



Llywodraeth Cymru
Welsh Government

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Welsh Government Housing Regulation

Regulatory Judgement

Pobl Group – J139

July 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

Pobl Group Limited (“Pobl Group” or “the Group”) is the Group formed from Seren Group Limited and Grwp Gwalia. The Group provides 17,297 homes and is registered under the Co-operative and Community Benefit Societies Act 2014.

The Group has subsidiary companies and these are Charter Housing Association Limited, Pobl Living Limited, Reach (Supported Living) Limited, Solas Cymru Limited, Derwen Cymru Limited, Arloes Limited, Gofal a Chymorth Gwalia Cyf, Tai Gwalia, Gwalia Trust, Tai Cartrefi Cyf, and Tai Gwyr Cyf.

The registered social landlords are:-

Pobl Group Limited provides management services to the Group. The Group owns and manages 15,960 homes and manages a further 1,337 properties owned by third party landlords;

Charter Housing Association Limited (Charter Housing) provides 5,455 homes with an additional 76 properties being leased and managed by third party organisations;

Pobl Living Limited manages a shared and low cost home ownership portfolio of 390 homes and operates a private lettings agency;

Reach (Supported Living) Limited provides support services, predominately to adults with learning disabilities, older people and others who need support from social care services;

Solas Cymru Limited provides accommodation and a range of services to homeless people;

Derwen Cymru Limited, formerly Newport Housing Trust Limited, joined the Group on 1 April 2014 as a specialist housing provider for older people with 894 homes;

Derwen Cymru Limited has a subsidiary called Arloes Limited; a limited company operating its photovoltaic (solar panel) feed-in tariff initiative;

Tai Gwalia Cyf provides management services to the Group and around 5,127 homes;

Gofal a Chymorth Gwalia Cyf (Care and Support), which provides housing and care support services (including integrated care) for a wide range of client groups including elderly care;

Tai Cartrefi Cyf manages the student housing portfolio of around 4,018 homes;

Gwalia Trust is a registered charity providing financial assistance to individuals and community groups.

This assessment has not focussed on the Group’s care and support or student accommodation services, which are subject to scrutiny by other regulatory bodies.

Key Financial Data

	Historical Data		Covenant Limit	Sector Average
	2016/17	2017/18		
Performance				
Operating surplus as % of turnover	19.6%	21.1%	n/a	20.1%
Surplus/(deficit) for the year as % of turnover	7.2%	10.7%	n/a	8.1%
Loss from empty properties and uncollected rent as % of rental income	2.4%	3.6%	n/a	2.1%
Funding				
Fixed borrowing as a % of total	69%	63%	n/a	75%
Gearing	n/a	n/a	n/a	44%
Interest cover	n/a	n/a	n/a	165%
Gearing and interest cover calculations have not been provided as these are calculated at subsidiary company level.				
Current cash balances and undrawn facilities are sufficient for the Group to meet its commitments over the next 24 months.				

Regulatory Judgement – Co-Regulation Status

Co-Regulation Status – July 2019

Governance and Services - Standard

- Identifies and manages new and emerging risks appropriately.

Financial Viability - Standard

- Meets viability requirements and has the financial capacity to deal with scenarios appropriately.

