

PUBLIC MINUTES
of the Regulation Committee meeting
held on 14 October 2014, 10.00am
QEII Centre, London

Present

Julian Ashby	Chairman
Richard Moriarty	
Jonathan Adlington	
Inge Kettner	
Piers Williamson	(agenda items 1 – 13 only)
Sarah Wall	
Ceri Richards	

In attendance

Andrew Rose	Chief Executive (items 1-13 only)
Matthew Bailes	Director of Regulation
Bronwen Rapley	Deputy Director Investigation and Enforcement
Mick Warner	Deputy Director Operations
Isabella Freeman	Head of Legal Services and Company Secretary
Will Perry	Assistant Director Commercial and New Entrants (item 9)
Jim Bennett	Assistant Director Regulatory Strategy (item 8)
Ros Poulson	Registrar (items 6 & 12 only)
Anna Simpson	Head of Regulatory Framework and Performance (item 7)
John O'Mahony	Assistant Director Regulatory Framework and Performance (items 10-11)
Sandy Pacek	Head of Performance Management (item 11)
Sara Le-Surf	Secretariat Assistant

1 Welcome and apologies

01/10/14 The Chairman welcomed everyone to the meeting.

2 Declarations of Interest

02/10/14 No interests were declared.

3 Minutes of the meeting held on 16 September

03/10/14 The minutes of the meeting were AGREED as an accurate record of the meeting subject to minor amendments **SLS**

- 41/09/14 – final word in paragraph should be ‘law’ not ‘agreements’.

04/10/14 The Committee AGREED the proposed public minutes. **SLS**

4 Matters Arising

05/10/14 The Director of Regulation informed members that good progress was being made on the protocol with HCA-i. Members asked that the Protocol should come to Regulation Committee before being finalised for sign-off by the HCA Board. **IF**

06/10/14 Members NOTED the matters arising.

5 Committee forward look

07/10/14 Members NOTED the forward planner. **MB**

6 Regulation Director’s update on key issues

08/10/14 The Director of Regulation updated Committee on key developments since the last Committee meeting. Particular note was taken of the following points.

13/10/14 Accounting Direction/IFRS – Members noted an update on FRS102 & SORP 2014 which will become effective from January 2015.. Members raised the possibility of including a question in the Quarterly Survey on covenants. The Director of Regulation confirmed that this was already included in the QSR and officers were updating the survey for the coming year.

14/10/14 Rent to Buy / London Housing Bank - Members were informed of the Government’s new £400m affordable rent to buy products which would be run by the HCA and GLA. The prospectuses have been launched and assessment of the bids will begin on 12th November. The Regulator will be reviewing bids to check ongoing compliance with The Viability Standard using similar approach to other bidding rounds and would provide an opinion to HCA-I in line with the existing protocol.

15/10/14 Media Coverage – The Director of Regulation provided an update on media coverage and stakeholder engagement and the plans to increase engagement in the coming months.

MB

17/10/14 Members NOTED the report.

7a Regulation Framework

20/10/14 Members received a report which provided a summary of the proposed course of action following analysis of consultation responses on changes to the regulatory framework.

33/10/14 Members discussed a number of outstanding issues that had been identified in the feedback. They noted that these would be taken away and the resolution brought back to a future committee meeting.

AS

34/10/14 The Committee AGREED with the proposed course of action as outlined in the report.

Item 7b

35/10/14 Members received a separate report that considered the consultation responses to the proposed changes to General Consent in relation to Category 6.

46/10/14 Members AGREED with the proposals as outlined in the report.

8 HCA Review of Legislation

47/10/14 Following a discussion at the previous Committee meeting, members received a report outlining the suggested priorities proposed for the project to review the HCA's statutory powers, which Ministers have committed to following the lessons learned review of the Cosmopolitan case.

48/10/14 Members noted that this was a joint project with DCLG and AGREED with the proposed priorities.

49/10/14 Members noted that they would receive a presentation at the November meeting. which would outline plans for stakeholder engagement.

JB

9 Private Finance Strategy

50/10/14 Members considered a refreshed Private Finance Strategy which had been updated to reflect the diverse and complex nature of the private finance market in social housing sector.

51/10/14 Members considered the draft strategy and suggested a range of measures to improve the flow of information and intelligence including improved transparency on the Government's website (www.gov.uk), processes on internal information handling such as selective disclosures and a Q&A on the website.

Members NOTED the report.

10 Fees

53/10/14 The Assistant Director for Regulatory Framework & Performance introduced a report which updated members on the position with regards to the introduction of fees.

In May the Regulation Committee approved the publication of the fees statutory consultation paper subject to SOS approval.

JOM

11 Q2 Performance Monitoring Report

56/10/14 The Head of Performance Management introduced the Q2 Performance report, Business Plan exceptions and the new balanced scorecard.

57/10/14 Members considered the risks relating to the current Business Plan, in particular those flagged red.

61/10/14 The Committee NOTED and AGREED with the recommendations as outlined in the report.

12 Decisions of the Registrar

62/10/14 The Registrar advised the Committee of the decisions taken in accordance with the delegation to the Registrar on registrations, de-registrations and restructurings since May 2014.

63/10/14 Members NOTED the report.

13 Regulatory Judgements

64/10/14 Members NOTED that four new judgements were published on the Agency's website on 30th September.: Equity G2/V2 from G1/V1; West Mercia remaining at G1/V1; Aldwyck G2/V1 from G1/V1 and Cottsway G2/V1 from G2/V2.

66/10/14 Members NOTED the report.

14 Investigation and Enforcement update

67/10/14 The Deputy Director of Investigation and Enforcement updated Members on registered providers where a significant measure of under-performance had been identified during regulatory engagement and provided a detailed briefing on those cases which are of most concern.

73/10/14 Members NOTED the Cases under Enhanced Regulatory Engagement and further noted that these will be reported in future as part of the Deputy Director Regulatory Operations' regular report.

Members NOTED the report.

15 Any Other Business

74/10/14 There was no other business.

Date of Next Meeting

75/10/14 The next meeting would take place on Thursday 20th November 2014.