

Regulation Committee Meeting 24 Minutes June 28th, 2018.



Date	28 th June, 2018
Venue	Housing Agency, Mount Street Upper
Time	11.00am – 1.00pm
Chaired by	Mary Lee Rhodes (M.L.R.)
Committee Members Present	Eddie Lewis (E.L.), Michael Cameron (M.C.), Donal McManus (DmcM), Oonagh Breen (O.B.), David Smith (D.S.)
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) Catherine Rawson (C.R.) (Department of Housing, Planning and Local Government)

Agenda Items

1. Apologies

- Margaret Geraghty and Ronan Heavey sent apologies.

2. Declaration of Interest

3. Matters Arising

- The Committee offered congratulations to Jenny Murphy on her appointment as Assessment and Registration Manager following the recent recruitment process. Jenny will retain the position of secretary to the Committee until a suitable replacement has been found.

Part 1 – Consent Agenda Items

4.

- Minutes
- Assessment Update
- Head of Regulation Report
- Update on iRC Governance Review – Protocols & Scheme of Delegations
- Annual Report 2018 – Wireframe, Key Themes
- Engagement Update, including at risk organisations

Item 4d, Update on iRC Governance Review – Protocols & Scheme of Delegations remove from consent agenda to discuss alongside a later agenda item.

Outcome

Consent Agenda items, with the exception of Item 4.d, agreed by Committee.

Part 2 – Items for Discussion

5. Financial Assessment Report – Consideration Request from AHB

As CEO of the ICSH, DmcM recused himself from the following discussion.

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B.N. provided the Committee with an overview of the key areas that they are being asked to consider by the AHB in question. A regulatory assessment matter has emerged with a Tier 3 AHB following the issuing of the organisation's Financial Assessment Report (FAR). The iRC are being asked to consider various options relating to the issued report which have been designed to address concerns that the organisation has around the issued report.

- The Committee discussed the paper provided and options proposed by the AHB were discussed in detail. Members were clear that the information required is submitted by an AHB and an assessment is carried out on that basis. It is the responsibility of the AHB to ensure that information submitted is accurate.
- The Committee questioned if there were inaccuracies within the issued report and it was confirmed that the report is accurate based on the information provided.
- The options outlined by the AHB were discussed in detail. The Regulation Office acknowledged that the organisation recognised the shortcomings in its reporting and that the Board has affirmed its commitment to strong governance and oversight.
- It was agreed that there would be no merit in resubmitting additional information at this point given that the next formal submission is due in October 2018.
- Following discussions, the Committee agreed that the report stands.

Action

1. Regulation Office to issue correspondence to the organisation, capturing the outcome, as outlined above.

6. Performance Standard – Approval required from iRC

G.J. provided the Committee with an overview of the proposal for the approach to the Performance Standard and the consultation process underway with the sector. The first draft of the Standard will be issued to the Working Group in advance of meeting arranged for next week, Thursday 5th July.

- The Committee discussed the implementation timeline of the Performance Standard and questioned if it would be implemented on a phased basis, as with the Financial and Governance Standards. GJ confirmed that it would be a phased implementation.
- The consultation process with AHBs was also discussed. Consultation with Tier 1s had been scheduled, however, there were some issues and it did not proceed. The ICSH is holding a seminar for Tier 1 AHBs in September and it was agreed that this could facilitate consultation with Tier 1 AHBs.
- The Committee also highlighted the importance of tenant engagement and satisfaction and the need to ensure that the protection of tenant's interests is included in the Standard.

Action

2. IRC approved the proposal with amendments.

7. Update from Department – Legislation, CSO, Interdepartmental Review

The Department provided an update to the Committee on key areas. Work is ongoing in relation to the legislation and robust discussions are continuing with the Attorney General. The classification of AHBs has occurred within the drafting process and there are implications that need to be explored further in light of that. The classification of AHBs is also an ongoing area of consideration and engagement with relevant stakeholders is occurring to determine any potential implications and to establish the future policy direction.

- The Chair referenced the letter issued to the Department from the iRC in December 2017 regarding the legislation and that it would be useful for the iRC to identify what amendments have occurred within the legislation, against the letter issued to the Department.

8. IRC – A Year in Review and proposal for 2018/2019.

Item 4.d – d. Update on iRC Governance Review – Protocols & Scheme of Delegations removed from Consent Agenda for discussion here.

The Chair outlined that this is a good time to review the activities of the previous year as priorities and objectives for the next two years need to be established. The Voluntary Regulatory Code continues to operate effectively, and the IRC are functioning well under a level of uncertainty. However, it is unlikely that a statutory regulator will be enacted in the short term. The Chair outlined some the key risk areas facing the Regulation Office.

Discussions regarding the transition process from the Voluntary Regulatory Code to a statutory framework have been ongoing at committee meetings over the past eighteen months and developing a transition strategy was suggested by the iRC following the Strategy Day held in January 2017.

- There are two key areas of concern – the transition process and the oversight of operations of the Regulation Office.
- The Committee discussed the Terms of Reference under which they currently operate. It was highlighted that in order to address areas of uncertainty, the Terms of Reference need to be updated as a priority.
- The tasks and responsibilities of the Committee have been changing over time and the Terms of Reference need to be updated to reflect this. The Committee appears to be the default governance structure to continue overseeing the operations of the Regulation Office until a statutory framework is in place and for this to occur, the Terms of Reference need to be updated and the structure requires some tweaking. In addition, if the iRC is to have a role in the transition process - such as making recommendations to the new statutory regulator - the Terms of Reference need to be updated to reflect this.
- A new Terms of Reference could require new membership. Good governance best practice would also suggest refreshing the Committee, several of whom have been on the IRC for more than 4 years.

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- It was agreed that the Chair and the iRC would provide their recommendations around changes and edits required to the Terms of Reference which the Department could incorporate. In addition, iRC members will indicate their willingness (or not) to continue on the Committee.

Action

3. Chair and iRC to provide recommendations regarding changes required to the Terms of Reference. iRC members will indicate willingness to continue on Committee.

The next iRC meeting is scheduled for Thursday, September 20th.