services. In accordance with the Association's Rules, a new external audit would be appointed by the Board to fill a causal vacancy until the next AGM. Mr S. Grubb seconded the resolution and Mr West confirmed that the resolution was carried.

There being no further business, the Chairman declared the Meeting closed.

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P. Hillard
Secretary
18 August 2016
PH / db