

Regulation Committee Meeting 20 Minutes September 21st, 2017.



Date	21 st September 2017
Venue	Housing Agency, Mount Street Upper
Time	11.00am – 1.00pm
Chaired by	Mary Lee Rhodes (M.L.R.)
Committee Members Present	Earnán O'Cléirigh (E. O'C.), Ronan Heavey (R.H.), Oonagh Breen (O.B.), Eddie Lewis (E.L.), Michael Cameron (M.C.), Donal McManus (DMc.M)
In attendance	Susanna Lyons (S.L.) (Head of Regulation, Regulation Office, Housing Agency), Jenny Murphy (J.M.) (Secretary to the Committee, Regulation Office, Housing Agency), Liam Smyth (L.S.) (Department of Housing, Planning, Community and Local Government), Grainne Johnston (G.J.) (Service Performance Manager), Clare Naughton (C.N.) (Governance and Assessment Manager), John O'Connor (J.o.C.) (CEO, Housing Agency)

Agenda Items

1. Apologies

- Gerry Hunt and Margaret Geraghty sent apologies.

2. Declaration of Interest

- O.B. declared that she sits on the Governance panel of the Charities Regulatory Authority.

3. Matters Arising

- The Chair welcomed Clare Naughton to her role as Governance and Assessment Manager.

Part 1 – Consent Agenda Items

4. a. Minutes

b. Report on Sign Ups to the Code

c. Engagement Update – due to the fullness of the Agenda, it was agreed that the Engagement Update would not be discussed in detail at this meeting. The Committee welcomed the idea of 'watch list' entities and it was further agreed to include 'Engagement Update' as an Agenda item for the next meeting to provide Committee members with the opportunity for discussion and comment.

Consent Agenda items agreed by Committee.

Action

1. Engagement Update to be included as Agenda item at next meeting to facilitate wider discussion by Committee members.

Part 2 – Items for Discussion

5. Legislation Update - Department

EoC updated Committee Members regarding the progress of the Bill. The Committee was informed that work had been ongoing over the summer months and it remains on the priority list for the Government. The Department was asked to provide an overview of the changes that had occurred to the Bill over recent months.

- The first area discussed concerned 'The Register of AHBs'. There was still some clarification required over the process of being 'deemed to be on the register' and the process for remaining on the register.
- Further discussion took place regarding consent to dispose. It was highlighted that this now concerns 'dwellings'. The Committee discussed potential implications of this.
- The Committee requested that the Department circulate the Bill for them to provide accurate and detailed commentary.

Action

2. iRC request that the Department share the Bill with Committee Members in order for them to provide input and accurate commentary.

Performance and Operations

6. Report from Head of Regulation

S.L. gave an overview of the Head of Regulation report to the Committee. The following points were discussed:

- **Assessment Programme 2017** – The Regulation Office has initiated front end process improvements for the next Annual Regulatory Return and Assessment cycle. All Tier 2 and Tier 3 organisations were issued with an excel based Annual Regulatory Return on the 8th of September. In addition, Tier 3 AHBs and 10 Tier 2 AHBs were issued with an Annual Financial Return. The web-based Annual Regulatory Return for Tier 1 AHBs is being finalised currently and will be issued no later than the 30th November. Regulatory Assessment Report process improvements are set out in greater detail at a later Agenda item.
- **Engagement Programme and Annual Review Meetings** – all Annual Review meetings have now been held with Tier 3 organisations. All initial Engagement Meetings have also been held and follow up meetings will be scheduled in the coming weeks.
- **Financial Standard Tier 2 Roll-Out** – A workshop was held in the Housing Agency on the 3rd of July for representatives from ten tier 2 AHBs to work through the requirements of the Financial Standard for Tier 2 organisations. The Annual Financial Return for Tier 2 AHBs was developed, based on the Tier 3 Annual Financial Return for 2015, following the workshop.
- **Statistical Review of the Classification of AHBs** – No additional information or requests have been received in relation to the Eurostat decision.

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- **Legislation** – no additional information or updates have been received by the Regulation Office in relation to the legislation.
- **Resources** – Clare Naughton has joined the Regulation Office as the Governance and Assessment Manager. Matthew Walshe has also joined the team as a temporary member of staff. The post of Project Manager for the transition from voluntary to statutory regulation was rejected by the Department. The Regulation Office is working with the Institute of Project Managers to scope the role for formal oversight of the project.
- **Governance Standard** – The third Working Group meeting was held with Tier 3 organisations in August and its final meeting in September. The tender process was completed in July and Campbell Tickell were the successful consultants. A final draft of the Governance Standard will be circulated to Committee Members in the third week of September. Further detail relating to the Governance Standard is set out at a later Agenda item.
- **Communications and Meetings** – A meeting was held with the Charities Regulatory Authority. The Head of Regulation attended Meeting 15 of the Benefacts Project Advisory Group in August. The Annual Report will also be circulated to all key stakeholders when complete.
- **Annual Report** - Work is underway on the Annual Report. Data analysis and validation has been completed and text has been drafted with the design process in progress. An October launch date was proposed, however, the Committee felt that there was potential to launch the Annual Report in November which could serve as an opportunity to communicate additional messages to the sector. Communications strategy to be included as Agenda item for the next meeting.
- **Performance Management** – G.J. has met with a number of Tier 3 organisations regarding performance management. This will become a standing item in the Head of Regulation report for further meetings.

Action

3. Draft Governance Standard to be circulated to Committee Members.
4. Communications strategy to be included on Agenda for next meeting.

7. Update following Thematic Review

S.L. provided the Committee with an update on the steps taken by the Regulation Office, as agreed at the June meeting. The organisation in question was provided with a copy of the Thematic Review Report and a meeting was held with the Board to ensure that the findings were understood. The Regulation Office notified the Department and raised a concern with the Charities Regulatory Authority. The organisation has also been requested to conduct a comprehensive, independent review of the organisation's governance, financial management, performance management and contractual arrangements.

- A paper and policy document has also been prepared and will be discussed at a later Agenda item for iRC approval.

- The Committee were satisfied with the actions of the Regulation Office and the steps taken, as outlined above.

8. Assessment Outcomes and Report Policy

S.L. provided the Committee with a paper proposing changes to the Assessment Outcomes and Assessment Reports and seeking iRC approval for the draft policy provided.

The first part of the paper set out a proposed approach and possible changes to the Regulatory Assessment Reports process. As many of AHBs are now undergoing assessment for the third or fourth time, it was proposed to issue either a full and detailed Regulatory Assessment Report **or** a Compliance Statement. This does not concern the Financial Assessment Reports.

The second part of the paper concerned the assessment outcomes, including the engagement process and the procedures and approvals required prior to an organisation moving from Engagement to Unsatisfactory. It is envisaged that when the policy is approved, it will be available online.

- The proposal put forward was largely supported by Committee members.
- The Committee asked several questions regarding the proposed Compliance Statement, e.g. how would this generate improvement in an organisation that has met 50% of the requirements and what look and feel the compliance statement would take.
- The title of Compliance Statement was also queried as this has the potential to imply that an organisation is compliant. It was suggested that there may be a more accurate title that could be used.
- The Committee discussed the proposed assessment outcomes in detail. The proposal put forward by the Regulation Office included six potential assessment outcomes. The iRC agreed this was too layered, particularly where there was perceived duplication in the proposed outcomes. The Committee suggested merging outcomes and reducing the number from six.
- Concern was raised regarding the assessment outcomes and the phase of 'engagement' occurring prior to being deemed 'unsatisfactory'. It was felt that the Department should be able to restrict funding to an organisation where there are serious matters at play, however, the steps as outlined within the proposal would not allow for this.
- The delisting process was also highlighted as an area for consideration and it had been proposed that organisations are no longer named on the website when they have been 'delisted'. The Committee did not support this though and it was agreed that organisations that have signed up to the Code and have been unable to commit, should continue to be named on the website.
- The Committee also discussed if there should be a particular approach for approximately 300 AHBs that have not signed up to the Code and questioned if these organisations should also be named on the website.

Action

5. Regulation Office to amend policy in light of the above discussion and circulate for iRC approval at next meeting.
6. Regulation Office to continue to name 'delisted' organisations on website.

9. Annual Return Process Improvements

A paper regarding the Annual Return process improvements was circulated to the Committee on 1st of September 2017. This paper outlined the changes and improvements to be made to upcoming the Annual Return process. The changes were rolled out in advance of the Annual Regulatory Return for 2016 being issued to all AHBs during September. The Committee welcomed the changes to the processes, particularly the data collection process.

10. Transition to Statutory Regulation – iRC Role

The role of the iRC in overseeing the transition from Voluntary to Statutory Regulation was discussed further. The discussion focused on what is the best role for the iRC in this phase of work.

- It was agreed that the key role of the iRC is advisory and that this should continue.
- It was agreed that the transition process will be a significant body of work and that it is critical that work continues implementing the Voluntary Regulation Code during the transition process.
- It was proposed that the statutory Board should be established as soon as possible and that the iRC play a key role in identifying the skills and expertise required and initiating the process for identifying potential board members.
- It was also felt that when the Board is in place, that its first role could be to oversee the transition process.
- Organisational requirements, such as office space etc. were also highlighted. It was agreed that further clarification was needed regarding these logistical considerations, but that this may be more appropriately done by the new Board or a subcommittee made up of representatives from the iRC and the Housing Agency.
- The potential for the establishment of a working group or sub-committee was highlighted. It was suggested that this could be a helpful intervention in the process.

11. Governance Standard and Assessment – Update

Agenda item not discussed at this meeting.

12. AOB

- J.M. to circulate potential dates for iRC meetings through to June 2018.

Action

7. J.M. to circulate potential dates for iRC meetings through to June 2018.

The next meeting is scheduled for 30th November 2017.