

PUBLIC MINUTES
of the Regulation Committee meeting
held on 23 March 2015 at 10am
Marsham Street, London

Present

Julian Ashby	Chairman
Jonathan Adlington	
Richard Moriarty	
Ceri Richards	
Sarah Wall	
Piers Williamson	(agenda items 3 – 11 & 14 only)

In attendance

Matthew Bailes	Director of Regulation
Andrew Rose	HCA Chief Executive
Bronwen Rapley	Deputy Director Investigation and Enforcement
Jonathan Walters	Deputy Director Strategy & Performance
Mick Warner	Deputy Director Operations
Janet Bailey	Solicitor (Item 3)
Jack Lee	Assistant Director Investigation and Enforcement (item 3)
Ros Poulson	Registrar (Items 8 & 11)
Anna Simpson	Head of Regulatory Framework (item 8)
John O'Mahoney	Assistant Director, Regulatory Framework & Performance (item 9)
Sandy Pacek	Head of Performance Management (item 9)
Jim Bennett	Assistant Director, Regulation Strategy (item 10)
Christine Kitchen	Assistant Board Secretary

1 Welcome and apologies

01/03/15 The Chairman welcomed everyone to the meeting. There were apologies from Isabella Freeman. The Chairman advised members that Piers Williamson had completed his term as Committee member and this would be his last meeting. The Chairman thanked Piers for his advice, guidance and knowledge he had brought to the Committee.

2 Declarations of Interest

02/03/15 No Declarations of Interest were made from those present.

3 Governance Strapline for Registered Provider

4	Minutes of the last meeting – 23 February 2015	
12/03/15	The minutes of the meeting were AGREED as an accurate record of the meeting, subject to minor amendments to items 11/02/15, 19/02/15 and 41/02/15 of the confidential minutes.	CK
13/03/15	The Committee AGREED the proposed public minutes, subject to minor amendments to items 12/02/15 and 29/02/15.	CK
5	Matters Arising	
14/03/15	Members NOTED the matters arising.	
6	Committee forward look	
15/03/15	Members NOTED the forward planner.	
7	Regulation Director's update on key issues	
16/03/15	<i>Budget</i> – the key points arising from the 2015 budget were discussed.	
17/03/15	<i>Spending Review and pre-election issues</i> – Members were advised that advice was being requested by the Department pre-election. .	
18/03/15	<i>Remuneration</i> – This was an area of increased interest particularly in respect of CEO salaries and pay-offs	
19/03/15	<i>Global Accounts</i> – There had been measured interest in surplus and operating margins, and limited ministerial interest.	
20/03/15	<i>Relations with public sector lenders</i> – Members were advised that changes to the protocol and operational guidance had been drafted by the legal team for review by Regulation. A paper on the proposed protocol will be presented to the April Regulation Committee meeting.	JB
21/02/15	<i>Business planning day</i> – this had been a very successful event with a lot of positive feedback from the 120 staff that attended.	
22/03/15	<i>Staff Survey update</i> – results from the February pulse survey were positive and gave further insight into the issues raised in the corporate staff survey.	
23/03/15	<i>Media Coverage and Stakeholders</i> – the recent activity was noted. Members were advised that stakeholder engagement continues.	
24/03/15	<i>Restructuring and Recruitment</i> – Members were advised that most senior posts had been successfully filled.	
8	Regulatory Framework Publication	
25/03/15	Head of Regulatory Framework explained that January 2015 saw the publication of the decision statement for the consultation on changes to the Regulatory Framework which included a number of documents. At the end of March 2015 additional documents which supported the requirements documents were to be published which included Disposals Proceed Fund (DPF), Registration Guidance and Forms, Disposing of Land and changes to	

the General Consent.

26/03/15 *Disposals Proceeds Fund* - The Head of Regulatory Framework advised the Committee that the additional change to the DPF was the removal from the Direction that permitted use of DPF funds to offset unrelieved tax on capital gains.

27/03/15 *Registration Guidance and Forms* – to help with the accurate completion of these forms, guidance was now more detailed and applicants would be required to provide more detailed information with their applications. There will also be two new documents – “what does it mean to be Registered” and a new section for not-for-profit applicants setting out requirements for their constitutions based on the type of organisation it is.

28/03/15 *Changes to General Consent and the website* – the Registrar set out for the Committee the changes to General Consent in respect of ALMOs. Changes to the website were noted.

29/03/15 *Regulating the Standards* –. It was proposed that a holding statement was published on the website until all the intelligence from the pilots had been received. Members were advised that all providers would receive a letter updating them and changes will be highlighted.

AS

30/03/15 Members AGREED the policy approaches on registration and AGREED the delay in publication of the RTS.

9 Regulation Business Plan

31/03/15 Members were asked to review and agree the business plan for 2015/16.

33/03/15 Members AGREED the business plan for 2015/16.

10 HCA Legislation

34/03/15 Members were presented with this interim report setting out the progress made in the review and the key areas of focus before officers presented the Committee with a full report to the April 2015 meeting.

11 Decisions of the Registrar

37/03/15 Members NOTED the information on the recent registrations of new bodies and decisions taken.

12 Regulatory Judgements

38/03/15 Members NOTED that the total number of judgements had fallen from 241 to 240 due to one addition and two removals. Twenty three regulatory judgements were published on the Agency's website in February. Ten judgements were straightforward and would retain their G1/V1 straplines. Four providers were given governance downgrades having failed to meet expectations on vfm, but they were all assessed as V1.

39/03/15 Members were advised that there had been fourteen viability judgements in February, all of which were confirmed as V1.

42/03/15 The in-depth reports on the four cases in Annex 1 were reviewed and the outcomes and gradings were NOTED by the Members.

13 Investigation and Enforcement update

43/03/15 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.

Intensive regulatory engagement cases

Consumer Regulation

48/03/15 Members NOTED that there had been 498 referrals relating to consumer standards since April 2014. There are currently 32 active consumer regulation investigations.

14 Regulation Committee Effectiveness Review

49/03/15 The outcomes from the effectiveness review were discussed and Richard Moriarty confirmed very positive scores which were more positive than previous years.

50/03/15 Members reported similar assessments of the performance of the Committee.

15 Any Other Business

53/03/15 The Chairman advised that this was Piers Williamson's last Regulation Committee meeting as he had completed his term. The Chairman thanked Piers for the advice, guidance and knowledge he had brought to the Committee.

54/03/15 From 23 March – 9 April 2015, in the absence of the Chairman, the Deputy Chairman will be the point of contact for Officers with any matters relating to Regulation.

Date of Next Meeting: Monday 27 April 2015.