



What you need to know the revised regulatory framework for Housing Associations in Wales

Background

In November 2016, the Communities, Equalities and Local Government committee began its inquiry into the regulatory oversight of housing associations in Wales.

The inquiry included a focus on the co-regulatory approach, how risk is managed and mitigated and the impact of the regulatory framework.

CIH Cymru provided written and oral evidence to the committee, through which deputy chief executive of CIH, Gavin Smart, highlighted that regulation will not have a definitive “end point”. Strong regulation should be characterised by action that takes into account changes to the operating environment and continues to scrutinise efforts in partnership with tenants and wider communities.

What are the main points of the new approach?

The principles of the regulatory framework continue to be based upon:

- Clear evidence that tenants are at the heart of decision making
- The role of the Regulatory Advisory board as independent from the Welsh Government
- Co-regulation promoting a culture of openness and transparency with a shared understanding of risks with the regulation team

The Regulatory Framework (2017) withdraws and replaces the Regulatory Framework for Housing Associations Registered in Wales (December 2011) with effect from 1st June 2017.

There are a number of key changes brought about by the new version of the regulatory framework, these changes include:

- **A focus on continuous improvement** and publishing regulatory judgements – Ministers will publish these annually for each HA and they will only reference areas of performance and risk which are not being appropriately managed.
- **New performance standards** (on things like tenant involvement, understanding of risk, executive leadership) – more of a focus on how association ensure strong decision making, risk management etc. HAs will have to produce an annual statement of compliance with the performance standards
- **Action plans** will need to be produced by Board if any areas of the performance standards are recognized as not being met. These will then be appraised by the regulator
- **The performance statement** and the **regulators assessment** will form the basis of the regulatory judgement

Further information and ways to influence

For full details of changes being implemented through the new framework you can access the full document [here](#).

If you would like any further information on the contents of this briefing please contact matthew.kennedy@cih.org

CIH Cymru sits on the Welsh Government's Regulatory Advisory Group. As such we would welcome any feedback, comments or recommendation for members on the positive or negative impact of the regulatory framework. If you would like to feedback please contact matthew.dicks@cih.org