



Llywodraeth Cymru
Welsh Government

Regulation Update February 2019

We still encounter lots of people who tell us they have not seen these updates and they feel they are missing out on important information. We need your help to ensure that all relevant staff and stakeholders have access to these updates. So, please circulate this to your networks.

Brexit

Risks associated with leaving the EU have been on everyone's agenda for some time. Boards should have been identifying the risks and challenges associated with Brexit, understanding and modelling the potential impacts on their business and planning for all of the Brexit scenarios.

Current uncertainty further underlines the importance of modelling responses to possible vulnerabilities – for example, access to funding, rising interest rates, labour shortages, disruption in the supply chain, impact on property values as well as any impact of the EU settlement scheme.

If, as a result of scenario modelling, Boards have any immediate concerns, you should alert your Regulation Manager as soon as possible.

The Welsh Government has published a White Paper: [Securing-Wales-Future](#), which sets out the main issues identified as vital for Wales as the UK moves to leave the EU. In anticipation of concerns about the potential impacts of a “no deal” Brexit in Wales, the Welsh Government has created a Preparing Wales website: [Preparing Wales](#)

Preparing Wales is a single, comprehensive source of information for the people of Wales about the actions Welsh Government is taking to prepare for the potentially significant impact of a ‘no deal’ Brexit. It sets out guidance and advice for citizens, organisations and economic sectors across Wales about the steps that need to be taken to prepare for this outcome.

The website has information for people living in Wales, covering business and the economy, health and social services, education and skills, environment and agriculture, community cohesion, local services and the third sector. As well as providing advice from the Welsh Government, it directs people and organisations to relevant advice on how to prepare from outside bodies, including guidance from the UK Government where appropriate.

CHC has published the following briefings:

Preparing for no deal:

[https://chcymru.org.uk/uploads/resources_english/Preparing for a No Deal Brexit - 08.02.19 Eng.docx](https://chcymru.org.uk/uploads/resources_english/Preparing_for_a_No_Deal_Brexit_-_08.02.19_Eng.docx)

After Brexit: housing the nation:

<https://www.bevanfoundation.org/publications/brexit-housing-nation/>

Regulation Delivery - Doing the Right Stuff

- We're continuing to develop our approach to the delivery of regulation, using our "regulated self assurance" model. Our aim is to ensure we are focussing on the Right Stuff and that regulation delivery, whilst tailored to each RSL, is consistent.
- Our approach had a very positive reception at a packed breakfast workshop at CHC's Annual Conference in November as well as at other presentations and discussions.
- "Regulated self assurance" works on the basis that effective regulation is a shared endeavour with clear roles for both regulator and regulated and is founded on co-regulation and self-reporting, backed up with formal powers where this doesn't work as necessary.
- **Boards are responsible** for finding the best way to get the assurance they need that they are meeting their legal and quality obligations and, in turn, providing sufficient assurance to us as Regulator.
- **Regulators are responsible** for considering the quality of that assurance, challenging where necessary and forming a view (the Regulatory Judgement) on whether Boards are doing the Right Stuff. Concerns about the way decisions are made can, and will, be taken into account.
- Regulation Managers are now working with individual organisations to explain how our "regulated self assurance" model will operate for them.

Landlord Health and Safety Responsibilities

- Our work around landlord health and safety assurance is continuing.
- Regulation Managers are discussing with individual organisations their response to the fifteen recommendations in our Landlord Health and Safety report as well as raising individual issues that arose from our analysis of each organisation's assurance report.
- We will be reporting on progress to the March meeting of the Regulatory Board for Wales.
- **Fire Safety** - Prevention of Future Deaths - letter from a coroner. We understand this information from the Local Government Association has been circulated to Local Authorities and RSLs in Wales but have included it here in case you have not seen:

"We have been asked by the Assistant Coroner for the Eastern Area of Greater London to make councils aware of a Prevention of Future Deaths letter. Full details can be found on our [website](#). Councils who are landlords must ensure they have carried out a fire safety risk assessment for flats needing different means of escape, such as via a linking balcony. The assessment, and any remedial works, should follow the advice in our [Fire Safety in Purpose-Built Block of Flats](#) guide, specifically Section 56. In addition, councils that are local housing authorities should specifically consider this issue under the Housing Health and Safety Rating System."

Lessons Learned from regulatory action

Learning from intervention and statutory action cases

- The revised Regulatory Framework makes provision for the sharing of lessons learned where any RSL has a judgement of intervention or statutory action.
- We published our ever first lessons learned report on the regulatory action at Cardiff Community Housing Association in December 2018.

CCHA lessons-learned

- We are very pleased to say that Cardiff Community Housing Association has taken swift and effective action to address our regulatory concerns. As a result, an in year review resulted in an improved Regulatory Judgement of “INCREASED” for governance, which was published in January 2019.
- #### **CCHA Regulatory Judgement In Year Review-2019**
- The first lessons learned report contains many useful lessons for all housing associations and we expect that all Boards will consider its findings.
 - The Regulation Team has discussed the findings with CHC’s Chief Executives and Chairs delivery groups. At a recent meeting between the Regulatory Board and CHC’s Board, all agreed that disseminating the learning as widely as possible is of critical importance. The Regulation Team will lead a workshop on lessons learned at the March CHC Governance conference.

Other lessons to be learned

- Not all regulatory action results in publications like this. However, it is important that we share all learning. We are currently liaising with Community Housing Cymru on how learning from other types of regulatory action can be shared which will require co-operation from the RSLs concerned.

Delivery of regulatory oversight and Judgements

- We are on target to publish 39 full judgements during the course of the current financial year, including the first judgements for a number of smaller RSLs.
- The Judgement Report are here: [Regulatory Judgements](#)

Please note – Web content is moving to the new GOV.WALES website. Not all content is on the new site yet but you can still access the current site from the link above.

Tenants at the Heart Thematic Review

- The Steering Group for the Regulatory Board’s Review of “tenants at the heart” has been working hard over the last few weeks and the Review is progressing to plan.
- Phase I of the Review was initial work to understand the current landscape of tenant engagement/ involvement, including hearing from advocates of different approaches. We’ve had some very interesting debates and learned a lot.
- We have developed some fundamental questions about tenant involvement and how we hear and act on the tenants’ voice during Phase 1. For Phase 2 we want to hear what tenants, housing associations and sector stakeholders think.
- Starting this month, there will be opportunities to get involved through an electronic survey and a series of focus groups.
- We need the sector’s help to ensure that as wide a range of interested parties get the chance to tell us what they think. We will be asking landlords and sector organisations to get the word out as widely as possible, using their networks, and asking the same of the sector organisations who are part of our Regulatory Advisory Group.
- Please keep an eye out for more information and **please** help us hear from as many people as possible.

Disposals and Sealing – A Couple of Reminders

Documents for sealing

- We have recently had incidents where associations have sent documents for sealing or action that are not addressed to an individual or even a Welsh Government department.
- This will lead to delays whilst enquiries are made as to the appropriate department or individual who is able to deal with them. In extreme cases, this can cause a delay of several weeks. One recent item received also did not contain a cover letter, return address or contact name, which delayed matters further.
- It is the responsibility of the originating association to ensure that items are addressed to an appropriate individual or department when sending to Welsh Government. Without this information there will inevitably be delays, which are not the responsibility of Welsh Government.

Disposal Notifications

- The process for notifying the Welsh Ministers of disposal of property appears to be working well. However, we are seeing a minority of organisations that are late in submitting their Quarterly Notification returns, and in one instance not notifying the Welsh Ministers of a Priority disposal.
- Submission of these notifications are a legal as well as a regulatory requirement. Failure to comply with the Direction will be taken into account in an association's Regulatory Judgement under Performance Standard 7.
- Associations are reminded that Quarterly Notifications (**including NIL returns**) are required within three weeks of the end of each Quarter (i.e. by the 21st of the month), the quarters being:
 - o January – March
 - o April – June
 - o July – September
 - o October – December
- Priority Notifications must be submitted within 10 working days of the disposal taking place.
- Full details can be found on the [Regulation of Registered Social Landlords \(Wales\) Act 2018 web page](#) on the Welsh Government website.
- When the Directions under the Act were launched, we asked for feedback from the sector. To date we have not received many comments, so would like to remind everyone that feedback would be welcome. Comments can be sent to housingregulation@gov.wales.

Let us know what you think

- We're keen to ensure that our key stakeholders are getting the information you need about regulation. So, if you have any feedback, comments, suggestions, we would be very happy to hear from you via housingregulation@gov.wales