

GROUP BOARD MEETING 15 December 2022

Chairs Matters and CEO Update

The Chair made reference to the recent report from the CiH and NHF entitled Better Social Housing Review 2022 and it was agreed that the Board would set aside some time to specifically discuss the report. In response to a request from Terrie, the Board received an update on the negotiations with Housing Solutions around the OHG stock disposal and the implications for OHG and the wider Group. An update was also provided on the developments with the Baycroft portfolio. The Chief Executive updated the Board on a number of significant matters, including an update on Group activities to tackle damp and mould across all properties where this was an issue and an update on the changes made to the revised damp and mould policy and procedures in light of recent developments. The Board also received assurance around the level of category 1 & 2 cases and that there were no cases which had had to be self-referred.

Customer Story

As an example of work done every day to support customers a letter from a customer was read out which demonstrated the deep impact colleagues could have on the life of customers. The letter set out the impact a Riverside housing officer had had on a customer who had been suffering with poor health conditions and unsatisfactory living conditions and how the involvement and dedication of the housing officer to resolve those issues had dramatically improved the physical and mental wellbeing of the customer.

Rent and Service Charge Increases

The Board received a paper setting out the proposals around the possible levels of rent increases to be applied to the financial year 2023/4. The report outlined in detail the proposed increases and the impact across all tenures within the Group, including the different position for Riverside Scotland customers. Having considered the paper carefully, including the Boards obligations as a charitable entity, the Board agreed the proposals as set out in the report which broadly set out a rent cap at 7% for most customers.

Customer support in Cost of Living Crises and role of Riverside Foundation

The Board received a paper which set out the support provided by Riverside to customers during the current cost of living crises and also reviewed the results of the recent cost of living survey of customers. The measures in place include further investment into the Riverside Foundation, money advice and affordable warmth services, and crises grants. The Board also considered the progress made by the Riverside Foundation supporting customers and their communities in line with the Board expectations, (with around £1.7m of the initial £2.5m committed).

Corporate Plan 2023-26 Progress

An update was provided to the Board on the development of the new Corporate Plan and the supporting corporate strategies the Board noted the importance of retaining agility over the term of the plan. Board members provided good input and direction into the Plan which would be incorporated into the final draft.

Transfer of Engagements and Integration update

Board received an update on the ToE and Group integration, noting the progress being made around system integration and budget planning in particular.

Asset Strategy Update

Good progress was noted on the asset strategy and the three year plan with over 70% of outputs complete or on track the Board also noted that this was discussed in detail at the CEC and that improving customer satisfaction to 90% remained a key aim.

TRG Lift Framework tender award report

The Board approved the outcome of a tender exercise to procure a framework of multiple providers to deliver lift repair, maintenance and replacement services over a four year term.

Asbestos Management and Removal

The Board approved the outcome of a tender process for asbestos management and removal services. A number of contractors were appointed for a maximum of up to five years.

Bridging Facilities

The Board received a report on a proposal to enter into a £300m unsecured bridging facility by the end of December 2022. The report provided an update from the paper presented to Board in October. Board noted the paper had been considered and recommended by the Group Treasury Committee before formally approving a number of resolutions to facilitate the bridging facility.

Westwood Cross Development

A report was presented on the proposal to purchase land at Westwood Cross, Ramsgate and to enter into a PCSA with Ilke Homes. The Board heard there had been robust challenge around the proposal at both Executive and at the GDC, but on balance the recommendation to proceed was being put to the Board. After further scrutiny at Board, the proposed land purchase was approved.

Pay Gap reporting

The Board received and noted an update provided on ethnicity and gender pay gap reporting, noting the work being done to close the gaps.

Combined Risk Register

The combined risk register was presented to the Board and the significant changes highlighted since the register was last reported to Board, which included the renewed focus on damp and mould, the social housing rent cap and the ToE work ongoing.

NHF Code of Conduct

The Board noted the findings of the assessment completed against Riverside's compliance with the NHF Code of Conduct 2022 and approved the adoption of the Code.

Directors Duties

The Board considered and noted the annual review of Director Duties and Responsibilities.

Homes England Compliance Audit findings

The Board noted the compliant audit findings from the recently completed audits carried out by Homes England on the developments at Norham Road and the RSAP programme at 63 Peel Road.

Anti Bribery and Corruption Policy & NHF Code of Conduct

The Board considered and approved the revised Group Anti-bribery and Corruption Policy.

Quarterly Cyber Security update

The Board received the cyber security report which set out progress over the last quarter, with the Board noting the good progress being made and that they had a masterclass session the following week on cyber security issues. The Board noted the increasing risks posed by digital supply chain risks and China.

Committee and Subsidiary Board update

The Board received the paper and heard from each of the Committee and Subsidiary Chairs present at the meeting about the key discussions and matters arising.

Operational Performance Report

Performance against the KPI's was considered by the Board with the report splitting out Riverside and OHG performance as well as a combined Group version. The Board noted the challenges around the KPI's relating to the Riverside Customer Centre and with cash.

Quarter 2 Forecast

The Quarter 2 forecast paper was presented to the Board who noted the position on Operating Surplus and on Net Margin. The paper also presented the information with and without the OHG contributions.

Financial Performance Update

The Board noted that in relation to the overall performance of the Group, YTD operating margin was 1.8% adverse to Forecast but YTD Net Margin was 3.2% favourable to Forecast. Overall potential impact of risks and opportunities for Riverside and OHG were discussed with the Board noting the overall combined opportunity from a consolidated group position. The Board also noted in particular the 5 red early warning signs contained within the report.

Friars Close, Southwark

The Board received a paper to pick up an issue with the Friars Close JV and to update the Board on the latest forecast peak investment and profit for the scheme. The Board, having considered the paper approved a number of recommendations as set out in the report.

Other reports noted

A Joint Venture update, the quarterly development update, minutes from previous meetings, matters arising from previous meetings and the written resolutions and chairs actions paper.