

PUBLIC MINUTES

**of the Credit & Risk Committee
of the Homes and Communities Agency
held at 12.30pm on Thursday 7 June 2018 at
Windsor House, London**

Present:

Simon Dudley	Chairman
Edward Lister	
Richard Blakeway	
Nick Walkley	Chief Executive
Chantal Geall	Chief Risk Officer

In attendance:

Graeme Hutchison	General Manager Approvals Risk
Gordon More	Chief Investments Officer
Ken Beech	General Manager, Portfolio Management
Jane Castor	General Manager Finance and Performance
Joel Dodd	Senior Specialist, Distressed Debt
Demetrios Georgiou	Head of Approvals
Isabella Freeman	General Counsel
Mary Carter	Board Secretary

Apologies

01/06/18 There were no apologies.

Item 1 Minutes of the Previous Meeting

02/06/18 The minutes of the Credit & Risk Committee meeting on 12 April 2018 were approved as a true record.

Item 2 Matters Arising

03/06/18 The matters arising were noted.

Item 3 Credit Risk Report

04/06/18 The General Manager Approvals, Risk provided an update on Credit Risk Management and Approvals Team activity. During 2017/18 progress had been made in enhancing Homes England's technical approach to Credit Risk Management with a particular focus on Risk Measurement, Financial Analysis and Exposure Aggregation. Enhancing Homes England's risk measurement capability (including Credit Risk measurement) was a key priority for the Risk Directorate for 2018/19.

09/06/18 Members NOTED the report.

Item 4 Portfolio Management Update

10/06/18 The General Manager, Portfolio Management updated members on portfolio management activity.

11/06/18 Members NOTED the report.

Item 5 Report on Land Debtors

12/06/18 The Head of Approvals introduced the report which presented the counterparty ratings for Land Debtors.

14/06/18 Members NOTED the report.

Item 6 Watchlist Update

15/06/18 The Senior Specialist, Distressed Debt provided members with an update on the status of each of the projects on the STF/LTF watchlist with a red RAG status.

17/06/18 The Committee NOTED the report.

Item 7 Impairment Request

18/06/18 The Senior Specialist, Distressed Debt updated Credit and Risk Committee on the progress, applied strategy and recommended partial impairment of an advance. The recommendation carried the support of the Investment Programme Executive and Finance.

20/06/18 The Committee APPROVED the impairment request.

Item 8 Land Impairment Request

21/06/18 The General Manager Finance and Performance presented the movements in the provision for impairments in excess of £1m or 20% of value (where over £100k) in relation to the Agency's land and property assets, which were to be reported as part of the overall land and property impairment figure in the Agency's Annual Report and Accounts for the year ended 31 March 2018. She confirmed that the impairment charges and reversals detailed in the report could be accommodated within the Agency's impairment budgets for 2017/18.

22/06/18 The Committee AGREED to the booking of the changes to provisions for specific impairments; and NOTED the overall movements in provisions for impairment.

Item 9 Financial Asset investments - Impairment Charges & Reversals

23/06/18 The General Manager Finance and Performance presented the movements in the provision for impairments in excess of £1m or 20% of value (where over £100k) in relation to the Agency's financial asset investments, which were to be reported in the Agency's Annual Report and Accounts for the year ended 31 March 2018. These impairment charges to financial asset investments during the year 2017/18 represented less than 1% of financial asset investment values. Cumulative impairment balances represented 2.5% of financial asset investment values.

24/06/18 The Committee AGREED to the booking of the changes to provisions for specific impairments; and NOTED the overall movements in provisions for impairment.

Item 10 Any Other Business

There was no other business.

29/06/18 There was no other business.

Date of Next Meeting

30/06/18 This next meeting of the Credit & Risk Committee would take place on Thursday 13 September 2018.

Chairman's Signature:

Date:

WITHDRAWN