



**PUBLIC MINUTES**  
**of the Board meeting**  
**on Tuesday 25 April 2023**  
**Hybrid – FG47 2 Marsham Street and MS Teams**

**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**

|                        |                                  |
|------------------------|----------------------------------|
| Bernadette Conroy (BC) | Chair                            |
| Liz Butler (LB)        |                                  |
| Jo Boaden (JBo)*       | Attendance via MS Teams          |
| Deborah Gregory (DG)   |                                  |
| Richard Hughes (RH)    |                                  |
| Geoff Smyth (GS)*      | Attendance via MS Teams          |
| Fiona MacGregor (FM)   | Chief Executive and Board Member |
| Jonathan Walters (JW)  | Deputy Chief Executive           |

**In attendance**

|                     |   |
|---------------------|---|
| Harold Brown (HB)   | Senior Assistant Director, Investigation and Enforcement (SADI&E) |
| Richard Peden (RBP) | Director, Finance and Corporate Services (DF&CS)                  |
| Kate Dodsworth (KD) | Director of Consumer Regulation                                   |
| Will Perry (WP)     | Director, Strategy  |
| Maxine Loftus (ML)  | Director, Regulatory Operations                                   |
| Emma Tarran (ERT)   | Assistant Director, Head of Legal and Company Secretary           |
| Kirsty Morris       | Board apprentice  |
| Jim Bennett (JB)    | Assistant Director, Policy and Communications (items 6 and 11)    |
| Anna Furlong (AF)   | Head of Policy and Strategy (for agenda item 11)                  |

**Observing**

|                |                           |
|----------------|---------------------------|
| Peter Allanson | Good Governance Institute |
|----------------|---------------------------|

**Minutes**

|                        |                 |
|------------------------|-----------------|
| Christine Kitchen (CK) | Board Secretary |
|------------------------|-----------------|

**1 Welcome and apologies**

01/04/23 There were apologies from board members Paul Smee and Kalpesh Brahmbhatt, and Sukhvinder Kaur-Stubbs joined the meeting virtually at

11.15am. The Chair welcomed Peter Allanson from GGI and attendees introduced themselves.

## **2**            **Declarations of Interest**

02/04/23        There were no new declarations of interest.

## **3**            **Minutes of meeting 28 March**

03/04/23        The confidential and public minutes from 28 March 2023 were considered and AGREED.

## **4**            **Matters arising**

04/04/23        Members considered the matters arising from previous meeting and actions were AGREED.

## **5**            **Board forward planner**

05/04/23        Members considered the forward planner.

## **6**            **Chair's update**

07/04/23        *Board member recruitment:* The Chair is still working closely with DLUHC, and she believes they are very close to advertising for three roles. LB has agreed to being willing to undertake a six-month extension of her position as a board member and as Chair of ARAC, and DLUHC has agreed to prepare the paperwork for this as soon as possible. Having LB for a further period will provide useful continuity around the ARA process.

08/04/23        *Board Effectiveness:* PA is present from GGI and will be returning in May. He confirmed good progress in setting up individual interviews. Chair urged members to be open and transparent with GGI in order to get best learning from the experience.

09/04/23        *Board Appraisals:* Chair thanked members and most appraisals are complete. She also encouraged members to provide feedback on her appraisal.

## **7**            **Deputy Chief Executive's update**

10/04/23        JW provided an update and took the slides as read.

11/04/23        *Additional AO meeting:* this was a 'deep dive' on decent homes – JW and WP attended. DLUHC discussed the position of private sector tenants vs social housing tenants and their different routes to recourse.

12/04/23        *New DLUHC Select Committee inquiry:* into the financial position of the social housing sector. We will provide a written response. We are likely to be called to give oral evidence, possibly in June, but timings are not agreed yet.

13/04/23        *TSMs:* these are now live, and this has prompted some queries and questions.

14/04/23        *Rents:* providers have begun to speculate about interest rates and future rent policy, but no firm propositions on rent policy have yet been brought forward by DLUHC.

- 15/04/23 *Social Housing Bill:* we continue to await Royal Assent. Work is progressing on Awaab's law, but most other bill drafting appears settled. RPs are continuing to debate the planned professionalism requirements and the use of contractors. The DLUHC consultation on their direction to us on tenant engagement and mutual exchange has closed. We consider it necessary that the results should be published before we consult on our standards, and JW confirmed that we are stressing this point to DLUHC.
- 16/04/23 *Policy updates:* taken as read.
- 17/04/23 *Stakeholder engagement:* strong pressure building about Government policy on rents and funding, particularly from lenders and rating agencies.
- 18/04/23 *Landlords:* Landlords are reporting reductions in new supply plans in response to building safety and carbon efficiency expenditure.
- 19/04/23 *LAs:* In general, tenants are reporting satisfaction with our direction of travel on consumer regulation. .
- 20/04/23 *Performance:* Noted.
- 21/04/23 *Legislation :* updated noted.
- 22/04/23 *Media and stakeholder engagement:* update noted.

## **8 ARAC report to Board**

- 23/04/23 LB, chair of ARAC, gave members an update from the meeting that had taken place on 24 April.
- 24/04/23
- LB attended the DLUHC ARAC chairs meeting, which is a very useful forum. Discussions included DLUHC's approach to risk and cyber risk. We have commissioned an internal audit on cyber risk/fraud.
  - *Risk Register:* ARAC considered the risk of long-term non-compliance cases, and agreed with management's recommendation that this did not warrant the creation of a new standalone risk, but instead sits well within the powers risk where additional detail has been included.
  - *Pensions:* this will be revisited at the October meeting.
  - *NAO:* have apologised that they have not yet presented their plan and confirmed that they will not meet their timetable. We are not the only organisation affected. *GIAA;* two positive IA reports were discussed: Functional Standards and IT controls/Cyber risks. The regulator's IT controls were commended as exemplary.

## **9 N&GC report to Board**

- 25/04/23 BC chaired the meeting in the absence of PS. Members discussed the governance paper which was on the board agenda and considered the structural change paper, focussing in particular on the risk to BAU when going through such a big organisational change.

## 10 RSH Governance update

26/04/23 ERT presented the paper, which follows on from previous decisions on delegations. The paper was seeking board approval to formalise for a further period (as set out below) shared decision making between CEO & DCEO. This arrangement has proved to work efficiently and effectively. Further work will be done on including a similar approach in the main schemes of delegations later in the year.

27/04/23 BC advised that the N&GC had also discussed the proposal and considered that it represented good governance. FM and JW had assured members that as between them the arrangements were working well.

28/04/23 The board were content with the recommendations in the paper and AGREED as follows:

A. That for the Delegation Period as defined below, the Deputy Chief Executive of the Regulator of Social Housing, Jonathan Walters (DCE), be authorised to exercise (and be accountable for the exercise of) any and all of the powers and delegated authorities of the Chief Executive of the Regulator of Social Housing (CE), express or implied, including, without limitation:

- i. those delegated powers and authorities set out in the Board Scheme of Delegated Authority and the Scheme of Financial Delegations from time to time;
- ii. any power of approval set out in the Scheme of Financial Delegation or elsewhere in relation to decisions to proceed with any litigation or mediation/arbitration;
- iii. the authority used by the CE to establish and amend the Operational Decision Making Schedule, and the powers and decisions reserved to the CE therein from time to time;
- iv. the role of the Chief Executive pursuant to the Terms of Reference for the Executive Group; and
- v. the authority to grant any approvals and to do any other act or thing that would otherwise be required (expressly or by implication) to be done by the CE under any of the regulator's policies, processes and procedures.

B. The Delegation Period referred to in the authorisation above commences at the date of this resolution, and ends at the earliest of:

- i. The date on which the Board revokes this authorisation;
- ii. 30 September 2023;
- iii. The last day on which the current DCE holds office as DCE.

C. That, for the avoidance of doubt:

- i. The CE is not hereby divested of her powers and delegated authorities; this resolution extends them to the DCE alongside and in addition to the CE;
- ii. The DCE is not hereby divested of his pre-existing powers and delegated authorities as DCE; this resolution grants him additional powers and delegated authorities for the Delegation Period; and
- iii. This authorisation does not determine who for the time being holds the position of Accounting Officer for the Regulator, which is an appointment made and revoked by the Department for Levelling Up, Housing and Communities.

## 11 Consumer Standards consultation

- 29/04/23 WP introduced the paper. AF joined the meeting in person and Mila Simpson and Claire Wilde were on-line to observe. WP explained there are some areas where we cannot offer complete certainty at the moment due to the timing of ongoing governmental work. Board were being asked for comments on tone, approach and handling of the consultation document and for delegation to CEO and DCEO to sign off the final documentation and consultation period. Members complimented the team on the high quality of the work prepared.
- 30/04/23 Board members commented that the proposals place extensive responsibility on landlords and it was suggested that we should expect significant varied feedback. Members also suggested we should think about how we support the sector in transitioning.
- 31/04/23 EqIA: Board members had considered this and in response to a question, AF advised that EqIA has been part of the standards and code of practice development work from the start, and the documentation captures our thinking on our PSED duties at this point.
- 32/04/24 When asked about the thinking on the use of 'Equity' vs 'equality' in the standards, AF advised that we had discussed the wording and concluded that this best represented the meaningful, achievable expectation we were aiming to set.
- 33/04/23 There was a discussion about what we have learned from the TSM consultation process that will be useful here. Members asked how officers will ensure the consultation has a wide reach and were advised that we are using our tenant engagement framework and will be attending many speaking events and encouraging feedback on the consultation. Our enquiries team are also prepped for sending out hard copies where requested.
- 34/04/23 WP advised that we are not expecting anything further from Government on quality and tenure in the timetable for this consultation. This means that we will have to revisit these standards when DLUHC has concluded its own work.
- 35/02/24 Members asked that the tone of the document could be looked at and where possible made more direct. Members commended the use of easy read and plain English summaries.
- 36/04/23 In terms of dealing with responses, we have been planning for this work, both in terms of team organisation and in having procured some supporting software. We are also seeking volunteer support from around the organisation (for very limited periods), but the majority of the work will be done in the Policy Team but will ensure this does not materially impact on delivery in other areas of the regulator's work. FM confirmed that REG would be monitoring that. Analysis of responses will start as they arrive, but it is likely that most responses will come in at the end of the consultation period. Members thanked AF and the team for the work they has done and for the high quality papers.
- 37/04/23 Subject to the above, Board was content with all the recommendations in the paper and with the form of the documentation submitted with the paper.
- 38/04/23 The board had been asked to AGREE to delegate authority to the Chief Executive and Deputy Chief Executive in order that either of them is able to approve amendments to the consultation package, the final versions for publication and the length of the consultation, subject to the Social Housing

Regulation Bill (the Bill) having received Royal Assent. The board AGREED to delegate as above, subject to:

- (a) The Chief Executive or Deputy Chief Executive judging that any changes were not material; and
- (b) The board being reconsulted prior to any proposal to consult for a period shorter than 8 weeks.

## **12 Finance and Corporate Services update**

39/04/23 RBP presented the paper and reported on the management accounts which were trending favourable to forecast. Indications are that we will end the year under budget. We are still awaiting confirmation from DLUHC of the budget for 2023/24. RBP advised, in response to a question that the staff survey results will be in in June. The report was NOTED and there were no queries or comments.

## **13 Fees update**

40/04/23 RBP introduced the paper and Jenny Allen joined the meeting on-line. RBP explained that the comments from the board meeting in February have been taken on board.

41/04/23 Board discussed the rationale in relation to the proposals. Members suggested that we have a clear written approach to this process and commission IA to audit it. It was AGREED that we will add an action to the forward plan for ARAC.

42/04/23 In response to a query on the level of responses we may receive and the resources for analysing responses, RBP said we are expecting that there will be fewer responses on this consultation than on the consumer standards consultation as we expect responses mainly from landlords (as opposed to individual tenants). We also have contingency plans if needed (but noting the staffing risks).

## **44/04/23 This was AGREED.**

That the Chief Executive or Deputy Chief Executive are authorised to approve any changes required to the two documents and to approve the final version for publication, subject to the Social Housing Regulation Bill having received Royal Assent.

**This was AGREED, subject to the Chief Executive or Deputy Chief Executive judging that any changes were not material.**

That the regulator undertakes a statutory consultation on the basis of the final consultation document.

## **14 Operations update**

45/04/23 ML introduced the paper and members noted the updates on the IDA programme for December to March, which included some consumer regulation pilots. We are now into the Q1 IDA programme and engagement with providers continues to reinforce our view that RP focus is turning more towards tenants/customers. Providers continue to be keen to tell us what they are doing to improve to meet our expected standards. We are also getting feedback about the impact on development programmes of additional cost of investment in existing stock.

46/04/23 Members asked about cyber risk, which is high on RPs' agendas, and whether we have the appropriate skills to talk about cyber security in our IDAs. ML confirmed that we are stepping up staff approach and skills on these issues. We are not experts in any particular areas that we regulate, but we have a good platform of the right questions and what we look for by way of reasonable answers. We have looked at what we can ask proactively about minimising risk, and what is in place to manage business continuity in the event of attack. We have also developed skills around how we engage when a provider has been affected by a cyber attack, but some aspects of this work are very technical – e.g. lessons learned on a cyber attack could be highly technical – and there is a limit to how far we can look behind that kind of technical advice without seeking our own expert input. However, in the first instance we would expect the RP's own board to explain how they had been assured, bearing in mind that they will also not be technical experts.

## 15 Consumer Regulation update

47/04/23 KD introduced the paper and said that there were some overlaps with the Operations Update. The pilots work is going well, and we will also be looking for feedback from providers. There is evidence of LARPs focussing more on H&S, and in some cases finding problems that will have been an issue for some time but coming into clearer focus through preparation for the new regulatory regime. Typically issues come to our attention by one of the following routes: a new team at the provider discovers problems; an internal review flags up issues; tenant referrals prompt investigations and reveal issues. The Board asked officers to consider what more we can do to press the sector to improve gas safety compliance. A question was raised about the changes in levels of damp and mould casework and whether that was due to seasonal changes, but that is not yet clear.

48/04/23 In response to a question about LARPs and their speed in responding to issues when reported or referred, KD said that often it is the breadth of compliance areas being dealt with by the LARP that means it can take some time to fully resolve. We work with the LARP intensively to make sure that they are moving as fast as possible on issues of safety. We focus on the H&S issues first and put the most pressure there, including face to face meetings with Executives and officers of the non-compliant provider. There are however financial questions – LARPs do not necessarily have financial capacity to address some of the issues that emerge. There are also questions of capacity in contractor sectors, especially if there are concentrations of an issue in particular localities. On H&S issues such as gas safety, we are messaging about this, reiterating that non-compliance is not acceptable. In terms of comms to LARPs, KD advised that we are doing a very significant amount of engagement with this sub-sector.

49/04/23 In response to the questions from members about the resource capacity to deal with this increase in work, KD gave assurance that we are managing the workload. There will be challenges, but we will continue to grow the team.

## 16 Investigation and Enforcement update

50/04/23 HB introduced his paper and reminded board that these updates are confidential and may contain commercially sensitive information. He provided further updates on the following cases.

51/04/23 *Rapport:*

52/04/23 *Eldonians:*

53/04/23 *Auckland:*

54/04/23 *Empower:*

55/04/23 Members asked about progress in regards to *Inclusion*.

56/04/23 *MySpace:*

## **17 Exception to the policy on compulsory de-registration**

57/04/23 HB introduced the paper and Althea Houghton and Robert Holroyd joined on-line.

59/04/23 Members AGREED to the exception in these two particular cases, given the assurance from the team, and that final decision making relating to compulsory de-registration in the two specific cases should be made, in accordance with existing delegation arrangements, by the Assistant Director of Registrations and New Entrants (ADRNE).

## **18 Any other business**

61/04/23 There were no other matters of business. The Chair asked members for feedback on the papers and the meeting and members were content with both, especially the steer given by the Chair at the start of the meeting on which papers required specific focus during the meeting.

62/04/23 The Chair thanked members for their contributions and to all officers for a very good set of papers.

**Date of next meeting: 23 May 2023**