



Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board (the "Board")		
Date and time:	2pm Monday 4 September 2023		
Location:	Microsoft Teams		
Present:	• Terrie Alafat	(TA)	Chair
	• Pauline Davis	(PD)	Vice Chair
	• Caroline Corby	(CC)	Vice Chair
	• Nigel Holland	(NH)	Board Member
	• Olwen Lintott	(OL)	Board Member
	• Erfana Mahmood	(EM)	Board Member
	• Sandy Murray	(SM)	Board Member
	• Ingrid Fife	(IF)	Board Member
	• Goi Ashmore	(GA)	Board Member
	• Sam Scott	(SS)	Board Member
	• Carol Matthews	(CMM)	Co-opted Board Member
In attendance:	• Keith Harkness	(KH)	Board Observer
	• Tony Blows	(TB)	Group Chief Information Officer
	• John Glenton	(JG)	Executive Director Care and Support Services
	• Ian Gregg	(IG)	Executive Director Asset Services
	• Cris McGuinness	(CAM)	Group Chief Financial Officer
	• Patrick New	(PN)	Executive Director Customer Service
	• Chyrel Brown	(CB)	Chief Operations Officer
	• Russell Hall	(RJH)	Head of Governance (TRGL)
	• Emma Turner	(ET)	Director of Treasury and Corporate Finance
Apologies:	• Carl Walsh	(CW)	Group Finance Director
	• Sara Shanab	(SSh)	Group Director of Governance and General Counsel

Min Ref:	Agenda Item	Action
140/23	<p><u>Apologies for Absence (Item 1)</u> VERBAL</p> <p>There were apologies received from Carl Walsh and Sara Shanab.</p> <p>Terrie welcomed Keith Harkness to the meeting.</p>	
141/23	<p><u>Declarations of Interest (Item 2)</u> VERBAL</p> <p>There were no declarations of interest made.</p>	
142/23	<p><u>Quarter One Forecast (Q1F) (Item 3)</u> CONFIDENTIAL</p> <p>CAM introduced the Quarter One Forecast (Q1F) of the Group for the 2023/24 Financial Year compared to Budget.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	

Min Ref:	Agenda Item	Action
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143/23	<p><u>Update to Group Treasury Policy (Item 4)</u></p> <p>The Board received Update to Group Treasury Policy from ET. The following main points were highlighted:</p> <ul style="list-style-type: none"> • Given the challenging economic climate and the Q1F results which showed a deterioration from the original budget, the treasury strategy had been revisited. • The Board welcomed the Treasury Plan on a Page at Appendix 2. • The Q1F results have accelerated the timescale on the top up charging exercise to the Numerical Apportionment Basis security trust, to create sufficient headroom to undertake releases required for the strategic disposal of legacy OHG stock to another RP. • The intended debuting of a sustainability linked framework to support a Euro Medium Term Notes programme has been put back into the next financial year, being replaced with a mixture of private placements and a potential new bond issuance. • The revised Treasury Policy also identified other measures to be taken to strengthen the current Treasury position across the Group, including working with lenders to amend covenant metrics and finalising the extension of revolving credit facilities. • GA also assured the Board that these issues had been well discussed, challenged and ultimately supported at GTC. <p>The Board:</p>	

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	<ul style="list-style-type: none"> • DISCUSSED and APPROVED the revised Group Treasury Strategy to ensure it would assist the Group in delivering its aims for the remainder of the financial year and into the future, the Board also NOTED the recommendations from an independent third party (Centrus Treasury Advisors); and • APPROVED the entering into new fixed charges over currently unencumbered stock to permit top up charging to the NAB security trust (up to £100m). 	
144/23	<p><u>New Build – Sandbrook Road, Sefton (Item 4)</u></p> <p>The Board received the proposal for the construction of 130 new affordable homes off Sandbrook Road, Ainsdale, Sefton. There were 20 new homes for Affordable Rent and 20 for Shared Ownership, along with 90 extra care apartments and associated communal facilities.</p> <p>NH assured the Board this had been the subject of rigorous review at GDC, but the scheme stacked up very well. The Board did discuss the scheme, particularly in light of the Q1F discussion that had taken place and sought assurance on whether this was a scheme which Riverside were committed to rather than a speculative scheme and CMM and JG confirmed that this was a scheme that had been in the pipeline for some time but if it hadn't been in the pipeline with partners for as long as it had, it would not have been brought to Board for approval</p> <p>The Board APPROVED the Purchase of land at Sandbrook Road, Ainsdale from Sefton Borough Council. AGREED to enter into a JCT Design & Build contract with Countryside Partnerships - Merseyside and Cheshire West (formally Vistry NW Partnerships) to procure 130 new affordable homes along with an Autism Assessment Centre at Sandbrook Road, Ainsdale which Riverside would build on behalf of Sefton Council, with a total scheme cost of [REDACTED] Board AGREED to simultaneously to enter into a development agreement with Sefton for the design and build of their Autism Assessment Centre for a sum of [REDACTED]</p>	
145/23	<p><u>Any Other Business (Item 5)</u></p> <p>There were two matters of AOB raised by CAM.</p> <p>AOB 1 - Accounting Treatment of Fair Value CAM informed the Board that the audit was still ongoing with just one or two bits left to resolve on the Group Accounts. One of the items was entirely presentational but material in monetary terms. It was noted that in last year's Group accounts, there was a significant adjustment for the acquisition of One Housing Group of £674.7m. The intended accounting treatment for the Transfer of Engagements was to move this balance via Reserves in Group to Reserves in the Association – meaning it never hit the SOCI / I&E for 2022/23. Whilst Board noted that CAM still supported this being the right accounting treatment, and having shared with BDO our intended accounting treatment the BDO audit team were comfortable</p>	

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	<p>with this. Unfortunately, as the accounts near completion, the BDO Technical Team suggested it was more appropriate to show this movement on the face of the SOCI of the Association. We have met with BDO to try and resolve the situation. The Board recognised that the adjustment that BDO Technical are suggesting would be a positive £674m to the Association SOCI and would sit in the same place (between Operating Surplus and Net Surplus).</p> <p>The Board noted that in reality it had little impact on anything – and the first thing any reader would do is reverse out that entry before doing any calculation, (so it would not impact Riverside covenants or any benchmarking measure). CAM explained the delay in finalising the accounts was one of a number of things culminating in significant pressure on her team and it was getting uncomfortably close to a range of filing and covenant deadlines.</p> <p>The Board accepted that if a satisfactory conclusion could not be agreed in the next few days CAM was minded to be pragmatic and just accept the adjustment in order to bring things to a timely close.</p> <p>The Board APPROVED a credit of £675m to the SOCI for the Transfer of Engagement fair value, debited from Reserves for Riverside (Association) for the year ended 31st March 2023.</p> <p>AOB 2 - [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	
146/23	<p><u>Date of Next Meeting (Item 7)</u></p> <p>Arrival 27 September 2023 Liverpool at 1pm for 1.30pm for tour, Annual General Meetings (Finance PLC, ECHG K&C and ECHG Harrow), IDA workshop, followed by dinner and overnight stay. Board Event Day 28 September 2023 9am – 3.30pm. (Item 9)</p> <p>The date of the next scheduled meeting was NOTED.</p>	

Signed:

Terrie Alafat, TRGL Board (Chair)

Date