

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

Present

Julian Ashby	Chairman
Jonathan Adlington	
Richard Moriarty	
Ceri Richards	
Sarah Wall	
Piers Williamson	(agenda items 1 – 11 & 14 only)

In attendance

Isabella Freeman	Lawyer
Bronwen Rapley	Deputy Director Investigation and Enforcement
Jonathan Walters	Deputy Director Strategy & Performance
Mick Warner	Deputy Director Operations
Jack Lee	Assistant Director Investigation and Enforcement (to observe)
Ros Poulson	Registrar (Items 8 - 11)
Christine Kitchen	Assistant Board Secretary

1 Welcome and apologies

01/02/15 The Chairman welcomed everyone to the meeting introducing Chris Kitchen and Jack Lee. There were apologies from Matthew Bailes and Andrew Rose.

2 Declarations of Interest

02/02/15 No Declarations of Interest were made.

3 Minutes of the meeting held on 26 January

03/02/15 The minutes of the meeting were AGREED as an accurate record of the meeting.

04/02/15 The Committee AGREED the proposed public minutes.

CK

4 Matters Arising

06/02/15 Members NOTED the matters arising.

5 Committee forward look

07/02/15 Members suggested the addition of Regulation Committee Effectiveness Review to the March workshop. **CK**

08/02/15 Members NOTED the forward planner.

6 Regulation Director's update on key issues

10/02/15 *VFM downgrades* – Members were advised that as at February 2015, eight providers did not provide sufficient assurance against the standard. Four providers had their governance rating downgraded from G1 to G2. Members NOTED the other providers who had been issued with regulatory judgements or notices. Members suggested that officers check that stakeholders understand the significance of providers being issued with regulatory notices. **JW**

11/02/15 *Global Accounts* – Members were informed that the Global accounts would be published on 18 March 2015 and noted the key points. Net surplus has risen, and the message from the regulator is that the majority of the surplus has and will continue to be re-invested in fixed assets including supply of housing.

12/02/15 *Quarterly Survey* – 47 providers were contacted in respect of MTM exposure.

13/02/15 *Framework Publication* – Members were advised that the framework had been well received including Moody's, who noted that the framework was credit positive. There had been one specific issue raised by ALMOS which was addressed separately on the agenda.

14/02/15 *Legislation update* – stakeholder engagement had been positive. There is to be a workshop with CML panel members in April. Positive discussions continue in respect of lead options and timing of advice to ministers.

15/02/15 *NHF Code of Governance* – Members were informed that the new Code of Governance had been published by the NHF. The new code is taking a more holistic view to CEO remuneration including the expectation that CEO's contracts are reviewed at least every three years.

16/02/15 *Select Committee* – Members were advised that the letter had been sent and there had been no response to date.

18/02/15 *Regulatory Judgements* – the three governance downgrades were NOTED.

19/02/15 *Media Coverage & Stakeholders* – the Regulatory Framework and the VfM downgrades attracted some media coverage. Stakeholder engagement meetings were proving very helpful. Regulation Committee to see a revised comms strategy when complete. **JW**

20/02/15 The Committee NOTED the Regulation Director's report.

7 Update on relations with Public Sector Lenders

23/02/15 Members AGREED that the revised narrative should come back to the Regulation Committee in April.

JW

8 Stock Transfers

24/02/15 Members considered the background information to the three stock transfer applications and the decisions taken on registration.

27/02/15 Members NOTED the report.

9 Decisions of the Registrar

28/02/15 The Members noted the summary of activity and in particular the merger activity in the past two months.

Members noted the three stock transfers, the registration of Golden Lane Housing, the two significant group restructures (City South and Eastlands and Golden Gates and Helena Partnerships).

31/02/15 Members NOTED the report.

10 Change to General Consent – Category 6

32/02/15 The Registrar gave members the background to the proposed changes to category 6 of the General Consent. After publication, an issue had been raised by ALMOs who had financial arrangements with LAs under category 8 rather than category 6.

34/02/15 The Committee AGREED the recommendations set out in the paper.

11 Registration of Shrewsbury Drapers

36/02/15 Regulation Committee AGREED the registration of Shrewsbury Drapers.

12 Regulatory Judgements

37/02/15 Members NOTED that eighteen regulatory judgements were published on the Agency's website in January. The Deputy Director Regulatory Operations informed members that nine judgements were straightforward and would retain their G1/V1 straplines. The remaining four providers were given governance upgrades to V1, based on the improvements identified through their VfM statements.

38/02/15 Members were advised that there had been six viability judgements in January, four confirmed as V1 and two which were V2.

39/02/15 The in-depth reports on the four cases in Annex 1 were reviewed and the outcomes and grading were NOTED by the Members.

13 Investigation and Enforcement update

40/02/15 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.

14 Governance Strapline for Registered Provider

15 Any Other Business

48/02/15 It was confirmed that the date of the October Regulation Committee meeting will remain as Monday 26 October.

Date of Next Meeting: Monday 23rd March 2015