

Regulation - The Right Stuff

Vision of Good Governance



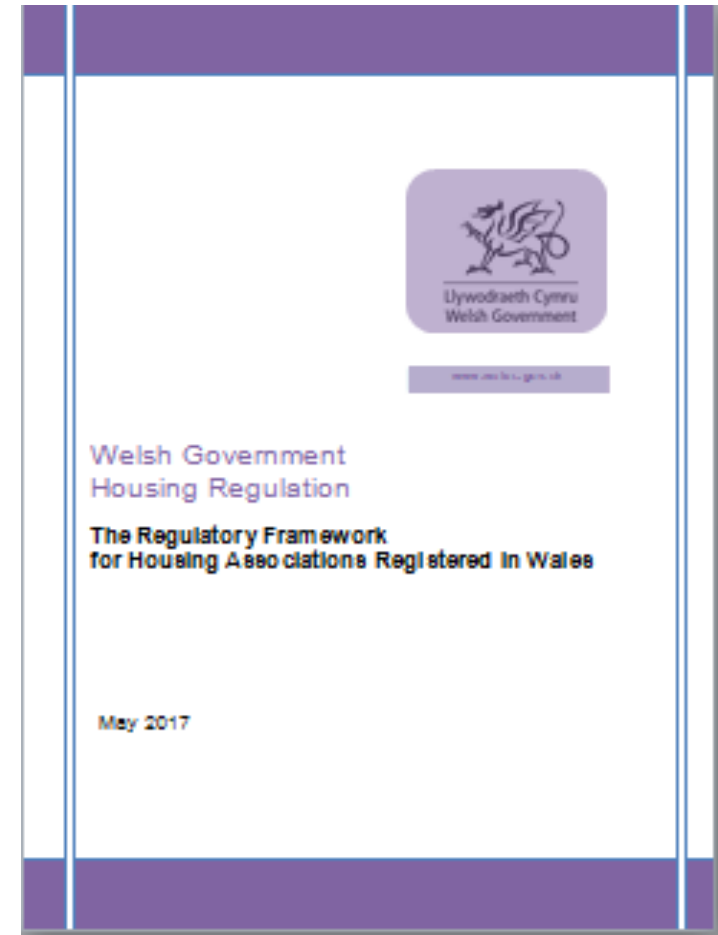
Housing Regulation

The Purpose of Regulation

“Protecting tenants and investment in Welsh Housing Associations”

The Regulatory Framework (2017)

- ❖ Welsh Ministers regulate each Housing Association to ensure each is:
 - Well governed
 - Delivering high quality services
 - Financially viable



Delivering Regulation - The Right Stuff Shared Endeavour

The model - Regulated Self Assurance

The regulator is not directly responsible for RSLs meeting their legal obligations or quality expectations.

- organisations should be able to find the best way to self-assure they are meeting those expectations – the Regulator's job is to assess that assurance and decide if it is sufficient**

Regulated Self Assurance

What does RSA mean in practice?

RSLs who can evidence they ‘do the right stuff’ can be regulated with a lighter touch.

**But, where RSLs don’t ‘do the right stuff’
we can and will take decisive regulatory
action to ensure improvement in a timely
way.**

Regulated Self Assurance

What is “the Right Stuff”?

- **Demonstrate Good Governance**
- **Be Clear about what you are doing and why**
- **Identify the risks**
- **Consider options to mitigate those risks**
- **Be clear why the selected option is the right one**

Concerns about the way decisions are made can and will be taken into account.

Regulated Self Assurance

But its challenging.....

- **Strategic and intelligent conversations at Board/senior level.**
- **We need to be confident RSL Boards can answer the question.....Do we really know what we think we know and are we “doing the right stuff”?**
- **As the Regulator.....is the assurance sufficient
- are we assured the Board knows what it thinks it knows?**
- **Effective Board Assurance Arrangements**

The Right Stuff

This is the Right Stuff – for now

.....we will always review overall governance arrangements:

Governance (including tenant perspective):

- ***Observation at Board Meetings***
- ***Look at Board assessment of compliance with Code of Governance***
- ***Assessment of any improvement actions from most recent governance review***
- ***Semi structured interview with Chair (s)/CEO – are they doing the Right stuff ?***

The Right Stuff

Financial Viability – Financial plan will deliver Business Plan

What Else....

**Actions from the previous judgement report/letter
Regulatory Expectations**

**Regulatory Assurance Plan – that's your job, the
Regulator can't go looking for assurance**

How else is Regulation Evolving?

Significant Concerns - Themes

- Whistleblowing
- Governance

Regulation is responding – Target Operating Model

Health & Safety

- Robust regulation response –
Full & swift Board Assurance report requested – value?

Publication of Comparable Data

- Stakeholders able to compare aspects of their landlords' performance with others – to scrutinise and hold to account (PAC)

How else is Regulation Evolving?

Under Review Notice

- Clarity and Transparency
- publicly indicate where there are issues resulting in a regulatory judgement being potentially subject to change.

Publishing Lessons Learnt

- Every “Intervention” or Statutory Action
- Timely

Swift Action

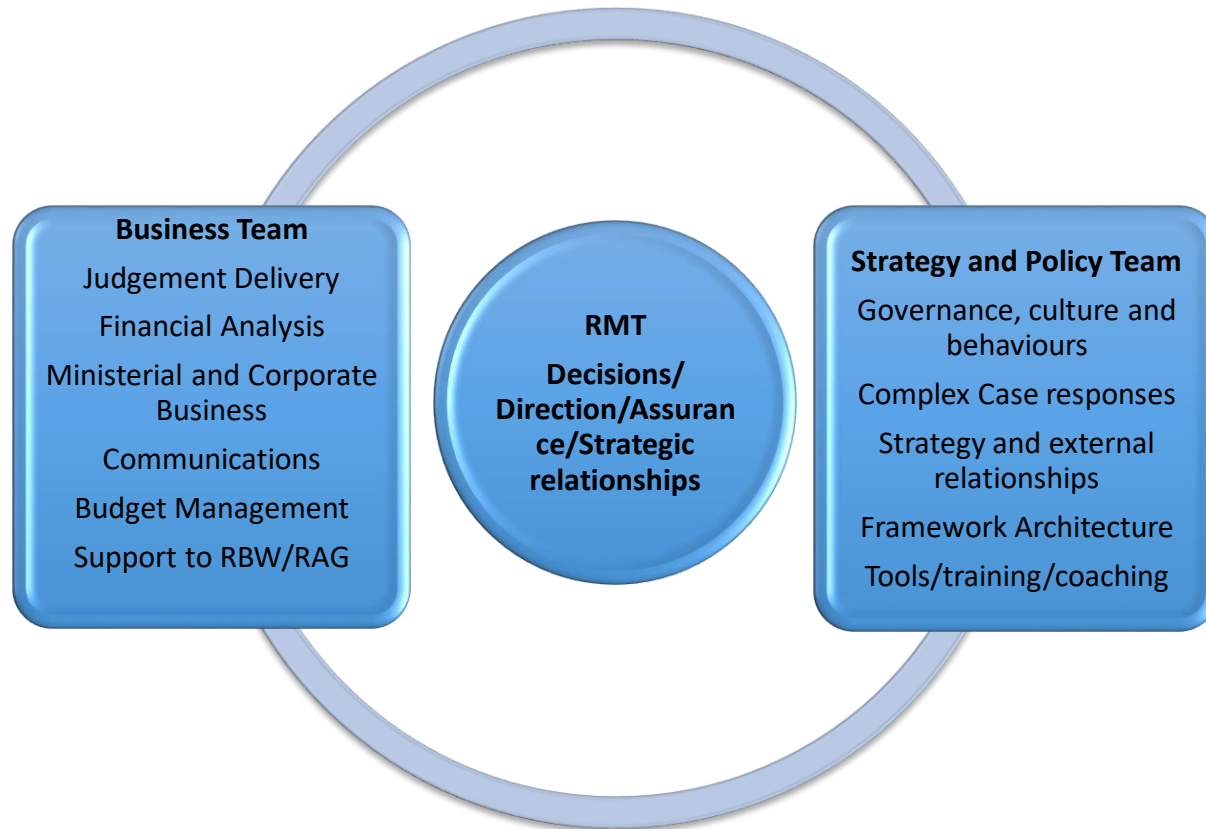
- Energy in solving issues

Improving Board Assurance

- Across the piece

Watching what's happening in England, Scotland and NI

Regulation Operating Model



Team Structure

**Head of Regulation
Business**

**Head of Regulation
Strategy and Policy**

**1 x Senior Regulation
Manager (Delivery)
1x Senior Financial
Analyst SEO
1 x Senior Financial
Analyst (Data) SEO
3x Regulation
Manager HEO**

**2x Senior Regulation
Manager (Governance
/Serious case)
1 x Senior Strategy
Manager
1 x Regulation Strategy
manager**

**Short Term 9 months
Governance and
Serious Case Support**