

## GROUP BOARD MEETING 16 December 2021

### CEO Update

The Chief Executive updated the Board on a number of significant matters relating to the state of the Group and its operating environment, in particular the impact of Covid and the Omicron variant on the business.

### Social Housing Stock

The Board noted that social housing, as a percentage of stock, had dropped from 80% to 69%. There was recognition of the need to refine our merger and acquisition strategy following the merger. The Board may want to consider targets in future to bring social housing above 75% of housing stock. Any targets would be included in the 2023-2026 Corporate Plan. It was agreed that future merger decisions would need to consider the consequences on social housing provision.

### Service Charges

The Board agreed that at its meeting in March 2022, a report should be considered on the profile of service charges, including the scale and range of charges and the range of increases, in addition to information on any arrears trends and bad debts data.

### Interim Regulatory Downgrade

Riverside had experienced an interim regulatory downgrade from G1:V1 to G2:V2 following the merger with OHG. It was noted that a plan to return to G1:V1 would be established with oversight and ownership at Group Board level. The Board noted that OHG continued to work on addressing the issues identified by the Regulator in its last Regulatory Judgement. It was agreed that as part of the route back to G1:V1, the focus would be on addressing those matters of concern to the Regulator.

### Rent Increases 2022/23

The Board approved rent increases for 2022/23, and requested that the reasons for the increase, and the support available to customers who were facing financial hardship, be carefully explained in the communications that accompanied the notice of rent variation.

### Asset Strategy and Business Plan

The Asset Strategy and Business Plan was welcomed and approved, and it was acknowledged that the Strategy aimed to deliver all the recommendations of the Independent Housing Ombudsman's 2021 report on damp and mould.

### Compendium Living: Business Plan 2022/2023

The Board approved a two-year business plan and ten-year projections (up to 2033), for the Compendium group of companies which traded as Compendium Living.

### Data Breach and Malware attack

The Board noted an update on the recent data breach and Malware attack.

### Allpay Indemnity

Approval was given to enter into contract negotiations with Allpay to allow Riverside to directly refund any customer who paid Riverside via their service. The Board approved the indemnity and delegated authority to David Reid and the Group Treasury Team to make the necessary arrangements with NatWest and BACS to proceed with the creation of the new SUN required to give effect to the increased Allpay facility.

### **Strategic Risk Register**

The Board noted an updated Strategic Risk Register and an update on the work underway to develop a Strategic Risk Register for the new merged Group.

### **Care & Support Committee Terms of Reference**

The Board approved a revised Terms of Reference for the Riverside Care & Support Committee which had been designed to align with the CEC. The proposals had been subject to extensive consultation with the RCSC Chair and Members and the Executive Director of Care and Support.

### **Sector Scorecard Benchmarking**

The Board noted a report detailing Riverside's performance against the sector, based on the latest (2021) Sector Scorecard information, and outlined that significant improvements had been made compared to last year. It was agreed that the matters arising during the debate on the issue would be discussed in greater detail at a future Board meeting.

### **Operational Performance Report/ Quarterly Development Update/JV Update**

These reports were noted.

### **Financial Performance**

The Board noted a report on financial performance and approved the Quarter Two Forecast. Q2F had a 1% deterioration in operating surplus from Q1F which already had a 1% deterioration from budget. The Board further noted the four red Early Warning Signs and the risks and opportunities outlined in the report.

### **Quarterly Treasury Report**

The Board noted the Quarterly Treasury Report and that future quarterly reports would include the OHG portfolio which would give a combined line of sight on treasury matters.