

**The Riverside Group Limited - Committee and Subsidiary Board Update**

The Board is asked to **NOTE** this summary of activity at Group committee and subsidiary board level in the period since the Board last met. Full sets of minutes for all subsidiary board and committee meetings are made available on REX as soon as available, or can be requested from the Governance Team.

**Governance and Remuneration Committee 10 December 2020**

<p>Business dealt with</p>	<ul style="list-style-type: none"> <li>• Approved the Death in Service process</li> <li>• Approved a proposal for services provided by PwC as remuneration consultants</li> <li>• Noted an update on compliance against the Code of Governance, White Paper &amp; Together with Tenants</li> </ul>	<ul style="list-style-type: none"> <li>• Noted an update on Board and Committee Membership</li> <li>• Noted an update on current Joint Venture governance arrangements</li> <li>• Noted an update on Governance Team Projects</li> <li>• Received an Appraisal Update and reviewed proposals to seek support of external experts to undertake a full review</li> </ul>
<p>Key matters arising</p>	<p>The Committee approved the proposed Death in Service process to ensure all appropriate steps are taken to support families of staff who have died in service and that Riverside undertakes the necessary due diligence in respect of the life cover claim from Canada Life.</p> <p>The Committee reviewed and approved a proposal for the provision of services by PwC during their 3 year engagement as Riverside’s remuneration consultants.</p> <p>The Committee noted a report summarising the main provisions of the Code of Governance, White Paper and Together with Tenants providing initial analysis of TRGL’s current status, the work underway and the planned route to compliance. It was noted that there was a focus on strengthening the customer voice and landlord engagement. Improving diversity to better reflect the customer base was discussed and it was agreed to continue work to broaden membership of RCVE and explore the use of technology to improve connectivity and opportunities to engage with the wider customer base. A compliance plan is in development which will include work to improve diversity on boards and committees. There was a discussion around the requirements in the new code relating to terms of office and it was agreed that Riverside required a compliant approach which offered the business flexibility. The Committee was assured that there were currently no concerns in achieving compliance with the new Code of Governance.</p> <p>The Committee received the Board and Committee Membership Update noting the significant recruitment activity underway or planned in the coming months with respect to Prospect, Irvine and RC&amp;SC.</p>	

	<p>The Committee received an update on current Joint Venture (JV) governance arrangements, improvements to JV governance and control and work to strengthen reporting and ensure compliance with the revised NHF Code of Governance. It was proposed that Group Board receive a six-monthly JV activity update report to support oversight at Board level.</p> <p>The Committee noted an update on governance-related projects currently in process including the implementation of a Board Portal and Group Structure Rationalisation.</p> <p>The Committee reviewed a proposal to seek the support of external experts to undertake a full review of Riverside’s appraisal approach. It was agreed that the proposals would be refined based on feedback received from the Committee and a further report brought to the next meeting.</p>
Recommendations	That Group Board agree to receive 6 monthly update reports on JV activity commencing in March 2021.

### **The Riverside Group Pension Trustees Meeting 20 November 2020**

Business dealt with	<ul style="list-style-type: none"> <li>• Agreed a six-year recovery plan with DRCs to be paid monthly at a rate between £3.0m and £3.5m.</li> <li>• Completed a required review of its legal advisors performance</li> <li>• Discussed the quarterly, funding and investment updates in detail.</li> </ul>	<ul style="list-style-type: none"> <li>• Received updates on administration and membership matters</li> <li>• Discussed governance matters including the member newsletter and audit Reviewed and approved the risk register</li> <li>• Received information on current issues</li> </ul>
Key matters arising	<p>The Board discussed the Actuarial Valuation as at 31 March 2020 and market movements since then. The Board agreed a six-year recovery plan with DRCs at a floor of £3.0m with a maximum of £3.5m p.a. dependent on the level of deficit in the scheme, with a preference to receive DRCs monthly to assist cashflow management.</p> <p>The Board reviewed the performance of the Scheme’s legal advisors CMS in line with its requirement to undertake such proceedings triennially with feedback to be discussed with CMS.</p> <p>The Board discussed the quarterly update in detail and remains comfortable with the covenant outlook. The most recent covenant update was noted and that prudent assumptions have been made in terms of accounting and cashflow and the liquidity position is comfortable.</p>	

	<p>The Board discussed the funding update at 30 September 2020 noting that the direction for the valuation outcome is positive but the market situation remains volatile. The self-sufficiency position showed a funding level of 76% and is also moving in a positive direction.</p> <p>The Board discussed the investment update in detail including current issues in the portfolio and agreed that the automatic re-balancing of the LGIM equity funds, as part of transitioning from the UK to global funds, should remain suspended for the time being. The Trustee noted that it is required to confirm that it has strategic objectives in place for the Scheme’s investment consultant to the Competition and Markets Authority by 7 January.</p> <p>The Board discussed governance matters including the member newsletter and that the 2020 audit was completed on time and discussed tendering for auditors in 2021.</p> <p>The Board discussed the Business Plan noting that valuation results were not included in the member newsletter; two Summary Funding Statements will be required in the near future following the results of the triennial valuation and the results of the annual actuarial update as at 31 March 2021.</p> <p>The Board received the Risk Register, noting the working group had met to review the register including the span of risks and the probability and impact scores attached to them. The Board agreed to adopt the risk register and that each section of the register is considered in detail at each Trustee meeting in rotation.</p> <p>Received information on current issues and agreed that a strategy meeting was to be held before the March meeting.</p>
Recommendations	There were no recommendations to Group Board.

### Group Audit Committee 3 December 2020

Business dealt with	<ul style="list-style-type: none"> <li>• Noted an update to the Risk Register</li> <li>• Noted Internal Audit Highlights Report &amp; Audit Update Plan</li> <li>• Noted an update on Compliance Assurance</li> <li>• Approved the External Audit Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Noted the External Audit Tender Process</li> <li>• Noted and update on Joint Venture Governance Approach</li> <li>• Approved the closure of Tax Related Compliance Gap</li> <li>• Approved the 3<sup>rd</sup> Party Audit Review Process</li> </ul>
Key matters arising	The Committee noted that a full review of the Risk Register had been conducted by ED’s and that a further review and alignment to the Social Housing White Paper would be completed for submission to Group Board at their December 2020 meeting. It was also noted	

	<p>that although nothing major had been identified in the White Paper a Working Group had been established to review the paper in detail and to produce a detailed action plan, to include the updating of the Risk Register.</p> <p>The impact of BREXIT was discussed and the Committee was assured that all factors had been taken into account when calculating the Risk Rating.</p> <p>It was AGREED that a regular update on Compliance Assurance would be provided given that the associated activity had now moved to BAU.</p> <p>The Committee reviewed and APPROVED the External Audit Plan for the Year Ending 31 March 2021.</p> <p>The Committee received an update on the Joint Venture Governance activity and endorsed the proposals.</p> <p>The Committee received an update on the activity that had been undertaken to mitigate Tax Risk within TRGL and approved the closure of the Tax related Compliance gap.</p>
Recommendations	There were no recommendation to Group Board

### Neighbourhood Services Committee Meeting 7 January 2021

Business dealt with	<ul style="list-style-type: none"> <li>• Received Executive Director of Asset Services' Update</li> <li>• Reviewed the Customer Service Risk Register</li> <li>• Noted Group Risk Register Summary</li> <li>• Noted Internal Audit Highlights and update from GAC on 3 December 2020</li> <li>• Reviewed Operational and Financial Performance Updates</li> <li>• Reviewed Customer Services Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>• Received Asset Services Compliance including Fire Risk Actions Update</li> <li>• Noted Customer Experience Strategy &amp; Action Plan</li> <li>• Noted Digital Strategy report</li> <li>• Noted Regional Equality &amp; Diversity Plan 2020-22 for South &amp; Central Region and C&amp;S regions 3, 4 and 5</li> </ul>
Key matters arising	The Chair will provide a verbal update at the Board meeting.	
Recommendations	Customer Experience Committee Terms of Reference for approval.	