



RBW Board Briefing September 2017

This quarter's Board meeting was hosted by Mid Wales Housing Association.

Feedback to date on the format and content of these briefing papers has been very positive. It is really important to me that Boards and Board Chairs feel engaged in the work of the RBW. I hope you find this a useful way of keeping up to date with our work. I would welcome further feedback and hope to see many of you at the upcoming CHC annual conference.

We discussed the ongoing implications to the housing association sector following on from the Grenfell Tower disaster. Housing Association Boards play a key role in overseeing compliance across a number of issues, including issues relating to health and safety. It is for individual Boards to decide how they receive assurance from their Executive that all compliance issues are being dealt with appropriately. In response to Grenfell, the regulation team's approach to health and safety matters is under review to ensure that regulation managers are asking the right questions and covering all key risk areas in their regulatory contact. RBW have asked for a full report on the regulation team approach to be presented at our next meeting.

RBW discussed the key themes from current regulatory engagement on complex cases. The vast majority of the problems we hear about stem from issues relating to poor governance. We remain concerned that some Boards lack self awareness about the strengths and weaknesses of their governance arrangements. Strong, effective governance at Board level is fundamental to the success of the sector. I hope this is something your Board acknowledges and you continually seek to 'hold up the mirror' to yourselves and seek to address the issues identified.

Our thematic review on Governance is ongoing. Thanks to all those who have contributed to date. This work will support the development of excellent governance within the sector. The work will be completed and presented at the CHC Governance conference in March 2018.

We spent a considerable amount of time considering the impact of Local Housing Allowance across the sector. Since our meeting, we have had the good news that the local housing allowance cap has been scrapped for social housing. That work hasn't been time wasted as it has been very useful in developing the Board's thinking on the need for sustainable business models and affordability.

The Regulator quite rightly expects Boards to have clear strategies to control costs and ensure that services are delivered efficiently. We hope our thematic review on Value for Money is supporting Board level discussions on this really important issue. We support the Regulator in their drive to get greater insight and understanding of Housing Association costs. The use of such data in the regulatory process will enable the sector to achieve better value for money. This in turn will enable greater investment in new homes and better services for existing tenants. The RBW fully accepts housing associations are best placed to make decisions relating to their own costs and investments. However, we would encourage that these decisions are made with the knowledge of how these costs compare to others operating in the sector.

Since our last meeting the Public Accounts Committee has published its report following the Inquiry into the regulatory oversight of housing associations. The RBW welcomes the Report's finding that "governance and regulation within the housing sector to be working well enough for housing

associations to be granted more autonomy”, that “the new Regulatory Judgements are a step in the right direction” and that housing associations “should do more to be open and transparent in their decision making”.

We remain committed to keeping tenants at the heart of regulation. We are continuing to work with TPAS to embed our new approach effectively. We have also decided that our next thematic review will focus on what does tenants at the heart of regulation mean in the modern housing environment. This will include issues around how best to ensure that the Board gets the information its needs from tenants to do its job most effectively. The full scoping of the review will be done in the near future.

You will by now have received a letter from the Cabinet Secretary regarding payment of Board Members. I trust this will be discussed at your Board at the appropriate time.

I hope you find this update useful. I welcome any feedback.

A handwritten signature in black ink, appearing to read 'Helen White', written in a cursive style.

Helen White (Chair)
Regulatory Board for Wales