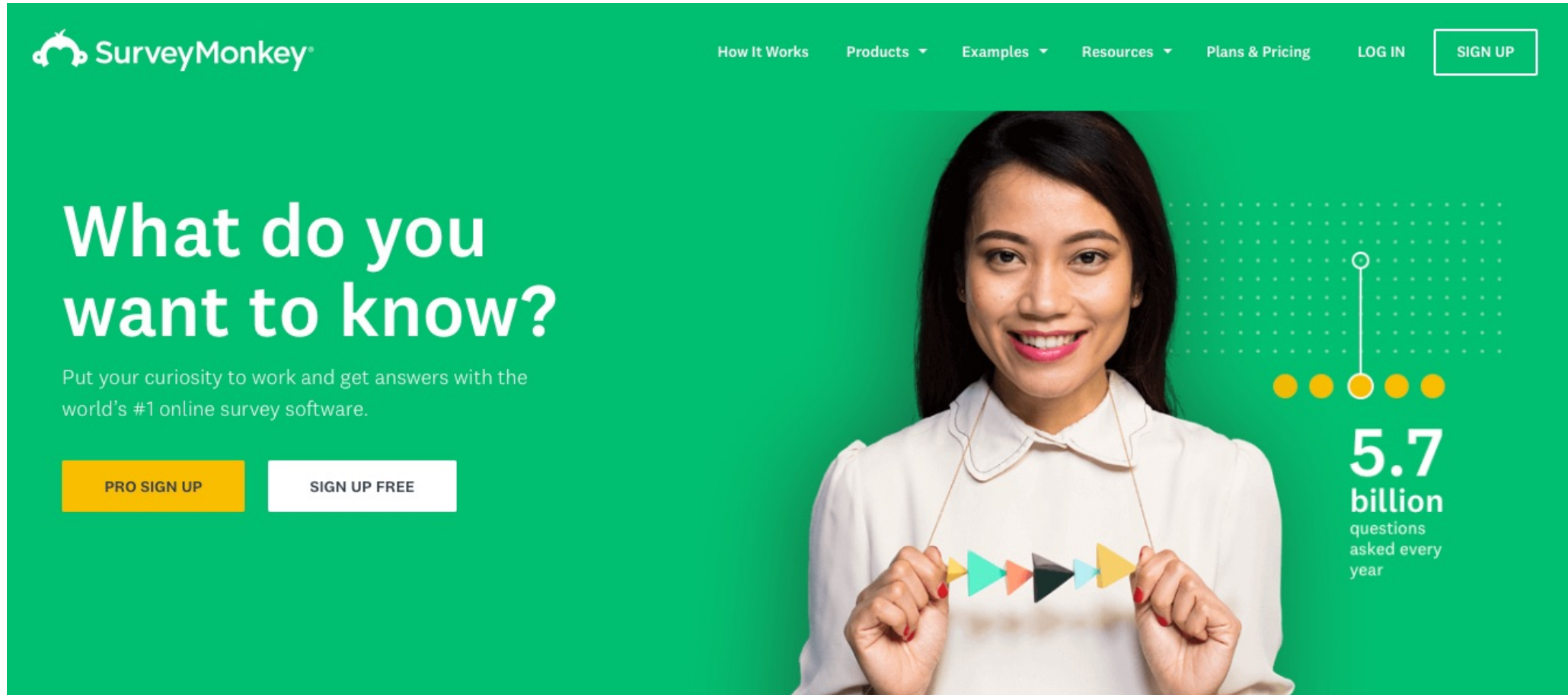


A Stakeholder review of the Regulatory Framework for housing associations in Wales



David Hedges, Cyngor Da

On-line survey – January & February 2018



The image shows a banner for the SurveyMonkey website. The background is a solid green color. On the left, the SurveyMonkey logo is in white. To its right, a navigation menu includes 'How It Works', 'Products', 'Examples', 'Resources', 'Plans & Pricing', 'LOG IN', and a 'SIGN UP' button. The main headline reads 'What do you want to know?' in large white font. Below it, a sub-headline says 'Put your curiosity to work and get answers with the world's #1 online survey software.' Two buttons are present: 'PRO SIGN UP' (orange) and 'SIGN UP FREE' (white). On the right, a woman with dark hair, wearing a white collared shirt, is smiling and holding a string of colorful arrows. To her right, a graphic shows a grid of dots with a vertical line and a circle at the top, and five yellow circles below it. Text next to this graphic states '5.7 billion questions asked every year'.

SurveyMonkey


How It Works Products Examples Resources Plans & Pricing LOG IN SIGN UP

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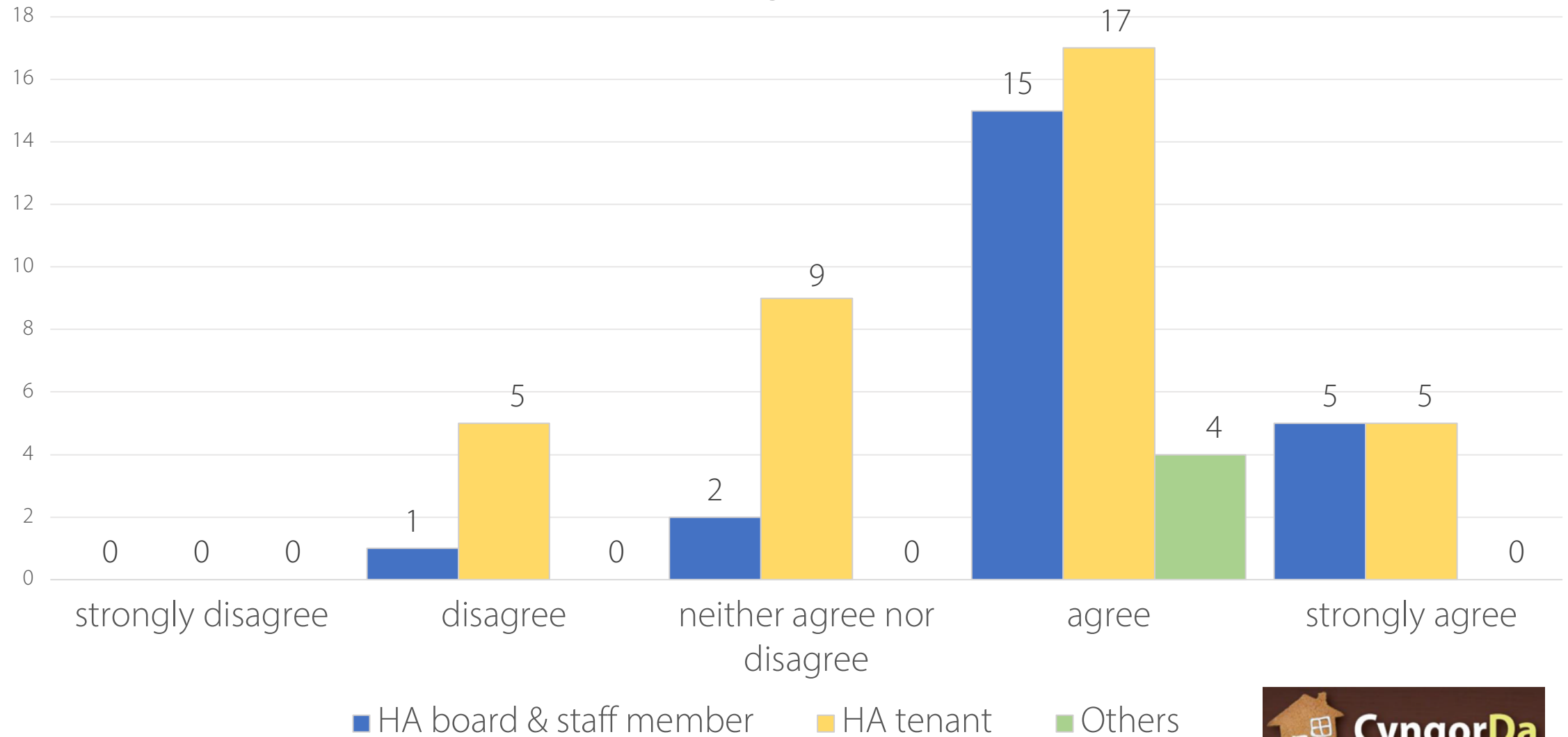
5.7 billion questions asked every year

Stakeholder type	Visited 		Completed survey	
	Number	Percentage	Number	Percentage
HA board or staff members	52	44.1%	23	34.3%
HA tenants	57	48.3%	36	53.7%
LA councillors or staff members	3	2.5%	3	4.5%
Lenders	2	1.7%	2	2.9%
Representative bodies	2	1.7%	1	1.5%
Voluntary organisations	2	1.7%	2	2.9%
Totals	118	100%	67	100%

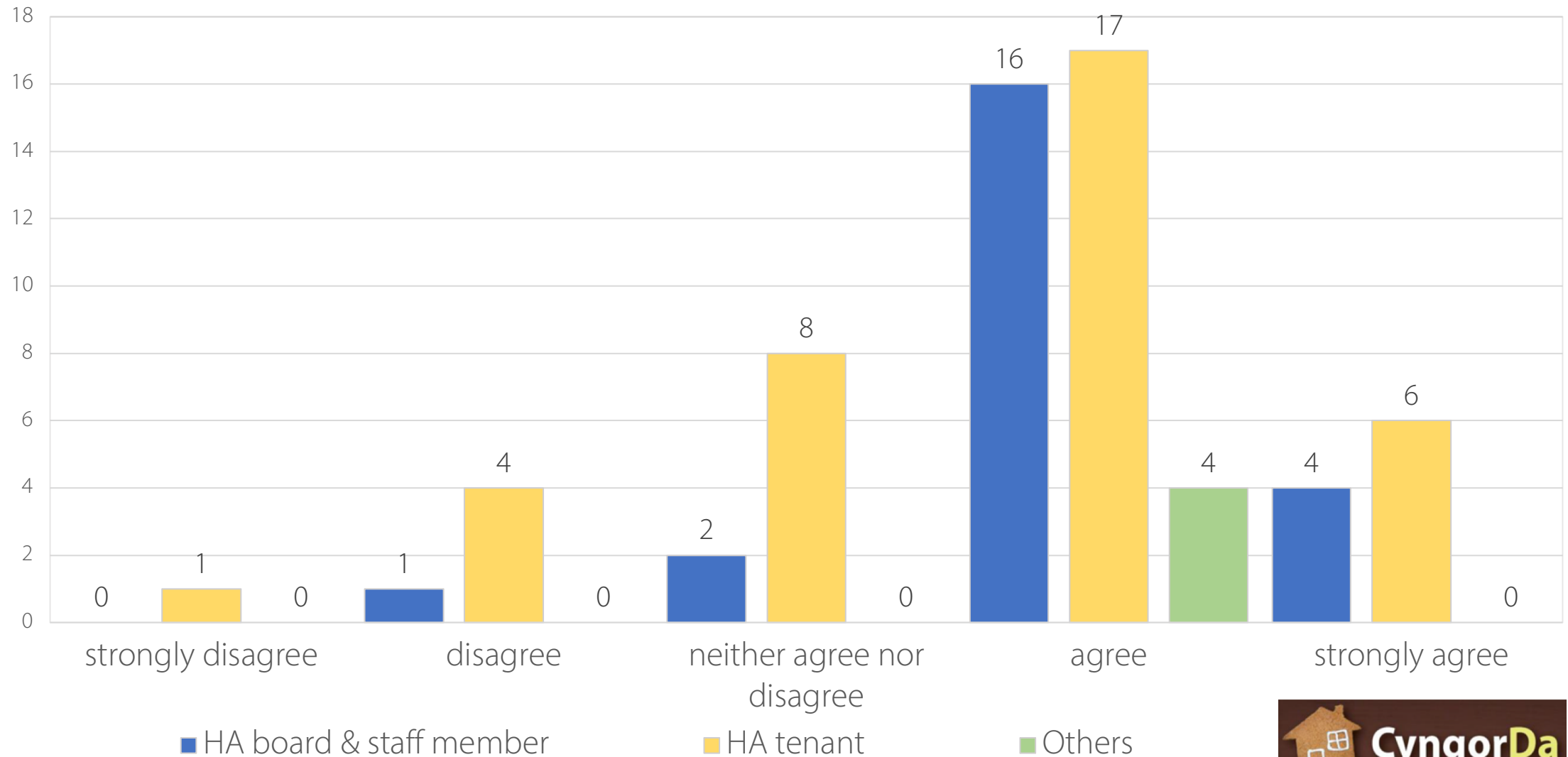
Survey questions sought satisfaction levels & improvement suggestions on framework components & the Regulatory Board for Wales



Overall, the regulatory framework enables effective regulation of housing associations



The performance standards and associated guidance focus on the key risks and strategic issues which housing associations face



Performance Standards & guidance

Comments and improvement suggestions

HA board and staff members

- remove duplication, further consideration of VFM, tougher regulation of medium term financial viability, more on financial and governance risks, encourage softer governance (culture, values and behaviours), ensure framework effectiveness for small HAs, leave things as they are

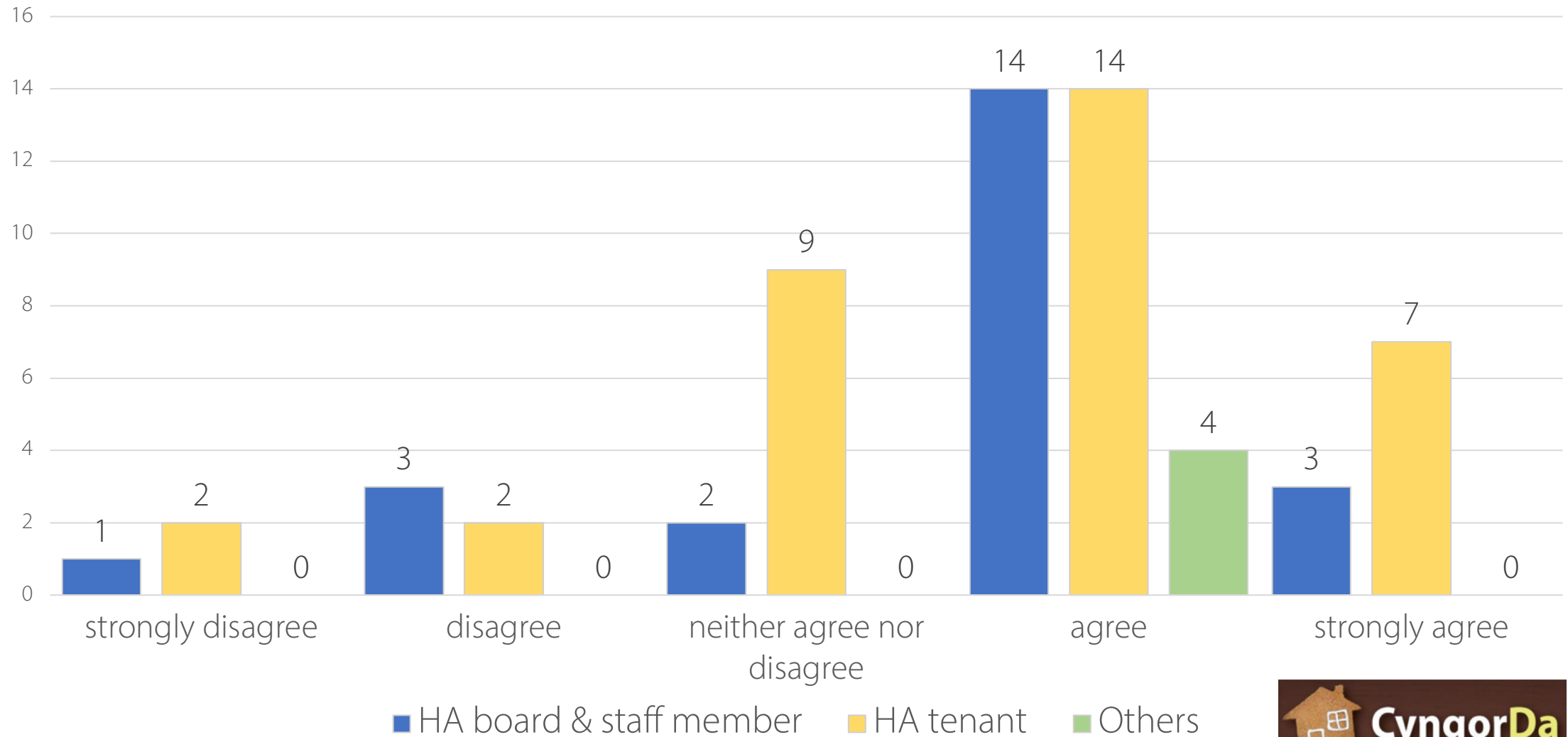
HA tenants

- a stronger approach, more involvement of tenants and residents (having this as a performance standard), monitoring of private contractors, better training for unqualified staff, balance tenants being at the heart of regulation with the need to provide new homes

Other stakeholders

- make HAs subject to the FOI rules

A robust self-evaluation is both a primary source of evidence for the annual statement of compliance and when published, an effective way for a housing association to explain to tenants how it is performing



Self-evaluation Comments and improvement suggestions

HA board and staff members

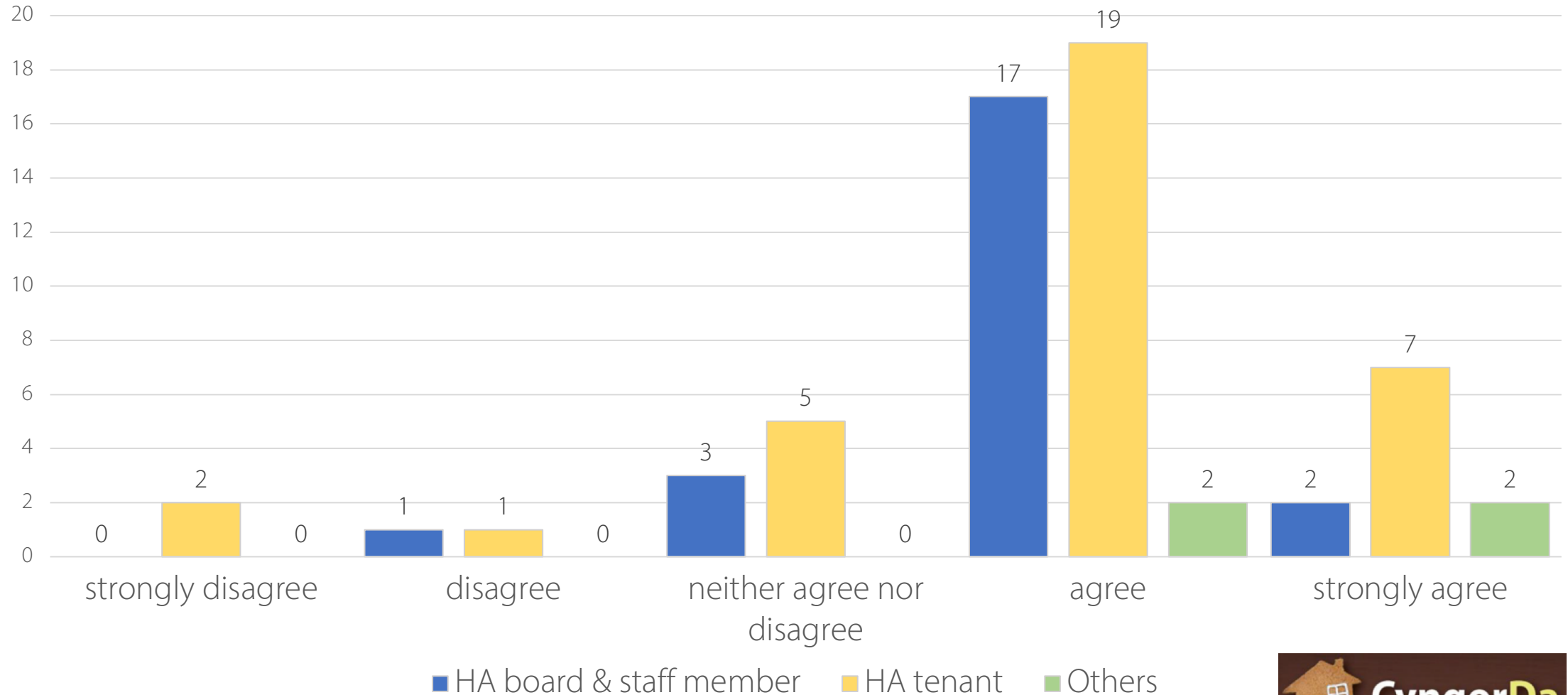
- have self-evaluation & annual statement of compliance submission at same time, allow HAs to decide timing (to fit in with their other publications for tenants), provides evidence for compliance statement but it's not an effective way to demonstrate performance, non prescriptive approach gives flexibility

HA tenants

- more transparency and involvement of tenants (especially non-active tenants), enable tenants to easily access documents in different formats (using plain language), include indicators/variables that come from tenants' real experiences, use more satisfaction surveys and focus groups, proper complaint handling, less emphasis on governance jargon and more on 'effectiveness and vision', links between HAs to see good practice

One other stakeholder suggested more transparency

The annual statement of compliance is an effective way for a housing association to evidence it is meeting the Performance Standards or has a plan in place to improve its performance



Annual Statement of Compliance

Comments and improvement suggestions

HA board and staff members

- straightforward, yes/no statements are very blunt tool, add column to provide links to compliance/non-compliance evidence, annual nature isn't effective assurance, feels like a tick box exercise, should be abolished

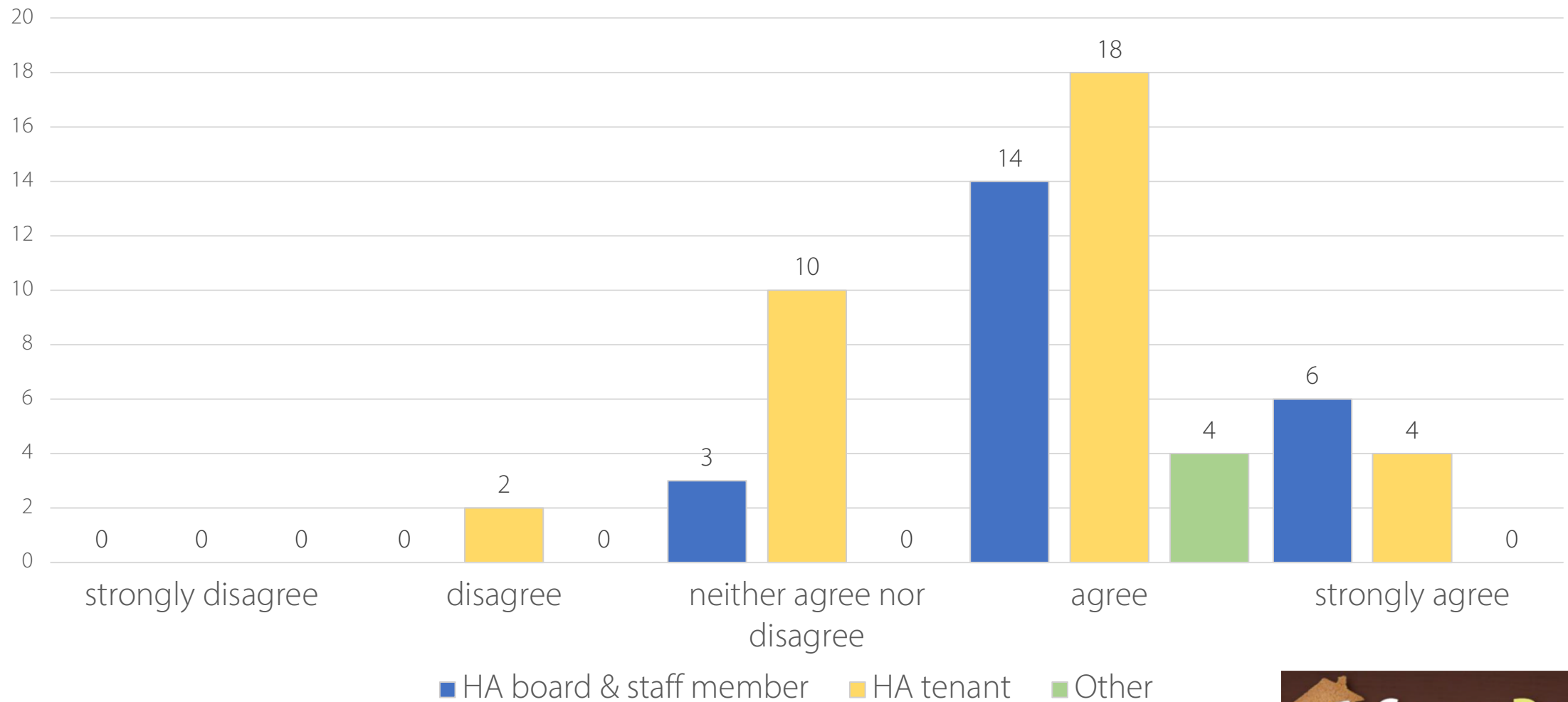
HA tenants

- robust checks need to ensure the veracity of statement, have more detail to help customers understand them, more easily available & explain meaning & implications of terminology, include views of non-involved tenants.

Other comments

- 'HAs fobbing tenants off with false claims of tenant satisfaction'
- 'Ombudsman should have wider scope to deal with complaints from tenants'

On-going regulatory assurance (continuous assessment) is an effective way for housing associations and the regulator to triangulate and assess the accuracy of the compliance statement, whether the performance standards are being met and how improvement pl



On-going regulatory assurance

Comments and improvement suggestions

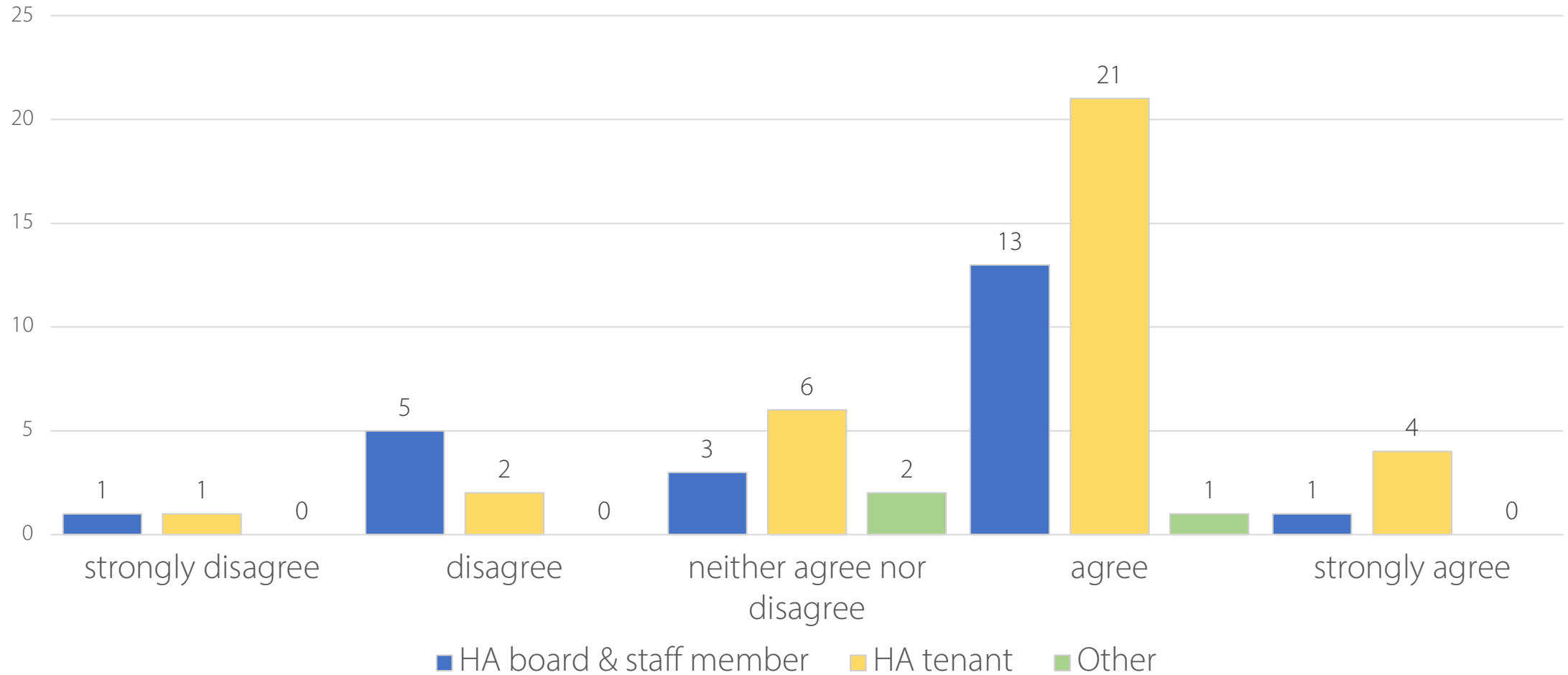
HA board and staff members

- more clarity and consistency in role of regulation manager, ongoing engagement and how it relates to regulator's view of HA risk, over-emphasis on process not practice, more feedback before judgements, more sharing of good practice, under-resourcing and skill gaps of regulation team and make things work for small associations.

HA tenants

- more tenant involvement and tenants playing a role in on-going assurance, annual meetings with tenants as part of a planned programme

The regulatory judgement and associated report is an effective way to show how well a housing association is meeting the performance standards and whether it has the capacity to improve



Regulatory Judgement & report Comments and improvement suggestions

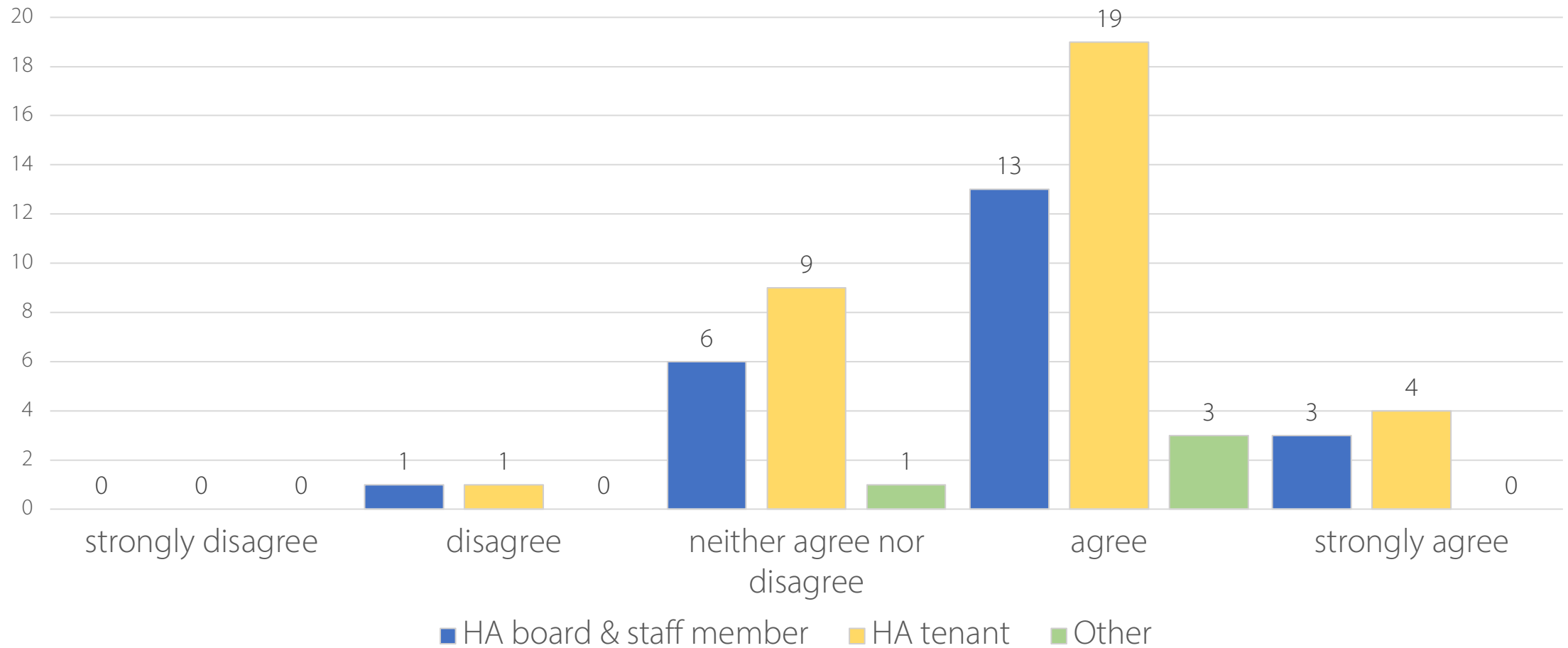
HA board and staff members

- judgements not tenant friendly nor give assurance to service users, judgements 'titles' don't convey importance (standard seen negatively), too high level & too brief, need to be balanced with examples of excellence and good practice, need to show 'ratings ladder', make relevant to all stakeholders, need to get used to highly summarised report & move from narrative reports is welcome as is a clear set of judgements.

HA tenants

- judgements need more information so tenants can understand reasoning behind them, include balance showing 'good' and 'bad'.

The regulatory assurance plan is an effective way to show how a housing association intends to make the improvements needed to fully meet the performance standards



Regulatory Assurance Plan

Comments and improvement suggestions

HA board and staff members

- clear rationale and clarity in engagement (especially in time spent in HAs including board meetings, importance of boards owning this part of the process, clarity on expected improvements, suspicion intervention and/or forced merger would be more effective.

HA tenants

- more openness and transparency, ready availability of documents, need to ensure associations follow up on their promises.

Other stakeholder commented it is vital regulation team has skills and capacity to ensure assurance plans are effective.

Other comments and improvement suggestions

HA board and staff members

- update circulars, too early to change, positive signs of cultural change in regulatory team, satisfaction with framework but mismatch between regulatory delivery and rhetoric, need for 'no surprises' to be 2-way, more genuine expertise on financial side, regulator could 'give a view' and share knowledge, clarity on the role of the regulation manager and level of engagement/attendance (especially for low risk associations), getting 360° sector feedback on regulation manager effectiveness. On judgements: need for them to reflect service delivery to customers (not just finance and governance), 'still a bit woolly' on governance and finance and lack of clarity about when regulator stops "co-regulating" and starts enforcing when performance is poor'.

HA tenants

- wording of 'standard/standard' judgement should reflect 'it's highest you can get', judgements should provide sufficient knowledge for stakeholders to know 'where the RSL is going' as well as be effective and efficient to all stakeholders.

Other stakeholders commented on need for better engagement with partners & TPAS
Cymru identified issues for examination in report to RBW in August 2017.

The Regulatory Board for Wales & its role

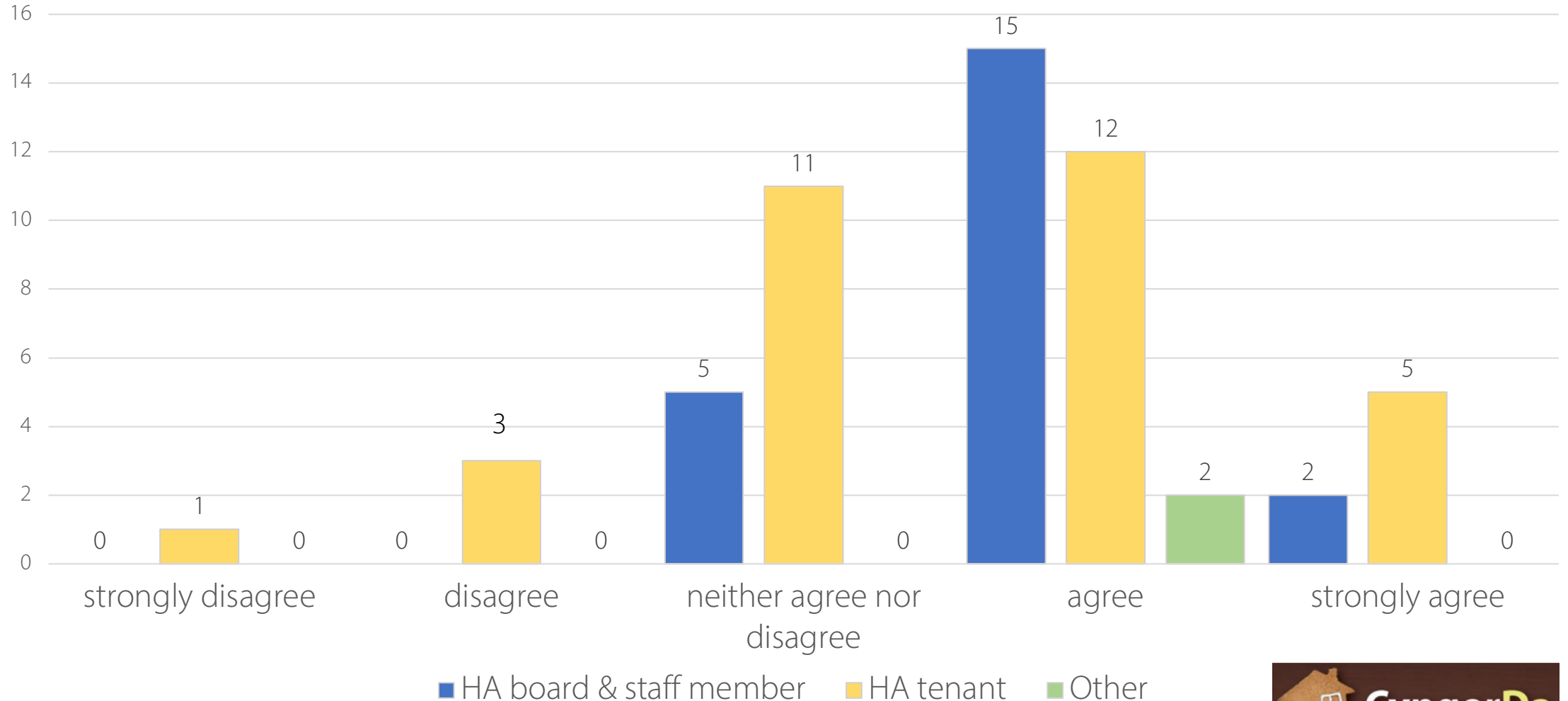
Stakeholders overwhelmingly identified RBW's role:

- providing independent oversight of the regulator and its performance (including the competence of the regulation team),
- to give assurance to the Minister on the effectiveness of sector regulation,
- issuing guidance and carrying out thematic reviews.

Also: listening to sector stakeholders, 'to assess and improve regulation' and ensure regulation is effective and robust.

Some also understand RBW's role is as a regulator itself ensuring compliance, the strength and viability of associations, good governance, fitness for purpose etc.

The RBW has been effective over the last two years (i.e. since its membership was refreshed) in contributing to the development and implementation of the regulation of the housing association sector in Wales



Enhancing RBWs effectiveness

Comments and improvement suggestions

HA board and staff members

- improve visibility, consider performance of regulation team members, ensure sufficient resources are available to regulator, seek more views, have closer links and provide more feedback to sector, do business more quickly, ensure it doesn't become too 'micro' in its thinking, cut out jargon and avoid constant changes.

HA tenants

- more tenant input and more tenant involvement at ground level.

Conclusions

Overall positive response and satisfaction levels with framework and component effectiveness.

Improvement potential in two areas:

- Improving knowledge & understanding of framework & components – purpose, status, transparency
- Implementation & application of framework & role of stakeholders in making it work – particularly the regulation team

Potential for some quick and easy improvements, others might wait & be considered alongside other reviews by RBW and Regulation Team