



Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board (the "Board")		
Date and time:	1pm 12 January 2023		
Location:	Via Teams		
Present:	• Terrie Alafat	(TA)	Chair
	• Pauline Davis	(PD)	Vice Chair
	• Caroline Corby	(CC)	Vice Chair
	• Goi Ashmore	(GA)	Board Member
	• Nigel Holland	(NH)	Board Member
	• Ingrid Fife	(IF)	Board Member
	• Olwen Lintott	(OL)	Board Member
	• Rommel Pereira	(RP)	Board Member
	• Sam Scott	(SS)	Board Member
	• Erfana Mahmood	(EF)	Board Member
	• Carol Matthews	(CMM)	Co-opted Board Member
In attendance:	• Brian Chiyama	(BC)	Tenant Observer
	• Tony Blows	(TB)	Group Chief Information Officer
	• 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	(CAM)	Group Chief Financial Officer
	• Patrick New	(PN)	Executive Director Customer Service
	• Russell Hall	(RJH)	Head of Governance (TRGL)
	• Sara Shanab	(SSh)	Group Director of Governance and General Counsel
	• Robert Marcantoni	(RM)	Development Director (OHG)
	• Martin D'Mello	(MD)	Group Director of Care and Support (OHG)
Apologies:			
	• Sandy Murray	(SM)	Board Member

Min Ref:	Agenda Item	Action
001/23	<p><u>Apologies for Absence (Item 1)</u> VERBAL</p> <p>There were apologies received from Sandy Murray.</p>	
002/23	<p><u>Declarations of Interest (Item 2)</u> VERBAL</p> <p>There was one new declaration raised by RP and that was to note that he had been appointed to the Board of NHS Supply Chain Co-ordination Limited with effect from 1 January 2023.</p>	
003/23	<p><u>Baycroft Options Review (Item 3)</u></p> <p>The Board received the paper that provided background on the review of Baycroft options (Project Blue) which has been undertaken following discussions at the OHG Care Committee and OHG Board. TA noted that the same paper had been presented to the OHG Board earlier in the day.</p> <p>RH explained to the Board that the fourth recommendation in the paper, (delegating negotiation of the final contract), was being withdrawn and any decision on the final contract would come back to the Board for a decision. RH provided the Board with an update on the discussions which the OHG Board had had on the paper before setting out the three options in the paper to the Board. RH also provided the Board with more details on the two partners who had been invited to tender and the details of their respective bids. Whilst the Board recognised that both bidders had submitted strong bids, Country Court Care, (CCC), had come out on top, with Board noting that they were a family-owned business with a good reputation and a strong financial position, whose values were aligned to the Riverside Group and who had good retention of their staff which was noted to be a particular issue in the care sector at this present time.</p> <p>The Board was also referred to the work of CBRE in the discussions and to the independent legal advice that had been obtained into the options presented.</p> <p>CC provided the Board with her thoughts on the proposal, explaining that she was happy with the proposed way forward and that it represented a good solution not just for the customers but also for colleagues.</p> <p>[REDACTED]</p> <p>GA confirmed he had spent some time focusing on the financials and the economics of the proposal and was comfortable with what was being proposed, noting the additional clarification provided by MD in relation to the SPV and Company guarantee.</p> <p>In response to queries from the Board, RH confirmed that the negotiations with the Freeholders had gone well and that they had recognised the Riverside Group's desire for an agreed exit strategy. He</p>	

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	<p>also confirmed the detail around Riversides ongoing obligations under the lease structure. RH agreed, (as a follow up to comments from EM) that he would explore the options around indemnity insurance to cover the ongoing lease obligations.</p> <p>The Board then considered a number of queries from SM, who had given her apologies for the meeting but had provided comments in advance. RH responded to the queries, providing additional clarity on the expectations around ongoing liabilities.</p> <p>TA summarised the discussion and noted it was important that when the next paper was brought to the Board it would be explicit on the financial aspects of the deal, along with the associated risks and liabilities and clear on the impact for customers. and the importance of the team continuing the good operational performance in the interim. RH agreed that these would be key elements within the report when the matter came back to the Board and in the meantime, he and his team would continue the detailed discussions with CCC and would also continue some high-level due diligence on Care UK in case negotiations with CCC stalled.</p> <p>The Board:</p> <ul style="list-style-type: none"> • APPROVED taking forward the option of a sub-lease of the Baycroft portfolio, noting the benefits and the risks of this approach. • APPROVED taking forward the preferred option of Country Court Care Group as the sub-lessee. • NOTED that Care UK remain an acceptable partner and that we will revert to them as an under-bidder if an acceptable contract with Country Court Care UK cannot be agreed. 	
004/23	<p><u>Disposal of Home Counties portfolio to Housing Solutions (Item 4)</u></p> <p>RH again set out the background to the report and provided the Board with an update on the OHG discussions when the paper had been presented to the OHG Board earlier that day. The Board noted the reasons why OHG had been looking at non-strategic asset disposals.</p> <p>The Board noted that there had been some challenging negotiations with Housing Solutions which had revolved principally around the difficult economic conditions, inflation and the rent cap uncertainty which had introduced a significant degree of uncertainty for Housing Solutions in their business planning. RM was able to confirm to the Board that through changes to the stock portfolio and having negotiated a number of other changes, the differences between the parties had narrowed significantly, although there was still some further progress to be made.</p> <p>RM confirmed the next steps which were required in the negotiations and the Board noted that the intention was for an exchange of contracts on 20 January 2023 and completion on or around 20 March 2023, they also understood that the Housing Solutions Board had given their approval to the transaction. In response to questions from the Board, RM confirmed</p>	

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	<p>he was receiving positive responses from Housing Solutions and was relatively confident in hitting these dates.</p> <div data-bbox="296 376 1238 510" style="background-color: black; width: 100%; height: 60px; margin-bottom: 10px;"></div> <p>In considering the financial elements of the proposal the Board also noted the additional advice received from Savills which provided the Board with independent information on what would be considered acceptable financial parameters for the deal to progress. The Board then went on to consider some of the detail within the negotiations and discussed some of the mitigations which could be triggered to ensure the deal could be done.</p> <p>The Board:</p> <ul style="list-style-type: none"> • APPROVED the formal offer from Housing Solutions as detailed in this paper • APPROVED exchange of contracts conditional on resident consultation for completion in March 2023. • DELEGATED authority to the Chief Executive of One Housing and the Chief Executive of TRGL on the inclusion of the schemes in section 6.3 to 6.5 and any final contractual and commercial negotiations which may be required to ensure the transaction proceeds to timescale 	
005/23	<p><u>Any Other Business (Item 5)</u></p> <p>There were no items of AOB</p>	
005/23	<p><u>Date of Next Meeting – 26 January 2022 (Item 6)</u></p> <p>The date of the next scheduled meeting was noted.</p>	
	<p>There being no further business the meeting was closed.</p>	

Signed:

Terrie Alafat, TRGL Board (Chair)

Date