

PUBLIC MINUTES
of the Regulation Committee meeting
held on 27 July 2015 at 10am
Marsham Street, London

Present

Julian Ashby Chairman
Jonathan Adlington
Richard Moriarty
Ceri Richards
Sarah Wall

In attendance

Fiona MacGregor Director of Regulation (Interim)
Isabella Freeman Head of Legal Services & Company Secretary
Catherine Farrington Principal Solicitor – Corporate & Regulation
Andrew Rose HCA Chief Executive (for items 1-5)
Bronwen Rapley Deputy Director Investigation and Enforcement
Jonathan Walters Deputy Director Strategy & Performance

Jim Bennett Assistant Director, Regulation Strategy (item 7)

Christine Kitchen Assistant Board Secretary

1 Welcome and apologies

01/07/15 The Chairman welcomed everyone to the meeting. Apologies from Mick Warner were noted.

2 Declarations of Interest

02/07/15 No Declarations of Interest were made from those present.

3 Minutes of the last meeting – 18 May 2015

03/07/15 The confidential minutes were APPROVED subject to further clarity on the wording of items 19/06/15 & 42/06/15. **CK**

04/07/15 The public minutes were APPROVED.

4 Matters Arising

05/07/15 Members NOTED the items and asked that dates be provided to those actions where no dates for actions are provided.

5 Committee forward look

06/07/15 The forward planner was NOTED. The planner would be reviewed by RET and an update provided to RC in September. **CK**

6 Regulation Director's update on key issues

07/07/15 Members were advised that the reaction from the market, lenders & the sector to the rent reduction announcement in the budget, had been calm.

08/07/15 The regulation team were complimented on their handling of the outcome of the budget and communications with the sector and lenders. Regulation BAU work continues without major disruption.

09/07/15 Members noted the 10 IDA pilots had concluded. Lessons learned work was being undertaken to ensure changes are will be made where required.

10/07/15 Members noted that the stability checks had not been carried out on the FFRs provided pre-budget but the timetable for the checks has been adjusted so the evaluation can be carried out on the re-submitted FFRs in October 2015.

11/07/15 Changes to the quarterly survey have been agreed and the timetable has been set.

12/07/15 Members were advised that IPA's are being replaced by the Reactive Engagement Decision (RED) log. The new process simplifies some the processes whilst ensuring an audit trail is maintained and will continue its fundamental aim to properly record all decisions taken.

13/07/15 Members noted that changes to the approach to disposal consents had been agreed and staff training completed. Merger consents guidance is due for publication in September/October, and the next area of focus will be constitutional consents.

14/07/15 OCP workshops have been successfully delivered, and members noted the feedback.

15/07/15 There has been a lot of activity within the sector in respect of VfM. We are reviewing our approach ahead of the September 2015 self assessment review in light of the budget announcements, however the message from the Regulator to providers is that they will need to complete the year end self-assessments.

16/07/15 Members noted the regulatory judgements and were advised that RJs would be published where viability ratings changed pre-budget but, where appropriate, would carry a note to say that this was not based on a complete picture of the provider's current situation.

17/07/15 There have been conversations with lenders, CML and investors and many lenders are taking a pro-active approach and requesting revised business plans from providers.

19/07/15 Members noted the recent media activity and press coverage including the Channel 4 news broadcast and the articles in the Spectator and Times.

20/07/15 There are no public speaking engagements scheduled till September. .

7 HCA Legislation Project Update

22/07/15 JB updated committee on progress in the Government's consideration of the recommendation to introduce a special administration regime for social housing.

29/07/15 The recommendation has been submitted to DCLG and we await Secretary of State sign-off.

8 Consumer Regulation – Annual review

30/07/15 Members considered the draft of the annual consumer regulation, which if approved, would be published in September 2015.

31/07/15 Members APPROVED the publication and delegated final sign-off to the Chair.

9 Regulatory Judgements

32/07/15 Members noted there had been one regulatory judgement published in June for Orwell HA (G2/V1 to G1/V1).

33/07/15 The reduction in the number of RJs reflects the completion of 2014/15 work programme and only RJs resulting from reactive rather than planned work will be published over the next few months. RJs resulting from planned works will be published following the completion of IDAs not forming part of the pilot programme and the completion of stability checks.

34/07/15 Members NOTED the report.

10 Investigation and Enforcement Update

11 Any Other Business

42/07/15 DoR (interim) – intends to delegate authority to DDI&E whilst on holiday – 31/7 – 21/8.

43/07/15 Committee asked that the Regulation Scheme of Delegations is reviewed at the September meeting. **FM/IF**

Date of Next Meeting: Monday 21 September 2015.

Chairman's Signature: **Date:**