



**PUBLIC MINUTES**  
**of the Board meeting**  
**on Tuesday 25 February 2020 at 0930**  
**FG47, 2 Marsham Street, London**

**Present**

Simon Dow (SD)	Interim Chair
Liz Butler (LB)	
Paul Smee (PS)	
Ceri Richards (CR)	
Richard Hughes (RH)	
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 & 8
John O'Mahony (JOM)	Assistant Director, Corporate Services and Performance – for item 9
Chris Kitchen (CK)	Minutes

**1 Welcome and apologies**

01/02/20 There were no apologies.

**2 Declarations of Interest**

02/02/20 Ceri Richards declared her appointment to Mutual Energy as a NED. Her DoI was updated.

**3 Minutes of the last meeting – 28 January 2020**

03/02/20 The confidential minutes and the public minutes of the last meeting were AGREED subject to a minor amendment.

**4 Matters Arising**

04/02/20 Members noted the updates to the actions from previous meetings.

**5 Forward Planner**

05/02/20 Members NOTED the forward planner.

## 6 Chief Executive update

### Policy Updates

#### *Cabinet reshuffle*

06/02/20 JB joined the meeting. Members NOTED the changes to Cabinet. FM gave a brief resume on the new ministers and JB explained the role of a PPS.

#### *AO meeting*

08/02/20 FM reported the meeting at the end of January had been very positive and constructive.

#### *Judicial Review*

09/02/20 FM thanked HB and ERT and their teams for the successful outcome of the JR. HB gave members an overview and noted the contribution of the whole team behind the investigation, the IDA and those on the audit trail who had worked tirelessly.

10/02/20 ERT added to this that the outcome was very welcome.

11/02/20 FM said that the work put in by ERT and HB should not be underestimated. SD added his thanks and congratulations on behalf of the board to all the staff involved.

#### *External IDA Evaluation*

12/02/20 FM advised members of the proposal to launch an external evaluation of the IDA process with RPs using SurveyMonkey. In addition to the general survey, there will be more in-depth interviews with CEO's of around 10-12 RPs. It is hoped that the mix of the general survey and the 1:1 interviews will provide good feedback. JB advised that we are currently looking at potential suppliers, preferably one with expertise in evaluation so that we get an independent review. Board will be kept informed.

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

13/02/20 Members were advised that the Inquiry has been paused whilst the Attorney General responds to the request from some witnesses for an undertaking regarding some of the evidence that has been presented and seeking some assurance of protection from prosecution. It is estimated that the Inquiry will re-start on 2 March, but as a result of the pause, the timing of Phase 2 is likely to be delayed .

#### *New Homes Ombudsman*

14/02/20 Members were advised about the outcome of the consultation in respect of establishing an ombudsman for new homes. Freeholders and RPs will be subject to this regime and MHCLG will work up the exact remit.

#### *Performance review*

15/02/20 Members NOTED the two amber rated targets. The rent regulation work is ongoing. The accommodation strategy is also progressing with continued conversations with the Government Property Agency. Work is underway to establish an IP panel, and as a result has been changed from red to green.

*Stakeholder engagement*  
16/02/20 The backward and forward look were NOTED.

*Publications*  
17/02/20 Published and forthcoming publications were NOTED.

*Media*  
18/02/20 Media coverage has been mainly positive

## **7 Audit and Risk Assurance Committee report to Board**

19/02/20 LB reported on the ARAC meeting that had taken place the day before. It was also agreed to circulate the ARAC minutes to the whole Board.

**CK**

20/02/20 *Strategic Risk Register:* There had been the scheduled look at the Strategic Risk Register and ARAC had taken assurance from the report that key risks were being managed.

21/02/20 *In-depth report on the registration process:* LB reported on the very clear and transparent report which explained the registrations process. ARAC were given strong assurance that there is good strong internal challenge to the decision making process. There is a structured process to evaluating registration of potential complex cases or where registration is dependent on an “intention to provide supported housing” and a robust monitoring procedure once these providers are registered to ensure compliance with criteria. Board were advised that there are between 80-90 applications per year seeking registration.

22/02/20 *Internal Audit:* the IA plan is on track and a final report on Budget Monitoring & Financial Management had been issued.

23/02/20 *NAO:* the NAO presented their audit planning report which had two levels of materiality.

24/02/20 A focus of the audit again this year will be the accounting for pension scheme assets and liabilities, due to the materiality of those values to the regulator’s accounts.

25/02/20 *ARAC self assessment:* LB reported on the ARAC self assessment which had been responded to by committee members, internal audit, NAO and members of the executive team. There were no areas of concern or areas for specific improvement.

## **8 Corporate Plan**

26/02/20 Members had NOTED the draft of the 2020-2023 RSH Corporate Plan. This was based on the last plan and has been commented on by MHCLG

28/02/20 There was a discussion about the policy/business plan sections of the report.

29/02/20 Members thanked JB and AGREED the delegation for sign-off of the final corporate plan 2020 – 2023 to the CEO.

## **9 Finance and Corporate Services**

30/02/20 RBP gave members an overview of the report. There were 24 new posts going through the recruitment process and hope to be completed by year end. RBP noted that changes to the accounting treatment of leases as IFRS16 is introduced may require changes to the budget for next year but this will become clearer once the new leases are put in place. We are exploring the possibility to leverage an ongoing review by MHCLG of one of its data collection tools to explore options for the development or replacement of NROSH as this may present better value for money than procuring our own advice.

## **10 Operations update**

33/02/20 Members had read the report and ML advised that there had been eight regulatory judgements since the last report and six of those were grade changes. The two governance down-grades related to Red Kite based on identified failure of internal controls and Swan which included transparency and stress testing failures.

34/02/20 There were 23 on-going IDAs which were all at difference stages of the IDA process.

35/02/20 *Mergers:* the mergers activity was NOTED

## **11 Investigation and Enforcement update**

36/02/20 HB introduced the paper . Information in the paper provided further updates on the intensive regulatory engagement cases members NOTED the updates on continued engagement with the Lease Based Providers.

37/02/20 Members noted that the two providers on the GUR list.

### **Consumer Regulation**

38/02/20 Currently there are 50 open consumer regulation cases .

### **Leased Based Providers**

39/02/20 *Inclusion:* the outcome of the JR has been discussed previously.

40/02/20 *Trinity Housing Association; Encircle Housing Limited, Bespoke Supportive Tenancies Limited and First Priority Housing Association:*

41/02/20 *New Roots Limited:* The RJ has been published

44/02/20 *Cheshire Peaks and Plains Housing Trust:* a non-compliant G3 grade has been confirmed following consideration of their governance arrangements. The publication of the RJ is imminent.

## **12 Any Other Business**

45/02/20 None