

PUBLIC MINUTES

of the Board meeting
held at 1.30pm on Thursday 25 January 2018 at
2 Marsham Street, London

Present:

Edward Lister	Chairman
Nick Walkley	Chief Executive
Richard Blakeway	
Simon Dudley	
Stephen Bell	
Keith House	

In attendance:

Nick Walkley	Chief Executive
Tom Walker	Deputy Chief Executive & Director of Strategy
Chantal Geall	Chief Risk Officer
Gordon More	Chief Investments Officer
Bayo Dosunmu	Executive Director, Homes England Development
Stephen Kinsella	Executive Director - Land
Isabella Freeman	General Counsel
Jane Castor	General Manager Finance & Performance
Amy Casterton	Chief of Staff
Fiona MacGregor	Director of Regulation
Chantal Geall	Chief Risk Officer
Jane Castor	General Manager, Finance and Performance
Harry Swales	General Manager, Products, Markets & Strategy

Item 11

Nico Heslop	MHCLG
Ashley	MHCLG

Mary Carter	Board Secretary
-------------	-----------------

Apologies

08/01/18 Teresa O'Neill sent apologies.

09/01/18 The Chairman thanked Julian Ashby, who had resigned from the Board after taking up an appointment with a Registered Provider, for his valued contribution to Homes England. He reported that there had been a high quality list of applicants for the vacant Board member roles, and interviews would take place at the end of February 2018.

Item 1 Minutes of the Previous Meeting

10/01/18 The minutes of the Board meeting on 30 November 2017 were agreed as a true record.

Item 2 Matters Arising

11/01/18 *44/09/17 - Unite Union presentation* – the Chief Executive reported that he had replied to the Unite union in writing. They had requested that Homes England go to mediation regarding the pay settlement.

13/01/18 Members NOTED the remaining matters arising.

Item 3 CEO Update

14/01/18 The Chief Executive updated members on key developments since the last Board meeting. A very successful media event to launch Homes England was held on 11th January, and the UK stakeholder launch would take place on 1 March. He invited Board members to attend the session. MC

15/01/18 Following the Autumn Budget announcements there had been a period of intensive activity to organise and prioritise the change necessary to become the new Homes England organisation with its expanded remit. The Board session in Bristol would give the Board time to reflect on these issues.

16/01/18 A follow-up meeting to the pre-Budget bilateral was held just before the Christmas break, this time with the Chancellor and the Secretary of State. Dominic Raab, the new Housing Minister, had also arranged an early meeting to discuss Homes England. This was a very positive introduction and the Minister had indicated a wish for routine weekly/fortnightly engagement. The Budget announcements had also noticeably improved the Agency's profile within Whitehall and with the Combined Authorities. Over the past month officers had met with senior officials from the MOD, DFT, IPA and Government Property Unit.

17/01/18 Homes England had held a successful staff awards event in Birmingham, and he thanked Board member Richard Blakeway for supporting the awards and helping make the final decision.

18/01/18 Homes England had confirmed its lease on Windsor House and was now in the process of fitting out the building. The Budget announcements and the likely growth in staffing numbers meant the Agency had decided to take a third floor in the building.

19/01/18 The Board NOTED the update.

Item 4 Performance Report

20/01/18 The General Manager Finance & Performance reported that Homes England was forecasting that it would achieve all of its corporate plan targets.

23/01/18 The Board NOTED the report.

Item 5 Regulation Update

24/01/18 The Director of Regulation updated members on key issues affecting Regulation, including interim arrangements following the departure of Julian

Ashby, progress with transition to a standalone regulator, fees and casework. She asked Board to approve changes to the Regulation list of authorised signatories.

25/01/18 The Board NOTED the report, and APPROVED the revised list of authorised signatories.

Item 6 Committee Minutes

26/01/18 **Item 6a)** - The Chair reported on the Programme & Projects Committee meetings on 14 December 2017 and 22 January 2018.

27/01/18 **Item 6b)** – The Chair of Credit & Risk Committee reported that the Committee had considered that potential impact of the expansion of the Homes England portfolio through 2018 on the Risk Directorate and throughout the Agency.

28/01/18 **Item 6c)** - The Chair of Audit & Risk Committee reported on the meeting in the morning on 25 January, where the Committee had discussed the Risk Framework and plan. The Committee had agreed that there should be a baseline for risk assessment established, with a monthly risk report to Directors Group, and a quarterly report to ARC. He noted the difficulty he had experienced in achieving a quorum for the meeting.

29/01/18 The Board NOTED the updates.

Item 7 MHCLG Presentation on Housing Needs Assessment

30/01/18 Nico Heslop of MHCLG gave a presentation setting out proposed changes to the government's approach to assessing housing need. The consultation on the proposals closed on 9 November and the Department was currently analysing responses. A revised methodology and response to consultation analysis will be published alongside the revised NPPF early in 2018.

32/01/18 Members NOTED the presentation.

Item 8 Defining Homes England Purpose and Objectives

33/01/18 The Chief of Staff reported that an Invitation to Tender had been published, commissioned jointly with MHCLG, and seeking consultants to carry out development work defining Homes England's Purpose and Objectives. She would share the ITT with members, and she expected them to be involved as interviewees, and potentially as members of the steering board.

AC

34/01/18 Simon Dudley declared an interest, as his brother-in-law was the Global Managing Partner of a potential bidder, LEK Consulting.

35/01/18 The Board NOTED the update.

Item 9 Homes England Development Programme

36/01/18 The Chief Executive outlined his plans to develop a new organisation, the various workstreams underway and the overall action plan. There would be a very heavy workload for key managers, and lots to do to change the culture of the organisation. PWC had been retained as consultants to support the process.

37/01/18 Members NOTED the update, and offered to nominate a member to provide support for a key workstream, if required.

Item 10 Land Programme

38/01/18 The Executive Director – Land gave a presentation setting out his plans to make Homes England the most respected master developer in the country. He set out the Agency's core land role, an assessment of its current landholdings, its new remit on land after the Budget, and the steps needed to make this change happen, mapped against the wider Development Programme. Homes England had an exciting opportunity to create a step change in housing supply and drive lasting structural change. To do this it needed to be managed like a professional master developer company, to deliver the government's ambition to fix the broken housing market.

39/01/18 Members NOTED the presentation.

Item 11 Establishing an Equity Investment Strategy

40/01/18 The General Manager, Products, Markets & Strategy set out the Agency's plans to develop its strategy for investing on behalf of government to be a catalyst for growth and improve housing affordability. Homes England had already made a number of equity investments which demonstrated the impact this funding can have, to strengthen and diversify the housing market and contribute to additional supply. The strategy would expand Homes England's equity intervention, as part of a balanced portfolio of funding options.

41/01/18 Members welcomed the proposed Strategy, and emphasised the importance of combining equity with the contribution being made through the Land programme. They considered that it would be useful to look at the operation of the English Cities Fund in more detail and asked for a future paper to the Board. They noted the potential for Homes England to be intervening twice in certain schemes, through Help to Buy and through equity investment.

HS

42/01/18 The Chief Executive confirmed that Homes England was mindful of the challenges involved in managing both equity investment and Help to Buy. This was manageable, but was likely to grow more challenging with time.

Item 12 Quarterly Equalities Update

43/01/18 The Quarterly Equalities Update was NOTED.

Item 13 Any Other Business

44/01/18 The Board NOTED the results of a review of Homes England's exposure to Carillion. This had shown that the Agency's direct exposure was very modest, and limited to Joint Ventures between Carillion and other partners which were themselves not insolvent.

45/01/18 The General Counsel presented a proposed update to the Scheme of Delegations and the List of Authorised Signatories, to accommodate the arrival of the General Manager, Help to Buy, and changes to the Affordable Housing Team.

46/01/18 The Board AGREED the proposed revisions to the Scheme of Delegations; AUTHORISED the General Counsel to amend the Governance Manual and the Scheme of Delegations to take account of the changes; and AGREED the revised list of authorised signatories.

Item 13 Any Other Business

47/01/18 There was no other business.

Date of next meeting: 22 February 2018.

Chairman's signature:

Date:

WITHDRAWN