



PUBLIC MINUTES
of the Board meeting
on Tuesday 28 November 2023
PG49, 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
Jo Boaden (JBo)	
Deborah Gregory (DG)	
Richard Hughes (RH)	
Geoff Smyth (GS)	
Paul Smee (PS)	
Kalpesh Brahmhatt (KB)	
Sukhvinder Kaur-Stubbs (SK-S)	

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, 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 and Performance
Simon Turner (ST)	Senior Solicitor

Minutes

Christine Kitchen (CK)	Board Secretary
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1 Welcome and apologies

01/11/23 There were apologies from FM.

2	Declarations of Interest
02/11/23	There were no new declarations of interest.
3	Minutes of meeting 17 October 2023
03/11/23	The confidential and public minutes from 17 October 2023 were considered and subject to minor amendments, these were AGREED.
4	Matters arising
04/11/23	NOTED.
5	Board forward planner
05/11/23	Members considered the forward planner for completed or carried forward actions.
6	Chair's update
06/11/23	BC updated members on the following; <ul style="list-style-type: none"> • <i>Select Committee hearing:</i> Noted. • <i>Cabinet reshuffle</i> – Noted. • <i>Speaking engagements:</i> BC will be speaking at the Social Housing Conference. • <i>NED recruitment:</i> shortlisting complete. <i>Farewell:</i> This was the last meeting for Kirsty-Marie Morris and BC thanked her for her contributions to the meetings. Kirsty said she had very much enjoyed the experience and has learnt a lot and thanked members for their support and encouragement.
7	Deputy Chief Executive's update
07/11/23	JW flagged the new format of the DCEO slides and updated members on the following: <p>Key issues</p>
08/11/23	<i>2024/25 rents policy.</i>
09/11/23	<i>Decent Homes Standard and Minimum Energy Efficiency Standards (MEES):</i> we continue to work with the department on both these policies.
10/11/23	<i>Government consultations:</i>
11/11/23	<i>Cabinet reshuffle:</i> members were aware of the changes in Cabinet. Lee Rowley is now Minister of State for housing and has expressed an interest in the building remediation work. We have a meeting scheduled with Baroness Scott.
	Consultations
12/11/23	<i>Fees:</i> our consultation has closed; responses have been largely positive and supportive from across tenants, large and small PRPs and LARPs and stakeholders. Themes of the feedback were NOTED. LB queried the resource

in place to facilitate fee collection and RBP said we are looking at processes, in particular for small providers.

13/11/23 JW acknowledged that there will be more sector focus on our fees particularly in respect of our efficiency and VfM. RBP added that our annual report will provide the transparency on how the fees are spent. RBP confirmed that Treasury signs off the fee level and the department has oversight of the way fees are spent.

14/11/23 *Standards Framework:* our consultation closed on 17 October 2023 with a good response rate; around two-thirds were from tenants. PRPs and LARPs have also responded positively. We will be making some further amendments, to deal with some specific points raised and are working to having a revised document ready for Board early in the New Year. KD advised that feedback from conferences is that the sector and tenants are accepting of the framework, but there is some anxiety around the 1 April 2024 implementation date. PS asked if there was any evidence of tenants being pressured into responding and it was confirmed there was no evidence of this. WP confirmed that we will be publishing a summary of the responses but not sending individual responses to tenants. SK-S asked about the relationship between LARPs and PRPs. WP confirmed that we will need to be aware of the relationships, but there is a general understanding that LARPs and PRPs will need to provide evidence of their own performance and we will not accept passing of responsibility between the two.

15/11/23 *Building Safety- Fire safety remediation survey:* the update in the slides were NOTED.

Topics for workshops

16/11/23 Board members were asked to consider the suggestions for future board teach-in sessions and workshops as it would be good to have a confirmed forward plan, accepting that focus might change after 1 April 2024. BC asked members to send in their comments to BC/JW. It was suggested that a useful topic would be tenants' rights and obligations. RH suggested that if that is covered, it should include tenants' rights to privacy.

JW

8 Corporate Plan

17/11/23 JB reminded members that we are reviewing the whole corporate plan to reflect the step change in our regulation from April, and the paper sets out the structure for the proposed new plan. There are elements in the framework document that set some requirements for the RSH, but we also need to reflect our ambitions as a regulator. The draft content will be shared with Board in January before it goes to the department.

18/11/23 The following suggestions were raised by members:

- *Be descriptive on how we will listen to tenants, whilst stressing responsibility sits with landlords.*
- *Strategic objectives:* we should consider adding how we have met our strategic objectives and flag our successes.
- *Fees:* consider and pre-empt challenges from the sector as we begin to charge fees.

20/11/23 It was AGREED that members should submit any further comments in writing, and these will be passed to the team. JW confirmed that the full package will be brought back to Board in February 2024. Board was supportive of the proposed outline and the timetable.

9 ARAC report to Board

21/11/23 Members NOTED the ARAC annual report to the board which was accompanied by the committee ToR, a summary of activities and the GIAA audit report, which provided the Board with assurance that the RSH is a well-run organisation, with good controls. BC on behalf of the Board thanked LB and ARAC members for their good work on overseeing the risks to the organisation which provides the assurance to the Board.

22/11/23 LB provided the board with feedback from the November ARAC meeting which had taken place the previous day.

23/11/23 *Internal audit reports:* Risk management: substantial assurance. Management will review the process again after the implementation of the new regime in April. Capability and capacity: Moderate assurance: there was one recommendation that we develop a workforce strategy as the organisation gets bigger and look at the longer-term picture too. GIAA also recommended that management consider having a metric to show efficiency of the organisation as we grow, and they offered to help with this

24/11/23 NAO: the Chair reported to the board the Committees' disappointment with the delay to the audit process which resulted in the audit opinion being delayed. The NAO had acknowledged and apologised for this delay, which had continued despite previous assurances that they would be able to deliver the report.

25/11/23 The Board thanked LB and RBP for the report and the updates.

10 Governance update

26/11/23 ERT introduced the paper.

27/11/23 *Board Code of Conduct:* ERT flagged that in all the documents we have removed text which is taken from external documents that were subject to change (e.g. the framework document and other government guidance documents), and instead cross referenced those documents. ERT also highlighted the cross-reference to the Regulator's new Market Abuse Policy and confirmed that Board members were covered by that policy and should make sure they are familiar with it.

28/11/23 Board members were broadly content with the changes. RH queried how the provisions on future appointments could be enforced. ERT explained that they are intended to create expectations of behaviours in line with the principles in the Code and the Nolan Principles. There are other routes for serious issues, including the Secretary of State's powers under the Housing and Regeneration Act 2008, particularly the powers of dismissal in relation to bankruptcy or the absence of a board member from meetings for more than six months. ERT also made the point that board member appointment letters could, in theory, set out rules on future appointments, although these letters are drafted by the department (given that the appointments are made by the Secretary of State). In any event, as a matter of law any "restraint of trade" type provisions would need to be fair and proportionate. Further discussion ensued, including the

impact of an outgoing member's behaviour on their perceived suitability for future roles, possibilities for involving the department, and the fact that codes of conduct rely on a certain expectation of propriety. DG asked a question regarding paragraph 2.1, but ERT confirmed that that section was a direct quote from the Nolan principles and advised that the current wording should remain. **The Board resolved to APPROVE and ADOPT the revised Board Code in the form set out at Annex 1 to the paper sent to members, with immediate effect, to replace in its entirety the current version of the same, subject to correcting any references to 'he', 'his', 'she' or 'her' to 'he/she' or 'his/her' and any references to 'chairman' to 'chair'.**

29/11/23

Board Terms of Reference (ToR) and Standing Orders (SO): ERT explained that officers had considered the responsibilities of the Board as expressed in this document to ensure that they were up to date. In particular the section on the corporate plan and budget setting etc. (paragraphs 4.7 to 4.9) had been amended to ensure it better aligned with Board and AO responsibilities. In response to a question about the removal of reference to KPIs, ERT explained that we do not use that terminology. It was agreed that notwithstanding that it was acknowledged that governance responsibilities sat with the Board rather than with what is currently called the Nominations and Governance committee, there was no need to add any wording to the Board ToR on this point as this was already sufficiently clear. GS noted that the previously delivered teach-in on the ALB framework had been helpful when considering these documents and commended that session to other members.

ERT explained the provisions at sections 19.2 to 19.3 on the particular procedural requirements for changes to the Board Terms of Reference and Standing Orders. ERT asked if members would consider amending those provisions and after some discussion it was agreed that this should not be done now, but it should be reconsidered in future. **The Board then voted via a show of hands and BC noted that there was unanimous agreement from all the members present in the room and virtually to a resolution to APPROVE and ADOPT the revised Board Terms of Reference and Standing Orders in the form set out at Annex 2 to the paper sent to members, with immediate effect, to replace in its entirety the current version of the same, subject to correcting any references to 'he', 'his', 'she' or 'her' to 'he/she' or 'his/her' and any references to 'chairman' to 'chair'.**

30/11/23

ARAC Terms of Reference and Standing Orders: ERT confirmed that the role of ARAC had also been considered, but it was felt that minimal changes were necessary to the ToR and SO of this committee. Board members were broadly content with that recommendation. LB referred to paragraph 2.5 of the ARAC terms of reference, which provides that at least one member of the ARAC must have "recent and relevant financial experience, recent and relevant accounting and auditing experience, and ideally a relevant financial qualification." It had not been proposed to change this drafting, but LB felt that the word "ideally" should be removed. There was some discussion around this point after ERT advised that there was a risk that if that change were made, and no member had a relevant financial qualification, it would become difficult for the committee to function. A number of arguments either way were discussed.

31/11/23

LB also raised a query about the provision at paragraph 4.4, in the fourth bullet point, which provides for the committee to be able to "request independent legal, accounting or other professional advice where necessary, at the Regulator's expense (but within existing agreed budgets)". This was not a proposed amendment, but LB felt that the words "within existing agreed budgets" should be deleted because there should not be a constraint on the committee seeking

advice if necessary. RBP explained the risk of putting the AO in a difficult position if budgets were exceeded due to expenditure under this provision. There was further debate about the meaning of the word “budget” in this context. BC suggested that this point could be resolved outside of the meeting if a delegation were given to her to determine the final wording. **The Board resolved to APPROVE and ADOPT the amended ARAC Terms of Reference and Standing Orders, in the form set out at Annex 3 to the paper sent to members, with immediate effect, to replace in its entirety the current version of the same, subject to:**

1. **correcting any references to ‘he’, ‘his’, ‘she’ or ‘her’ to ‘he/she’ or ‘his/her’ and any references to ‘chairman’ to ‘chair’; and**
2. **BC having delegated authority to agree the final wording of paragraph 2.5 and the fourth bullet point of paragraph 4.4.**

32/11/23 *NGC Terms of Reference and Standing Orders:* ERT advised that the proposed changes reflected the work of NGC as carried out in recent years. Governance was recognised as a function of the Board, and the ARAC provided support to the AO, as set out in the ARAC ToR, in relation to the governance aspects of the Annual Report and Accounts. There was a query about the revised wording of paragraph 4.1, and the deletion of the bullet point on “incentives and rewards”. However, members agreed that the term “remuneration” covered this sufficiently, and the deletion was sensible. LB said that she supported the changes set out and that her view was that governance should be primarily the responsibility of the Board, otherwise there is a risk of confusion over accountability. DG said that she too supported the changes and recognised that the Board can delegate on specific issues where necessary. There was a suggestion that the name of the committee might be changed to the People Committee, but this was not agreed. **The Board resolved to APPROVE and ADOPT the amended NGC Terms of Reference and Standing Orders, in the form set out at Annex 4 to the paper sent to members, including the proposed change of name to Nominations and Remuneration Committee, with immediate effect, to replace in its entirety the current version of the same, subject to correcting any references to ‘he’, ‘his’, ‘she’ or ‘her’ to ‘he/she’ or ‘his/her’ and any references to ‘chairman’ to ‘chair’.**

11 Finance and Corporate Services update

33/11/23 The report was NOTED.

12 Q2 Performance and Risk report

34/11/23 Member NOTED the updates on the seven risks above appetite. RBP advised that there will be more movement around the risks as the new regimes settles down. BC requested that management keep a tight oversight on risks as the organisation and our remit expands.

13 Staff survey

35/11/23 JOM presented the latest scores which remain generally high compared to external benchmarks but dropped in a range of areas from our last staff survey. We had anticipated this based on the concurrent organisational change and factors in the operating environment. Targeted action planning demonstrates a strong commitment that staff views are taken seriously, and we have focussed action planning on areas where we can still hope to see significant improvements, rather than trying to improve scores across the board, where we will see diminishing return for our efforts. Members NOTED the rationale for the

areas chosen to be the areas of focus, following this year's staff survey, with Leadership and Ownership at the top of the list. We are achieving this by:

- More discussion with Board and REG on values
- Increasing senior management visibility – including face to face inductions and attendance at team meetings
- Staff check-in via pulse surveys
- Report to Board and REG on delivery against the action plan and to staff via RSH Brief and other methods of communication.

36/11/32 Members were pleased to note that we are working on values and the link to behaviours. In response to a query on whether our values are right for the organisation, JOM responded that they are considered to be the right values, however staff are given the opportunity to challenge these and feedback from new starters has been generally positive. DG queried the fall in some of the scores and JOM AGREED to review the data and report on whether there any overarching reasons for the reduction in some of the scores. JOM thanked BC and the board for their continued interest in the staff survey which gives staff a strong message of support from the Board. JW advised that we are considering another all-staff event after April 2024, following the success of the one earlier this year and Board were supportive of that.

JOM

14 I&E

37/11/23 Members NOTED the report and HB provided further updates on the following cases:

38/11/23 *MySpace:*

39/11/23 *Eldonians:*

41/11/23 *Civitas:*

15 Consumer Regulation

42/11/23 Members NOTED the update and AH responded to queries on:

- LA webinars: these had gone very well, good levels of attendance and a lot of interest in our role. It has been useful getting local councillors involved in the discussions.
- Case work:

DG requested that future reports carry the number of social housing units for each LA and AH agreed to follow this up.

AH

16 Operations update

43/11/23 Members NOTED the update and in response to the query as to whether the outcomes from the Annual Engagement Meetings might differ if there was a wider spread between northern and southern providers, KED said that we engage with the Northern Housing Consortium regularly and the feedback is not vastly different. It was requested that for reports in the future we try and flag any regional differences. Members were reminded that there will be a combined regulatory engagement report from the new year. Merger activity was NOTED.

KED

17 Registrations decision

44/11/23 The report was NOTED.

19 Any Other Business

46/11/23 There was no other business to discuss.

20 Review of papers

47/11/23 Papers were informative and good standard as usual, and the discussions had been very useful.

Date of next meeting: 16 January 2024