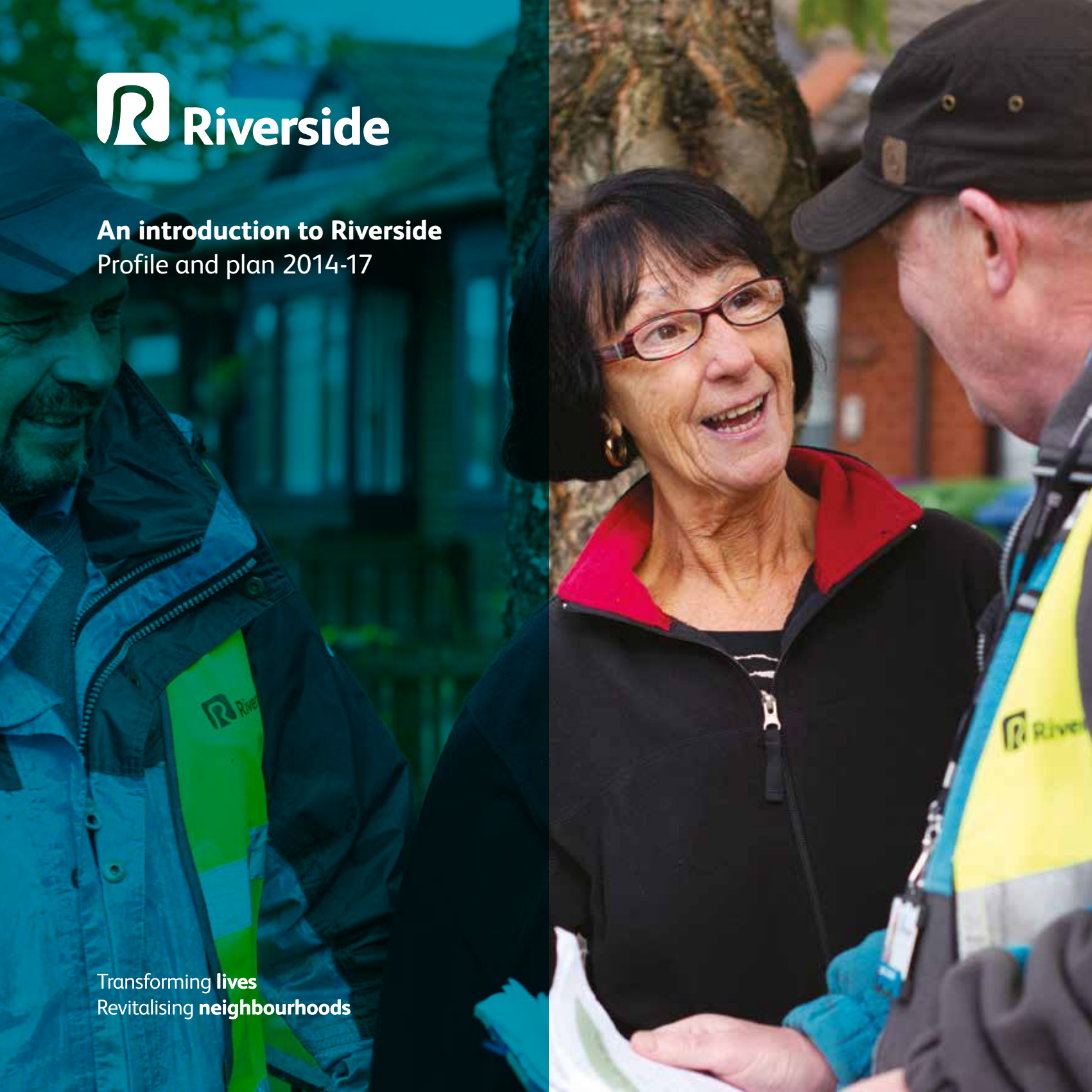




An introduction to Riverside
Profile and plan 2014-17

Transforming **lives**
Revitalising **neighbourhoods**



Riverside in numbers

€303,933,000 Turnover

€1,835,516,000 Tangible assets

52,980 Total housing stock, owned and managed

2,673 Employees

158 Local Authority areas operated in

All figures as of 31 March 2014.

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Riverside: transforming lives, revitalising neighbourhoods

Riverside is a group of complementary businesses driven by a clear social purpose, with a charitable housing association at its core.

Established nearly 90 years ago, we have grown to become a major provider of affordable housing, care and support services in England and Scotland, with over 52,000 homes in management.

Operating at scale across over 150 local authorities, our vision is to transform the lives of the 90,000+ people we house and revitalise the neighbourhoods in which they live.

We transform lives by providing well maintained, good quality affordable housing whilst creating opportunities to increase household income through our programmes of employment, affordable warmth and money advice.

Through our housing, care and support services we enable people facing a wide variety of challenging circumstances to lead more resilient and independent lives.



We revitalise neighbourhoods by building new homes, creating and maintaining green spaces and bringing people together through our community engagement programmes.

Riverside is a values-driven organisation, with a strong sense of social responsibility and a firm line in accountability to our customers.

We provide:

- **affordable homes to rent** for singles, couples and families
- **care and support** for older people, those at risk of homelessness and other people facing significant challenges in life
- **affordable homes** for sale for shared owners and leaseholders
- **market homes for sale** to generate profits for our social purpose core business (through commercial subsidiaries and joint ventures)
- **extra services to help sustain tenancies** including money advice, employment support and affordable warmth advice.



Why are we different?

Riverside has a long and proud history of delivering housing services, large scale regeneration projects and personal care and support.

Unlike many other large housing associations, we work mainly in disadvantaged urban communities across England and Scotland, giving us a truly national perspective rooted in local knowledge.

Our offer includes a strong and forward-looking care and support business, serving the needs of over 15,000 people facing some of the toughest challenges imaginable.

We are financially strong, well-managed and well-governed, having been awarded the highest possible governance and viability rating by the Regulator since ratings were introduced.

We actively engage in constructive dialogue with government and policy makers over the issues that affect our customers.

Adapting to meet customer needs

Achieving our vision of 'transforming lives and revitalising neighbourhoods' requires us to adapt in order to reflect the needs of our customers and the challenges of our environment.

Changes in technology and customer expectations require us to offer greater choices over how they access our services, in ways that suit them.

We also want to ensure we deliver these services ever more efficiently, re-investing the savings generated back into more homes and services wherever they are most needed.

We are well placed to respond to these challenges. An annual turnover of over £300 million underpins a culture of performance, improvement and strong governance.

For nearly 90 years we have been driven by our desire, determination and ability to transform lives and revitalise neighbourhoods. We have achieved a great deal – but we are passionate about doing more.

The way forward

Our three year corporate plan, entitled 'One Riverside', sets out the corporate objectives and targets we aim to achieve on our journey to 2017. Backed by a strong evidence base including research and extensive consultation, our objectives are aligned around three key areas of focus.

- **Connected customers:** improving our customers' experience by modernising our services and delivering consistency.
- **Resilient lives:** providing a comprehensive range of services to support those customers who need help to thrive in their homes.
- **Better places:** improving neighbourhoods by investing in existing homes, building and acquiring new ones and selling stock to focus our geographical footprint.

To achieve our strategy, we have set ourselves the following three year challenge:

We will have **connected customers**, with **resilient lives**, living in **better places**...

...whose needs are met by a **great team**, working together as part of an **effective business**.

We have also set out how we will achieve these objectives by following two key routes.

- **Great team:** ensuring our colleagues and board members are well led, fully engaged, supported and rewarded to deliver our strategy. Involving our customers in scrutinising and influencing what we do.
- **Effective business:** securing the resources to deliver our objectives, managing them effectively in order to make choices and do more.

Connected customers

At the heart of our corporate plan is our commitment to ensuring the strongest possible connection with our customers. Only through achieving this will we be able to deliver the kind of consistently high quality services they want and deserve, in the ways that they want them.

Connected customers isn't just about embracing technology and the digital world, important though that is. It's about really understanding our customers' changing needs and expectations and being modern, agile and flexible in our response.

Modernising our housing service delivery will enable us to connect our customers directly to our services, achieve efficiencies and economies of scale and drive up customer satisfaction rates. It will also help protect our rental income streams, whilst creating the financial capacity to ensure our vulnerable customers get the personalised support they need in these challenging economic times.



Modernising our housing services

We are already well on the way on a journey to modernise our housing services.

Our customers have been able to report repairs and pay their rent online for some time, and we have been rolling out mobile devices for customer facing staff, so they can report and action customer requests whilst out and about, spending more time talking to customers and less behind a desk.

We have also launched the first phase of 'OneView' our new customer relationship management system which is helping us drive improvements in customer service through real-time reporting and workflow monitoring.

However it's not just about technology. The key is to shift the balance of our services between chasing problems reactively, and managing tenancies proactively. That's why as part of our last corporate plan, we launched a pilot programme of proactive 'MOT' style top-to-toe property inspections and customer visits.

Evolving business



Our in-house repairs provider, Evolve Facility Services

When repairs and maintenance specialists Evolve Facility Services joined the Riverside Group in 2011 it paved the way for us to connect our service, systems and values.

By bringing a successful maintenance specialist into the business we have greater supply chain control over this crucial aspect of our service, making it possible to integrate customer-facing and back office IT systems. The immediate benefit is better data to analyse our performance, whilst longer term the potential for full digital self-service becomes much closer to reality.

It also makes it easier to ensure we 'live' our values at every customer contact; both Riverside and Evolve staff complete the same customer service training. And it provides another opportunity to help our customers find work. We now have 16 apprentices working at Evolve, selected from families of Riverside tenants.

Evolve currently provides repairs and maintenance services to around 60% of Riverside's 52,000 homes, with plans to extend that service to around 80% by 2017.



...now has 16 apprentices from families of Riverside tenants

How will we address the challenge?

Under 'One Riverside', our new corporate plan, we will stretch ourselves further.

In three years' time we will have:

- a modern customer focussed housing service which is high quality, consistent and offers a range of self-service options for customers to access on-line.

By doing this we will have improved customer satisfaction and provided better value for money.

We will achieve this by:

- extending proactive 'MOT' style property inspections and customer visits across the Group, building our understanding of our customers and their challenges
- developing a new approach to service delivery which uses intelligence to target resources on customers who need the most intensive support, whilst encouraging the majority to use quicker and more efficient self-service options available through our website and smartphones
- putting in place a programme to improve digital inclusion, aimed at the half of our customers who do not currently have access to the internet
- protecting our income streams by seeking to increase the proportion of new lets to tenants that are not dependant on Housing Benefit.

What will we achieve by 2017?

- 6%** improvement in our 'net promoter' score – percentage of tenants who would recommend Riverside to friends and family, less percentage of tenants who would not.
- 6%** increase in customer satisfaction with the way Riverside deals with repairs and maintenance.
- 85%** repairs completed 'right first time'.
- 33%** of key service transactions accessed by customers on-line through a self-service approach.
- 6%** increase in the proportion of tenants who are in full time employment and not dependent on housing benefit, as part of a journey to a 10% increase over five years.

Resilient lives

Helping our customers lead resilient lives is about providing the tools and the support they need to thrive in their own homes.

The economic recession has affected all parts of British life and low income households, who make up the core of our customers, have arguably been hit harder than most. The challenges they face include sweeping welfare reforms, rising food and fuel costs and public sector cutbacks that have wiped out many traditional support services.

We are stepping up to address this challenge with services ranging from money advice, affordable warmth and debt advice through to practical help with finding employment – a significant investment in our tenants' lives that is yielding measurable results and helping them sustain their tenancies. In 2013/14 alone we supported over 550 customers into employment, over 1,270 into training and boosted the annual income of tenants by £2.7 million through money and welfare advice.

Did you know?

Fewer than 30% of our tenants are in work.

Two thirds of our tenants officially live in poverty, according to the government's own standards.

Around half of our tenants are over the age of 55.

Support for those who need it most

Meanwhile demand continues to grow for our specialist care and support services. Working with our health and social care partners across the country, we provide practical support to over 15,000 people each year.

They range from older people who need specially designed housing or support services to remain independent through to people with complex and challenging needs, whether it be homelessness, alcohol or drug abuse, domestic violence or a history of offending.

Our services range from live-in accommodation with advice and support on-hand to assist people in rebuilding their lives through to help for armed forces veterans in finding a home and a job back on 'civvy street'.

540+

We've assisted over 540 tenants into employment.

Award winning domiciliary care

A pioneering Riverside project in Gloucester is helping to reduce repeat hospital admissions amongst homeless people with severe and life-limiting health issues.

Our Homeless Domiciliary Care Service at Newton House offers a lifeline of housing, health and care support to people who have suffered from severe crises because of being homeless. This includes physical trauma, end-of-life issues and problems linked to homelessness that may be exacerbated by addiction.

“One rough sleeper who came to us had been to an Accident and Emergency unit 34 times over the last year, due to his health issues,” said Victoria King-Lowe, Riverside’s area manager. “Each time he was discharged back onto the streets, because the health services simply couldn’t manage his chronic homelessness issues. Until he came to us he didn’t fit in anywhere, but now his health issues are being managed.”

The service was expanded during 2013 and earned Riverside the accolade of Specialist Landlord of the Year in the 2014 UK Housing Awards.



We support homeless people with severe health issues



...and won Specialist Landlord of the year, UKHA 2014

How are we addressing this challenge?

In three years’ time we will have:

- developed new community services which focus on preventing hospital admissions and managing long-term conditions in the home
- a comprehensive range of services in place to support customers who need extra help to thrive in their own homes.

By doing this we will have grown and re-balanced our care and support business and helped over 5,000 customers sustain their tenancies.

Our approach will include:

- outreach programmes, home improvement services and greater use of telecare technology to help older people, including home owners, to remain longer in their own homes
- delivering expert money, debt and affordable warmth advice within our mainstream housing management service to at least 35 % of customers through a team of around 44 staff nationwide
- increasing support for tenants seeking employment or volunteering opportunities, including the provision of 20 apprenticeship places a year within Riverside.

To help deliver the above, Riverside has committed to investing £5 million in support services to sustain tenancies and a further £200,000 in the research and development of new health and care services.

What will we achieve by 2017?

- 35%** of tenants receiving support through money advice, affordable warmth, or employment services, who are maintaining a clear rent account or reducing their arrears.
- £1m+** of RECHG’s £3 million planned annual growth in turnover accounted for by services to deliver health/care outcomes.
- 640** tenants per annum assisted into paid employment.
- £2m+** annual cashable gain for customers receiving money/affordable warmth advice.

£2.7m

We’ve helped households generate over £2.7 million in income through our money advice service.

Better places

Creating better places is about making the best use of our assets and resources to help the areas where we operate to thrive and prosper.

We currently work in over 150 local authority areas, but nearly 70% of our stock is located in as few as ten of these. We know it is difficult to drive operational efficiencies in areas of dispersed stock and our research tells us we have lower levels of customer satisfaction in these areas.

We are therefore taking a holistic, joined-up approach that aligns our investment, both in new homes and our existing housing stock, with strategic disposals of homes in areas where we own less than 50 homes. This will enable us to help tackle the nation's housing crisis, support local economies, improve the wellbeing of our customers and drive operational efficiencies.

With half of our stock located in what the Government considers to be the country's 10% most deprived neighbourhoods, it is more important than ever for us to deliver lasting change. Our strategy therefore is based on reducing our geographical 'footprint', focussing our resources on areas where we can really make an impact and squeezing every penny of value from every pound we invest.



Homes fit for the 21st century

Whilst our stock meets regulatory standards, the high level of customer satisfaction in the quality of some of our homes is beginning to decline. We need to address creeping obsolescence, arising due to thermal inefficiency and redundant design and ensure all our homes remain attractive, energy efficient and fit for the future.

£147m

In the last three years we've invested £147 million to build over 1,300 new homes.

Turning around North Bransholme

Since 2010 Riverside has been the driving force behind the regeneration of the 1,204 home North Bransholme estate in Hull.

A positive vote by former council tenants triggered a comprehensive renewal programme that has seen:

- 562 homes brought up to the Decent Homes Standard at a cost of £15.5 million along with the creation of new home ownership, training and employment opportunities
- energy efficiency improvements to some 1,150 homes which generated average annual savings of £479 per household, created 125 jobs and won Riverside a National Sustainable Housing Award
- over 160 empty properties brought back into use including the innovative conversion of 31 derelict bedsits into much needed one bedroom apartments for people needing to downsize as a result of the Under Occupancy Penalty (or 'Bedroom Tax').



We took over empty properties in North Bransholme



...and brought them back into use

How will we address the challenge?

In three years' time we will have:

- invested over £100 million in our homes through planned maintenance to ensure that they are attractive for 21st century living
- delivered a programme of strategic disposals, reducing our geographical 'footprint' and selling homes which no longer meet the aspirations of our customers
- re-invested, by building and acquiring homes in areas where we can make a real difference to the quality of our customers' lives.

By doing this we will create better places, improving the overall performance of our assets and their value to our customers, and replacing over 1 % of our homes each year.

We will achieve this by:

- bringing 95 % of our homes up to a Standard Assessment Procedure energy rating of at least 60
- establishing a £3 million investment programme to improve lighting and open spaces across our neighbourhoods
- building or acquiring 2,500 new homes in 11 sub regions where we have significant concentration of stock (subject to successful bids to the HCA's Affordable Homes Programme)
- disposing of at least 1,500 homes, focussing on local authority areas where we own fewer than 50 homes
- developing a comprehensive older persons' strategy, including a programme of re-modelling of existing retirement housing schemes where they are no longer fit for purpose
- pursuing a growth strategy in Scotland.

What will we achieve by 2017?

- 5%** increase in tenant satisfaction with the quality of their homes.
- 10%** improvement in the financial performance of our stock, as measured through the Housing Futures Assessment Tool.
- 33%** reduction in number of local authority areas where we own less than 50 homes.

750

In 2013/14 we disposed of 750 properties

Great team – effective business

We have identified two essential routes we need to follow in order to support the delivery of our 'One Riverside' corporate plan.

- **Great team:** this is about ensuring our colleagues and board members are well led, fully engaged, supported and rewarded to deliver our strategy. There is also an important role for our customers in scrutinising and influencing what we do.
- **Effective business:** this is about securing the resources we need to deliver our objectives and managing them effectively in order to generate the capacity to make choices and do more.



The route to a great team

No journey can begin without knowing where you are setting out from. By listening to employees and taking part in formal benchmarking exercises such as Best Companies and Investors in People, we have a clear picture of our strengths as an organisation and the challenges we still face. This ensures that our goals are rooted in reality.

In three years' time we will have:

- embedded a consistent style of leadership and management which underpins great service and ensures delivery of this plan
- established a culture of coaching which fosters a sense of well-being amongst our employees and supports excellent, customer-focussed performance
- offered a package of benefits which attract the right people and is recognised as giving a fair deal in return for delivering great services.

By doing this we will champion excellence, set high standards of behaviour and encourage members of our team to feel valued and rewarded.



**Irvine Housing Association:
Setting the standard for leadership
and employee engagement**

Irvine Housing Association, which became part of the Riverside Group in 2011, attained the highest possible 'Best Companies Three Star Accreditation' in 2014 and achieved second place in the Sunday Times Top 100 Not-For-Profit Organisations to Work For 2014.

The Best Companies process measures employee engagement by a staff survey across eight engagement factors including Leadership, My Company, My Manager and Giving Something Back.

We are rightly proud of all involved in achieving this outstanding success and are ensuring that we maximise every opportunity to embed the learning from Irvine's amazing journey across the Group.

2,600+

We employ over 2,600 people across our divisions and subsidiaries.

The route to an effective business

As a charitable housing provider we want to maximise our capacity to invest in new homes and services. There is unprecedented pressure on the incomes and living standards of our tenants, and this threat to our traditional rental income follows a period of decreasing public funding for new homes.

At the same time, changes in our regulatory framework have created new opportunities for us to generate alternative income from commercial activities. However, it is vital that we carefully manage the risks associated with this freedom whilst continuing to demonstrate that we are delivering excellent value for money.

This is central to what we call business effectiveness. Therefore over the course of the plan we will:

- continue to adopt an active approach to managing our assets and resources, protecting and diversifying our income streams and driving efficiencies in our core operations
- generate additional income by accelerating our investment in our three commercial companies (see page 24).

By doing this we will create the capacity to improve services to customers, invest in new homes and services for the benefit of our wider communities, and provide protection against threats to our financial strength.

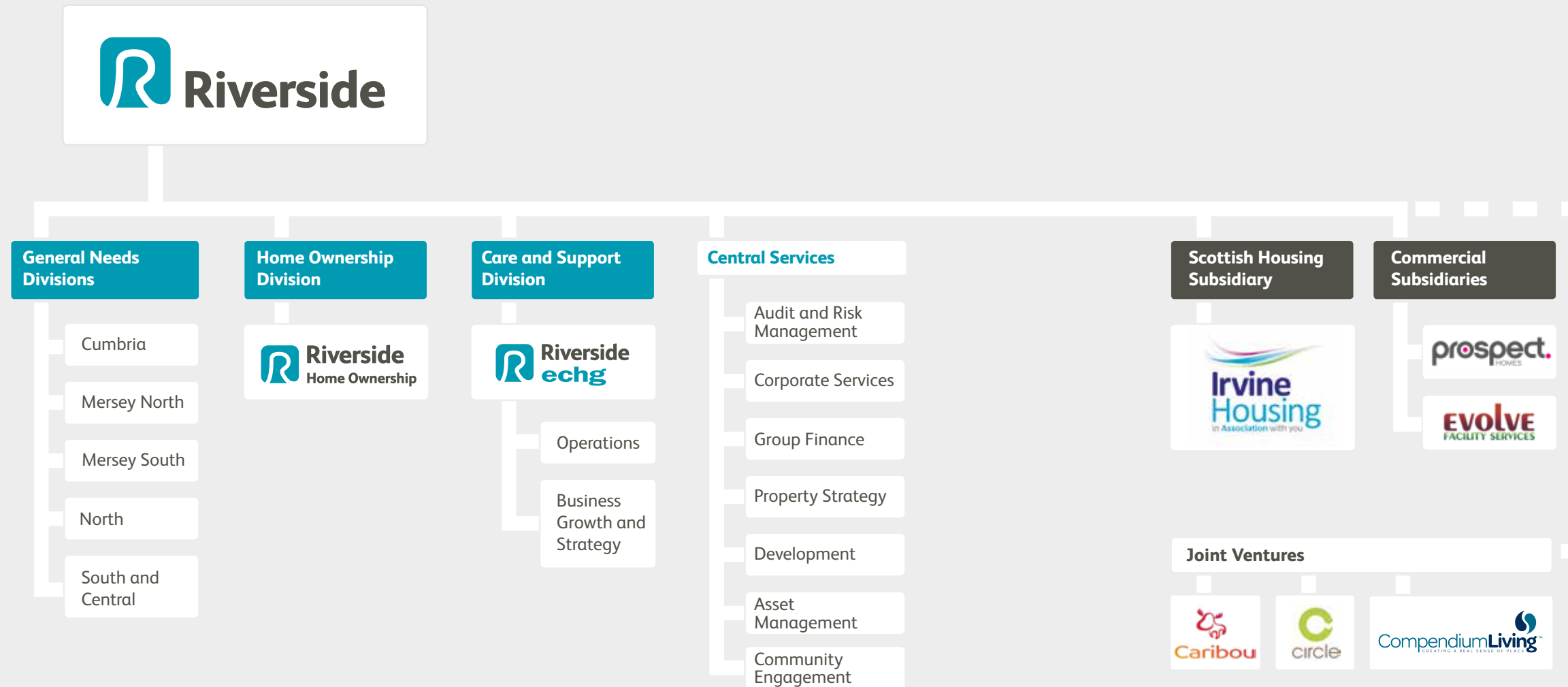
What will we achieve by 2017?

- 25%** operating margin.
- £2m** procurement savings over the life of the plan.
- £6m+** annualised operational savings driven by modernisation of our housing services.
- 8%** reduction in cost of central overheads per unit.
- £117m** annual investment in discretionary activities including the development and acquisition of new homes, planned maintenance and extra services to support sustainable tenancies.

£1.2m+

Over £1.2 million of gains have been achieved through the work of our procurement team in 2013-14.

Group structure



Riverside has developed a relatively simple group structure, bringing together the majority of social housing assets into a single entity.

This chart illustrates our operational structure, with our traditional social housing operations and central services on the left and subsidiaries (including our housing operations in Scotland) and joint ventures on the right.

Our commercial subsidiaries deliver a wider range of housing products, with profits covenanted back to the charitable housing association. Joint ventures with other partners enable us to deliver large scale regeneration projects.

Our commercial subsidiaries



Nature of business:

Joint venture with Lovell, leading large-scale, publicly sponsored place-making projects.

Profile:

Compendium Living was established in 2005 and currently has major projects on site in Derby, Hull, Liverpool and Stoke-on-Trent. The partnership combines expertise in the development of mixed tenure housing, commercial and community facilities with a people-focussed approach to community engagement, including the creation of training and employment opportunities.



Nature of business:

Repairs and maintenance contractor.

Profile:

Wholly owned in-house contractor delivering repairs and maintenance service to over 30,000 Riverside homes. Evolve employs over 350 staff and has an active and award winning apprenticeship programme. Through planned expansion in the North East and Midlands, the company is projected to deliver financial returns and VAT savings of £2.5 million per annum by 2016/17.



Nature of business:

Property development company.

Profile:

Established in 2001, Prospect GB is a respected developer of residential and commercial property, with an annual turnover of £21.1 million and developments across many parts of the country including the East Midlands, Yorkshire, Cheshire, Greater Manchester and Merseyside.



For more information about our financial performance and business effectiveness, please visit our website.

Contact us

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 You can also visit **your local office**
(for more details visit our website or call us)

 We are happy to accept **Text Relay** calls

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