



PUBLIC MINUTES
of the Board meeting
on Tuesday 28 January 2020 at 0930
FG47, 2 Marsham Street, London

Present

Simon Dow (SD)	Interim Chair
Liz Butler (LB)	
Paul Smee (PS)	
Richard Hughes (RH)	
Ceri Richards (CR)	
Jo Boaden (JBo)	
Deborah Gregory (DG)	
Fiona MacGregor (FM)	Chief Executive

In attendance

Jonathan Walters (JW)	Deputy Chief Executive
Maxine Loftus (ML)	Interim Director Regulatory Operations
Will Perry (WP)	Director, Strategy
Richard Peden (RBP)	Interim Director Finance and Corporate Services
Harold Brown (HB)	Senior Assistant Director, Investigation and Enforcement
Emma Tarran (ERT)	Assistant Director, Head of Legal Services and Company Secretary
Jim Bennett (JB)	Assistant Director, Regulatory Strategy – for item 6 & 14
Ruth Gibson (RG)	Assistant Director, Assurance – for item 7
Robert Dryburgh (RD)	Assistant Director, Business Intelligence – for item 8
John O’Mahony (JOM)	Assistant Director, Corporate Services and Performance – for item 9
Althea Houghton (AH)	Assistant Director Registration and New Entrants – for item 10
Chris Kitchen (CK)	Minutes

1 Welcome and apologies

01/01/20 There were no apologies.

2 Declarations of Interest

02/01/20 There were no new declarations of interest.

3 Minutes of the last meeting – 26 November 2019

03/01/20 The confidential minutes and the public minutes of the last meeting were AGREED subject to minor amendments.

4 Matters Arising

04/01/20 Members noted the updates to the actions from previous meetings. Resilience planning will be the workshop session at the February meeting.

5 Forward Planner

05/01/20 Members NOTED the forward planner. Standard governance matters will be added to the forward planner.

6 Chief Executive update

Policy Updates

Building Safety

06/01/20 JB joined the meeting and CEO advised members that Government has confirmed that a shadow Building Safety Regulator will be established within the Health and Safety Executive ahead of it being fully established following legislation.

07/01/20 Members NOTED the updates to building safety advice as well as the consultation to review the cladding ban to lower the threshold from 18m to 11m. Proposals also include lowering the height threshold for sprinkler requirement and the introduction of a Fire Safety Bill.

White paper

09/01/20 Timing of publication has not been confirmed.

Budget

11/01/20 The date for the Budget has been confirmed as March 11.

Judicial Review

12/01/20 Members had been briefed on the court appearance.

Grenfell Tower Fire and Public Inquiry

13/01/20 The Government response to the Phase 1 Grenfell Public Inquiry report recommendations have been published. The Phase 2 hearings consist of 8 modules

Stakeholder engagement

14/01/20 Engagement has been quiet given Christmas and the General Election period, but will begin to pick up. CEO will be attending the AO meeting later in the week and the Chair and CEO had recently met with the Chair and CEO of the NatFed.

Publications

15/01/20 Members NOTED the RSH publications which had received a good deal of media coverage. Rents guidance and the SRP addendum on Rent & RTS are due to be published in February. The Housing Ombudsman have published a report on the consultation of their Business Plan.

Media

16/01/20 Media coverage was NOTED.

8 VfM Metrics – provider reporting

- 23/01/20 RD joined the meeting to present the paper which set out a summary of the sector's 2019 reporting against the expectations in the Value for Money Standard. This was the first time providers were expected to fully meet all the reporting requirements of the new standard, not just the metrics as in previous years.
- 24/01/20 Members noted the outcome of the 2018 reporting. For 2019, a sample review of the accounts for 50 large providers was undertaken. The quality of the responses varied, but in general the reporting on VfM metrics themselves had improved. There was still some calculation errors and evidence that a minority of providers failed to follow the guidance provided in the technical notes. This impacted on their social housing costs that relate to social housing activities being recognised as non-social housing costs.
- 25/01/20 There was also some instances where the composition of the peer groups providers compared themselves to, changed from metric to metric and did not specify on what basis they made their selection of comparator. Others used generic benchmarks rather than a peer group of comparable organisations. All these factors did not aid in the meaningful assessment of relative performance.
- 26/01/20 The quality of reporting on other elements of the standard was mixed and only a few were able to show the golden thread running through their strategic objectives, the targets set to meet those objectives, the use of assets and resources and finally if not achieve, provide an explanation for why and what steps were planned to change this situation.
- 27/01/20 There was a general discussion about the approach of providers to VfM reporting and what steps we will consider taking to addressing the shortfalls. Overall however, the reporting provides a strong basis to engage with providers particularly in IDAs and inform regulatory responses to improve performance.

9 Performance and Risk Reporting

- 28/01/20 JOM joined the meeting and presented the paper which was for information, and was the Q3 quarterly report. Members NOTED the changes made to the quarterly report to improve clarity.
- 29/01/20 Members NOTED the two AMBER rated performance measures:
- *Organisational capacity* – Amber due to the significant number of vacancies due to the resource review. The recruitment campaign starting imminently will help address this, albeit it may remain amber for at least another quarter due to the lag between appointment and someone starting. The vacancies are a mix of additional and existing roles.
 - *Health and Safety* - the internally set target to refresh the H&S policy has had to be delayed due to other work being prioritised. However, we remain compliant with legal duties under the Health & Safety at work Act as the existing H&S policy remains in place.
- 31/01/20 ARAC and Board will review the full strategic risk register at their February and March meetings respectively.

10 Registrations

- 32/01/20 AH joined the meeting to present the summary of recent registration activity and decisions taken.
- 33/01/20 There has been two for profit organisations registered since September. Sage Ownership Limited and Sage Rented Limited.
- 35/01/20 AH advised that the volume of applications remains constant, but circa 80% don't progress to registration.
- 37/01/20 Members NOTED the other information in the paper on new registrations, Local Authorities, other refusals, restructuring and compulsory and voluntary de-registrations.

11 Finance and Corporate Services update

- 38/01/20 RBP presented the paper. Members were updated on performance against budget. Spend continues to be favourable to budget. We are still carrying a number of vacancies and recruitment for posts identified in the resource review, I&E, Legal and additional posts to pick up work on LA rent regulation are all being addressed.
- 39/01/20 Members NOTED the underspend on facilities and the overspend on IT which related to increased staff numbers over the year and service investment in Homes England. RBP reported that the O365 roll-out which had been very successful. Development work on identifying a replacement for NROSH+ continues.
- 40/01/20 The work of the people strategy programme in its first year has seen some noticeable successes and have clear identified areas of focus for the coming year.
- 41/01/20 Environmental Statement: RBP advised members that the RSH is required to have an environmental statement and presented a proposed update to the existing statement. The policy statement and management plan had been reviewed by members and the Board APPROVED the policy statement for publication

12 Operations Update

- 42/01/20 ML presented the paper and Members NOTED the stability check period had finished. There had been 80 RJs published in January. There had been 11 narrative judgements and changes to grades for 10 providers all of which were listed in paras 7-17 of the paper.
- 43/01/20 Annual provider engagement meetings (APEM) with providers in the intervening years between two-yearly IDAs are now integrated into operations. The meetings are tailored for individual providers but framed around the areas covered in IDAs – strategy, structure, risk management financial resilience and governance. They focus on ascertaining material changes in providers' strategies, structures and associated financial and risk profiles. We are currently running internal workshops on scoping IDAs as the start of a package of learning and development to make sure we are continually improving our approach to IDAs.

13 Investigation and Enforcement update

44/01/20 HB introduced the paper and provided further updates on the intensive regulatory engagement cases listed in the paper and Members NOTED the updates on continued engagement with the Lease Based Providers.

45/01/20 Members were advised that the three providers named at the last meeting remain on the GUR list. A RN was published in December for Cheshire Peaks and Plains Housing Trust.

Consumer Regulation

46/01/20 Since April 2019 there have been 370 referrals at Stage 1. 208 have been escalated to the consumer regulation panel and 122 of those progressed to an investigation.

Leased Based Providers – noted the updates

13 RSH Corporate Plan 2020- 2023

52/01/20 JB joined the meeting and advised members that the draft plan for 2020-2023 was based very much on the previous one. The plan has been updated to reflect the current strategic objectives and regulation requirements of the RSH. The policy content will be kept under review and update as necessary. We are planning on running staff workshops to discuss the plan, so there is engagement with the plan across the organisation.

53/01/20 The board will see a second draft at its meeting in February and when signed off, will be submitted to MHCLG for approval and Ministerial sign-off. It was acknowledged that should there be an announcement about the White Paper, any implications of that will be addressed in the plan.

14 Any Other Business

54/01/20 None