

Appendix 2: Performance Standards

The “Standards of Performance” are set by the Welsh Ministers in accordance with section 33A of the Housing Act 1996. Failure to meet a performance standards is potentially a ground for exercising regulatory powers including a revised Co-regulation status and can lead to exercising enforcement powers contained in the Housing Act 1996.

Ref	Performance Standard	Guidance
PS.1	Effective Board and executive management with a clear and ambitious vision for the Registered Social Landlord	<ul style="list-style-type: none"> ▪ Sets a clear vision and values for the organisation which deliver and progress the core purpose of the business ▪ Governance arrangements establish and maintain clear roles, responsibilities and accountabilities for the board, chair and chief executive and ensure appropriate probity arrangements are in place ▪ Complies with governing documents including adopting, and complying with, an appropriate code of governance ▪ Adheres to all relevant law
PS.2	Effective and appropriate tenant involvement and high quality and improving services	<ul style="list-style-type: none"> ▪ Demonstrates how tenants are effectively involved in strategic decision making and shaping services in ways appropriate for tenants and the organisation ▪ Meets all applicable statutory requirements providing for the health and safety of the occupants in the home
PS.3	Comprehensive assessment of the business impacts of current and emerging risks, including new business and development opportunities, with robust risk management arrangements	<ul style="list-style-type: none"> ▪ Safeguards taxpayers interests and the reputation of the sector and protects social housing assets ▪ Assessment of capacity to take on new business and development opportunities is robust ▪ Carries out detailed and robust stress testing of financial plans against a range of scenarios, identifying appropriate mitigation strategies ▪ Before taking on any new liabilities, ensures obligations are fully understood and demonstrates consideration of how the likely impact on current and future business and regulatory compliance will be managed
PS.4	Clearly evidenced self evaluation and statement of compliance	<ul style="list-style-type: none"> • Compliance with Circular 02/15 - Core Principles of self evaluation for use by Housing Associations Registered in Wales, or any subsequent guidance which replaces this Circular
PS.5	A track record of achieving positive outcomes, responding appropriately to new challenges and performance issues	<ul style="list-style-type: none"> ▪ Demonstrates how the board assures itself of current performance, including tenant satisfaction, and drives continuous improvement ▪ Demonstrates how lettings make the best use of available housing, compatible with the core purpose of the Registered Social Landlord
PS.6	Delivering value for money in all areas of	<ul style="list-style-type: none"> ▪ Demonstrates a strategic approach to and delivery of value for money across the business in operational costs

	the business	and charges to tenants and service users
PS.7	Compliance with regulatory requirements, statutory and other guidance	<ul style="list-style-type: none"> ▪ Communicates in a timely manner with the regulator on material issues that relate to non-compliance ▪ Adheres to all regulatory requirements
PS.8	A financial plan which delivers and supports the business plan and effective monitoring of financial performance	<ul style="list-style-type: none"> ▪ Ensures that the organisation is financially sound ▪ Effective systems and controls are in place to monitor and accurately report delivery of the Registered Social Landlords plans ▪ Monitors, reports on and complies with all covenants
PS.9	Effective management of treasury operations ensuring sufficient liquidity at all times	<ul style="list-style-type: none"> ▪ Ensures sufficient funding is available to deliver the business plan ▪ Ensures financial forecasts are based on appropriate and reasonable assumptions
PS.10	A clear understanding of liabilities and asset performance	<ul style="list-style-type: none"> ▪ Maintains a thorough, accurate and up to date record of assets and liabilities including all liabilities which have recourse to social housing assets ▪ Data on the financial and social performance of assets is accurate and used to inform investment decisions ▪ Ensures data on the condition of their assets is up to date and is able to demonstrate consideration of the short and long term costs of maintenance, repair and renewal ▪ Ensures that publicly funded homes meet the required standards of design and the Welsh Housing Quality Standard