



Llywodraeth Cymru  
Welsh Government

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# Welsh Government Housing Regulation

Regulatory Judgement

ateb group – P072

September 2019

The Welsh Ministers have powers under Part 1 of the Housing Act 1996 to regulate Registered Social Landlords in relation to the provision of housing and matters relating to governance and financial management.

The Welsh Ministers are publishing this Regulatory Judgement under sections 33A and 35 of the Housing Act 1996.

The judgement is published in accordance with the Regulatory Framework for Registered Social Landlords in Wales and the related performance standards.

<http://gov.wales/topics/housing-and-regeneration/services-and-support/regulation/regulatory-framework/?lang=en>

The judgement is based upon the Association's own evaluation of its compliance with the performance standards together with regulatory intelligence gained through on-going, co-regulatory, relationship management between the Regulator and the Association.

## **Basis of Judgement**

This judgement is designed to provide the Registered Social Landlord, its tenants, service users and other stakeholders with an understanding of its financial viability and how well it is performing, at a specific moment in time, in relation to:

- Governance and Service Delivery
- Financial Management

The judgement must not be relied upon by any other party for any other purpose. The Registered Social Landlord is responsible for the completeness and accuracy of information provided to the Regulator.

Housing Regulation Team  
Welsh Government  
Merthyr Tydfil Office  
Rhydycar  
CF48 1UZ  
e-mail: [housingregulation@gov.wales](mailto:housingregulation@gov.wales)

## Profile

ateb group limited (“ateb” or “the Group”), formerly known as Pembrokeshire Housing Association, owns and manages 2,792 homes within Pembrokeshire and Carmarthenshire local authority areas. Established in 1981, it is registered under the Co-operative and Community Benefit Societies Act 2014 and has charitable rules.

ateb provides general needs homes for social rent, two extra care schemes and 19 supported housing projects managed by partner agencies. The Group comprises ateb, the parent company, and three subsidiaries:

- Mill Bay Homes Limited (MBH) - an unregistered limited company which develops new homes for sale; the profits of which are reinvested in the Group’s rented development programme.
- West Wales Care and Repair Limited (WWCR) – a Community Benefit Society with charitable rules which supports elderly and/or disabled owners and private tenants to remain in their own homes.
- Effective Building Solutions Limited (EBS) – a dormant unregistered limited company.

## Key Financial Data

	Historical Data		Covenant Limit	Sector Average
	2017/18	2018/19		
<b>Performance</b>				
Operating surplus as % of turnover	26.0%	29.0%	n/a	20.1%
Surplus for the year as % of turnover	12.7%	18.8%	n/a	8.1%
Loss from empty properties and uncollected rent as % of rental income	0.5%	0.5%	n/a	2.1%
<b>Funding</b>				
Fixed borrowing as a % of total	76%	80%	n/a	75%
Gearing	65%	55%	80%	61%
Interest Cover	167%	202%	110%	165%
Subject to completion of an agreed new facility, current cash balances and undrawn facilities are sufficient for the Group to complete its committed development programme for the next 18 months.				

## Regulatory Judgement – Co-Regulation Status

### **Co-Regulation Status – September 2019**

#### **Governance and Services - Standard**

- Identifies and manages new and emerging risks appropriately.

#### **Financial Viability - Standard**

- Meets viability requirements and has the financial capacity to deal with scenarios appropriately.