



The third meeting of the Regulatory Board for Wales (RBW) was held on 21st December at Pennaf's office in North Wales. The Board wishes to thank Pennaf for their hospitality and the fascinating insight into their business that they presented to the Board over lunch.

As usual, the agenda was very full. We began by discussing the key points we wanted to communicate to the Public Accounts Committee (PAC) to inform its inquiry into "the Regulatory Insight of Housing Associations". Whilst the Cabinet Secretary has made his own submission (and we are an Advisory Board to the Cabinet Secretary), we decided that we would make a separate submission to the PAC to highlight our own views on many of the issues regarding regulation. The RBW submission can be found here (<http://bit.ly/2jyY7bH>).

Ensuring the voice of tenants is heard in the Regulatory Framework is a personal passion of mine, which is shared by the whole Board. We are very grateful to the Tenant Advisory Panel (TAP) for all their hard work over the years, to create an effective conduit between the Board and housing association tenants in Wales. The Board considered some exciting new proposals presented by TPAS Cymru (who have successfully tendered for the single Welsh Government tenant support contract) to refresh the way that insight on the views of tenants is gathered and presented to the Board. This new approach will use a mix of traditional networks, workshops and new media channels to gather views from a much wider and more representative range of housing association tenants. Adopting this more modern approach, facilitated by TPAS Cymru, means that TAP will cease to exist. We are setting up a Steering Group to ensure that this new way of working delivers an improved voice for tenants in regulation and I am very pleased that Mike Wiseman, currently Chair of TAP, will continue to work with us as a member of that group. I would like to take this opportunity on behalf of the Board to thank all members of TAP, past and present, for their efforts.

We received an update on the ONS reclassification exercise. We pressed the Regulator on the pace of the process and reiterated our stance that resolving this is the key priority for the team.

The update on the current thematic review (VFM) was also helpful – it has clearly achieved some good results in harmonising the VFM metrics (thanks to the CHC Finance Forum) and supporting a developing VFM culture in the sector. However, we are still keen for the next stage of this review to nail down what the sector as a whole should be doing to demonstrate its social value and to reflect the tenant experience and tenant priorities. We discussed options for thematic reviews in 2017 and it was felt that a progress report on the wide ranging 2013 Governance Review would be particularly helpful.

A number of ongoing cases requiring regulatory intervention were brought to our attention and we provided a mixture of challenge and support to the Regulator on their handling of these cases. We believe that the new process of picking out key learnings from episodes of governance failure (and

sharing them at conferences so that the whole sector can improve) is important and the Board has requested that the exercise is undertaken specifically for one of the current complex cases as soon as possible.

We were asked by the Regulator for our views on the concept of Executives being allowed to serve on Boards. There are strong arguments on both sides of this issue, but we kept coming back to some key beliefs the Board has about the sector which resonated across many of the agenda items (as well as our submission to the PAC);

- That Boards of independent organisations should have the autonomy to make their own decisions - this of course emphasises the importance of having the right skills around the Board table
- That Boards have to know they are accountable for the outcome of their decisions – that the “buck stops” with them
- That governance of RSL Boards has to be of the highest quality possible.

Given the principles outlined above, our advice to the Regulator was that Boards themselves should have the power to decide if they wanted to have Executives as Board members.

Ian Williams updated the Board on the way the Regulation Team is currently structured. The Board supported having two distinct teams; one focusing on operations and another on strategic issues. The Board was also pleased to hear about the number of Regulatory Opinions being published.

Gayna Jones, Chair of the Regulatory Advisory Group (RAG) updated the Board on the debate and discussion at the last RAG meeting. The Board is encouraged by the way that RAG is working and providing the Board with sound information from the perspective of stakeholders. Gayna’s term as Chair is coming to an end and I am pleased to announce Bob Smith will be taking over as RAG Chair from March 2017. I would like to thank Gayna Jones for her commitment to RAG over the last few years; her contribution has been invaluable.

It was an interesting third meeting. I feel that the Board is now beginning to find its feet, though like all other Boards, there is always room to improve in the way we work. I would very much welcome any suggestions for items to be included on our agenda.

As ever, I am keen to hear from any of you. You can always contact me at helenwhite14@btinternet.com. I will (along with some members of the Board and the Regulation Team officials) also be at the CHC Governance Conference in late February, so I look forward to meeting with many of you there.



Helen White (Chair)
Regulatory Board for Wales