



PUBLIC MINUTES
of the Board meeting
on Tuesday 26 September 2023
2 Marsham Street

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)	Via MS Teams – workshop session only
Jo Boaden (JBo)	Via MS Teams
Deborah Gregory (DG)	
Richard Hughes (RH)	
Geoff Smyth (GS)	
Paul Smee (PS)	
Kalpesh Brahmhatt (KB)	Via MS Teams
Sukhvinder Kaur-Stubbs (SK-S)	
Fiona MacGregor (FM)	Via MS Teams

In attendance

Jonathan Walters (JW)	Deputy Chief Executive
Harold Brown (HB)	Senior Assistant Director, Investigation and Enforcement (SADI&E)
Kate Dodsworth (KD)	Chief of Regulatory Engagement
Will Perry (WP)	Director, Strategy
Maxine Loftus (ML)	Director, Regulatory Operations
Emma Tarran (ERT)	Assistant Director, Head of Legal & Company Secretary
Richard Peden (RBP)	Director of Finance & Corporate Services
Karen Doran (KED)	Director of Regulatory Engagement (PRPs)
Angela Holden (AH)	Director of Regulatory Engagement (LARPs)
Kirsty Morris (KM)	Board apprentice
Jim Bennett (JB)	Assistant Director, Policy, Strategy and Impact
John O'Mahony (JOM)	Assistant Director, Corporate Services & Performance – items 12 & 16
Claire Wilde (CW)	Strategy Manager - workshop
Anna Furlong (AF)	Assistant Director, Policy, Strategy and Impact

Minutes

Christine Kitchen (CK)	Board Secretary
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- 1 Welcome and apologies**
- 01/09/23 There were no apologies – JBo, FM, LB (joined late), KB were on-line. KED and AH were welcomed and introduced to board members.
- 2 Declarations of Interest**
- 02/09/23 There were no new declarations of interest.
- 3 Minutes of meeting 25 July 2023**
- 03/09/23 The confidential and public minutes from 25 July 2023 were considered and subject to minor amendments, these were AGREED.
- 4 Matters arising**
- 04/09/23 It was AGREED that future Board teach-ins will be recorded.
- 5 Board forward planner**
- 05/09/23 Members considered the forward planner. The topics for teach-ins were NOTED.
- 6 Chair's update**
- 06/09/23 The Chair thanked the Executive for all the work they had had to do over the summer break.
- 7 Deputy Chief Executive's update**
- Key Issues**
- Consultations**
- 08/09/23
- *Consumer standards:* launched consumer standards and fees consultations. Good responses from stakeholders on both consultations so far. We are preparing the sector informally on possible approaches to grading consumer standards, and it's generally going well. We have had a few questions on damp and mould and we are advising that organisations need to know their tenants and use qualitative and quantitative data to provide us with data.
 - *Fees:* this consultation also seems to be going well.
- Sector viability and capacity**
- 09/09/23 The financial capacity of the sector has been impacted by wider macroeconomic conditions. We observe that social housing rent policy and changes to decent homes standards are causing some concerns in the sector. We expect to give evidence to the DLUCH Select Committee Inquiry on the sector's financial sustainability on 23 October 2023.
- Building safety**
- 10/09/23 *Fire safety:* we have had a good response to our fire safety remediation survey and analysis of these responses is on-going. As expected, there are some data quality issues.

11/09/23 *RAAC:* having spoken to surveyors and structural engineers, this does not appear to be a widespread issue in social housing. However, where it is found, it requires an intrusive survey of the property.

Social Housing (Regulation) Act 2023 implementation

12/09/23 The Bill is now an Act (the Social Housing (Regulation) Act 2023), and we are working on a range of documentation linked to the new legislation. Work is also ongoing on secondary legislation.

Transformation project

13/09/23 *Recruitment:* Consumer regulation recruitment is going well. Members were given assurance that inductions are planned for all posts. Board will be kept informed and the transformation programme continues.

14/09/23 *Policy updates - JW* acknowledged when asked that this is a difficult time for the sector with the number of consultations. The Government is raising expectations on the sector in other areas too, including on upgrading insulation work, and the revision of the decent homes standard.

8 BMG Staff Survey

15/09/23 JOM joined the meeting for this item. The project leads from BMG joined the meeting and presented the results of the staff survey. The methodology of the survey was explained and it was noted that it allowed comparison to the previous year's responses. The response rate this year has once again been good and following analysis of the data against last year's results, the key areas for focus were:

- Pay and benefits
- Employee engagement
- Change management

16/09/23 Members were invited to give their comments on the results of the survey. BMG responded that in respect of the satisfaction scores on salary, these figures were likely to reflect concerns about the cost-of-living crisis and recent levels of pay settlements imposed by central government. They could also be connected to concerns about progression through the grades. Employee engagement scores were also perhaps the result of new starters who began their employment whilst in lockdown, so might be feeling less integrated into the organisation. There was a query as to whether the data can be run on other than non-agreement or neutral responses and BMG said that they would investigate if this was possible. Change management scores could be a result of the timing of the survey. The Chair thanked BMG for their presentation and said that if there were further questions they would be picked up by management.

17/09/23 JOM reiterated that the response rate this year had been high and the scores were going up from an already high base.

19/09/23 *Change management:* With the transformation project underway, there will be more opportunities for staff to apply for new and higher-grade jobs, so all these factors will help to address some of the concerns.

20/09/23 *Senior management:* working groups are picking up these areas and the communications team are looking into ways to investigate what staff are looking for and try and address the issues locally.

21/09/23 *Staff engagement:* engagement figures are back to pre-pandemic levels, and these figures could just be a temporary drop. JOM confirmed that we do track neutral scores to try and understand what lies behind these and negative scores, and we will continue to look at trends. The dip in engagement scores amongst new staff may relate to expectations of what their responsibilities would be. We are also doing a lot of engagement through staff networks and teams on culture and values. The trends in directorate responses may partly be explained by the fact that Strategy and Regulatory Operations are the biggest teams and most impacted by the change processes.

22/09/23 Next steps:

- BMG slides to be sent to members
- Action plan and a short paper to Board on next steps on how we intend to monitor changes, and when and how we will address the issues.

**CK
RBP**

The all-staff conference is going ahead in Birmingham despite the train strikes, but it will be a shorter day.

9 N&GC Feedback

23/09/23 PS reported on the N&GC meeting which had taken place the previous day. The committee had noted the governance update paper which was the next agenda item, and felt that they could recommend it to the Board.

10 Governance update

24/09/23 ERT presented the paper which was taken as read. She highlighted the three main reasons for making changes to the governance documentation as set out in the paper:

1. to address the changes brought into effect in September 2023 by the Social Housing (Regulation) Act 2023.
2. to reflect the creation of new roles, and
3. to ensure that delegations sit with more than one senior officer.

It was noted that where delegations are to be shared amongst the CEO, DCEO and CORE, they will work closely with each other to ensure that the most appropriate officer handled any matter to avoid duplication of effort or any confusion.

In relation to the Board Scheme of Delegated Authority, DG had flagged a point on the sub-delegation provisions. With Board's agreement this will be amended by ERT so that sub-delegation cannot be to anyone lower than an Assistant Director. This was AGREED.

The following formal decisions were made:

To **APPROVE** and **ADOPT** the Scheme of Delegated Authority in the form set out at Annex 1 to the paper, with immediate effect, to replace in its entirety the current Scheme, subject to the additional amendment set out above.

To **APPROVE** and **ADOPT** the amended Scheme of Financial Delegations, in the form set out at Annex 2 to the paper, with immediate effect, to replace in its entirety the current Scheme.

To **APPROVE** and **ADOPT** the amended Schedule of Authorised Signatories, in the form set out at Annex 3 to the paper, with immediate effect, to replace in its entirety the current Schedule.

To **NOTE** and endorse the proposed changes to the Terms of Reference for the Executive, as annexed to the paper at Annex 4.

25/09/23

Re-appointment of Liz Butler (LB) as Chair of ARAC: the Board also considered the re-appointment of Liz Butler as a member of and Chair of ARAC. LB did not take part in any of the deliberations or the decision, and in fact had not joined the meeting at the time this decision was made. However, BC confirmed that LB was content with the proposal and that she had consulted with LB, and that LB was content to be appointed.

The Board:

(a) **AGREED** to RE-APPOINT LB as a member and the Chair of ARAC, with effect from the expiry of her previous appointment to ARAC, on terms that such re-appointment shall come to an end (unless terminated earlier by the Board) at the earliest of 29 February 2024 or the date on which she ceases to be a member of the Board; and

(b) **DELEGATED** authority to the Chair of the Board to sign a letter of appointment to effect the agreed re-appointment set out at paragraph (a) above.

11 Finance and Corporate Services update

26/09/23

RBP took the paper as read and reported that the financial performance as at the end of July was positive to the budget. He flagged that fees are not being charged to LAs for the first year and the bulk of fee income will be from PRPs.

27/09/23

Budget: the budget is set, but still needs approval from the DLUHC. There is to be one major change to the way our budget will be allocated. DLUHC and the Treasury have revised our budget allocation in line with government guidelines, which means that programme funding will now cover all front-line regulatory activities including enforcement, while administration will fund central support functions including policy and strategy. This consolidation of budgets within programme funding provides RSH with greater flexibility in managing its budget holistically. Moving forward into 2024/25 when RSH will become fully fee funded, we hope to agree budgeting principles with DLUHC such that the administration/programme allocation will become less important. Members NOTED the allocation of the budget as set out in the paper and that the proposed Budget will allow the regulator to operate within the spend thresholds set by DLUHC, and **AGREED** the annual budget which will form the basis for performance reporting to the Board during the financial year. BC asked that as we move to new budget allocation, that ARAC check that we are clear on how we report this in the next ARA.

28/09/23

Offices: in response to a question on office space, locations and capacity for new staff, RBP advised that we are committed to current offices and floor prints. We will revisit in 6 months when we will have a better view on final figures staff and locations.

12 Q1 Performance & Risk

29/09/23 The report was taken as read. KPI measures are on track. In response to a query about stakeholder expectations, members were advised that we will be concentrating on communications, including with politicians and officials within the Department for Levelling Up, Housing and Communities.

30/09/23 Members NOTED the other updates in the report.

13 Investigation & Enforcement update

31/09/23 The paper was taken as read and HB provided members with some further updates on the following providers.

32/09/23 *Windrush:*

33/09/23 *Inclusion:*

34/09/23 *Auckland:*

35/09/23 *MySpace:*

Gradings under Review

36/09/23 *A2Dominion:*

De-registrations

37/09/23 The three de-registrations were noted. BC enquired about the stock of de-registered providers and whether we continue to get data about this. Members were advised that stock is often re-assigned to other registered providers, but aside from that we cannot monitor stock owned by de-registered providers.

14 Consumer Regulation update

39/09/23 The Board were advised that they will receive an update on the operating model at the October meeting and a fuller paper on gradings and judgements to the November meeting. Reports in 2024 will combine economic and consumer regulation.

40/09/23 *Pilots:* the third wave of pilots has commenced.

41/09/23 *Stakeholder Engagement:* Board NOTED the update on stakeholder engagement.

42/09/23 *Casework:* Members NOTED the resolution on casework for Arun DC, Westmoreland and Kinsman.

New cases: LB Camden - we published regulatory notice for LB Camden on 21 July 2023, setting out our findings.

43/09/23 The on-going issues with Birmingham CC were discussed.

45/09/23 There was a discussion about the Housing Ombudsman issuing maladministration notices and the crossover with our regulatory activity. We are clear that the trigger for our involvement is where the issues are covered by our consumer standards. .

15 Operations update

46/09/23 ML advised that the number of IDAs is reducing and we are now embarking on Stability check work, looking at the weaker V2 providers. Stability check related publications will be in two months. The team are working on Q4 IDAs. We predict completing 42 IDAs by the end of the financial year.

16 Equalities Objectives - JOM

48/09/23 The Board has previously been involved in discussions on the development of revised Equalities Objectives. The consultation has now closed. We received twenty six responses. Whilst this is a low number, they were generally positive and supportive of our proposed approach. One point was raised in respect of the stigma on social housing. This is not something we can usefully address in our Equality Objectives, so no change is proposed. The Board were being asked to agree the Equality Objectives as submitted with the paper (i.e. including the minor change in wording of the first objective for reasons explained in the paper). The Board AGREED the adoption of and publication of the Equalities Objectives.

17 Any Other Business

49/09/23 There were no other matters of business to discuss.

18 Review of meeting papers

50/09/23 Members had no comments on the papers and agreed the meeting had gone well.

Date of next meeting: 17 October 2023 – Strategy meeting