



PUBLIC MINUTES
of the Board meeting
on Tuesday 18 February 2025
PG49, 2 Marsham Street

10 Remote and virtual participation

10.1 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 Board 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.

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

These minutes reflect the order in which matters were discussed at the meeting.

Present

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| Bernadette Conroy (BC) | Chair |
| Jo Boaden (JBo) | |
| Kalpesh Brahmhatt (KB) | |
| Deborah Gregory (DG) | |
| Richard Hughes (RH) | |
| Sukhvinder Kaur-Stubbs (SK-S) | Via MS Teams |
| Robert Light (RL) | |
| John Liver (JL) | |
| Fiona MacGregor (FM) | Chief Executive |
| Geoff Smyth (GS) | |

In attendance

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|-----------------------|--|
| Jim Bennett (JB) | Assistant Director, Policy, Strategy and Impact (items 8 and 9) |
| Kate Dodsworth (KD) | Chief of Regulatory Engagement |
| Angela Holden (AH) | Director of Regulatory Engagement (LARPs) |
| Robert Holroyd (RJH) | Assistant Director, Investigation & Enforcement |
| Richard Peden (RBP) | Director of Finance and Corporate Services via MS Teams |
| Emma Tarran (ERT) | Senior Assistant Director, Head of Legal & Company Secretary |
| Jonathan Walters (JW) | Deputy Chief Executive |

Minutes

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| Christine Kitchen | Board Secretary |
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1 Welcome and apologies

01/02/25 There were apologies from Liz Butler (LB), Will Perry (WP) and Harold Brown (HB).

2 Declarations of Interest

02/02/25 There were no new declarations of interest or any conflicts of interest relating to items on the agenda.

3 Minutes of meeting 21 January 2025

03/02/25 The confidential and public minutes from 21 January were AGREED, subject to minor amendments.

4 Matters arising

04/02/25 The updates against the actions were noted.

22/01/25: Risk appetite vs tolerance: on the planner for June 2025.

5 Board forward planner

05/02/25 Members NOTED the forward planner. RH queried the lessons learned from the water regulator session which had been discussed previously – JW confirmed that this was on the list for a board teach-in, but as those have been paused, executive will revisit the teach-in topics and consider when that session can be picked up for a board discussion. JW also advised that the agenda for the March away-day is being reviewed and this will be shared when finalised.

JW

6 Chair's update

06/02/25 *NED appraisals:* members have all agreed the dates for their appraisal meetings and will be sent their forms for completion. BC's appraisal will also be carried out by the Department and members will be contacted by FM in due course once that is scheduled.

07/02/25 *NED recruitment:* BC provided members with an update on the latest NED recruitment. The field of candidates has been strong.

08/02/25 *NED inductions:* the dates and schedules have been confirmed. The sessions are open to all members. The programme will be re-run when the next NEDs are appointed.

7 N&RC Chair update

09/02/25 DG gave members an overview of the matters discussed and considered at the N&RC meeting the previous day. As well as the updates below, they discussed, the Designated Survivor update, Non-Executive board member recruitment, Nomination & Remuneration self-assessment and the Annual Performance Objectives for Senior Exec Team.

Recruitment and resourcing: it had been noted that a number of the vacancies in I&E have now been filled. There is a 14% vacancy rate currently in the organisation some of which relate to the original staffing up plans to take on our new role and remit. The majority of the 14% are in Regulatory Engagement, which were always intended to be recruited to on a phased basis, some are in Strategy and I&E.

Organisational Development: discussed the drivers and progress being made with developing the People Plan, which will bring together culture and behaviours, the OneRSH concept, efficiencies and will focus on succession planning and talent

management. As part of the People Plan, the committee have requested a deep dive into the internal and external aspects of the EDI strategy.

Forward planning: following conversations with committee members, a number of suggestions have been made for agenda topics for the remaining three committee meetings for 2025.

8 Chief Executive Update – JB joined the meeting.

FM provided the following updates on the information in the slide pack:

- 10/02/25 *MHCLG engagement:* the level of engagement with MHCLG officials has intensified in the lead up to the Spending Review. New house building can be a significant contributor to the growth agenda, although financial pressures on the sector mean that forecasts for new homes have been dropping. Providers have welcomed recent announcements about Awaab's Law being phased which will help them to plan their finances. The recent announcement of a further £350m for AHP has also been welcomed. There remains some mismatch between London and the rest of the country with the pressing need for growth in London where financial pressures are intense for some, whilst there is capacity in other parts of the country. In response to a question about what we can do to help understand the nuances between the London vs non-London position, FM gave assurance that we continue to use our links with the sector through speaking engagements and our links to country wide organisations to have open conversations and feed in intelligence to the various discussions. JW added that there are four sets of stakeholders that we focus on: Government; Sector; Tenants; Lenders. However, we have to remain conscious of our position as a regulator.
- 11/02/25 *Select Committee:* FM confirmed that we have now responded to the letter we received following the select committee.
- 12/02/25 *Engagement with Baroness Taylor:* KD advised that we have had two further meetings.
- 13/02/25 *Government policies:*
- *Awaab's Law:* the timetable has been well received.
 - *Supported housing providers:* a consultation has been announced by the Government which seeks views on plans to implement measures set out in the Supported Housing (Regulatory Oversight) Act 2023, proposals to introduce a locally led licensing regime for supported housing across England, and new National Supported Housing Standards for the support provided. The Government is also consulting on changes to Housing Benefit Regulations.
 - *PAC on building safety:* phase 2 responses are due soon.
 - *Devolution:* RL asked about the impact of devolution and local government reorganisation on our regulation of HAs and LAs and we will add this to a future agenda for discussion with Board.
- 14/02/25 The remaining updates were NOTED.

9 Regulation Engagement Q3 update

- 15/02/25 KED advised that Q3 is a busy time for the RE teams engaging with providers on their business plans and financial viability through the annual stability check programme. The sector deterioration in financial performance has resulted in differentiation among landlords and follow-up work with the weaker V2 landlords.

- 16/02/25 *Quarterly survey:* provided assurance that landlords are managing their position. However, in some cases this means a pause on uncommitted development and they are having to make difficult decisions due to the continued need to focus on existing homes with expenditure at an all-time high. This is resulting in low levels of forecast interest cover and the arrangement of loan covenant waivers.
- 17/02/25 *Referrals:* We have had a few self-referrals against the consumer standard and we are working with C3 graded LARPs.
- 18/02/25 *Inspections:* we are on track to complete the plan to inspect landlords during 2024/25 and have started our planning for Q1 of 2025/26 and landlords have been notified. Landlord improvement work has started with nine LARP and twelve PRP landlords. AH advised that whilst we have powers, initially we ensure that the necessary improvements are being implemented. We ask for evidence of progress and take judgement calls when reviewing improvement plans through regular and more intensive engagement. KED added that we focus on highest risk areas whilst seeking assurance that the landlord will deliver the improvements. KD added that we continue to maintain an oversight of an organisation as a whole and ensure they are progressing to compliance in all areas. BC suggested that board would benefit from being provided with assurance that areas of concern are being monitored and KED and AH confirmed that the quarterly reports will flag if any issues persist. JL queried the inspection timetable in particular on the timing of inspections, and issue of landlords using external managing agents. In respect of the inspection timetable JW advised we plan to inspect all landlords over a four year cycle. Our inspections are based on risk profiles of providers and for LARPs we use TSM data and seek to develop a balanced programme.
- 19/02/25 Regarding landlords using external managing agents, ultimately, compliance responsibility sits with the landlord. From our perspective, it is the landlord that has to ensure the safety of their tenants and we ensure their reporting reflect this. Some issues in this area have surfaced in recent inspections, particularly in London and the carefully thought through wording of the TSM helps with highlighting issues.
- 20/02/25 In response to a query from KB on the outlier figures, assurance was given that there are no serious concerns and we are aware that these relate to ensuring new financing needs are being met in a timely fashion and we continue to monitor this area. BC thanked members and officers for a very useful discussion and suggested that much of the narrative in the report speaks to performance which links well into the next discussion on the Corporate Plan.

KED/AH

10 **Corporate Plan (CP) 2025-28**

- 21/02/25 JB introduced the paper and FM added that the CP also speaks to the wider impact we are having which cannot always be specifically measured by KPIs, and gave assurance that we will pick up reporting on this in a range of areas regularly during the year. BC summarised the discussion on the CP with focus areas being:
- How do we highlight the element of growth.
 - How we make sure that the narrative comes through about how we regulate, which is not limited to an inspection programme, but driven by risk.
 - How we capture that in the regular performance reporting and how to encompass the wider impact we have.

23/02/24 KB added that the text in the CP refers to “impressions” which is not a quality engagement and queried if it was the correct metric to report.

24/02/25 SK-S thanked JW for his clarification on the point about stakeholders. JW said that the performance and risk report is the vehicle that is designed to pick up many of the points raised and it will be worth thinking about what is not in there that board would like to include and members agreed. It was agreed to return to this in more detail, and BC would work with officers to decide how to take the matter forward.

BC

25/02/25 BC thanked members for their input and said that there was no wish to delay the CP, however it is important that we agreed how we develop reporting to the board going forward so that the board can perform its role in terms of getting assurance. FM agreed and suggested that we do not try and build everything into the CP, and instead management provides a map of where some of that assurance is reported already and use it as a gap analysis tool to ensure that we are not missing any key areas.

26/02/25 RH said that the CP is an external publication and not the sole vehicle for full board reporting. The regulator’s objectives are set out in statute, and we have to work within them. RH agreed that the board should be sighted on the points raised but suggested that much of the qualitative reporting should be directly to the board on an on-going basis. DG said that she agreed with RH in relation to KPIs and thought that the narrative is in a good place. She supported FM suggestion of an assurance map. JB to review this.

JB

27/02/25 BC concluded that we need to ensure that we are not using the CP as the only vehicle for looking at these issues. We need a broader picture of what we are doing and want to concentrate on how we bring performance reporting to life in future board meetings, as had been discussed.

28/02/25 In conclusion, BC asked members if they wished to see the Chair’s foreword, but members were content for BC to sign it off and subject to the other points raised, AGREED that the CP will be submitted to the Department. Next year we need an earlier conversation about KPIs, as we will be more informed by another year of consumer regulation.

11 Registrations Q3 update

29/02/24 AH introduced the paper, which was taken as read and discussed by the board.

30/02/25 POST MEETING NOTE FROM AH:

A: The four compulsory de-registrations were as a result of organisational restructures (3 transfers of engagement and 1 charity amalgamation) – the social housing in these cases remains within the regulated sector.

B: The voluntary de-registration was de-registered on the basis that it met the regulator’s de-registration criteria. It will continue to operate as a landlord for the four units, but outside of the regulated sector. We have voluntary de-registration criteria in place which is intended to ensure satisfactory arrangements are in place to ensure the continued protection of tenants and no misuse of public funds, including seeking assurance of consultation with tenants, that the landlord is viable for a minimum of 12 months, treatment of grant is agreed with the funder and the landlord continues to be a member of HOS’s scheme; we also consult directly with the local authority before making a decision.

C: The de-registered local authority RP did not have stock and confirmed that it no longer intended to be a provider of social housing.

12 Finance and Corporate Services update

31/02/25 RBP reported that the management accounts were as at the end of December 2024 and included the original budget and post-SUPPS budget figures for reference. Members noted the rationale to the change to invoicing to fit in with MHCLG's finance system. There were no specific comments on the Environmental statement, however JL queried why we were not publishing it this year. RBP committed to providing the reason to members in writing.

RBP

POST MEETING NOTE FROM RBP:

The Environmental Policy statement as annexed to the Board paper is already published on the RSH website. The Statement includes a commitment to review by March 2025 but as set out in the paper a delay to the review pending an update to Government Greening Commitments later this year is considered sensible

13 Performance and Risk Q3 report

32/02/25 RBP introduced the paper, reporting that it is aligned against the Strategic Risk Register. BC asked when there will be the discussion on risk appetite and it was confirmed this was on the board agenda for the June meeting.

33/02/25 BC said that the June meeting will allow a good discussion of risks outside appetite.

14 Papers review – no comments.

15 Any other business – none.

JL left the meeting ahead of the discussion of the I&E report, which he had not seen, and he took no part in the discussion.

16 Investigation and Enforcement Q3 report

34/02/25 RJH introduced the report and members NOTED the four new cases following the publication of regulatory judgments, the two cases that have closed and handed back to regulatory engagement.

38/02/25 BC thanked RJH for stepping in to present the report whilst HB was away. She thanked everyone for their contributions and the meeting would re-convene for the workshops session after lunch.

Date of next meeting: 18 March 2025 – Board away-day.

Workshop – emerging trends from LARP inspections

In attendance: BC, FM, JB, RH, RL, DG, JL, GS, KB and SK-S via MS Teams.

Officers present: JW, KED, AH, RJH, KD and ERT.

Claudia Cobban (CC) and Jonathan Driscoll (JD) joined and introduced themselves. AH, CC and JD presented.