HIGHLIGHTS OF THE TRGL BOARD MEETING HELD ON 17 JANUARY 2019

CHIEF EXECUTIVE UPDATE

The Board was pleased with the preparations TRGL were making to ensure that any risks to the Group arising from Brexit were appropriately mitigated and that the Housing Regulator was satisfied with the work carried out to date.

SECTOR SCORECARD BENCHMARKING REPORT

A report was received on Riverside's performance for 2017/18, benchmarked against that of other providers. The key issues noted were that (i) TRGL's development performance and capacity were strong; (ii) financial health was on an improving trajectory; and (iii) outcomes for customers required improvement.

The Board was disappointed that customer satisfaction was not as strong as it should be, but were assured by the comprehensive performance improvement plan in place, and the visibility and accountability at both Committee and Board level. It was agreed that customer satisfaction would remain under close monitoring, and would be discussed in detail at the Board's Strategy Day in September.

TRANSFORMATION ROADMAP AND OUTLINE BUSINESS CASE UPDATE

The Board noted an update report on the progress of the transformation of Riverside to a new, more efficient operating model, now that it was at the end of its third full year and waves 1 and 2 had been completed.

There was substantial discussion of how self-service options for customers could be improved, and it was noted that a firm project plan was in place to ensure that self-service options were easy to use and effective for customers.

The Board asked if Riverside was now better at identifying and implementing change, where required, than it had been at the beginning of the transformation programme three years ago. It was assured that, while there were further enhancements to be made in this area, Riverside's change maturity had evolved, and a new Head of Change was in post to ensure that this continued.

INTEGRATED STRATEGIC PERFORMANCE REPORT

Having reviewed operational and financial performance in the period, the Board noted that, although there had been limited movement in performance since it met in December, performance was moving primarily in a positive direction. Financial performance was noted as being slightly ahead of that forecasted.

HEALTH, SAFETY AND ENVIRONMENT ANNUAL REPORT

The Board reviewed the annual report, providing an update on Health and Safety activity across the Riverside Group, and a summary of Health and Safety performance for the 2017/18 financial year. There were no significant issues of concern identified.

RISK REGISTER

The Board reviewed the register, which set out the key risks to the group and the impact of actions taken to manage them. There was agreement that the new approach adopted for monitoring and managing risk across the Group represented a positive development in Riverside's risk management model.

GOVERNANCE MATTERS

The Board considered and approved the appointment of a new interim Company Secretary for Riverside and a number of its subsidiaries.



CONFIDENTIAL MEETING MINUTES

Board/committee: The Riverside Group Limited (TRGL) Board (the "Board")

Date and Time: 10.00, 17/01/19

Location: Boardroom, TRGL Head Office, 2 Estuary Boulevard, Estuary Commerce

Park, Speke, Liverpool, L24 8RF

Present: • Max Steinberg – Chair

Pauline Davis (PD) – Vice ChairSusan Jee (SJ) – Treasurer

Tim Croston (TC) – Board Member
 Jonathan Dale (JD) – Board Member
 Ingrid Fife (IF) – Board member

Carol Matthews (CMM) – Co-opted Board Member

Sally Trueman (ST) – Board Member
 Peter White (PW) – Board Member
 David Otty (DO) – Board Observer

In Attendance: John Glenton (JG) – Executive Director of Care & Support Services

Ian Gregg (IG) – Executive Director of Asset Services
 Darren Levy (DL) – Interim Executive Director of Place
 Cris McGuinness (CAM) – Chief Financial Officer

Anne-Marie Owens (AMO) – Governance Manager (Secretary)

Michelle Dovey (MD) – Observer

Hugh Owen (HO) – Director of Strategy and Public Affairs – for items
 7 & 8

Item: 1.4a

entity as the investment vehicle for Project Rocket.

Apologies: None.

Min Ref:	Agenda Item	Action
1/19	Welcome and Apologies for Absence (Item 1)	
	The Chair welcomed members and attendees to the meeting including Michelle Dovey, the newly appointed Board Member who would take up her role in February. There were no apologies for absence to be NOTED .	
3/19	Chair's Matters & Chair's Actions (items 3a & b)	
	The Chair's matters were NOTED . The Board also NOTED the summary of decisions taken since the last meeting via Chair's action. This was to appoint Cris McGuinness as a director of Riverside Regeneration Ltd, in accordance with Articles 17 and 18 of the constitution. This	

appointment was with effect from 11 January 2019 to support more efficient operation of the

Min Ref:	Agenda Item	Action
ker. I/19	Minutes of Previous Meeting: 12 December 2018 (item 4) CONFIDENTIAL	
	The minutes were APPROVED as a true and accurate record of the meeting held. The Chair thanked PD for stepping in to Chair the meeting.	
5/19	Matters Arising from Previous Meetings (item 5) CONFIDENTIAL	
	The status of matters arising from previous meetings was NOTED and it was AGREED to close the items identified as complete for the purposes of the report.	
6/19	Chief Executive's Report (item 6) CONFIDENTIAL	
	The Board NOTED the Group Chief Executive's report and the following matters were highlighted for discussion:	
	Recruitment CMM reported that interviews for the position of interim Director of Governance & Legal had not identified a suitable candidate. Interviews for the permanent appointment were scheduled for two weeks hence. In the interim, Governance would report directly to CMM and legal, insurance and data protection to the interim Executive Director of Business Support.	

The Board noted that following interviews for the Executive Director of Customer Services role, the selection panel comprising PW, JG and CMM had made an offer to a candidate who had accepted. References were now being taken up and the Board would be informed when a start date had been agreed.

- PW advised that the Neighbourhood Services Committee had discussed Riverside Direct performance in detail at its last meeting and were satisfied that improvement was being made, with good work taking place over the festive period.
- The Board asked for confirmation of the percentage turnout for the tenant ballot in Lambeth as different figures were quoted in the meeting papers.

CAM

7/19 Sector Scorecard Benchmarking Report (item 7)

HO joined the meeting.

The Board **NOTED** a report on the strategic performance information for 2017/18, placed in a wider context, and benchmarked against that of other providers. The benchmarking data was either sourced from the regulator's Global Accounts, or Housemark. The following matters were raised for discussion:

- It was noted that this report replaced Housemark and Peer Group benchmarking reports provided in previous years.
- Members considered the key benchmarking data which showed that (i) TRGL's
 development performance and capacity were strong; (ii) financial health was not where it
 should be but was on an improving trajectory; and (iii) outcomes for customers required
 improvement.
- The Board queried the lack of significant relationship between performance and organisational size and were advised that achieving economies of scale for larger organisations was compromised by historically poor IT in the sector, size of geographical footprint and ratio of staff to properties. A number of large providers were also relatively immature having been created in recent years during a high period of sector restructure and would require further time to develop as organisations.
- It was agreed that the report contained measures that would be useful in enhancing existing
 performance reporting to Board and operational committees and that relevant data should
 be included. It was further agreed that a summary of the report should be shared across the
 business.

• The Board expressed disappointment that performance was not where it should be, particularly with respect to customer satisfaction but were assured by the comprehensive performance improvement plan in place and the visibility and accountability at both committee and Board level. It was agreed that performance would remain under close monitoring and would be discussed in detail during the new Corporate Plan conversations and at the Board's Strategy Day in September.

• It was further agreed that internal and external communications to develop and promote understanding of the distinctive features of TRGL as a business would be reviewed.

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Min Ref:	Agenda Item	Actio
9/19	 Bovis Update (item 9) VERBAL ITEM - CONFIDENTIAL The Board NOTED a verbal update on the current status of the Bovis Joint Venture project. The following matters were raised for discussion: 	
	 It was noted that the Conditional Deed of Accession had been signed on Monday 14 January and a number of outstanding consents and conditions were expected to be in place by 15 February, including landowner consent. At this point, cash would be exchanged and the deal completed. CAM advised that there had been no changes in commercial terms since the Board last met. The Board extended its sincere thanks to CAM for her leadership and commitment in delivering the deal for TRGL and all those staff who had worked on the project. 	CAM
10/19	 Transformation Roadmap and Outline Business Case Update (item 10) CONFIDENTIAL The Board NOTED an update report on the progress of the transformation of Riverside, now that it was at the end of its third full year and waves 1 and 2 of the Target Operating Model (TOM) had been completed. The following matters were raised for discussion: 	

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It was noted that a

firm, phased project plan was in place to drive forward customer self-service and the Executive Director of Business Support was working on an IT Strategy and Roadmap to address the remaining challenges in IT and the customer service centre. This would be provided to Board in May 2019. The Board agreed that any service change required the right frontline staff to support customers and that new arrangements must be demonstrably easier and more efficient in order to achieve customer buy in.

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- The Board asked if the limited change maturity identified across the organisation at the beginning of the programme had improved. CMM advised that while challenges remained a new Head of Change was in post who was taking the right actions to develop the Group's change maturity. This work would be supported by the culture transformation programme underway.
- In response to a query, CMM identified the greatest risks to delivery of the plan were (i) over-engineering change; and (ii) lack of productivity. Mitigations were in place to manage these risks.
- It was noted that there was a clear correlation between the customer experience issues
 raised and the benchmarking data reported earlier in the meeting. It was agreed that
 progress in customer self-service provision would be included in the customer satisfaction
 and engagement item at the Board's Strategy Day.

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11/19 Riverside New Head Office (item 11) CONFIDENTIAL

- The Board NOTED a report setting out a range of options for a new Head Office for Riverside. The following matters were raised for discussion:
- The Chair reminded Members that Head Office location had been discussed at the Boards' Strategy Day in September 2018 and there had been agreement that it should remain located in the Liverpool City Region.
- CMM summarised the significant deficiencies with the current leased building, namely (i) A very limited supply of on-site car parking of 160 spaces; (ii) design capacity for 400 people; and (iii) mechanical and engineering components nearing the end of their working life.
- The Board considered the opportunity which had arisen to acquire land close to 2 Estuary
 Boulevard and to build a new, 25% larger Head Office, with significantly more on-site car
 parking (600 cars). It was noted that this new Head Office could be specified to support
 agile working, and constructed in such a way that it could be extended further in future if
 required.
- IG directed the Board to an error in the financial analysis provided and clarified that the
 recommended option had no material cost benefits however the recommendation was
 based on other key drivers. He added that should the Board approve the building of a new
 Head Office as recommended, the project would be due for completion by Easter 2021.

Min Agenda Item Action Ref:

 Members discussed the risks in undertaking the work and the significant investment required and while supportive in principle instructed the Executive Team to carry out further investigation and, if appropriate, to seek final approval to acquire the land and proceed with the build detailing how the risks will be mitigated. The report should also include any cost implications arising from changing project timescales.

- It was agreed that should the new Head Office build proceed, an effective communication plan would be needed for all key stakeholders including city and metro mayors.
- Following due and careful consideration, the Board APPROVED in principle the recommendation to move to a new Head Office site subject to further investigations and final approval from the Board to invest.

12/19 Fixed and Intangible Asset Policy (item 12) **CONFIDENTIAL**

- The Board NOTED a report on the updated Fixed and Intangible Asset Policy. It was further
 noted that the policy had been reviewed and approved for recommendation to Board by the
 Group Audit Committee at its meeting on 6 December 2018.
- Following due and careful consideration, and upon the recommendation of the Group Audit Committee, the Board **APPROVED** the updated Fixed and Intangible Asset Policy.

13/19 Integrated Strategic Performance and Financial Performance Reporting (item 13) CONFIDENTIAL

- The Integrated Strategic Performance Report for Period 8 (November) 2018/19 and high level Financial Performance report for the 9 month period ended 31 December 2018 were NOTED and the following matters raised for discussion:
- Members noted that although there had been limited movement in performance since December's meeting, movements seen were primarily in a positive direction.
- It was noted that a paper would be provided to March's Board on Neighbourhood Matters, covering regeneration activity in Runcorn and Carlisle. PD reminded colleagues that a Board Briefing was scheduled for 30 January on the topic of putting tenants at the centre of regeneration.
- CAM reported that financial performance was slightly ahead of the forecast and the focus was now on the outturn for 2018/19 and budget for 2019/20.
- IG reported that access had been forced at an address on the Lambeth Estate for a gas safety inspection and sadly the customer was discovered deceased. The matter was now in Police hands and the Board would be kept informed of any developments.

14/19 Health, Safety and Environment Annual Report (item 14)

 The annual Health, Safety and Environment report was NOTED by the Board. It provided an update on Health and Safety activity across the Riverside Group, and also summarised Health and Safety performance for the 2017/18 financial year. The following matters were raised for discussion:

Min Ref:	Agenda Item	Action
Rei.	While acknowledging that personnel changes in the HSE team had impacted on reporting timescales, the Board were dissatisfied with the lateness of the annual update and instructed that it revert to the schedule of submission to July's meeting each year.	IG
15/19	Quarterly Treasury Report – July 2018 to September 2018 (item 15) CONFIDENTIAL	
	The Treasury update for the period from July 2018 to September 2018 was NOTED .	
16/19	Risk Register Update (item 16)	
	The updated risk register was NOTED by the Board. It was further noted that the risk register was reviewed by the Group Audit Committee at its meeting on 6 December 2018, where the Committee endorsed the overall approach.	
17/19	Group Company Secretary Appointments (item 17)	
	The Board NOTED a report on the proposed interim arrangements to ensure that the role of Company Secretary across the Group is occupied, where required, pending the appointment of Tom Ferguson's successor.	
	Following due and careful consideration, the Board APPROVED , pursuant to Article E7 of the TRGL Rules, that Anne-Marie Owens (Governance Manager) be, and is hereby appointed, as interim Company Secretary or Charity Contact of the following entities, as appropriate, with effect from the date of this meeting, being 17 January 2019:	
	 The Riverside Group Limited Impact Housing Association Limited Donald Bates Charity Eleanor Godfrey Crittal Charity Eventide Homes Trust The St Michael's Housing Trust Riverside Foundation Riverside Estuary Limited 	
	It further APPROVED , pursuant to Article 84 of the Riverside Finance Plc Articles of Association, that Emma Turner (Head of Treasury) be, and is hereby appointed, as interim Company Secretary for the following entity, as appropriate, with effect from the date of this meeting, being 17 January 2019:	
	- Riverside Finance Plc	
19/19	Committee and Subsidiary Board Summary Report (Dec 2018-Jan 2019) (item 19)	
	The Board received and NOTED the report setting out committee and subsidiary board activity in the reporting period of December 2018-January 2019.	

Min Ref:	Agenda Item	Action
20/19	Group Board Annual Plan of Work (item 20)	
	The proposed Group Board Annual Plan of Work, setting out the known items of business coming to Board in the next 12 months, was NOTED .	
21/19	Any Other Business	
	The Board welcomed the Chair's news that John Wood was recovering well from recent health issues.	
	It was noted that Jeanne Harrison from Moody's would attend the Board meeting in May and Group Audit and Treasury Members would be invited to come along to the presentation.	АМО
	The Board was delighted to note that TRGL had risen 10 places in Stonewall's top 100 employers' equality index for LGBT inclusive employers and now sat at number 26.	
22/19	Date of Next Meeting	
	10am on Thursday 14 March 2019 in the Boardroom, Riverside Head Office, 2 Estuary Boulevard, Estuary Commerce Park, Speke, Liverpool, L24 8RF.	
	There being no further business, the meeting was closed.	
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Signed:
Max Steinberg, TRGL Board Chair