



Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board (the "Board")		
Date and time:	10am, 10 September 2020		
Location:	Via video-conference		
Present:	• Terrie Alafat	(TA)	Chair
	• Pauline Davis	(PD)	Vice Chair
	• Ingrid Fife	(IF)	Board Member
	• Lisa Tennant	(LT)	Board Member
	• Sally Trueman	(ST)	Board Member
	• Peter White	(PW)	Board Member
	• Erfana Mahmood	(EM)	Co-opted Board Member
	• Carol Matthews	(CMM)	Co-opted Board Member
	• Sandy Murray	(SM)	Co-opted Board Member
	• Claire Stenfert	(CS)	Co-opted Board Member
In attendance:	• Richard Nichols	(RN)	Tenant Observer
	• John Glenton	(JG)	Executive Director of Care and Support
	• Ian Gregg	(IG)	Executive Director of Asset Services
	• Jo Lucy	(JL)	Executive Director Business Support
	• Cris McGuinness	(CAM)	Chief Financial Officer
	• Patrick New	(PN)	Executive Director of Customer Service
	• Sara Shanab	(SS)	Director of Governance and General Counsel
	• Sarah Clayton	(SC)	Head of Legal
	• Andrew Douglas	(AD)	Corporate Planning Advisor
	• Stuart Gambling	(SG)	Director of Internal Audit & Risk
	• Hugh Owen	(HO)	Director of Strategy and Public Affairs
	• Anne-Marie Owens	(AMO)	Governance Manager (Secretary)
Apologies:	• Goi Ashmore	(GA)	Board Member

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148/20	<p><u>Apologies for Absence (Item 1.1)</u> VERBAL</p> <ul style="list-style-type: none"> Apologies from GA were NOTED. The Chair welcomed staff members attending the meeting. 	
149/20	<p><u>Declarations of Interest (Item 1.2)</u> VERBAL</p> <ul style="list-style-type: none"> No interests were declared. 	
150/20	<p><u>Chair's Matters (Item 1.3)</u> VERBAL</p> <ul style="list-style-type: none"> It was noted that as the restrictions arising from COVID-19 continued, the Governance Team would be conducting a survey with Board Members to obtain ideas and preferences for Board meeting arrangements to explore how the Board can best interact under the circumstances. The Chair advised that the video to be shown in the meeting was part of the strengthening of routes for customers' stories to be heard directly at Board level. The Board congratulated ST on her recent fundraising activity and asked that she advise how Board Members could contribute. The Chair reported that the recent Spectrum meeting she attended had been very interesting and she would be attending the other staff groups in due course. It was noted that JG had shared information on forthcoming events and blogs with Board Members to support their involvement. The Chair advised that at a recent meeting with the Regulator of Social Housing, the intention to publish a response to the Social Housing White Paper before Christmas was confirmed and there was an expectation of change in the area of consumer regulation. It was agreed that Riverside should ensure it is well positioned to respond to the anticipated changes. It was further noted that at the meeting, it was confirmed that Riverside's COVID-19 response was consistent with comparable organisations in the sector. The Board agreed a number of suggestions to reorder the agenda for a more logical flow. 	AMO
151/20	<p><u>Customer Impact Video (Item 1.4)</u></p> <ul style="list-style-type: none"> The Board was shown a video which had been recently produced for a Care & Support Managers' conference, in which a diverse selection of Care & Support staff reported on progress made against the previous Corporate Plan 2017-20 objectives and key achievements. The video initiated a substantial discussion of the ways in which customer stories could be directly shared with the Board, to give a balanced view of customer experiences both positive and where things had not gone well. It was agreed that this would be further explored including how customer engagement and interaction could be built into the October Board strategy session. 	JG

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	<ul style="list-style-type: none"> IF provided an update on the virtual tour taken by members of the Care & Support Committee of the Willow Brook scheme and noted that while there had been some technological issues, these had not hampered the Committee's engagement with staff and customers. IF advised that a strong sense of how the pandemic had impacted lives and how Riverside staff had responded with compassion and commitment came through the virtual tour format and the experience had been both enlightening and uplifting. It was agreed that the video of the tour would be circulated. 	JG
152/20	<p><u>Minutes of Previous Meeting (Item 1.5)</u> CONFIDENTIAL</p> <ul style="list-style-type: none"> Minutes of the meeting on 12 August 2020 were approved. 	
153/20	<p><u>Matters Arising from Previous Meetings (Item 1.6)</u> CONFIDENTIAL</p> <ul style="list-style-type: none"> The update on Matters Arising from the previous meetings were NOTED. 	
154/20	<p><u>COVID-19 Update (Item 2.1)</u></p> <ul style="list-style-type: none"> The Board NOTED the update report on Riverside's ongoing response to the COVID-19 pandemic. IG advised the Board that engagement with staff during the virtual tour of Willow Brook indicated a high degree of confidence in the ability to continue to respond effectively to COVID-19 which placed Riverside in a strong position in the event of a second wave. It was noted that a further staff survey was planned in the coming weeks and results would be reported back. The Board noted that while the Government had reassessed fatality data, Riverside did not feel that it was appropriate or required at this stage. The improvement in void performance was welcomed and the Board queried why similar progress was not being seen in Care & Support. JG explained that there were a number of factors including retirement living staff working remotely for period (now back on site), a reluctance in the older community to move at this time, restrictions on the use of communal and shared facilities in some schemes and work ongoing to dispose of or change use of a number of units. Assurance was provided that all efforts were being made to improve in this area. The Board were pleased with the progress made in addressing the gas servicing backlog following remobilisation and asked when all outstanding tasks would be completed. IG advised that the target was to reach approximately 10 by the end of September. The possibility of second coronavirus wave was discussed, as was the impact of flu season and the trend being seen of people failing to seek and receive medical treatment. The Board agreed a number of actions to be taken to mitigate these risks: 	

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	<ul style="list-style-type: none"> • Wellbeing calls with customers in Care & Support would include a conversation about medical appointments and medical needs to encourage customers to seek and receive required treatment during the pandemic. JG agreed that any other possible actions which could be taken in this area would be explored. • The offer of flu jabs to all staff under 65 and who would not otherwise receive one would be strengthened to ensure vouchers were provided immediately on request and without delay. IG advised that the Board would be updated on uptake in October. • The Executive Team would review the use of Annual Leave across the business and take action to ensure that colleagues were taking appropriate breaks. 	<p style="text-align: center;">JG</p> <p style="text-align: center;">IG</p> <p style="text-align: center;">JL</p>
155/20	<p><u>Smart Business Working Report (Item 2.3) CONFIDENTIAL</u></p> <ul style="list-style-type: none"> • The Board NOTED the report outlining Riverside’s Smart Business Working approach in response to the continued COVID-19 crisis. • The Board was supportive of the approach outlined in the paper, recognising the drivers and opportunities however asked that as the project progressed appropriate consideration be given to risk and concerns as well as opportunities and benefits. These were identified as: <ul style="list-style-type: none"> ○ How domestic arrangements might impact on staff ability to work from home in the longer term; ○ How the duty of care to customers and staff and productivity levels can be protected under the new working arrangements; ○ What the cultural impact would be and how this would be managed; ○ How risks were being reflected in the Strategic Risk Register; ○ Potential impacts on talent acquisition, development and retention; and ○ Potential impacts on staff wellbeing and socialisation. • Assurance was provided that these matters were key factors in the developing approach and substantial engagement with staff around both practical arrangements and wellbeing impacts was underway. JL advised that the project would not be rushed and all factors would be given appropriate consideration. 	
156/20	<p><u>Group Risk Register (Item 2.2) CONFIDENTIAL</u></p> <ul style="list-style-type: none"> • The Board received and NOTED the risk register which had been updated to respond to the changing risk profile and now included an articulation of risk appetite against each strategic risk. • The Board expressed its appreciation for how dynamic the Register now was and how it responded to the changing environment. • There was a discussion around whether the increased content in the document might potentially obscure the visibility of the most material risks and how the format might be revised to make onscreen viewing easier. The Executive Team agreed to consider these matters for the next iteration. It was further agreed that those risks within Riverside’s control which had 	<p style="text-align: center;">CMM</p>

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	<p>been rated red for a significant period would be highlighted in the cover report. The Board agreed that it was responsible for identifying areas of concern through the risk register and requesting additional reporting/assurance from the Executive Team where required.</p> <ul style="list-style-type: none"> • JG provided an update on Safeguarding risk. It was noted that the training and awareness campaign continued with recent training for the Governance community well received. JG added that a Safeguarding Officer had been appointed who would drive the embedding of new processes across the business. It was noted that a change of status for this risk had been paused pending the Group Audit Committee meeting in September and would be reviewed in October. • An update was provided on the additional risk around multiple systems within procurement and it was noted that this was comprising the Procurement Team's ability to crystallise savings. This risk would remain red rated while a single system solution was achieved. • The Board asked for assurance that a proactive approach was adopted to encourage customers claiming Universal Credit (UC) to set up an Alternative Payment Arrangement. PN advised that this was discussed with all new UC applicants and included in conversations with existing customers where relevant. It was further noted that UC applications had returned to pre-February levels following a significant increase in April and May. <p>SG left the meeting.</p>	
157/20	<p><u>Chief Executive's Report (Item 3.1) CONFIDENTIAL</u></p> <ul style="list-style-type: none"> • The Board NOTED the Chief Executive's update report. • CMM provided an update on the key elements of the Government's proposed Affordable Housing Programme. It was noted that while the commitment to all affordable tenures including social rent, and the 10% targeted to Supporting and Specialised Housing was welcomed, the scale of the focus on home ownership at 50% of the programme was surprising. The grant condition on the right to shared ownership which allowed customers to purchase 10% with further tranches of 1% was identified as a challenge to the viability of the product in some regions/communities as was the obligation on landlords to provide repairs and maintenance services for 10 years. CMM had shared these views with the Programme Director. [REDACTED] It was noted that the prospectus was due to be published shortly and the Executive Team would continue to explore the opportunities and risks and keep the Board updated. • PN provided an update on the ongoing negotiation with the Union and Customer Service Centre colleagues relating to the proposed changes to the CSC operating model. [REDACTED] since the last report to Board, further analysis of CSC productivity and staff attrition as well as detailed future scenario modelling of services against demand has been carried out which had allowed changes to be made to the proposals which would be submitted to ACAS in early October. External legal advice taken supported Riverside's approach as productive and pragmatic. The updated proposals would 	

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	<p>enable Riverside to deliver its target service and provided the operational flexibility required while addressing the main concerns raised by the Union. The Board gave its full support to the actions being taken.</p> <ul style="list-style-type: none"> • The Board reviewed the proposal to sign up to the Liverpool City Plan, and CMM provided assurance that this would not impact delivery of services in the LCR region and noted her expectation that other key providers in the region would be signing up to the Plan in due course. • Following due and careful consideration, the Board AGREED that Riverside would sign up to the Liverpool City Plan. 	
158/20	<p><u>Business Plan (Item 3.2)</u></p> <ul style="list-style-type: none"> • The Board received the Business Plan which had been revised in the wake of the COVID-19 pandemic, and required submission to the Regulator for Social Housing by the end of September 2020. • It was noted that the revised Plan incorporated feedback from both the Executive Team and from Group Board (gathered at the August 2020 meeting). • CAM took the Board through the revisions in detail and provided assurance that it remained strong and compliant with Golden Rules and loan covenants. • The Board discussed the reduction in headroom on the operating margin Golden Rule in Year 5 (2025) and CAM explained that this was due to the impact of the operating margin Golden Rule stepping up from 20% to 25% which would see Headroom reduce before recovering again. It was noted that a breach of the operating margin Golden Rule would not have any external impact as this particular Golden Rule was not linked to covenants.. • Assurance was sought that a robust risk mitigation framework was in place. CAM explained the tiered approach to risk mitigation and described the actions which would be taken at each stage in response to levels of risk. It was noted that while more substantial measures would require an appropriate lead in time to implement, the stress testing model assumed that no action had been taken before the worst case scenario was reached. However, in reality there was a system of early indicators and warnings which would allow sufficient opportunity for decisions and actions to be taken in good time. CAM summarised the key elements of this system including the work of the Investment Appraisal Committee and the reporting framework around financial management and treasury management. The Board was assured that there were appropriate systems in place to ensure early visibility at Board level of issues emerging. • CAM further explained how breaches of the Golden Rules would be reported to Board. It was noted that the Golden Rules were set at 5% above loan covenant to provide a buffer and the most likely to be breached (EBITDA-MRI and operating margin) were not covenant backed. Potential breaches would be reported through the standard financial performance report (management accounts) at an early stage. CAM noted that should any of the covenant backed Rules be breached a discussion would be required with 	

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	<p>lenders. Breaches of any Golden Rules would be reported to the Board immediately.</p> <ul style="list-style-type: none"> The Board queried the assumptions made for the re-phasing of capital expenditure. IG had forecasted what could be delivered and the works phased over each year. It was noted that the biggest movement was in the forthcoming financial year which did significantly improve EBITDA-MRI however, this cost was spread over a number of years which would have an impact on EBITDA-MRI in the longer term. It was further noted that the Plan would change as the outcomes of forthcoming Stock Condition Survey would need to be reflected. Following due and careful consideration, the Board APPROVED the Group Business Plan. 	
159/20	<p><u>Our Riverside Plan Performance Report (Item 4.1)</u> HO and AD joined the meeting.</p> <ul style="list-style-type: none"> The Board NOTED the first strategic performance report based on 'Our Riverside Plan 2020-23', comprising performance dashboards for each of the objectives - 'People', 'Homes' and 'Places' - based on previously approved outcome measures, and a brief activity-based summary of progress. HO explained how the Our Riverside Plan (ORP) at appendix 2 of the report did not materially differ from the version previously received however it was now presented in its final designed format and reflected COVID-19 impacts. It was noted that the ORP now contained measures against which progress would be assessed and HO thanked LT for her input in developing these. It was further noted that these were output based and would be reported on twice yearly with additional operational and financial reporting provided throughout the year. The Board noted how the strategic performance report was constructed to give a clear view of performance against strategic objectives as articulated in the ORP as well as an activity based progress summary derived from the detailed delivery plan which operationalised the ORP. It was noted that in due course those activities not tracking on target would be highlighted in the summary report and corrective actions taken or planned explained. The impact of COVID-19 on both performance and reporting was acknowledged. The Board noted that due to a pause in customer surveys and colleague engagement activity, performance data in these areas would be contained in the next report. There was agreement that the report's format and content successfully supported effective Board oversight of the delivery of Strategic objectives. The Board extended its thanks to all staff involved in developing the report and particularly AD for his substantial input. <p>HO and AD left the meeting.</p>	

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160/20	<p data-bbox="284 226 1050 255"><u>Committee and Subsidiary Board Update Report (Item 4.5)</u></p> <ul data-bbox="284 293 1321 801" style="list-style-type: none"> <li data-bbox="284 293 1321 360">• The Board NOTED the summary of activity at Group committee and subsidiary board level in the period since the Board last met. <li data-bbox="284 398 1321 696">• London Development Committee - PD reported that David Swarbrick would be leaving Riverside to take up an opportunity with another organisation and an interim replacement, Nathan Gravesande had been employed to direct the programme for an interim period. Mr Gravesande had a strong track record and was very experienced in the London market. It was noted that the LDC had further discussed the development strategy at its recent meeting and would be continuing these discussions at a strategy event in October. There were no issues of significant concern with the programme at this time. <li data-bbox="284 734 1321 801">• There were no further material comments from Chairs in addition to the written reports provided. 	
161/20	<p data-bbox="284 837 879 866"><u>Monthly Executive KPI Dashboards (Item 4.2)</u></p> <ul data-bbox="284 904 1321 1518" style="list-style-type: none"> <li data-bbox="284 904 1321 1010">• The Board NOTED Monthly Executive KPI dashboards developed to report on performance against targets in the 4 key areas of operation; Colleague, Compliance, Customer and Cash Leakage. <li data-bbox="284 1048 1321 1182">• IG advised that customer satisfaction performance data was pre-March as surveys had been paused following lockdown. He added that Colleague measures would be further developed and a number of measures on debt control were also in development. <li data-bbox="284 1220 1321 1413">• PW noted that under normal circumstances, the Neighbourhood Services Committee would have scrutinised the performance data in advance of Board allowing PW to share the Committee's views and assurance. He commented that the information supplemented and illuminated the operational factors impacting on the strategic objectives as reported in the ORP providing a welcome triangulation of information. <li data-bbox="284 1451 1321 1518">• The Board endorsed the format and content of the Executive KPI dashboards. 	
162/20	<p data-bbox="284 1554 810 1583"><u>Financial Performance Report (Item 4.3)</u></p> <ul data-bbox="284 1621 1321 1928" style="list-style-type: none"> <li data-bbox="284 1621 1321 1727">• The Board NOTED the Financial Performance Report (FPR) Summary for July (Period Four), compared to Quarter One Forecast (Q1F). The report also provided detail of full year movements between Budget and Q1F. <li data-bbox="284 1765 1321 1832">• In response to a query, CAM confirmed that additional costs arising from COVID-19 were included in Q1F. <li data-bbox="284 1870 1321 1928">• There were no further material matters raised that had not been discussed under the Business Plan item. 	

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163/20	<p><u>Care & Support Annual Report (Item 4.4)</u></p> <ul style="list-style-type: none"> The Board NOTED the Annual Care and Support summary providing an overview of the activities, challenges and achievements of the care and support business during the year ending March 2020. A summary of progress made against performance, financial and business growth targets together with a status update of current major projects was also noted. JG highlighted the financial position and advised that while there was disappointment with the operating margin performance, arrangements were in place to support closer working with asset management and finance colleagues to more strongly manage performance this year. JG noted that while a significant percentage of turnover was derived from service charges and rents which made driving the margin a challenge, factors within Riverside's control such as void turnover were a key area of focus for improvement. It was noted that the Care & Support Committee were applying particular attention to this area and where possible using benchmarking data to track and assess performance. The Board welcomed the performance in the area of business development, which had seen the most successful performance since 2013 with particular progress made in securing business in London. Similarly the Board were pleased that while Riverside had encountered initial challenges with the Housing First initiative, it was now one of the largest providers of services delivered through this approach. A serious safeguarding concern raised at a scheme in Bristol was noted and the Board was satisfied that the response had been robust and appropriate action taken to improve practice and process. IF reiterated the success achieved in the year in business development and noted that while the contracting landscape was uncertain due to COVID-19 impacts, Riverside's Care & Support team were well placed to respond due to strong relationships with Local Authorities, a strong influencing position and a keen sense of what the team's strengths are and how these could be best utilised. The Board recognised the ongoing exceptional work and commitment demonstrated by Care & Support staff in responding to COVID-19, maintaining services while keeping customers and staff safe. 	
164/20	<p><u>Any Other Business (Item 6)</u></p> <ul style="list-style-type: none"> No additional business was raised. 	
165/20	<p><u>Date of Next Meeting (Item 7)</u></p> <ul style="list-style-type: none"> To be held on 7 October 2020 via videoconference. <p>There being no further business the meeting was closed.</p>	

Signed:

Terrie Alafat, TRGL Board (Chair)

Date