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Welsh Government

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Welsh Government Housing Regulation

Regulatory Judgement

Abbeyfield Wales Society – H113

February 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.

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Profile

Abbeyfield Wales Society (“Abbeyfield”) is a Registered Social Landlord and registered exempt charity, dedicated to supporting older people with support and care needs.

Abbeyfield owns and manages a total of 248 units across Wales, comprising of 169 sheltered housing bed spaces and 79 registered nursing bed spaces. It operates in eleven local authority areas; Newport, Bridgend, Caerphilly, Monmouthshire, Powys, Ceredigion, Gwynedd, Conwy, Denbighshire, Flintshire and Swansea.

Key Financial Data

	Historical Data		Covenant Limit	Sector Average
	2016/17	2017/18		2017/18
Performance				
Operating surplus as % of turnover	(3.9%)	(3.0%)	n/a	21.3%
Surplus / (deficit) transferred to / (from) reserves as % of turnover	(0.4%)	(1.8%)	n/a	6.5%
Loss from empty properties and uncollected rent as % of rental income	16.5%	10.8%	n/a	2.0%

Regulatory Judgement – Co-Regulation Status

Co-Regulation Status – February 2019

Governance and Services - Increased

- A risk, or combination of risks, are presenting a significant challenge to the RSL and increased regulatory oversight is required.

Financial Viability - Increased

- Meets viability requirements but has limited financial capacity to deal with adverse scenarios effectively and increased regulatory oversight is required.

Increased regulatory oversight is required to meet the following performance standards:

PS2 - Effective and appropriate tenant involvement and high quality and improving landlord services

- Meets all applicable statutory requirements providing for the health and safety of the occupants in the home.

PS4 - Clearly evidenced self evaluation and statement of compliance

- Compliance with Circular 02/15 – the core principles of self evaluation for use by Housing Associations Registered in Wales, or any subsequent guidance which replaces this Circular.

PS8 - A financial plan which delivers and supports the business plan and effective monitoring of financial performance

- Ensures that the organisation is financially sound.
- Monitors, reports on and complies with all covenants.