



Meeting Minutes

Board/Committee:	The Riverside Group Ltd Board (the "Board")		
Date and time:	10:00am 10 th December 2020		
Location:	Via video-conference		
Present:	• Terrie Alafat	(TA)	Chair
	• Pauline Davis	(PD)	Vice Chair
	• Ingrid Fife	(IF)	Board Member
	• Sandy Murray	(SM)	Board Member
	• Lisa Tennant	(LT)	Board Member
	• Sally Trueman	(ST)	Board Member
	• Peter White	(PW)	Board Member
	• Goi Ashmore	(GA)	Board Member
	• Erfana Mahmood	(EM)	Co-opted Board Member
	• Carol Matthews	(CMM)	Co-opted Board Member
	• Clarine Stenfert	(CS)	Co-opted Board Member
In attendance:	• Kathryn Bull	(KB)	Campbell Tickell
	• Dave Bullock	(DB)	Managing Director Compendium
	• Cameron Dougherty	(CD)	Tenant Observer
	• John Glenton	(JG)	Executive Director of Care and Support
	• Ian Gregg	(IG)	Executive Director of Asset Services
	• Jo Lucy	(JL)	Executive Director Business Support
	• Cris McGuinness	(CAM)	Chief Financial Officer
	• Patrick New	(PN)	Executive Director Customer Service
	• Sara Shanab	(SS)	Director of Governance and General Counsel
	• Anne-Marie Owens	(AMO)	Governance Manager (Secretary)
Apologies:	•		

Min Ref:	Agenda Item	Action
208/20	<p><u>Apologies for Absence (Item 1)</u> VERBAL</p> <ul style="list-style-type: none"> There were no apologies for absence. It was noted that CS would be required to leave the meeting at 11.30am. 	
209/20	<p><u>Declarations of Interest (Item 2)</u> VERBAL</p> <ul style="list-style-type: none"> The Following interests were declared and noted. CMM declared an interest in item 1.6 as a deferred member of The Riverside Group Pension Scheme. CMM and CAM declared an interest in item 3.5 as Directors of The Compendium Group Ltd and Compendium Regeneration Ltd. EM declared an interest in items 1.7 and 2.2 as a Director of Omega/Plexus (part of Mears Group). 	
210/20	<p><u>Chair's Matters (Item 1.3)</u> VERBAL</p> <ul style="list-style-type: none"> The Chair welcomed KB to the meeting noting that she was observing proceedings as part of the mock In Depth Assessment exercise. The Chair noted that item 3.6 Business Plan and Assumptions 2021/22 had been moved on the agenda to follow the Treasury Update. The confirmation that Riverside would retain its G1:V1 status was welcomed. The Chair congratulated colleagues who had engaged with the Regulator to achieve this result. It was noted that there were a number of metrics which remained in a marginal position and would be the subject of focus in the coming months. The Board discussed attendance at the recent In Depth Assessment Board Masterclass and the Chair noted the importance of these sessions to ensure all Members had a clear understanding of the Regulator's focus and forthcoming regulatory changes. A number of members identified issues with the Masterclass registration and invitation process which SS agreed to investigate with the Strategy and Planning team. The Chair referenced the recently published White Paper, noting that its contents were as expected, with an emphasis on placing customers at the heart of the business. The Board acknowledged the importance of the Riverside Customer Voice Executive as a critical friend and welcomed their assessment of Riverside's performance with respect to customer involvement included on the agenda. The Chair noted that she had discussed future agendas with CMM with a view to ensuring sufficient time for discussion of strategic matters and priorities and continued to reflect on options including how the Stakeholder Strategy Day can best be utilised. 	SS
211/20	<p><u>Minutes of Previous Meetings (Item 1.4)</u></p> <ul style="list-style-type: none"> Subject to a correction of CS's name, the minutes of the following meetings were APPROVED: <ul style="list-style-type: none"> 7 October 2020 	AMO

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	<ul style="list-style-type: none"> ○ 22 October 2020 ○ 23 November 2020 <ul style="list-style-type: none"> • A clarification to minute 189/20 from the meeting held on 7 October 2020 was noted; namely that following the meeting it had been confirmed that RCVE did not object to the recruitment of board and committee members from the Riverside Customer Voice which comprised Riverside's total customer base. 	
212/20	<p><u>Matters Arising from Previous Meetings (Item 1.5) CONF.</u></p> <ul style="list-style-type: none"> • The update on matters arising from previous meetings was NOTED. • Minute 204/20. The Board noted the increasing imperative to cease the use of gas boilers. CAM advised that the focus currently was on completing the deal at Congleton and the scheme design would be considered at the appropriate point and with due regard for the sustainability agenda. 	
213/20	<p><u>Written Resolutions – Hull Deed of Variation and The Riverside Group Pension Scheme (Item 1.6)</u></p> <ul style="list-style-type: none"> • The Board NOTED the resolutions passed in writing since it last met with respect to the Riverside Group Pension Scheme and the Hull Deed of Variation. • CMM advised that the deal negotiated with the Pension Trustee amounting to an annual payment to the Scheme of £3m for three years released funds to be invested back into the business. The Board were pleased to note that CMM and CAM had also negotiated an arrangement in which the Pension Trustee would increase its responsibility for pension fund administration costs savings £300k per year for Riverside which would be reflected in this year's accounts. 	
214/20	<p><u>Customer Story (Item 1.7) PR</u></p> <ul style="list-style-type: none"> • The Board received a presentation detailing the experience of a Riverside customer who, due to ill health and a lack of finance, had been unable to maintain the garden at his property. A Riverside colleague had subsequently utilised the discretionary housing officer budget to organise a clean up of the garden and identify support for its maintenance. • The Board concurred that this was a great example of a Riverside officer proactively supporting a customer to improve their life. • In response to a query, PN confirmed that all front line workers are aware of the discretionary funds available and how they can be utilised. He added that from January 2021 there would be a monthly customer update provided to staff using case studies such as the one presented as examples of good practice and positive outcomes. • The Chair asked the Board to provide PN with any areas for focus for future customer stories. 	

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215/20	<p data-bbox="284 226 657 255"><u>COVID-19 Update (Item 2.1)</u></p> <ul data-bbox="284 293 1318 1644" style="list-style-type: none"> <li data-bbox="284 293 1318 360">• The Board NOTED the update report on Riverside’s ongoing response to the COVID-19 pandemic. <li data-bbox="284 398 1318 524">• The Board welcomed the ongoing commitment to supporting staff wellbeing and noted that this was now moving to make support consistent and a part of the standard offering to all colleagues rather than a response to COVID-19. <li data-bbox="284 562 1318 831">• The Board noted that the service offer to customers had been moved to a consistent Tier-3 level following national lockdown in November which in effect meant any shared communal spaces and rooms were closed and a restriction placed on external visitors. Otherwise it has been business as usual, except for routine repairs where, due to high levels of sickness within Evolve and Riverside Direct, Routine work priority was extended from 28 days to 56 days. This was being actively monitored and remained currently below 10 days. <li data-bbox="284 869 1318 936">• The Board recognised the achievement addressing outstanding gas servicing actions and how much it had improved. <li data-bbox="284 974 1318 1265">• There was a substantial discussion of how Riverside would be able to benefit from the COVID-19 vaccine, and noted that all efforts were being made to ensure that Riverside was fully involved with relevant agencies to influence, where appropriate, the planned roll out and promote Riverside’s interests. It was noted that Government advice would be followed with respect to the right to refuse the vaccine and if this occurred, particularly where personal care services were provided, the risk assessment would be reviewed and appropriate action taken to ensure infection control was maximised. <li data-bbox="284 1303 1318 1644">• The Board discussed the financial advice services offered to tenants and PN provided an update on the ongoing Let’s Talk Rent campaign and the targeted email communication inviting customers to contact Riverside if they are experiencing financial difficulty. It was noted that the new income collection model was proactive and focussed on pre-empting problems. PN advised that a new Head of Income Collection was starting the following week. It was further noted that there had been a recent campaign to raise awareness of the Staff Workplace Trust which offered financial support to staff members in a wide range of circumstances and that money matters would be a pillar of our Ways to Wellbeing, phase 2. 	
216/20	<p data-bbox="284 1682 783 1711"><u>Group Risk Register (Item 2.2) CONF.</u></p> <ul data-bbox="284 1749 1318 1989" style="list-style-type: none"> <li data-bbox="284 1749 1318 1850">• The Board NOTED the Strategic Risk Register for the Group, which had been subject to further refinement by the Executive Team since the Board met in October. <li data-bbox="284 1888 1318 1989">• CMM highlighted the red risks (Brexit and income collection) identified in the cover report and register. It was noted that there were a number of amber risks which might improve before the financial year end. 	

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	<ul style="list-style-type: none"> • It was noted that first reflections around the White Paper and the Charter for Social Housing Residents were picked up in R1 - Adverse Customer Experience. However, the Risk Map and strategic risks would be reviewed in April following reflection on progress with KPI improvements and embedding change. Risks would be rebased and key consumer regulation risks embedded at that point more fully in the Register, although we will continue to make the linkages where appropriate across the Risk Register over Quarter 4. It was noted that strategic conversations with stakeholders would feed into this work and a Stakeholder Strategy Day in February was being explored. • The Board discussed the amber rating for the Brexit risk. CMM reported the Regulator's view that the response to COVID-19 had supported preparations for Brexit and acted as a mitigation. It was noted that the rating reflected the current situation in which sales were steady and interest rates low, however should circumstances change, for example following a spike in unemployment, then the rating would be adjusted. CAM added that all Brexit financial preparation commenced 18 months previously was based on a no deal or hard Brexit, well positioning the business in the current climate. IG noted that with respect to supply chains Riverside was well prepared, however the key risk for Riverside and across the sector would be the sourcing of specialist parts and equipment. • The Board discussed R1 – Adverse Customer Experience and asked for assurance that the mitigations turned the overall rating green. CMM advised that the Executive Team had subjected the rating in this area to challenge and were satisfied that PN and IG were observing improving trends with satisfaction on complaints received through Evolve and Riverside Direct, however this would be further challenged with experiential customer stories coming through. The risk rating would be subject to ongoing review, particularly in light of the year end position achieved. • PW noted that assurance had been provided to NSC on a number of matters captured in R8 – Harm to Customers and Others through Service Failure and queried the areas in which Executive concern had increased. IG responded that this was a prudent assessment pending more demonstrable evidence of improvement, however he would review with JG for the next iteration. JG advised that a recent safeguarding audit (reported to GAC in December) had resulted in no recommendations. PN added that safeguarding processes would go live on Salesforce the following week. 	
217/20	<p><u>Committee and Subsidiary Board Update (Item 2.3)</u></p> <ul style="list-style-type: none"> • The Board NOTED the update on Committee and Subsidiary Board activity. The following updates were provided and noted. • <u>Governance and Remuneration Committee (GRC)</u> PD advised that Board Members should have received a communication from the Chartered Institute of Housing regarding their new membership. • <u>Group Treasury Committee (GTC)</u> GA noted that the Private Placement investment had been obtained on very favourable rates, and that the treasury report later on the agenda showed that all positions were under control. 	

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	<ul style="list-style-type: none"> • <u>London Development Committee</u> PD advised that the new Development Director (London) had made good progress since joining Riverside and positive planning meetings had been held with Bromley Council. PD invited any Board Members who wished to have sight of the market updates received by the Committee to contact her. • <u>Riverside Care & Support Committee (RC&SC)</u> IF reported that the Committee had discussed performance at Engage Hackney and an audit of the service was underway to identify issues which the Committee would monitor. It was noted that there had been a significant discussion on business development and there was a heightened awareness and visibility across the Committee of the operating margin and how decision making needed to support improvement. • <u>Evolve Facility Services Ltd Board</u> IG noted that the last meeting of the Evolve Board in its previous constitution had been held and Non Executive Directors had stepped down with Riverside's thanks. • <u>Neighbourhood Service Committee (NSC)</u> PW reported that improvement was being seen in lone working and income collection processes and the Committee had received good assurance on building safety matters. It was noted that the RCVE Chair had attended the meeting to present an update on RCVE activity and the outcome of a recent scrutiny exercise. PW confirmed that there were no issues for escalation to the Board. • <u>Prospect (GB) Limited Board</u> CAM noted that resolution of historical losses would be a topic to be brought back to Board in due course and initial conversations had been held with SM and GA on this matter. <p>CS left the meeting.</p> <ul style="list-style-type: none"> • <u>Impact Committee</u> JL reported that there had been discussions on the Impact Furniture services, COVID-19, the White Paper, as well as a presentation on the customer journey. It was noted that planning was in progress for a Strategy Day in January 2021 at which the integration project would be considered in detail. The Chair noted her intention to attend a meeting in the New Year. • <u>Joint meeting of RC&SC and NSC</u> PW advised that the Committees had discussed the regional and neighbourhood plans and noted that there was much improvement in collaborative, joined up working across teams. • <u>Irvine Housing Association Ltd Board</u> CAM reported that the Board had agreed that there would be a rent consultation on options of 1.5% and 2% increase and had approved the annual assurance statement. It was noted that the Chair retired in 2021 and that recruitment for his successor would commence in the New Year. 	AMO
218/20	<p><u>Chief Executives Report (Item 3.1)</u></p> <ul style="list-style-type: none"> • The Board NOTED the Chief Executive's update report. 	

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	<ul style="list-style-type: none"> • PN provided a reminder of the background and events to date relating to the proposed change in the Customer Service Centre operating model. The Board was delighted to note that, following a lengthy meeting with Unite with ACAS mediating, the revised proposal described at the Board meeting in September had been accepted by Unite for recommendation to its members. It was noted that the recommendation would go out the following day with members allowed one week to vote. PN noted that this position could not have been achieved without the support of the Legal Team, People Services and the Director of Customer Service. CMM noted that PN's work to find a solution to the issue without making concessions which would compromise the overall aspirations and objectives for the CSC service was invaluable. It was agreed that adoption of the new model would be a fundamental step forward in delivering the customer plan. • The Chair asked all Board Members to read the sector risk profile, as this would be relevant to the upcoming Budget Setting and Business Planning pieces of work. • The Board noted and supported the intention to utilise the White paper to drive forward the cultural change agenda, focussing on the behaviour of staff in respecting and protecting the dignity of customers. It was noted that the customer plan would be used in conjunction with the White Paper to achieve the improvements required. • In response to a query on the business impact of acquisitions and the scale of the overall PFI programme, it was agreed that a report on the PFI programme would come to a Board meeting post-January 2021 and acquisition reports to Board would analyse all business implications of the proposal. 	<p style="text-align: right;">PN/IG</p>
219/20	<p><u>Together with Tenants (TWT) (Item 3.2)</u></p> <ul style="list-style-type: none"> • The Board received an update on actions taken and planned to meet the commitments of the TWT Charter. It was noted that the report had previously been received and discussed by NSC. • The Board agreed that, while the assessment by RCVE against the six Charter commitments demonstrated significant work to be done, it was invaluable to have their support as a critical friend to assist Riverside in excelling against each of the standards. • Following due and careful consideration, the Board <ul style="list-style-type: none"> i. APPROVED Riverside's pledge to the TWT charter by publicising our appraisal process and the RCVE scoring against each of the 6 commitments. ii. NOTED the intention to work together with RCVE and the wider customer base to agree a comprehensive action plan for 2021/22. 	
220/20	<p><u>Housing Ombudsman's new Complaint Handling Code (Item 3.3)</u></p> <ul style="list-style-type: none"> • The Board received and NOTED (1) a self-assessment against the Housing Ombudsman's Complaint Handling Code; (2) the complaints procedure customer leaflet; and (3) the complaints procedure. 	

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	<ul style="list-style-type: none"> It was noted that the report had been to NSC and, while it demonstrated adequate levels of compliance, it was acknowledged that there was work to do to improve the customer experience and satisfaction and this remained a primary area of focus for the Committee and the business. 	
221/20	<p><u>Customer Satisfaction Update (Item 3.4)</u></p> <ul style="list-style-type: none"> The Board received and NOTED an overview of the proposed approach to improving customer satisfaction through the development and delivery of excellent customer experience. It was noted that significant actions were being taken, some of which were yet to impact on customer satisfaction outputs, however the plan continued to evolve, underpinned by customer insight and data. The Board noted that the report had been scrutinised at NSC, who would track the evolution of the action plan and monitor delivery of objectives on an ongoing basis. PW noted that COVID-19 had impacted on the delivery of a number of actions and improvements were hoped to be seen as the operating environment returned to a more normal state. It was noted that Evolve and Riverside Direct colleagues were inputting into the action plan and it was agreed that the complaints self-assessment would be shared with them. 	PN/IG
222/20	<p><u>Compendium Living Business Plan 2021/2022 (Item 3.5) CONF.</u></p> <ul style="list-style-type: none"> DB joined the meeting. The Board received the ten year business plan projections (up to 2032), for the Compendium group of companies which trade as Compendium Living. DB provided the Board with an update on performance in the year noting that due to the pandemic 8-12 weeks of production had been lost across sites and, while the year end forecast indicated a decrease in sales against target, the market remained healthy. It was noted that an estate regeneration project in Newark had been secured in the year and an update would come to Board in the New Year. It was noted that the three pipeline projects identified for focus by Shareholders in 2018 (Derby (Castleward), Hull (Ings) and Liverpool (Joseph Williams Place)) generated circa 95 sales in the calendar year and were projected to generate a further circa 50 Open Market Value sales and 11 affordable home sales in 2021. The Board requested further detail on the basis and outcomes of scenario planning carried out and if there was a scenario which would break the Plan. DB explained that scenario planning looked at the impact of a decrease in market value and/or an increase in costs. There was confidence, based on experience, that the Government would support the sector through public funding if required, as it had done in the past to sustain house building. DB gave assurance that there were no scenarios identified which would break the Plan and where there were circumstances with material negative impact, activity could be paused until circumstances 	

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	<p>recovered. DB confirmed that there were no formal triggers in place for a response such as this, however financial health and risk environment were reviewed on an ongoing basis and in the case of a significant negative event, he would return to the Boards of Shareholders to seek their ongoing support.</p> <ul style="list-style-type: none"> • PD congratulated DB on securing the estate regeneration project in Newark and requested a site visit when circumstances allowed. • In response to a query, DB explained that, as Lovell were part of the Morgan Sindall plc group, they had a reduced risk profile due to the group's diversification and hence lower vulnerability to individual construction sector volatility. • Following due and careful consideration, the Board APPROVED the business plan, its funding requirements and the parameters set out for its implementation and risk management. <p>DB left the meeting.</p>	
223/20	<p><u>Tax Strategy (Item 3.7)</u></p> <ul style="list-style-type: none"> • The Board received and considered the Tax Strategy and Policy presented for approval. • It was noted that the documents had been developed by the Treasury Team with assistance from PwC and had been scrutinised by the Executive Team, who recommended their adoption. It was further noted that the documents would be subject to annual review and this would be scheduled to coincide with the Board's annual consideration of the Treasury Strategy and Policy and Investment Policy. • In response to a query, CAM confirmed that Riverside was in year 2-3 of its current tax services contract and would not be retendering for a number of years. • Following due and careful consideration, the Board: <ul style="list-style-type: none"> i. APPROVED the Tax Strategy; ii. APPROVED the publication of the Tax Policy on the Group website; and iii. DELEGATED day to day responsibilities for Tax Risk Management as described within the Tax Strategy document. • The Board asked that its thanks be extended to Emma Turner and the team. 	
224/20	<p><u>Business Plan Assumptions 2021/22 (Item 3.6) CONF.</u></p> <ul style="list-style-type: none"> • The Board received and considered a report setting out the 2021/22 Group Business Plan approach designed to ensure that the both the 2021/22 Group Budget and Business Plan were reviewed and approved by both Executive Directors and Group Board ahead of the 2021/22 financial year. • It was noted that under the proposed programme Board would be asked to approve the Budget in February 2021 and the Business Plan in March 	

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	<p>2021. The Board considered and agreed the rationale for the proposed approach.</p> <ul style="list-style-type: none"> • The Board discussed the proposed economic assumptions, noting that the RPI and CPI assumptions for 2021/22 were based on the official September ONS reported numbers which were made available on 21st October 2020 and were lower than those in the current Business Plan, which used June 2020 figures. A recovery in these two assumptions back to 3% RPI and 2% CPI had been assumed, recovering by 2024. • The assumption on voids was challenged on the basis of the impact of the COVID-19 pandemic. CAM explained that the assumed void levels start at the current position and then improve. This is to reflect the safe working practices now established which will support relets and the expectation that economic circumstances will increase demand. It was noted that void stress testing was built into the Business Plan. • The Board noted the proposal that the operating margin golden rule remain at 20% for the life of the Business Plan. Whilst there would still be an aspiration to achieve over 25% from 2025 onwards, the golden rule would be set at a level that ensures the financial viability of the business, which could be done at 20%. • SM reiterated her support for the ongoing efforts across the business to reduce costs. She added that the move in budget approval to February to allow a better quality of analysis to underpin the budget setting process was prudent. • Following due and careful consideration, the Board: <ul style="list-style-type: none"> i. NOTED the amended 2021/22 Budget and Business Plan approach and approval dates; and ii. APPROVED the proposed Economic Assumptions. 	
225/20	<p><u>Rent Affordability: Introducing Local Affordability Limits (Item 3.8)</u> HO joined the meeting.</p> <p>The Board received and considered a proposal to increase social and affordable rents for homes in England owned by The Riverside Group Ltd.</p> <ul style="list-style-type: none"> • It was noted that, in line with The Regulator of Social Housing's Rent Standard, in general terms it was proposed: <ul style="list-style-type: none"> ○ that rents are increased by 1.5% (CPI + 1%) from April 2021, the maximum permitted under the standard. ○ that a revised approach to dealing with rent affordability through the introduction of Local Affordability Limits for all general needs social and affordable rents and service charges in England be adopted. • The Board reviewed the rationale for the proposals set out section 2 of the report and expanded upon in the associated appendices provided. • HO provided a detailed explanation of the local affordability limits set out in Appendix three to the report noting that these had been in development for a number of years in consultation with stakeholders. It was noted that the 	

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	<p>new regulatory rent standard required Providers to demonstrate meaningful consideration of what affordability meant in the markets in which they operated and the reports presented achieved this. It was noted that Riverside operated below market value because of the areas in which it operated and the work carried out dealt with the substantial rent variations which had developed over the years due to changes in the regulatory regime. The Board supported the approach taken which looked at local incomes as a means of defining affordability and set a rent limit for all Local Authorities based on property size. It was noted that the majority of Riverside's properties were below the rent limit therefore the financial impact to the business was modest. The mechanism for dealing with outlying properties was noted, as was the stress testing and modelling carried out to inform the proposals.</p> <ul style="list-style-type: none"> • The Board welcomed the substantial work carried out to ensure affordability and prudent rent setting. PW noted that NSC had scrutinised the proposed rent framework and supported the rationale. • It was agreed that balancing regulatory requirements, Government expectations and meeting the social purpose was a key challenge for Registered Providers in the current environment. It was noted that Riverside needed to take full account of all factors and requirements before reaching a position which was optimal for the business and its customers and the Board needed to demonstrate and articulate its understanding of the decisions taken. It was agreed that this should be discussed further at the next In Depth Assessment Board Masterclass. • Following due and careful consideration, the Board APPROVED: <ul style="list-style-type: none"> i. the proposed rent increase for 2021/22 as set out in section 2 of the Board report. ii. the introduction of Local Affordability limits, as described in section 2 of the Board report, to be reviewed each year. 	SS
226/20	<p><u>Sector Scorecard Benchmarking (Item 4.1)</u></p> <ul style="list-style-type: none"> • The Board NOTED the contents of the 2019/20 Sector Scorecard Benchmarking report. • CMM and CAM provided a presentation to Board which had been delivered to the Riverside Leadership Team highlighting the current financial position, the impact (both actual and potential) on the business and the importance of all leaders and staff taking responsibility for improving the operating margin. • It was noted that Riverside's poor position in the sector scorecard on cost per unit, the Regulator's recent threat to change the viability rating to V2, Moody's reporting on Riverside's operating margin and the Private Placement journey on which lending was almost denied due to Riverside's weak operating margin, were all provided to the Leadership Team as examples of the criticality of the position and the need for improvement. • CMM noted that the Team had been advised that the need for accountability and a proactive, collaborative approach to addressing current 	

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	<p>and future issues was paramount and this would require, amongst other actions, a change in mindset and culture.</p> <ul style="list-style-type: none"> • It was noted that the business had been challenged to provide options to achieve 10% and 20% savings and at the Executive Team meeting the following week these options would be considered to identify further actions to be taken to improve the operating margin. The Leadership Team had been tasked with cascading the messages and expectations to their staff. • It was noted that past Board discussions of Riverside's performance in comparison to other providers had focused on the limitations of meaningful comparison due the size of Riverside's Care and Support business and the Board queried if this remained a valid point. CMM confirmed that it was, however this did not mean that the operating margin in Care and Support could not be improved by making the service as efficient as possible and meeting the challenges on voids and income collection. • The Board discussed the potential actions to be taken to improve the operating margin and CMM provided assurance that these would be linked to the risk appetite and register and worked through with the Board. It was confirmed that Riverside remained on a journey of automation and improvement which would deliver future savings and the current efficiency drive would be managed in a prudent and thoughtful way based on risk and priorities. • The Board discussed the impact of the Target Operating Model and CMM noted that overheads to achieve required change in key areas of the business, such as IT, had had a significant impact on costs and this would be reviewed by the Executive Team. While the restructure in areas such as building safety compliance had produced demonstrable improvement to the business, requests for further resources were regularly received from many business areas and a review of key team structures would be carried out to ensure that they were optimal. • The Board queried if the full strategic picture of Riverside as a distinct business was understood internally and externally rather than a narrative based on limited comparison data. CMM reminded the Board that Riverside had attempted to leave Housemark due to the limitations of its reporting however were required to remain for a further year due to the timing of the membership renewal. CMM agreed that communicating the right narrative was a challenge which continued to be worked on. • Each of the Executive Directors and the Director of Governance and General Counsel provided the Board with a summary of how discussions on savings were progressing with leaders and staff. It was noted that all staff were engaging positively and ideas were emerging however there were some concerns with the impact of moving from a 10% to 20% savings target. <p>HO left the meeting.</p>	
227/20	<p><u>Operational Performance Reports (Item 4.2)</u></p> <ul style="list-style-type: none"> • The Board NOTED the Executive Key Performance Indicator report for the period ending 31 October 2020. There were no material matters raised for discussion. 	

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228/20	<p data-bbox="284 309 906 342"><u>Financial Performance Report (Item 4.3) CONF.</u></p> <ul data-bbox="284 376 1313 645" style="list-style-type: none"> <li data-bbox="284 376 1313 544">• The Board NOTED the Financial Performance Report (FPR) Summary for October (Period Seven), compared to Quarter Two Forecast (Q2F). The Board further noted the three amber early warning signs and the risks and opportunities detailed in the report, as well as full year movements between Q1F and Q2F. <li data-bbox="284 577 1313 645">• It was noted that there had been a marginal improvement in the financial position due to concerted efforts to achieve savings across the business. 	
229/20	<p data-bbox="284 680 759 714"><u>Quarterly Treasury Report (item 4.4)</u></p> <ul data-bbox="284 748 1313 1229" style="list-style-type: none"> <li data-bbox="284 748 1313 815">• The Board NOTED the quarterly treasury report to 30 September 2020 and that there were no areas of concern identified. <li data-bbox="284 848 1313 1061">• GA noted that the report demonstrated a strong control environment and queried if the documentation for the Private Placement with Pricoa had been signed. CAM advised the private placement was due to be signed imminently. (Post Meeting Note – this was signed on the 16th December 2020). GA noted that the timing of the Private Placement deal had been very good in light of the changing market. <li data-bbox="284 1095 1313 1229">• The Board discussed the Brexit risk mitigation through cash management over December and CAM advised that a proportion of payment runs were being held back to January to cover any additional costs arising from a no deal Brexit. 	
230/20	<p data-bbox="284 1256 975 1290"><u>Governance Framework Update Proposals (Item 5.1)</u></p> <ul data-bbox="284 1323 1313 1973" style="list-style-type: none"> <li data-bbox="284 1323 1313 1469">• The Board considered a series of proposals to amend the Governance Framework to reflect the review of the Scheme of Delegated Authority; to clarify the Board's role with respect to staff disciplinary matters and to include advice for non-executives with respect to providing references. <li data-bbox="284 1503 1313 1570">• It was noted that the proposals had been subject to scrutiny at GRC, who recommended their approval. <li data-bbox="284 1603 1313 1839">• The Board queried the proposal to adopt the same approach for references as used for staff. SS explained that this recommendation addressed a gap in the Governance Framework and a standard form reference was proposed to mitigate risk, as was the case in the staff space. SS noted that should a Non Executive colleague wish to provide a reference beyond the standard form, this would be possible subject to seeking her advice on the proposed content. <li data-bbox="284 1872 1313 1973">• Following due and careful consideration, the Board APPROVED the proposed amendments to the Governance Framework as set out in section 3.1 of the Board report. 	

Min Ref:	Agenda Item	Action
231/20	<u>Governance Best Practice Directors Duties (Item 5.2)</u> <ul style="list-style-type: none"> • The Board NOTED the updated Schedule of Board Member Duties and Responsibilities and that the document would be cascaded to all Boards and Committee throughout the Group. 	
232/20	<u>Any Other Business (Item 3)</u> <ul style="list-style-type: none"> • The Chair advised that there was opportunity for members to take part in the Housing Diversity Network Board Excellence Mentoring Programme and asked for any expressions of interest to be sent to SS. • The Chair thanked the Executive Team for their transparency in the discussion of challenging issues which had taken place and noted that in the New Year time would be taken to reflect on key strategic matters. • On behalf of the Board, the Chair thanked the Executive Team and staff for their work and commitment in leading, managing and operating the business during a very difficult period. 	
233/20	<u>Date of Next Meeting (Item 4)</u> <ul style="list-style-type: none"> • To be held on 10am 14 January 2021 via videoconference. 	

Signed:

Terrie Alafat, TRGL Board (Chair)

Date