

PUBLIC MINUTES

of the Homes England Audit & Risk Committee meeting to discuss Help to Buy Risk held at 9am on Thursday 30 May 2019 at One Friargate, Coventry

Present:

Stephen Bell	Chairman
Simon Dudley	
Ceri Smith	(telephone)
Duncan Sutherland	(Observing)
Edward Lister	(Observing)

In attendance:

Nick Walkley	Chief Executive	
Mark Gray	Chief Risk Officer	
Will German	Interim General Manager – Help to Buy	
Paul Murphy	Deputy Chief Risk Officer	
Maria Craig	Head of Internal Audit	
Isabella Freeman	General Counsel	
Chris Kinsella	Interim Chief Financial Officer	
Adam Cooper	Head of Help to Buy Accounting	(by phone)
Ceiran Eaglesfield	MHCLG (telephone)	(by phone)
Rory Smith	Assistant Board Secretary	
Richard Deuttenburg	Head of Business Risk, Help to Buy	Item 5

01/05/2019 There were apologies from Teresa O'Neill.

02/05/2019 The Chair welcomed those in attendance to the meeting and remarked that the day's agenda would be challenging to complete given the time allocated for the meeting. He decided that item 7 '*3LOD performance and function so far*' should be deferred to a future meeting and that Item 1 '*Matters arising*' should be updated and circulated outside of the meeting.

03/05/2019 The Chair remarked that there had been a plan to have a conversation on future arrangements for Help to Buy board oversight at this meeting. However, he believed that this should take place at a future Board meeting following the publication of the Board Effectiveness Review.

Item 1 Matters arising

04/05/2019 The Chair decided that this document would be updated and circulated outside of the meeting

RS

Item 2 HtB Product Primer

05/05/2019 The Interim General Manager – Help to Buy introduced the Help to Buy Product Primer. The document had been created to give an introductory overview of Help to Buy to audiences who were unfamiliar with the product.

06/05/2019 The Chair commended the team on an excellent document. He asked for more information on how the sustainability check on the product functioned. The Interim General Manager – Help to Buy explained that the sustainability check looked at the ratio of income to total debt repayments, including equity product.

07/05/2019 Members were positive about the document and asked whether the team had plans to use it with other audiences. The Interim General Manager – Help to Buy believed it would be useful internally to baseline new starters with the product. There were also plans to share it with MHCLG. The Committee were supportive of this action.

WG/RS

08/05/2019 The Committee **NOTED** the paper.

Item 3 HtB Initial Assessment Plan

09/05/2019 The Interim General Manager – Help to Buy introduced the paper. Following the Public Digital review, Homes England had recognised a mandate for change in Help to Buy. This paper provided an initial assessment of the issues within Help to Buy and a series of near-term recommendations to address them.

10/05/2019

11/05/2019

12/05/2019

13/05/2019 The Chair asked for further elaboration on the Help to Buy Marketing and Communications function. The Interim General Manager – Help to Buy explained that the team would continue to use the central corporate PR team if necessary, but that the product benefitted from a specialist Help to Buy team for customer communications and specific PR around agent websites. He explained there was regular communications between the Help to Buy Communications & Marketing team and the Homes England Communications team through joint working groups and secondments to share professional discipline. He explained this was a similar approach to that they had taken with the Risk team which had been a success.

14/05/2019 Members enquired about the immersion days for NEDs which were mentioned in the paper. The Interim General Manager – Help to Buy said he would pick this up with interested Members outside of the meeting.

MG

15/05/2019 The Committee **NOTED** the paper.

Item 4 Benchmarking Update / ToR and Timings

16/05/2019 The Interim General Manager – Help to Buy provided a verbal update and explained to Members that the Chief Risk Officer had engaged an external consultant and now had an agreed scope of work. Work was now in development to develop a brief with a clear set of principles. The scope would be circulated to members.

WG

Item 5 1LOD Assurance Framework

17/05/2019 The Head of Business Risk, Help to Buy presented the paper which gave Members an update on the ongoing progress for providing assurance that within Help to Buy, the Help to Buy Business Risk was delivering with support from the second and third lines of defence. He informed Members that a Help to Buy specific assurance working group had met on multiple occasions throughout 2019 enabling the development of three key documents; 1) the Help to Buy Assurance Framework, 2) Help to Buy Assurance Map and 3) the Help to Buy 1LOD Assurance Plan.

18/05/2019

19/05/2019

20/05/2019 The Chair asked for the Interim General Manager – Internal Audit's opinion. She heralded this work, believing it to be an important development for the agency. She believed the challenge would be finding the best way to bring all the different strands of assurance work together and present it to the Accounting Officer and Members coherently to provide assurance.

21/05/2019 The Committee **NOTED** the paper.

Item 6 Preparation for PAC hearing

22/05/2019 The Chief Executive Officer explained that a presentation had been circulated to give them an understanding of the process for the Executive's preparation for a PAC hearing on Help to Buy. He highlighted that a huge amount of work had been undertaken by the team to get to a PAC hearing.

23/05/2019 The Committee **NOTED** the update.

Item 7 3LOD performance and function so far

24/05/2019 This item was deferred to a future meeting.

Item 8 CRO Report

25/05/2019 The Chief Risk Officer presented the paper and which gave his assessment of the 4 key risks to the Help to Buy product

26/05/2019 The Committee **NOTED** the update.

Item 9 HtB Risk Management Framework

27/05/2019 The Chief Risk Officer introduced the paper, explaining to Members that this was a sub framework of the Homes England Framework. The Deputy Chief Risk Officer presented the paper.

28/05/2019 The Chair raised that there was no mention of the Board on the risk escalation

setion of the report. The Chief Risk Officer explained this was an ommission and would be rectified.

MG

29/05/2019 The Committee acknowledged this was a work in progress and **APPROVED** the HtB Risk Management Framework.

Item 10 Any other business / Matters for Escalation

30/05/2019 There was no other business or matters for escalation.

Chairman's signature:

Date:

WITHDRAWN