

RIVERSIDE GROUP BOARD MEETING HIGHLIGHTS JULY 2024

BOARD MEETING HELD ON 11 JULY 2024

Chair and Chief Executive Matters

The Chair opened the meeting by thanking Keith Harkness for his valued input and dedication over his time as the Board Observer. The Chair highlighted some of the reports that the Board would spend a little more time on during the meeting. In Paul's absence Cris McGuinness gave an update on behalf of the CEO noting progress against the budget, an update on the Rent Review brief, the terms of reference for the task and finish group on OHG repairs and maintenance. The Board also discussed developments in the regeneration at Pike Close.

Customer Story

The Board received the Customer story in relation to a customer who had an alcohol dependency and was causing anti-social behaviour within his Riverside property that was impacting others. Intervention from one of Riverside's Customer Safety Officers who spent time understanding the root causes of the anti-social behaviour and then ensuring the Customer received the help he needed to address his dependency issues. The Customer, with the support and help of Riverside and other third parties has been able to address the issues he has and now no longer causes the anti-social behaviour that plagued the lives of his neighbours and is maintaining his tenancy, the Board recognised this as a very successful intervention by colleagues to support a customer who otherwise might have been evicted.

Financial Performance Report

Board noted the financial performance report as at the end of May 2024. The Board noted that the YTD Operating Margin was 15.7% which was 3.8% favourable to Budget and YTD Net Margin was 4.4% favourable to Budget. Total income was £0.31m adverse to Budget due to service charge income, development for sale income and void loss. Total expenditure was £4.22m favourable to Budget due predominantly to savings in land and property surplus, development for sale and depreciation. The Board noted the results but recognised it was only month two of the financial year.

Annual Review of the Framework of Internal Control

The report confirmed that the framework of control remains effective. The Board noted the CEO foreword which was written by Carol Matthews as at 30 April 2024 and looked back on 2023/24 and covers the IDA, budget, integration and the regulatory environment.

The Board noted that Riverside's regulatory rating was confirmed as G1/V2 in March 2024 following the IDA. Moody's had confirmed Riverside's rating as Baa1 (stable) in February 2024 and that Moody's retain their belief in the 'strong and experienced' management team but emphasise the importance of delivering the merger integration savings and enhancing the margin.

The usual self-assessment against the regulatory standards was complete and the Board recognised the process has been enhanced by a stronger focus on evidence and improvement.

Self-assessment of compliance with RSH Standards

The Board noted the work that had gone into presenting the evidence that the Group was compliant against all seven RSH Standards and recognised the areas where there could be improvements. They also noted that the work on evidencing compliance was supported by the results of the recent IDA where the Group had returned to the top, (G1), Governance rating.

Annual assessment of TRGL Governance against the NHF Code of Governance 2020

The Board noted the completion of the work which demonstrated that the Group were compliant with their chosen code of governance which was the NHF Code of Governance 2020. The Board noted the limited exceptions which would be reported in the Annual Report.

FY2024 Financial Statements

The report highlighted the key issues for consideration by the Group Board in its review and approval of financial statements and subsidiary financial statements for the year ended March 2024. The Board note they were in draft form and received an update on the current position on external audit noting there were no material changes expected. The Board approved the going concern basis for the preparation of the accounts, and approved the financial statements as a true and fair representation of the company's affairs and recommended them to the Board of Directors.

Annual Declaration of Board and Committee Members Interests

The Board received the annual report setting out the interests of all Board and Committee members which had been updated as at the end of the financial year. the Board reviewed and noted the declarations and the requirement to update them as they changed.

Operational Performance Report (including 4C Data Assurance).

Performance against the key KPI's was considered by the Board. Key highlights were pulled out and discussed by the Board members for the period up to the end of May. The Board noted there had been some good improvements in many areas including gas compliance and FRAs but did note some areas where further work was being undertaken to drive further improvements, including around some of the colleague KPI's and lift inspections, which were detailed in the report. Ian Gregg gave the Board further narrative on certain key areas, including overall customer satisfaction, complaints handling satisfaction rates and cash collection, the Board noted the content of the report.

Care and support Annual Summary 2023-24

The Annual Care and Support (C&S) summary provided Board with an overview of the activities, challenges and achievements from the care and support business during the year ending March 2024. It also highlighted the progress made regarding our performance, financial targets, and business development activities together with an update on current major projects. The Board noted the content of the report.

Group Risk Register

The Board reviewed the risk register, noting the changes and amendments across all the risks. In particular the Board focused on the risks associated with damp and mould, the changing regulatory environment and contractor insolvency. The Board discussed and reviewed the report.

NED Remuneration Review

The Board reviewed and approved the GRC recommendation in relation to Non-Executive Director's Remuneration, which was not to make any changes to NED remuneration at the present time and to ask GRC to review the position on levels of NED remuneration again in May 2025.

Customer Experience Improvement Plan

The report provided an update on the outcomes achieved from the delivery of the Customer Experience Improvement Plan 2023/24 which was aligned to Year 1 actions within the Customer Experience Strategy, the Board also noted the details of the Customer Experience Improvement Plan for 2024/25 and noted the Report and that a detailed version of the report had gone to CEC.

Development and Regeneration Strategy Update

The Board received the paper that set out what had been delivered as part of the 2023-26 Development and Regeneration Strategy with Board noting the three main priority areas of delivering against our GLA and Homes England commitments, delivering against our regeneration promises to customers and delivering new homes through our joint ventures. The Board noted the report and the additional scrutiny provided by the Subsidiary Group.

People Strategy Year 1 Update and Year 2 Plan

The report provided an update on what has been delivered within our 2023-26 People Strategy for Year 1 23/24 financial year and our Year 2 24/25 People Plan that will support Riverside to achieve their aspired culture and improve the colleague experience. The Board noted the progress and the plan for year 2.

Integration and Transformation Portfolio status Report

The report provided an update of the Riverside Integration and Transformation Portfolio as at the end of June 2024. The Board noted progress in terms of merger integration and wider business transformation and recognised that there were currently 31 live projects, with 2 projects recently closed down.

Other reports noted.

The Board considered and noted a number of additional reports including the revised Modern Slavery & Human Trafficking Act Statement and the Committees and Subsidiaries update paper. They also received and approved a report setting out the new Service Charge Policy and Framework and noted the Pay Gap Reports. The Board also approved a cladding contract award to Vistry and received a report from the GLA on audit compliance with a sample of ongoing schemes.

The Board also agreed the Board minutes from the meeting on 16 May, noted the matters arising from previous meetings along with the written resolutions and chairs actions paper and noted the Board Training Plan.