Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board (the "Board")		
Date and time:	3pm 8 April 2026		
Location:	Microsoft Teams		
Present:	• Terrie Alafat	(TA)	Chair
	• Maggie Porteous	(MP)	Vice Chair
	• Angela Lockwood	(AL)	Board Member
	• Erfana Mahmood	(EM)	Board Member
	• Fenella Edge	(FE)	Board Member
	• Richard Williams	(RW)	Board Member
	• Robert Macnaughton	(RM)	Board Member
	• Paul Dolan	(PD)	Co-opted Board Member
In attendance:	• Richard Petty	(RP)	Board Observer
	• Paula Simpson	(PS)	Board Observer
	• Tony Blows	(TB)	Chief Information Officer
	• Ian Gregg	(IG)	Chief Property Officer
	• Cris McGuinness	(CAM)	Chief Financial Officer
	• Sara Shanab	(SSh)	Chief Strategy and Corporate Services Officer
	• Matthew Hayday	(MH)	Director of Governance
	• Helen Rees	(HER)	Governance Manager
	• Carl Walsh	(CW)	Group Finance Director
Apologies:	• Kei-Retta Farrell	(KF)	Board Member
	• Nigel Holland	(NH)	Board Member
	• Pauline Ford	(PF)	Board Member
	• Tracy Thomas	(TT)	Board Member
	• John Glenton	(JG)	Chief Care & Support Officer
	• Liz Fairburn	(LF)	Chief Customer Officer

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058/26	Apologies for Absence (Item 1.1) **VERBAL** Apologies for absence were received from Nigel Holland, Pauline Ford, Tracy Thomas, Kei-Retta Farrell, Liz Fairburn and John Glenton.	
059/26	Declarations of Interest (Item 1.2) **VERBAL** There were no declarations of interest raised.	
060/26	2026-27 Group Business Plan (Item 1.3) **CONFIDENTIAL** CAM presented the 2026-27 Group Business Plan, highlighting that preparation of a 30-year plan was a regulatory requirement and was based on assumptions at a fixed point in time. The Business Plan reflected both the challenging external environment in which the Group operated, and the strategic choices required to maintain long-term financial resilience while continuing to deliver safe, decent homes and essential services. The Board noted the following key points: • TRGL was a complex organisation with many moving parts and inevitably, earlier years would be more accurate than the later years, due to the number of assumptions that were made. TRGL was a long-term business. • The Business Plan was underpinned by the 2026–27 Budget, approved by the Board in January 2026. • As per recent years, the Year One (2026/27) Budget presented significant challenges in achieving an appropriate balance between targeted investment and maintaining a strong financial position. This business plan builds upon that budget, incorporating adjustments for known factors as well as anticipated developments. Each individual development scheme, subsidiary, joint venture, and loan was integrated into the overall business plan. • The early years of the plan remained particularly tight, reflecting ongoing macroeconomic pressures including higher cost of debt, increased repairs and maintenance costs, regulatory requirements and rising operating costs. • Financial performance across the sector had weakened as organisations prioritised investment in existing stock, resulting in reduced margins and surpluses. • Governance oversight had been strengthened this year through additional engagement with the Treasury Committee, and Investment and Development Committee Board Members, enabling deeper scrutiny of key risk areas and consultation on specific decisions to shape the Business Plan. • Year One Operating Surplus in the Business Plan was the same as approved in January 2026, and Net Surplus was £0.9m adverse to the 2026/27 Budget [redacted] • The overall shape of the business plan was weaker in the earlier years and improved materially over the medium and longer term. Despite this, the thirty-year Group Business Plan remained strong, resilient and	

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	adhered to Golden Rules. Loan covenants were well provided for and had significant headroom throughout the later years. • [redacted] • [redacted] • Fire Safety Carve outs had been achieved from all lenders up to 2028. • In terms of development, the plan includes existing schemes, regeneration plans where we have made promises to customers, and obligations via Joint Ventures and Prospect. • The plan included the Strategic Partnership 2026-2036 Homes England bid for 1,079 homes, which had been approved by IDC and was presented for approval at Item 1.4. The Board noted that, as in previous years, the Business Plan has been subjected to detailed, robust and Board influenced stress and multi-variant testing against identified risks and combinations of risks across a range of scenarios, with mitigations and early warning triggers identified for those risks. Stress tests were linked to the current Risk Register, set out at Appendix 4 of the report, and included recession, new risks, market confidence, inflation & deflation, counterparty failure, catastrophic incident and impact of global war, amongst others. The most severe tests were designed to break the plan as required by the Governance and Financial Viability Standard, and for each scenario, clear Board influenced mitigation strategies and early warning indicators had been identified, providing assurance that the Group could respond decisively and in a timely manner if conditions deteriorated. The most severe multi variant test was scenario two, New Risks, with the measures tested being significant increases in salaries, bad debts and repairs, together with a Cyber Risk related £30m one off cost. The result of this scenario was that the Operating Margin (Years 1 to 3), Liquidity (Years 1 to 5 and 7 to 8), Interest Cover (Year 1 to 8) and Gearing (Year 4 to 5) Golden Rules were broken. The Board noted that in the event of one of these scenarios occurring, Executive Directors and TRGL Board Members had identified mitigations, with varying degrees of lead times and scale, to alleviate the impact. This would include a range of measures from reducing overhead budgets, stopping all non-contracted development at the earliest opportunity, all the way through to seeking a merger partner or breaking up Riverside. CAM highlighted Section Eight of the report, which identified how sensitive the Business Plan was to a range of financial impacts. In the matrix stress testing, the impact of increased variable interest rates was analysed, and Section 8.8 explained that an increase in the variable interest rate of 0.5% (on top of the rates assumed in the business plan; 4.8% in 26/27 and 4.72% in 27/28) would cause the Interest Cover Golden Rule to break in Year 2 of the plan.	

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	Conversely, if variable interest rates fell faster than the business plan economic assumptions anticipated then this would drive additional headroom to the base plan position. The Early Warning Indicators and the ability to control them, and any mitigating actions were presented to the Executive Team monthly and to Group Board at every meeting. The Business Plan had been measured against the Golden Rules presented in the report, however, a proposed revision to the liquidity golden rule calculation was presented this year. The Board approved the revised liquidity golden rule calculation, based on an average value of stock over two years rather than a point in time measure, noting this provided a more sensible and robust assessment. CAM highlighted that the impact of FRS102 was not captured, as the SORP was still moving at the time of preparing the business plan, the Evolve legal entity collapse had been assumed (including the interest cover covenant benefit). CAM notified the Board of a question raised by PF "Using the experience of the last 2 years and knowing the challenges in the Business Plan going forward - what will be the 3 key changes in the organisation in terms of its design and operation that the Board will see in 3 years' time." The Board acknowledged CAM's response as follows: 1) A revised operating model, ensuring an efficient and effective housing / asset-based customer service. 2) The conclusion of Brilliant at Basics – ensuring our processes and systems worked for customers and colleagues alike. 3) The benefit and efficiencies resulting from the investment in the Digital and Technology Strategy. The Board discussed the organisation's cost base and the need for further efficiency savings, and highlighted the following main points: • Progress achieved to date through integration savings and efficiency measures, including £14m integration savings achieved, an additional £10m planned by 2035 and a further £5m efficiency target added. • The importance of continued focus on operating model design, systems integration and ways of working to deliver sustainable cost reductions. • Further oversight of the Ways of Working project would be provided through the Governance & People Committee, with assurance focused on both service quality and value for money. The Board also discussed the role of strategic disposals within the Business Plan, particularly in the early years, and highlighted the following main points: • Concern in relation to high interest costs and reliance on disposals, noting ongoing efforts to reduce interest costs through treasury management and disposals planned prudently to avoid over-reliance. • The importance of early delivery against disposal targets. • The need to avoid over-reliance on disposals as a long-term solution.	

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	• The requirement to take account of community impact, protected characteristics and long-term strategic presence when reviewing stock rationalisation proposals. • Further papers on disposals and stock rationalisation strategy were expected to be brought forward through the relevant Committees. FE highlighted that of the 8,000 new homes to be built, approximately 3,500 were to be delivered through JVs, and requested further detail of the ten-year development mix, including the number of affordable and social homes delivered through JVs. The Board discussed the treatment of JVs and net zero carbon Investment costs in the Business Plan, also noting that JVs were structured to mitigate contagion risk, with regular stress testing and monitoring by the IDC. Risks were reviewed at every meeting, and the impact of JV failure was contained within the JV entity. The Business Plan included an increased allocation for net zero carbon investment, reflecting both anticipated grant availability and expected cost reductions over time as technology became more affordable. The Board: • **NOTED** the range of single and multi-variant stress testing, ensuring as they did so, that they considered the long term, cyclical nature of economic factors that impact on the business as well as internal business risks. The Board was comfortable that the mitigations identified sufficiently alleviated the impacts of stress testing. • **APPROVED** the delegation of approval to CEO and CFO for any non-material changes arising from the Financial Forecast Return (FFR) sign off process. • **APPROVED** the change to the Liquidity Golden Rule calculation set out in Section Six of the report. • **APPROVED** the 2026/27 Group Business Plan (including the minor amendments to the 2026/27 Budget). • Expressed thanks to Colin Evans, Carl Walsh and CAM for their work on the Business Plan.	**IG**
061/26	<u>Homes England Social and Affordable Homes Programme 2026-36 Bid (Item 1.4)</u> The Board considered Homes England's Social and Affordable Homes Programme 2026–2036, and the opportunity for Riverside to bid to become a Strategic Delivery Partner. The Board noted the following main points: • IDC consideration of the proposal, with the programme having been assessed as realistic and deliverable. • Key criteria of Homes England for organisations looking to secure Affordable Housing Grant must meet, the routes to obtain grant funding, Riverside's bid strategy and the financial assumptions. • Proposals would deliver 1,000 new social rent, affordable rent, rent to buy and shared ownership homes across the ten years of the programme, and an additional 79 homes funded by RCGF due to Runcorn regeneration scheme requirements.	

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	• The bid was structured over five years for deliverability, as opposed to Homes England's preference for three years, with some sites requiring further assembly and negotiations. • AL enquired about the use of Modern Methods of Construction (MMC), and it was clarified that outright modular builds were off the table, but all homes would be timber-framed, qualifying as MMC under current definitions. The collapse of major modular providers had limited options, therefore, the focus was on timber frame construction. • Bid strategy, particularly the low score for diverse delivery, noting that recent extra care schemes and upcoming projects fulfilled this requirement, and the business was currently not prioritising additional extra care due to recent completions. • Should the bid be successful, separate governance approvals, for each of the six schemes in the programme, would be sought before starts on site. The Board: • **APPROVED** for Riverside to bid to become a Strategic Partner of Homes England for the Social and Affordable Homes Programme 2026-36, delivering 1000 new affordable homes, and an additional 79 new homes funded by RCGF, within the financial parameters of the FY26 Business Plan. • **APPROVED** delegating authority to the CEO, CFO and CPO to finalise the bid, prior to submission to Homes England. IG provided an update on the proposed London Social Affordable Homes Programme (LSAHP) 2026–2036 bid and the London Development Strategy. The Board noted a briefing paper had been circulated to IDC and that the bid level was unlikely to meet GLA Strategic Partnership threshold. Committed schemes included Tiller Road Phase 2, and there would be an 'opportunity' indicative Bid of 441 affordable homes. Further updates would be provided as negotiations progressed.	
062/26	<u>FY26/27 Executive Pulse Proposed Targets (Item 1.5)</u> The Board considered the proposed FY26/27 Executive Pulse dashboard targets. The following main points were highlighted: • Some safety targets, particularly in areas such as Legionella management, consistently exceeded the proposed threshold. The Board requested a review and recommended raising the Legionella compliance target to 99% on the Executive Pulse dashboard to match current performance and feedback. • Equality, Diversity, and Inclusion (EDI) metrics were not included in the Executive Pulse but would be integrated into broader strategic KPI reporting frameworks, noting the EDI steering group were working on appropriate metrics and reporting frequencies. The Board requested further clarity on how EDI metrics would be monitored and reported, including their frequency and integration into the overall performance framework.	**IG** **SSh/IG**

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	• Requested the inclusion of visual target line to the Executive Pulse dashboard graphs to clearly show the target and actual performance for each metric. The Board **APPROVED** the recommended targets and RAG status tolerances as follows: • R1 –the Customer Experience targets outlined in section 2. • R2 –the Repairs and Homes targets outlined in section 3. • R3 –the Income targets outlined in section 4. • R4 –the Risk and Assurance targets outlined in section 5. • R5 –the People targets outlined in section 6. • R6 –the Safety-First targets outlined in section 7, subject to the review of the target for Legionella compliance. • R7 –the RAG status tolerances approach outlined in section 1.6. The Board noted that targets for new metrics - Escalation Rates, Overdue WIP, Conduct Cases as a percentage of headcount, and Homes with in-date certificates would be submitted to Executive Directors in April, ahead of final approval by the Board in May. The Board requested a comprehensive overview of the overall performance management framework, showing how all strategic and operational KPIs (including financial, EDI, and TSMs) were monitored, which committees were responsible, and how information was escalated to the Board.	**TB/IG** **SSh/IG/LF/TB**
063/26	<u>Any Other Business (Item 2)</u> There were no items of any other business raised.	
064/26	**<u>INFORMATION ITEMS</u>** <u>Proposed KPI framework – Executive Pulse (Item 3.1)</u> The Board noted the proposed framework for reporting of the KPIs included within the Executive Pulse dashboard, which would be in place from the start of FY 2026/27. A four-level reporting and assurance framework was proposed, aligning operational monitoring, Executive oversight, Committee scrutiny and Group Board exception reporting into a coherent structure. The Board noted the framework standardised escalation routes, strengthened assurance, improved visibility of organisational risks, and ensured a clear line of accountability from frontline operations through to Group Board, enabling Board to focus on strategic exceptions rather than operational detail. The Board noted an overall performance management framework was under development, aiming to clearly delineate responsibilities across committees and reporting layers to provide comprehensive oversight without duplication. Financial health KPIs were emphasised as critical for Board-level review, noting that the board would receive detailed financial reports alongside operational metrics to maintain strategic oversight.	

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	The Board noted a forthcoming Corporate Strategy reporting ecosystem report would clarify how various performance strands integrated. The Board **NOTED** the framework.	
065/26	<u>Date of Next Meeting (Item 4)</u> The date of the next scheduled meeting was **NOTED** as 13 & 14 May 2026.	

Signed:

Terrie Alafat, TRGL Board (Chair) **Date**