



Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board		
Date and time:	11am, 14 February 2022		
Location:	Microsoft Teams Video conference		
Present:	• Terrie Alafat	(TA)	Chair
	• Pauline Davis	(PD)	Vice Chair
	• Caroline Corby	(CC)	Vice Chair
	• Goi Ashmore	(GA)	Board Member
	• Stewart Davenport	(SD)	Board Member
	• Olwen Lintott	(OL)	Board Member
	• Erfana Mahmood	(EM)	Board Member
	• Rommel Pereira	(RP)	Board Member
	• Carol Matthews	(CMM)	Co-opted Board Member
	• Sam Scott	(SS)	Co-opted Board Member
In attendance:	• Paula Simpson	(PS)	Tenant Observer
	• John Glenton	(JG)	Executive Director Care and Support Services
	• Ian Gregg	(IG)	Executive Director Asset Services
	• Richard Hill	(RH)	CEO of One Housing Group
	• Cris McGuinness	(CM)	Chief Financial Officer
	• Sara Shanab	(SSh)	Director of Governance and General Counsel
	• Maxine Cousens	(MC)	Director of People and Culture
	• Carl Walsh	(CW)	Finance Director
	• Nick Harrison	(NH)	Governance Officer (Temp)
	• Naomi Crozier	(NC)	(HIVE)
	• Nikki Rice	(NR)	(PS)

Min Ref:	Agenda Item	Action
23/22	<p><u>Apologies for Absence and Welcome (Item 1.1)</u> VERBAL</p> <p>Apologies were noted from Sandy Murray, Ingrid Fife and Patrick New.</p>	
24/22	<p><u>Declarations of Interest (Item 1.2)</u> VERBAL</p> <p>None notified.</p>	
25/22	<p><u>Budget 2022/23 (Item 2)</u></p> <p>The Board received a slide presentation from CAM on the progress made to date on the 2022/23 budget. CAM reported that the Budget was not for approval at this meeting. The purpose of the report was to provide an update. It was confirmed that the Board would consider the proposed Budget at the meeting on 17 March 2022. It was noted that while work on the budget had been delayed due to the recent Malware attack, there had been a significant amount of work to present the budget ahead of the March Board Meeting.</p> <p>The presentation covered the TRGL (excluding OHG) Budget 2022/23, and the key points were highlighted; TRGL 'Golden Rules' and other metrics; TRGL (excluding OHG) income and expenditure account for:- The Group, Customer Service, Care and Support, Asset Services, Business change and Digital Business, Development; Prospect; OHG Budget 2022/23 and the key highlights; OHG fire related income and expenditure; TRGL and OHG combined budget and risk analysis.</p> <p>It was noted that TRGL's Budget 2022/23 Operating Surplus (before OHG consolidation) was £80m, on a turnover of £399m, which was an operating margin of 20.1%. The initial budget was 17.6% - there had been significant improvement since then to get to the operating margin of 20.1%. All areas had contributed to this.</p> <p>At TRGL (before OHG consolidation), the Budget presented met the Board approved Golden Rules. While it was not proposed to revisit the Golden Rules at this stage, it was likely some options for revised rules for Operating Margin and EBITDA-MRI would return to the March Board.</p> <p>The OHG Budget had been prepared by the OHG finance team and reviewed in detail by the OHG Board. Work was already underway to look at the timetable for 2023/24 Budget process and how it could be more integrated in future year</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>CAM</p>

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	<p data-bbox="304 264 1358 465">[REDACTED]</p> <p data-bbox="304 465 1358 533">Discussion took place on the budget presentation and the following points were made:-</p> <ul data-bbox="304 566 1358 1279" style="list-style-type: none"> <li data-bbox="304 566 1358 633">• TA welcomed the report and in particular the pledges on repairs and in resolving damp issues which had been built into the budget. <li data-bbox="304 633 1358 835">• Following a question from CC, CAM confirmed that there were some areas of the budget where there were clear salary savings; Customer Services was one such area. However, salaries in Care and Support and Central Support Services had gone up. The cost of the initiative to award the payrise from April 22 (as opposed to July 22) has been held centrally until the negotiations on pay increases had been completed. <li data-bbox="304 835 1358 969">• Regarding a question on increased margins, CAM reported that there was recognition that repairs and maintenance costs were high, however in the last few years there had been much work to drive out cost savings. Assumptions and detail on headcount would be included in the March Board report. <li data-bbox="304 969 1358 1149">• Following a question from GA, CAM reported that an improved performance in Care and Support voids was being seen and was a result of management actions. The progress made in dealing with long standing policy voids which were recognised as a significant cause of performance issues were particularly welcomed. <li data-bbox="304 1149 1358 1279">• RP enquired whether the capital and revenue accounting treatment was correct, particularly following internal discussions on fire and cladding costs. CAM reported that the numbers had been signed off by OHG's Executive and the Board who were close to this information <p data-bbox="304 1279 1358 1753">[REDACTED]</p> <ul data-bbox="304 1753 1358 2029" style="list-style-type: none"> <li data-bbox="304 1753 1358 1888">• SS enquired how challenging the repairs and maintenance budget was. CAM reported that a risk scenario was included for an increase in void repairs. IG reported that repairs demand had levelled off following an increase in repairs post lockdown and indicated that the budget should be adequate. <li data-bbox="304 1888 1358 1955">• Following a question from PD, CAM confirmed that the March paper would include more detail regarding the Prospect numbers. <li data-bbox="304 1955 1358 2029">• TA acknowledged that although this meeting would not be reviewing the 'Golden Rule' on operating margin, a future Board meeting may do. In 	

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	<p>particular, what should happen should there be a ‘Golden Rule’ which was not necessarily achievable within a year. Consideration could also be given to whether the rules should be over a period of two years rather than one given such things as the impact of the merger and other current challenges etc. Also, whether one off amounts such as SHPs exit fees should be excluded from the calculation of the Golden Rules. CAM suggested a couple of options - that the 20% ‘Golden Rule’ could be maintained with the recognition that the business could likely return to this level within two to three years or that the Operating Margin and EBITDA-MRI Golden Rules be reviewed as a result of OHG joining the Group.</p> <ul style="list-style-type: none"> • CMM commented on the inflationary pressures linked very much to the cost of employment and the cost of materials which was having an adverse impact, with both pressures only increasing in the short term [REDACTED] <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] However, the Board should be cognisant of the budgetary pressures in 2022/23 and that the Exec Team were minded to reflect this within the final Budget which would return for approval in March 2022.</p> <p>The Board NOTED the presentation.</p>	
26/22	<p><u>HIVE (Item 3)</u></p> <p>The Board received a brief presentation (due to time constraints) from NC on the results from the recent colleague pulse survey. It was noted that a full engagement survey had been undertaken in Feb 2021, with a Pulse check in October 2021.</p> <p>The key points highlighted were:-</p> <ul style="list-style-type: none"> • The response rate had been 53% and there was scope for improvement around engagement and advocacy levels, however it was noted that other Housing Associations and organisations both nationally and internationally had seen similar drop offs in participation. • The Directorate overview of response rates. It was drawn to the attention of the Board that the Chief Executives Directorate and Group Finance had good response rates. The response rates for C&S and Assets were lower. • Score ratings for the drivers for engagement include maintenance of a work-life balance, confidence that the business was heading in the right direction, Riverside treated everyone with dignity and respect, opportunities to develop and grow careers – this latter one receiving a lower score than the others. • Detail on the key themes of strategic direction, growth and development and work-life balance. • There were three action points arising from the survey – ‘High workloads, take people on the journey and prioritisation of 1 to 1s’. • The presentation also outlined how the survey compared to previous surveys and what the plans were to act upon the survey results. <p>TA, following the presentation, suggested that as there was insufficient time to discuss this important presentation and pose questions, consideration be given</p>	MC/SSh

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	<p>to including the issue on the March, or other Board agenda and circulating the presentation slides following the meeting.</p> <p>MC expressed disappointment at the dip in engagement, but this could be part explained by the general dip in engagement nationally as the country emerged from the Covid pandemic. It was important to show that the organisation was listening to staff and acting on any results. MC referred the Board to the overview slide of the things the organisation was doing or had planned to do as a result of the survey.</p> <p>The Board NOTED the contents of the presentation and AGREED to consider including an agenda item on this at another time.</p>	SSh
27/22	<p><u>TRGL/OHG Integration Update (Item 4)</u></p> <p>RH introduced a report on the progress in taking forward the integration of One Housing Group into The Riverside Group. The report outlined the establishment of a Merger Integration Panel (MIP) which would oversee the programme and project activity that would achieve integration and the report included a suggested membership and terms of reference. It was noted that there had been a commitment to colleagues to produce a first draft of a Transition Plan by March 2022.</p> <p>The key early priorities for the MIP were outlined as follows:- strategic alignment; corporate leadership; people and culture; digital strategy; and operational delivery.</p> <p>RH reported that the work would focus on the amalgamation of the organisations, achieving the savings in the Business Plan, honoring the pledges made and trying to maintain business as usual in terms of the customer experience strategy, bringing strategies together.</p> <p>Further update reports on the transition plan would be brought to future Board meetings.</p> <p>Following a question from EM, RH confirmed that 'pause and review steps' would be built into the work on the Transition Plan which would be reviewed every six months and have a lessons learnt section. Further detail on equality and diversity data for the organisation as a whole would be included in the HIVE survey results.</p> <p>The Board NOTED the progress report and the establishment of a Merger Integration Panel (MIP) with the membership and broad terms of reference set out at Appendix 1 of the report. It was also NOTED that regular updates would be provided to TRGL Board, and the OHG Board, throughout the transition process.</p>	
28/22	<p><u>Any Other Business</u></p> <p>None notified.</p>	
29/22	<p><u>Date of Next Meeting</u> – 17 March 2022 in Hull preceded by a Board dinner the evening of 16 March 2022</p>	