



PUBLIC MINUTES

of the Board meeting

on Tuesday 23 November 2021 at 1000

Microsoft Teams Meeting (no members were together, and the meeting was deemed to have been held in London, the location of the Chair).

6 Remote and virtual participation

6.1 Any member may validly participate in a meeting virtually through the medium of conference telephone, video conferencing or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or relevant part thereof. A member so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and entitled to vote.

6.2 A meeting shall be deemed to take place where the largest group of those members participating is assembled or, if there is no group which is larger than any other group, where the chair of the meeting is.

Present

Simon Dow (SD)	Interim Chair
Paul Smee (PS)	
Liz Butler (LB)	
Jo Boaden (JBo)	
Kalpesh Brahmhatt (KB)	
Deborah Gregory (DG)	
Richard Hughes (RH)	
Sukhvinder Kaur-Stubbs (SK-S)	
Fiona MacGregor (FM)	Chief Executive
Geoff Smyth (GS)	

In attendance

Jonathan Walters (JW)	Deputy Chief Executive
Harold Brown (HB)	Senior Assistant Director, Investigation and Enforcement
Maxine Loftus (ML)	Director, Regulatory Operations
Richard Peden (RBP)	Director, Finance and Corporate Services
Emma Tarran (ERT)	Senior Assistant Director, Head of Legal Services and Company Secretary
Will Perry (WP)	Director of Strategy
Jim Bennett (JB)	Assistant Director, Policy and Communications – item 6
Andrew Wilson (AW)	Head of Financial Viability Assurance – item 7
Althea Houghton (AH)	Assistant Director, Registration and New Entrants – item 9
John O’Mahony (JOM)	Assistant Director, Corporate Services – item 10
Chris Kitchen (CK)	Board Secretary, Minutes

01/11/21 There were no apologies, but Kate Dodsworth (KD), Director of Consumer Regulation joined late following a speaking engagement.

2 Declarations of Interest

02/11/21 There was a new declaration of interest from SK-S. CK to update the declaration information on the website.

3 Minutes of last meetings – 26 October and 8 November 2021

03/11/21 The confidential and public minutes from the meeting on 26 October 2021 and 8 November 2021 were considered and subject to some minor amendments, were APPROVED.

4 Matters Arising

04/11/21 Members NOTED the actions.

5 Forward Planner

05/11/21 Members NOTED the forward planner.

FM/CK

6 Chief Executive update

Members were given the following updates:

Policy Updates

06/11/21 *CLG Select Committee:* FM shared with members the ToR of the select committee. We will be making a written submission to the inquiry's call for evidence and the deadline is 21 December 2021.

07/11/21 Members NOTED the update on recent select committee hearings of relevance to affordable housing and the sector. The remaining updates were also NOTED.

08/11/21 *Grenfell Public Inquiry:* JB advised that the Module 3 had now ended and the closing statements have been reviewed. Next stages are commencement of Module 5 (fire fighting) and then Module 6 (role of the Government which will cover fire fighting policies, testing certificates for building materials, building regulation policy. Module 4 has been deferred to the end of the inquiry and evidential hearing is expected to end in May 2022 followed by a final report. We will continue to follow and monitor progress.

Operational Updates

09/11/21 *Performance:* Members NOTED the Green and Amber targets and FM advised that recruitment for the Legal team had been very encouraging with excellent candidates. Shortlisting is in process for I&E posts and interview dates confirmed. Adverts are out for consumer regulation posts.

10/11/21 *Regulatory Operations:* NOTED the change in grading for Accord. The mergers listed were all on track at the time of writing the report.

11/11/21 *Registrations:* Members NOTED the recent registrations.

Publications, media and stakeholder engagement

12/11/21 *Publications:* . The publication on Reshaping Consumer Regulation has been reasonably well received, but has highlighted a range of views.

13/11/21 *Media:* coverage continues.

15/11/21 *Stakeholder engagement – backward look:* the Investors Conference had gone well with 120 attendees from across the UK, Europe and America.

7 Accounting Direction Consultation and Decision Statement

16/11/21 AW joined the meeting and with WP presented the paper. Under the Scheme of Delegation the Director of Strategy has the delegated authority to approve the Accounting Direction. In doing so, the Director of Strategy has considered and is in the process of agreeing the Decision Statement and the Decision Instrument on advice from the Legal Team.

17/11/21 In response to a query about how and when we will be addressing ESG, WP responded that although we acknowledge that ESG reporting is of increasing importance to the sector, such information is not required by the regulator in fulfilling its statutory duties and therefore outside the remit of the AD.

18/11/21 ESG is currently a significant focus for large providers, but the accounting directions applied to all providers. On that basis, the approach that we are taking is to maintain a watching brief as the sector settles on the framework which is emerging.

20/11/21 PS raised a point of clarification about the feedback received for one consultation question, where 44% of respondents felt that the AD did not adequately set out reporting requirements for Part 1 Note B (particulars of turnover and operating expenditure from social housing lettings). PS asked whether negative responses related to one particular item or a range of different issues. AW provided a breakdown of responses which identified that there were a range of issues covered in feedback to the question.

21/11/21 Members congratulated the team on an excellent piece of work with the consultation and collation of the data.

8 Investigation and Enforcement update

22/11/21 HB introduced the I&E report which gave members background information to current cases. He reminded Members that the information is market sensitive and confidential. He gave members an update on the key developments.

23/11/21 *Larch Housing Association:*

24/11/21 *Eldonians:*

Grading Under Review (GUR)

25/11/21 *Parasol Homes Ltd:* will shortly have a RN published. We continue our engagement with Parasol.

26/11/21 Swan Housing Association Ltd: SK-S has previously been on the Board of Swan, but it was recorded that she has had no recent involvement with the organisation.

29/11/21 Members NOTED the updates on the other cases on the GUR.

Non-compliant cases

30/11/21 *Trinity Housing Association Limited:*

31/11/21 Members NOTED the updates on the other non-compliant cases and HB advised that there is a lot of consumer related cases with a high volume of referrals. Judgements on Gateshead and East Kent are now completed and RNs are due to be published for both.

32/11/21 *Recruitment:* as previously stated, recruitment for posts in IE has begun and interviews arranged.

33/11/21 Members thanked HB for the report and the updates.

9 Finance and Corporate Services update

34/11/21 RBP presented the paper which was a report on management accounts for the first half of the year and an update on forecast to year end. We continue to trade favourably to forecast.

10 Performance and Risk report – Q2

35/11/21 JOM joined the meeting and presented the regular quarterly performance and risk report and the bi-annual strategic risk register.

36/11/21 There are four strategic risks above appetite and there have been two changes to risk scores.

Strategic Risk Register

41/11/21 The SRR has been reviewed by ARAC. Performance against Business Plan targets have 5 Amber risks which were NOTED by members. The chair of ARAC queried how we intend to capture the combined impact on the organisation of various risks that are on the horizon – White Paper, media interest in the RSH, spending review and the select committee. FM gave assurance that these things are on the forefront of the Executive Team and will be further discussed at the REG awayday. Economic regulation remains a key focus and priority but REG will discuss the separation of duties amongst REG members and reflect on developing the existing strategies for dealing with the risks facing the organisation.

42/11/21 Members queried feedback from the recruitment of staff during lockdown. The staff survey actions show that new starters have reported some disconnect with the organisation as they have not had the opportunity to meet colleagues. These issues are being addressed via staff survey actions.

JBo left the meeting before the next item to avoid a conflict of interest.

11 Private Finance update

43/11/21 Members had NOTED the paper and WP reported that the markets have remained stable.

14 Any other business

44/11/21 There were no other matters for discussion. The Chair thanked members and executives for their contributions to discussions.

Date of next meeting: 25 January 2022 – 10.00am