

Welsh Government  
Housing Directorate - Regulation



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Housing Association Regulatory Assessment  
Tai Ceredigion Cyf  
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## Welsh Government

### Housing Association Regulatory Assessment

The Welsh Ministers have powers under the Housing Act 1996 to regulate Registered Social Landlords (RSLs) in Wales in relation to the provision of housing and matters relating to governance and financial management. Part 1 of the 1996 Act is amended by Part 2 of the Housing (Wales) Measure 2011 (“The Measure”) and provides the Welsh Ministers with enhanced regulatory and intervention powers concerning the provision of housing by registered social landlords and the enforcement action that may be taken against them.

The regulatory assessment work undertaken follows the risk-based approach to regulation and seeks to identify strengths and areas for improvement in meeting the “Delivery Outcomes” (standards of performance). These are set out in the Regulatory Framework for Housing Associations Registered in Wales, which is also known as “the regulatory framework”.

This report sets out the Welsh Government’s assessment and is designed to provide the RSL, its tenants, service users and other stakeholders with an understanding of how well it is performing against the “Delivery Outcomes” (standards of performance) relating to:

- Landlord services and
- Governance and Financial management



## Description of Tai Ceredigion Cyfyngedig

Tai Ceredigion Cyf is an Industrial and Provident Society with charitable rules and was created following a large scale voluntary transfer from Ceredigion County Council on 30 November 2009.

The Association owns and manages over 2,200 homes primarily consisting of general needs and sheltered accommodation.

The current focus is the investment in existing housing stock to meet the requirements of the Welsh Housing Quality Standard and the Association also has a small development programme.

## Overall Assessment

### Summary: Landlord Services

Tai Ceredigion builds new homes which meet local needs to a good quality and has a lettings standard influenced by tenants and evidence indicated that properties met tenant expectations. It works with others to prevent and alleviate homelessness through support to help people sustain their tenancies.

The Association has identified that it needs to reduce the time it takes to relet empty homes and has prioritised this within its improvement plans. It can demonstrate that it acts effectively in the most severe instances of anti-social behaviour and has firm plans to be able to demonstrate the action it takes with lower level cases of anti-social behaviour.

Tai Ceredigion recognises that it will better be able to respond to individual needs when it has more detailed information on tenants upon completion of the tenant profiling exercise which is currently being undertaken. The Association lets homes in a transparent and effective way in line with the Common Allocations Policy set by the Ceredigion Housing Partnership but is not able to demonstrate lettings are fair, in the context of monitoring the full range of equality and diversity.

It has acknowledged that it can not yet evidence that it provides an efficient and effective responsive repairs system, however, the tenant satisfaction is currently at 94%. The association is undertaking a review of these services to ensure that it has a repairs service that is fit for the future and meets the needs of tenants/ service users.

Tai Ceredigion has demonstrated that it has provided efficient and effective services to owners and leaseholders.

## Summary: Governance and Financial management

Tai Ceredigion is proactive in engaging tenants and other service users in the design of both services and the way they are offered. Its capacity to tailor its services will be increased when it has concluded its profiling work in late summer 2012. The Association provides information and advice which is user friendly and accessible to tenants and leaseholders across its largely scattered communities. It could improve some aspects of the performance information it provides, by incorporating trend and benchmarking data. The Association has a clear and easy to access complaints procedure and acknowledges that this could be improved by recording and learning from informal complaints. This is being addressed through its new Customer Services Module, which records all contact with customers.

Tai Ceredigion can demonstrate strong, accountable leadership, which shows a focus on the tenant perspective. Its Board exercises proper control, challenges and acts in the best interest of the organisation, tenants and service users. The Association seeks to achieve value for money in procurement and achieved substantial savings on ground maintenance contracts. At least one service area will be reviewed every year as part of a comprehensive approach to achieving value for money across the organisation.

It works closely with partners and other agencies and recognises that it needs to develop a closer alignment between the activities of the Association, individually and in partnership and how these contribute to the strategic outcomes.

Tai Ceredigion acknowledges that it needs to improve its approach, in relation to procedures which promote and support equality and diversity and is taking this forward via the South West Wales Equality Partnership.

Tai Ceredigion is a financially sound business with a robust financial management framework.

### Future Regulatory Engagement

Tai Ceredigion is assessed as requiring a medium level of regulatory engagement in future. This engagement will focus on the following areas:-

- Ensuring the remaining 20% profile information is delivered within the Association's defined time period and that performance information includes trends and benchmarking;
- Developing a robust framework for implementing, monitoring and promoting equality and diversity across the association;
- Further improving outcome focus across the association;
- Further developing a comprehensive approach to achieving value for money;
- Continue to develop a more cohesive approach across the business to recording and learning from informal complaints;

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- Improving means of measuring and comparing an efficient and effective repairs service, and continuing to learn from tenant/service user experiences. Monitor implementation of the Asset Management Strategy and the Responsive Maintenance Policy;
  - Continue to develop solutions to the underlying reasons for long re-let times;
  - Implementing the firm plans for disaggregation of transferred tenant service charges and continue its engagement with leaseholders concerning service charging and the leaseholder handbook;
  - Developing and implementing a delivery and impact assessment in regard to lower level Anti Social Behaviour cases.

The regulatory engagement will be carried out through a range of activities including contact with service users, senior management, operational staff and the board and monitoring of progress against Tai Ceredigion's improvement plans.



## Landlord Services

An assessment of the key strengths and areas for improvement against each delivery outcome is set out below.

### 1. We build and renovate homes to a good quality

Tai Ceredigion builds homes to a good quality and works closely with the local authority to meet local housing needs.

The development programme includes a bungalow for people with disabilities and four general needs homes at Maes Y Deri, Talybont. Other schemes in the pipeline are – Maes yr Haf, Aberteifi, 6 flats for single persons, Block B garage Site, Penparcau, Aberystwyth, 3 bungalows for people with disabilities.

The Association ensures that its new homes demonstrate financial viability and represent value for money, and that it considers all relevant risks, through use of a development viability model.

### 2. We let homes in a fair, transparent and effective way

Tai Ceredigion has a published lettings standard that was heavily influenced by tenants. The Association works with the local authority and other organisations to alleviate the threat of homelessness and helps prevent homelessness through a Service Level Agreement with Ceredigion County Council. The Association's approach would be strengthened by developing data to demonstrate how, through its financial inclusion work, it is directly preventing homelessness.

The Association has identified that their relet time performance for empty homes need to be improved. This has been included in their improvement plan, so they can develop solutions to the identified underlying reasons, and take remedial action.

Tai Ceredigion ensures that its general needs and adapted homes are available to those who need them, where it has the relevant information. It recognises that this cannot always be the case when relevant information is not available and has firm plans to gather information on the remaining twenty percent of its tenants by late summer 2012.

The Association has published information to ensure access to their homes is fair and open. Tai Ceredigion has let homes in a transparent way and given reasonable preference to those who are in greatest housing need. This is in line with the allocation Policy set by Ceredigion Housing Partnership. The association is not able to demonstrate that lettings and access is fair, in the context of monitoring equality and diversity. The Association will address this, with the Partnership, during the review of the Common Allocations Policy in 2012/13.



### **3. We manage our homes effectively**

Tai Ceredigion uses the most secure form of tenancy and it seeks to ensure that tenants are clear about their rights and duties. The Association works with the local authority and other providers to support tenants to sustain tenancies. Currently, 76% of starter tenancies are converted to full assured tenancies.

The Association is charging rents in line with the Welsh Government rent policy/guidance. It sets, apportioned and collects rents, which are levied, in a clear, fair and accountable manner. The Association acts to support tenants to prevent arrears of rent and service charges, through a variety of support services. It recovers arrears fairly and effectively, whilst helping tenants to meet payments. Tai Ceredigion is reviewing its approach to service charges to ensure that service charges are fair and equitable and are involving tenants/residents as part of this review.

Tai Ceredigion can demonstrate positive outcomes in the handling of severe Anti Social Behaviour cases and its contribution to the more positive perception of communities. The Association is due to implement a full recording and monitoring system with regard to lower level Anti Social Behaviour, which they believe will allow them to better demonstrate outcomes.

### **4. We repair and maintain homes in an efficient, timely and cost effective way**

Tai Ceredigion has agreed with Welsh Government that it will achieve delivery of the Welsh Housing Quality Standard by 2015.

The Association has developed costed and deliverable plans for the lifetime maintenance and improvement of homes. They acknowledge that there have been some delivery pressures and have developed and implemented an Asset Management Strategy and Responsive Maintenance Policy.

Tai Ceredigion can demonstrate that it has worked with tenants to seek their opinions regarding the responsive repairs service but is not yet able to demonstrate that they are always providing an efficient and responsive repairs service to tenants, however, the tenant satisfaction is currently at 94%. They recognise this and are currently carrying out a financial/functional review of their Direct Labour Organisation and use of external contractors.

### **5. We provide fair and efficient services for owners**

Tai Ceredigion was able to demonstrate that it was able to provide efficient and effective services to owners/leaseholders. It is to further develop its engagement with leaseholders with regard to service charging and development of the leaseholders' handbook.



# Governance and Financial Management

## Governance

An assessment of the key strengths and areas for improvement against each delivery outcome is set out below.

### **1. We place the people who want to use our services at the heart of our work – putting the citizen first**

Tai Ceredigion is working proactively to gather information on its current and potential service users and is able to provide examples of activities and services being tailored accordingly where information is available. It recognises that this will be done more effectively when collection of information on all its tenants and service users is completed in late summer 2012.

The Association is able to evidence that it has consistently encouraged and supported early tenant and service user involvement and can demonstrate how some service improvements and the way in which they are offered have been influenced via this engagement. It acknowledges that it needs to do more to understand service user needs and measure the extent to which they are being met by the work of the Association.

Tai Ceredigion can evidence that its services are easy to access and that performance is monitored monthly by the Tenants Monitoring Group.

The Association seeks to ensure that it is easy for people to understand what to expect from services and have actively involved service users in the form and content of materials, explaining about the Association's services. A leaseholders' handbook is in development as a result of service user feedback following the joint publication of the Tenants Handbook with the Tenant Monitoring group in 2011.

Tai Ceredigion has comprehensive arrangements to provide information and advice to its dispersed communities. Written and verbal communication is offered in Welsh and English languages which reflect the local community. Information is also available in large print, Braille, audio and other languages on request.

The Association is able to demonstrate that it is accountable to tenants and service users but acknowledge that this can be improved by providing more comprehensive performance information, including trends and benchmarking.

Tai Ceredigion has demonstrated that it acts on formal complaints and monitors and learns from them. It realises that it needs to develop a more cohesive approach to recording and learning from informal complaints, which the new Customer Services module is seeking to address.



## **2. We live public sector values, by conducting our affairs with honesty and integrity and demonstrate good governance through our behaviour**

The Association seeks to be open about its activities and performance. However, the performance information that it provides externally is limited and would be improved by seeking opinions from service users as to what is important to them and incorporating some comparative information

It is able to demonstrate a range of positive outcomes which have improved economic, social and environmental circumstances in its local community. Tai Ceredigion understands it needs to further develop ways of demonstrating the impact of the range of partnership working in which it is engaged.

Tai Ceredigion has an Equality and Diversity policy but acknowledges that it is not yet able to demonstrate that its services and activities reflect the diversity of the community or are free from discrimination across all areas of the equality and diversity. It has identified that it needs to build and embed a more robust framework for implementing, monitoring and promoting equality and diversity across the Association.

## **3. We make sure our purpose is clear and we achieve what we set out to do – knowing who does what and why**

Tai Ceredigion has a strong Board and visible leadership – staff are aware of the strategic priorities and their personal contribution to them. The Board has exercised proper control and acted in the best interest of the organisation and tenants/service users.

The Association does have a culture which demonstrates that value for money is important to the organisation. Tai Ceredigion recognises that it is not able to provide evidence that it is achieving value for money across all areas of its business and has identified this as an area for improvement.

The Association shows that its processes support delivery of their purpose but it is not always clear as to what difference some of the improvements will make from an outcome perspective. The self assessment needs further improvement in demonstrating outcomes and the impact of services on tenants/service users.

The Association's culture supports delivery of customer focussed services, working with a variety of partners but it might consider how it could more systematically learn from others.



#### **4. We engage with others to enhance and maximise outcomes for our service users and the community**

Tai Ceredigion works with a range of partners and feedback was that they considered Tai Ceredigion to be a conscientious and supportive partner in what it does. It supports Ceredigion County Council in the delivery of its strategic housing role and has worked with them to find effective solutions to local issues, such as the need for more temporary homelessness accommodation. Whilst the Association can demonstrate some outcomes for service users, it needs to further develop its outcome focus so it can demonstrate how they contribute to the strategic outcomes.

### **Financial Management**

#### **5. We are a financially sound and viable business**

Tai Ceredigion is a financially sound business with a robust financial management framework. It has a prudent approach to identifying, appraising and managing risks. The Association's activities demonstrate a high standard of financial probity.

In March 2012, a financial viability judgement was issued. The judgement was: "Pass – The Association has adequate resources to meet its current and forecasted future business and financial commitments".



## Sources of information and regulatory activity

The following information is generally received from RSLs:–

- Audited annual accounts, including the internal controls assurance statement;
- External auditors' management letter;
- Financial forecasts;

In addition to the above, the following specific activities were carried out:–

- Regulatory activity via a relationship management approach to regulation, including contact with tenants and service users, senior staff, operational staff and board members and key stakeholders;
- Review of self assessment and associated "hard" and "soft" evidence relating to the delivery outcomes;

### Basis of regulatory assessment

This regulatory assessment is based on information submitted by the RSL, our accumulated knowledge and experience of the RSL, its management and the RSL sector as a whole.

In preparing this report, the Welsh Ministers have relied on the information supplied by or on behalf of the RSL. The Directors of the RSL remain responsible for the completeness and accuracy of such information.

This report has been prepared for the RSL as a regulatory assessment. It must not be relied upon by any other party or for any other purpose. Any other parties are responsible for making their own investigations or enquiries.



## Key to High, Medium or Low regulatory engagement

### High regulatory engagement

We will have a high level of engagement with the RSL where their profile indicates we need the most tailored, intensive or continuous relationship. This may mean engaging in a more sustained way with an organisation to develop a detailed understanding of current and potential areas of risk and their approach to managing them. Our engagement plan may involve a broader range of regulatory activities e.g. monitoring progress; attendance of Board, Senior Management and Tenant/resident meetings. We may also need a high regulatory engagement where specific risks are likely to materialise, or have materialised, and we need to support an organisation to improve its performance against the delivery outcomes.

### Medium regulatory engagement

We will have a medium level of regulatory engagement with the RSL where their profile indicates we need further assurance. For example, we may need more information or a closer engagement with the organisation's senior management and/or governing body or to monitor progress against delivery outcomes and/or improvement plans.

### Low regulatory engagement

We will have a low level of regulatory engagement with the RSLs where the impact of problems occurring is low and the probability of the problems occurring is low. In these cases we will plan to have limited contact with the organisation, unless other events arise. In some cases we may highlight and monitor areas for improvement, but in ways that are less intensive for medium or high engagement organisations.