



**PUBLIC MINUTES**  
**of the Board meeting**  
**on Tuesday 23 July 2019 at 0900**  
**Meeting Room T2, Level 1A City Tower, Piccadilly Plaza, Manchester M1 4BT**

**Present**

Simon Dow (SD)	Interim Chair
Liz Butler (LB)	
Richard Moriarty (RM)	
Ceri Richards (CR)	
Fiona MacGregor (FM)	Chief Executive

**Observing**

Jo Boaden (JBo)  
Deborah Gregory (DG)

**In attendance**

Jonathan Walters (JW)	Deputy Director, Strategy and Performance
Mick Warner (MW)	Deputy Director, Finance and Corporate Services
Richard Peden (RBP)	Deputy Director, Provider Engagement
Emma Tarran (ERT)	Assistant Director, Head of Legal Services and Company Secretary
Harold Brown (HB)	Senior Assistant Director, Investigation and Enforcement
Jim Bennett (JB)	Assistant Director, Regulatory Strategy – for item 8
Chris Kitchen (CK)	Minutes

**1 Welcome and apologies**

01/07/19 There were apologies from Paul Smee (PS). SD introduced JBo and DG as the Board Members designate who were attending this meeting as observers before they officially take up post from 1 September 2019.

**2 Declarations of Interest**

02/07/19 JBo declared her role as a Non-Executive Director of the Wheatley Group and Chair of Your Homes Newcastle. JBo will be stepping down from the latter role. DG confirmed that she had no direct conflicts of interest but would check possible conflicts that might arise at Hogan Lovells where she is a partner.

**3 Minutes of the last meeting – 25 June 2019**

03/07/19 The confidential minutes and the public minutes of the last meeting were AGREED subject to minor amendments.

**4 Matters Arising**

04/07/19 Members noted the updates to the actions from previous meetings.

05/07/19 Members were advised that the first meeting of the Nominations and Remuneration Committee is likely to be convened between 1 – 16 August.

## 5 Forward Planner

06/07/19 Members NOTED the forward planner. FM advised that the time of the September Board meeting will switch to the afternoon of 24 September to facilitate the meeting of the Audit Risk and Assurance meeting to sign off the accounts, to take place in the morning of the same day. CK to confirm details.

CK

## 6 Board Appraisals

07/07/19 SD confirmed the annual performance appraisals of board members had been completed for four of the 5 members. The signed forms for the completed appraisals were with the Board Secretary.

## 7 Chief Executive update

### Policy Updates

#### *Conservative Party Leadership Election*

08/07/19 Members were aware of the programme for the election of a new Prime Minister later that day, followed by the confirmation of appointments to core cabinet positions.

#### *Brexit and contingency planning*

09/07/19 We are engaging as required with MHCLG on their contingency planning for Brexit. We will check with providers from September whether there are any changes in our intelligence about their preparedness for Brexit.

#### *Housing Ombudsman appointment*

12/07/19 Members NOTED the appointment of Richard Blakeway to the role of the Housing Ombudsman from 1 September. FM confirmed that she will be making contact with him when he is in post, and will maintain the constructive relationship we have with the Ombudsman.

#### *Registrations*

13/07/19 Members NOTED the registration and designation as non-profit of Cottsway 2, a subsidiary of an existing PRP.

#### *Fees discussion letter*

15/07/19 On 17 July 2019, we wrote to CEOs of all private registered providers to set out our proposals for fee levels in 2020/21. Prior to that, we had discussed the proposals with the FRAP and a selection of providers. We are proposing to increase the per-unit fee for large registered providers by approximately 75 pence. There are no plans for an increase to the initial registration fee or the fixed fee for small providers. The fee statement will be issued in October and invoicing will start in February/March 2020. FM confirmed that we have asked for feedback on reimbursements as part of the stakeholder survey.

#### *Grenfell Tower Fire and Public Inquiry*

16/07/19 MHCLG are liaising with the regulator in respect of any information they require to inform their position statement. Members NOTED the information provided on how the Inquiry is progressing and the timescales for document disclosure for phase 2.

### *Stakeholder engagement*

17/07/19 There has been a number of stakeholder events and a wider group of staff have been involved in speaking engagements recently. The forward look was NOTED, and there was acknowledgment that events focussed on the Green paper may need to be rescheduled.

### *Publications*

18/07/19 Members were advised that the Consumer Regulation Review published on 19 July had received some press coverage. We have written to provider CEOs highlighting the information in this publication.

### *Media coverage*

19/07/19 Members noted the update.

## **8 Review of Annual Report**

20/07/19 MW presented the annual report and accounts and JB joined the meeting by Lync. Members were advised that these accounts relate to the six months from the RSH's formation to 31 March 2019. The accounts had been reviewed by ARAC and ARAC and management had commented on the annual report and suggested changes had been made to this version. Comments had been received from PS by correspondence and will be picked up by officers.

21/07/19 Members had specific comments on some sections of the annual report, These comments were NOTED and along with the comments from PS, these will be addressed in the next version which will be presented to ARAC and then Board in September.

## **9 Investigation and Enforcement update**

22/07/19 HB introduced the paper and provided further updates on some of the intensive regulatory engagement cases.

### *Ongo Homes Limited*

The organisation has an unregistered parent and had been downgraded to G3 based on weaknesses in their governance.

### *First Priority Housing Association*

29/07/19 Members NOTED the update.

### *Encircle Housing Limited (Encircle)*

30/07/19 Member NOTED the update. A Regulatory Notice has been issued in respect of the H&S issues.

32/07/19 Members NOTED the updates on consumer regulation cases.

## **10 Operations Update**

33/07/19 RBP presented the report which was the quarterly update and included information on judgements. Since the last report there has been a reduction

by four in the number of published judgements, as a result of a number of mergers. In the year to June 2019 there had not been any significant increase in the number of providers graded G2 and the reduction in G1/V1s had largely been the result of consolidation in the sector. There have been ten regulatory judgements published since the last report.

34/07/19 **Cornerstone** has been downgraded on governance (G1/V1 to G2/V1). It needs to improve board oversight of its strategic financial risk management. **GreenSquare** has been downgraded on governance (G1/V2 to G2/V2) – there have been H&S issues with potential serious detriment to tenants which resulted in the publication of a regulatory notice. **Acis** has retained its (G1/V2) grades following an IDA. An interim judgement (G1/V1) has been published for **Catalyst** following its merger with Aldwyck. **Peabody** had an interim judgement published (G1/V2) following its merger with Town and Country.

35/07/19 RBP outlined the overall changes in governance and viability gradings across the sector in the year 2018-19. It was noted that there had been a greater number of governance grade changes than viability grade changes but that this was to be expected as viability gradings reflected the long term financial position of providers and largely did not change year on year. The number of published judgements overall reduced from 224 to 216 with first or interim judgements published for 16 providers and judgements withdrawn for 24 providers following mergers. First judgements were published for 5 providers who had crossed the 1,000 unit threshold. Members noted the report.

#### **IDA programme**

36/07/19 A total of 217 IDAs have been completed – an increase of six since the previous report to Board.

#### **Merger Activity**

Members NOTED the information on merger activity.

### **11 Finance and Corporate Services update**

37/07/19 Members had NOTED the report which provided an update on the management accounts to 31 May 2019.

### **12 Performance and Risk report Q1**

39/07/19 MW presented the paper and advised members that the Risk Review Group (RRG) made up of staff from across the organisation, review the risk register and recommended to REG a change in residual risk scores. Both recommendations were accepted by REG and applied.

41/07/19 We continue to liaise with MHCLG and Homes England on the accommodation strategy. Available space in the Birmingham and Leeds offices is tight.

### **13 Equalities Objectives**

42/07/19 • Members were advised of the obligations under legislation for the RSH to

have Equalities Objectives (EO).

44/07/19 Members were content with the proposed objectives and that they were measurable. ERT said that as a young organisation, the RSH is likely to want to re-visit these objectives in a reasonable timeframe. Officers confirmed that there will be a working group who will monitor and report on what we have achieved, particularly in respect of objective 1 and the Board expressed a desire to review performance annually.

**14 Any Other Business - none**