



Llywodraeth Cymru
Welsh Government

Sarn Mynarch
Llandudno Junction
LL31 9RZ

Eich cyf / Your ref:

Dyddiad / Date: 22 August 2017

Dear ,

Complaint in respect of Request for Information - Reference ATISN 11378

Thank you for your email which I received on 31 July, regarding Cymdeithas Tai Ceredigion, in which you asked for an internal review.

You asked a review of our answers to the following questions:

1. For what purpose does Tai Ceredigion receive a dowry from Welsh Government of £1.6 million per annum over 29 years.
2. Under what legislation / regulation is Tai Ceredigion able to sell vacant properties.
3. At project level, how are public and private funds segregated in the accounting system to ensure that public funds are used for the provision of social housing and not used to subsidise the provision of market housing.

Question 1

We declined to answer this question as it was decided that the information was exempt under Section 21 of the Freedom of Information Act 2000, as we believe the information is accessible to you elsewhere. We specifically referred to correspondence we had previously sent to you.

In order to help you find the information relating to question 1, please find enclosed Annex 1 - a copy of an email sent to you on the 22 November 2013 from Nick Gerrard, Senior Regulation Manager which states:

“The financial support, known as dowry gap funding, is provided to RSL’s such as Tai Ceredigion to support its business plan to meet their obligations to achieve the Welsh Housing Quality Standard (WHQS), as set out in a legal transfer agreement made with the local authority at the time of transfer. The dowry is used to support reaching and maintaining WHQS for existing properties and not to fund land acquisition or development.”

What this means is that Dowry gap funding is provided to Large Scale Voluntary Transfer (LSVT) Registered Social Landlords (RSLs), that have been set up to

Rydym yn croesawu gohebiaeth Gymraeg. Cewch ateb Cymraeg i bob gohebiaeth Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome correspondence in Welsh. Correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not involve any delay.

receive council housing stock from local authorities. The dowry gap funding enables LSVT RSLs to support their business plans to meet their obligations to achieve the Welsh Housing Quality Standard (WHQS) and maintain it afterwards. This is the arrangement set out in a legal transfer agreement made with the local authority at the time of the housing transfer.

Question 2

We have answered your question fully by providing you with the relevant legislation. You have now asked a supplementary question, which is:

- As Tai Ceredigion maintain that they are able to sell vacant properties “*as part of its on-going asset management strategy or where economic arguments justify sale*” who is responsible for vetting and approving their economic assessment prior to sale of property assets? Is this a role now undertaken by your Housing Regulation Team at Welsh Government?

A Housing Association is controlled by its Board, which is responsible for agreeing the criteria and approving decisions to dispose of property, including where economic arguments justify sale. The economic argument could include the condition of the property (where the cost of renovation or bringing the property up to Welsh Housing Quality Standard outweighs any rental income they will receive), or that the property is hard to let and it is difficult to find a tenant who wants to live in it. It is important to note that proceeds from the disposal of such properties are invested in other social housing.

The Housing Regulation Department’s role is to assess the application and grant or refuse consent to dispose of the property. Reasons for refusal can include a lack of Board approval to the disposal.

Question 3

We declined to answer this question as it was decided that the information was exempt under Section 21 of the Freedom of Information Act 2000, as we believe the information is accessible to you elsewhere. We specifically referred to correspondence we had previously sent to you.

Having reviewed your question, please accept our apologies as there was some confusion on our part in assuming you were referring still to dowry gap funding.

Registered Social Landlords are required to account for grant funds allocated to them, to ensure that the money is spent for the purpose it was given. So this means there is no requirement for a RSL to segregate funds, but they are required to account for all the expenditure that is ultimately funded by grant. The use of the grant money is also audited by both the internal and external auditors of the RSLs.

Finally, regarding the issue of Tai Ceredigion having an unfair advantage over local house builders, it was considered that you were asking for an opinion, rather than recorded information, which means that it is not a valid question under the Freedom of Information Act.

However we do not consider Tai Ceredigion to have an unfair advantage over local house builders. All house builders, regardless of size or charitable status have to assess the development viability of any site they are considering. This is a

commercial decision undertaken by the company and not influenced by the Welsh Government. The Welsh Government does support local developers by providing access to affordable financing through our Wales Property Development Fund, and we work in partnership with private developers (both large and small) through our Housebuilders Engagement Programme. In addition to these schemes we are scheduling a number of 'roadshow' events to meet local construction companies, at a time and place that fits their schedule, to promote local house building and the support we can provide. Finally, local house builders would also have the opportunity to tender for development projects of registered social landlords, giving them the opportunity to be involved with projects that they may otherwise not have the resources to complete on their own.

I have considered your request in accordance with the procedure outlined in the [Welsh Government's Practical Guide for Making Requests for Information](#) which is available by post on request or via the internet.

If you remain dissatisfied with this response you also have the right to complain to the Information Commissioner at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Tel: 01625 545 745
Fax: 01625 524 510
Email: casework@ico.gsi.gov.uk

Also, if you think that there has been maladministration in dealing with your request, you have the option to make a complaint to the Public Services Ombudsman for Wales who can be contacted at:

Public Services Ombudsman for Wales
1 Ffordd yr Hen Gae
Pencoed
Bridgend
CF35 5LJ

Telephone: 0845 6010987 (local rate)
Email: ask@ombudsman-wales.org.uk

Yours sincerely

Ian Williams
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