



# Regulatory Update

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Regulatory Board for Wales

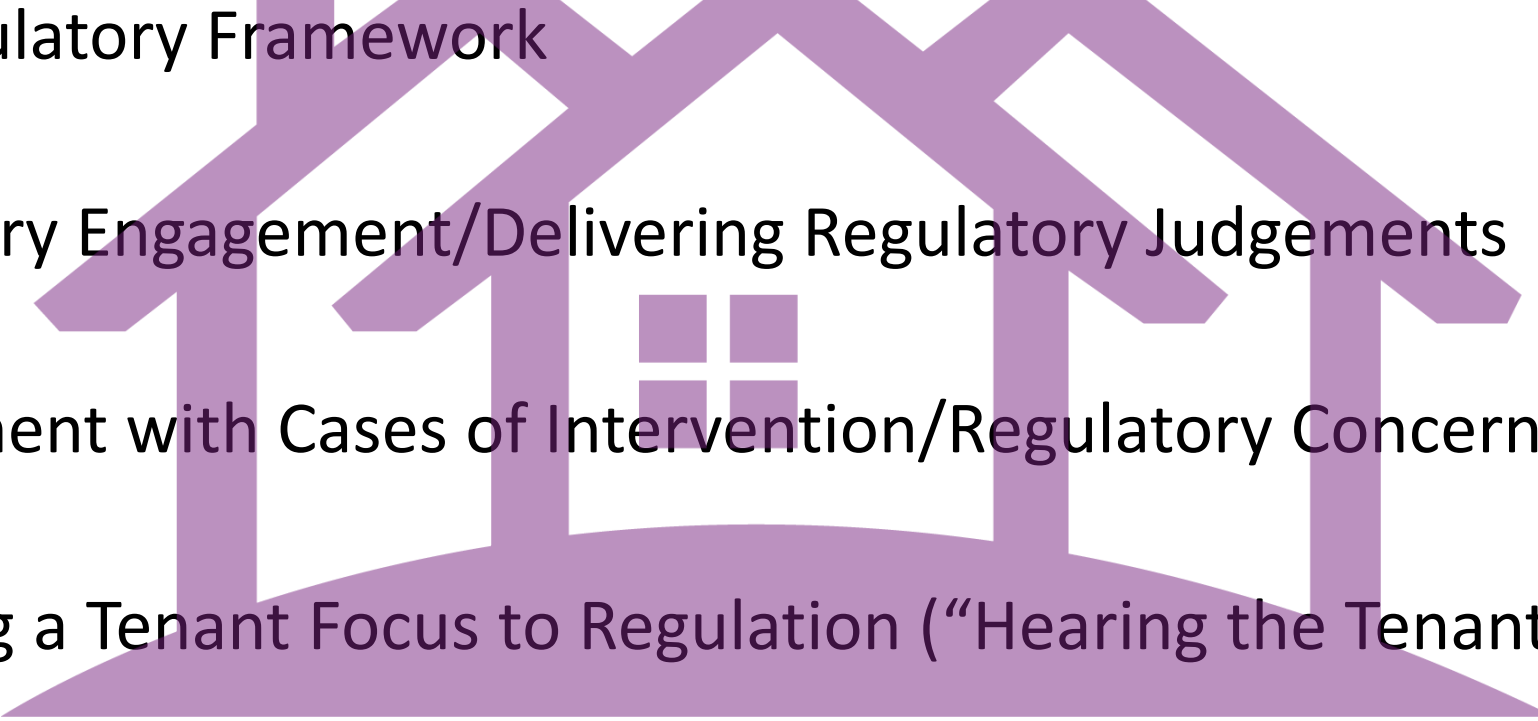
Community Housing Cymru Finance Conference

July 2019 - Llandrindod Wells

# Introduction

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- The Role of the Regulatory Board for Wales (RBW)
  - Housing Regulation Team: Welsh Government
  - Regulatory Advisory Group (RAG)
  - RBW Report to Minister for Housing and Local Government

# The Performance of the Regulator

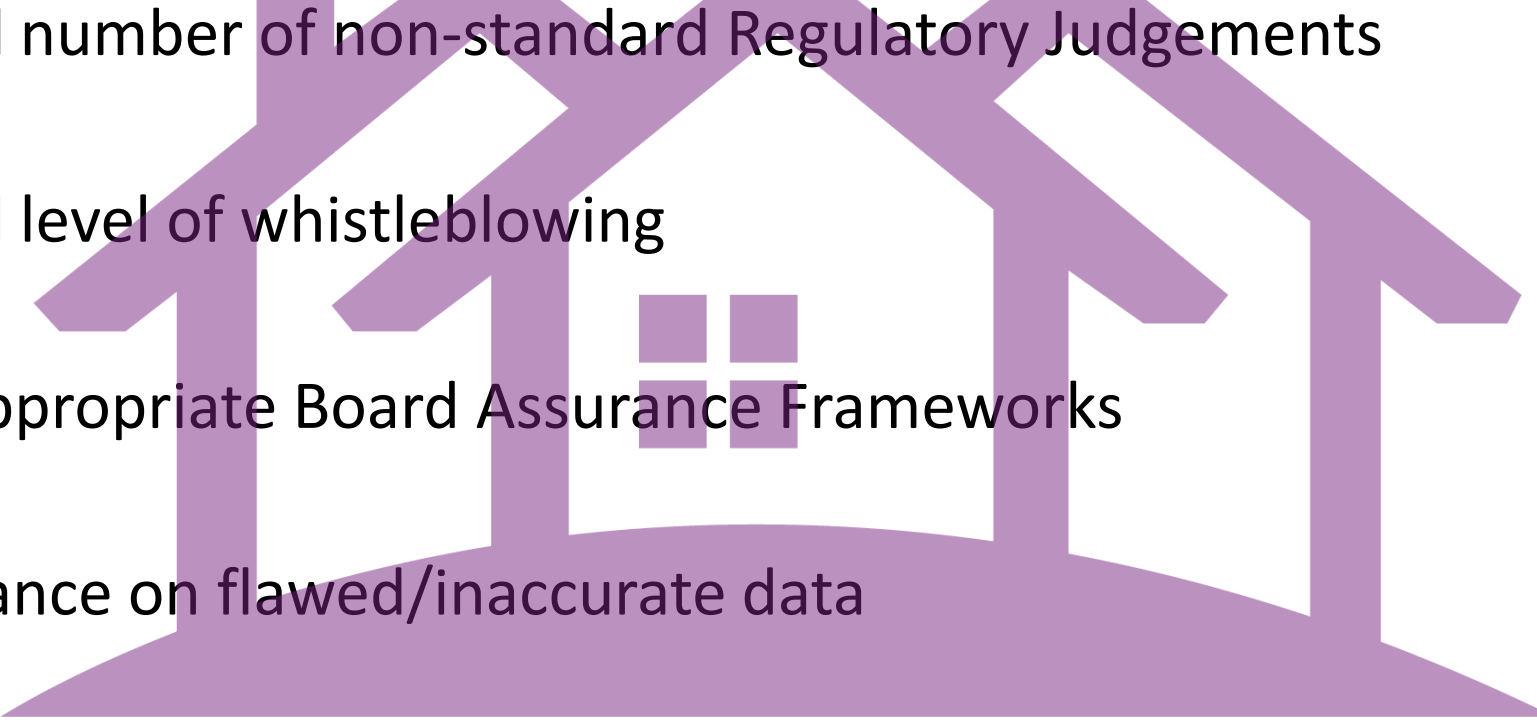
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- The Regulatory Framework
  - Regulatory Engagement/Delivering Regulatory Judgements
  - Involvement with Cases of Intervention/Regulatory Concern
  - Providing a Tenant Focus to Regulation (“Hearing the Tenants’ Voice”)
  - Responding to National Issues (PAC, ONS - and AHS Review)

# Overall Sector Performance

- The evidence suggests most housing associations in Wales have effective governance, sound financial management and viability and are delivering good quality services
- The current model of co-regulation (annual Regulatory Judgements, robust self-evaluations etc.) is generally working well
- Good progress has been made in ensuring that different stakeholders have confidence in housing association regulation in Wales.....BUT
- RBW has concerns about issues of governance, Board oversight and control in some parts of the sector (RBW Governance Review, 2018)
- More work needed to enhance tenant involvement (RBW, 2019)
- Concern about the adequacy of Welsh Government resources for housing regulation (but new operating model is part of the response)

# The Performance of the Sector:

## Some specific issues

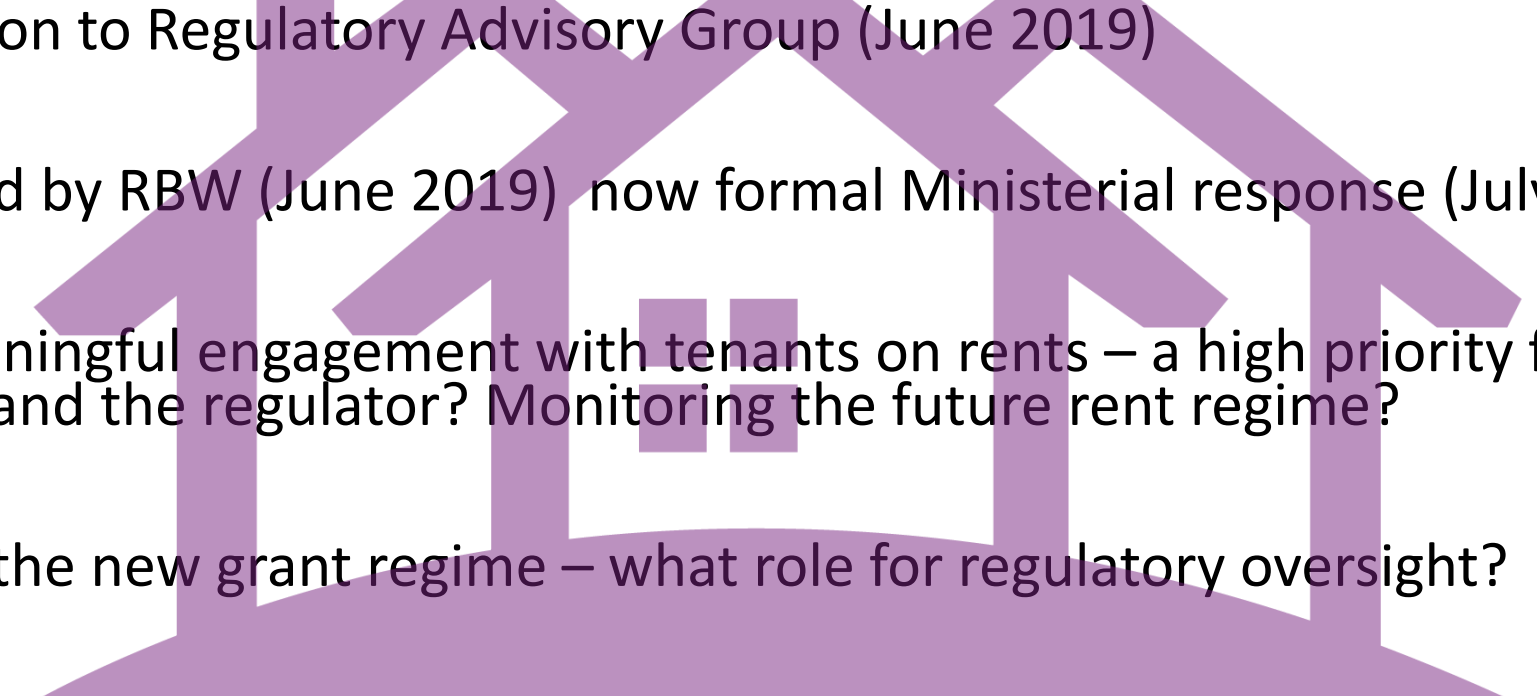
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- Increased number of non-standard Regulatory Judgements
  - Increased level of whistleblowing
  - Lack of appropriate Board Assurance Frameworks
  - Over-reliance on flawed/inaccurate data
  - Organisational culture and complacency (WG and some individual associations)

# Learning Lessons



- Improving Approaches to Managing Landlord Health and Safety
- Strengthening Regulatory Risk Assessment
- Learning Lessons from Regulatory Interventions
- Publishing the Global Accounts (jointly with CHC)
- Improving Data Integrity
- Thematic Reviews (VFM, Governance, Tenant Involvement)
- Thought Leadership Group (with CHC)

# The Affordable Housing Supply Review


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- Presentation to Regulatory Advisory Group (June 2019)
  - Considered by RBW (June 2019) now formal Ministerial response (July 2019)
  - More meaningful engagement with tenants on rents – a high priority for landlords and the regulator? Monitoring the future rent regime?
  - Design of the new grant regime – what role for regulatory oversight?
  - In the light of any changes following the AHS Review (particularly around the approach to grants) – what changes may be needed to the Regulatory Framework?

# Developing the Regulatory Board

- Internal Review of RBW Brand and Reputation (2018)
- Enhancing the Profile and Visibility of RBW
- RBW meetings (hosted by individual associations) across Wales
- Joint meeting(s) with CHC Board
- Continued work with TPAS Cymru around tenant perspectives
- Our own Board Assurance Framework
- Board Appraisals/Skills Development
- New Board Member Recruitment



# Challenges and Possible Future Directions

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- The Importance (and benefits) of Effective Regulation
  - Reviewing the Regulatory Framework (2020)
  - Regulatory Capacity and Resources (a real risk)
  - Regulating across the Social Housing Sector in Wales (Domain Regulation)
  - The Future Funding of Housing Regulation in Wales
  - The Independence of Housing Regulation
  - Debate: The future nature and direction of housing regulation in Wales?

# Issues for Discussion



- Consumer Regulation
  - Do we need to strengthen this?
  - If so, how?
- Domain Regulation
  - What are the pros and cons?
  - What are the opportunities/barriers?
- Paying for Regulation
  - A debate to be had?

# Diolch yn fawr/Thank you



- Comments?



- Questions?