

**TAFF**

**Self-evaluation**

**2019/20**

## PS.1: Effective Board and executive management with a clear and ambitious vision for the Registered Social Landlord

- 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

### Evidence

#### First Line

- All governance documents are available to board members via Decision Time. The Chair and Vice Chair and Chair of Audit have a job description. Standing Orders outline the purpose of the board and matters specifically reserved for the board.
- The annual Board Calendar sets aside allocated time for Board Away days; these include discussions on vision and values.

#### Second Line

- Standing Orders
- Job Description for the role of Chair/Vice Chair
- Job description for board member
- Rules (2013)
- Board Meeting and & Conduct Policy
- Anti-fraud Policy approved by Board.
- Board Member Code of Conduct
- Scheme of Delegated Authority
- Business Plan 2017 -2022 approved and progress reviewed by Board
- Adopted CHC Code of Governance (Apr 2019)
- Board Skills Matrix
- Board Member Appraisal process

#### Third Line

- Standard, Standard Regulatory Judgement received March 2019
- Independent Governance Review
- Regulatory Action Plan implementation
- Internal Audit programme in place
- Working towards PQASSO accreditation
- Independent Board Skills Audit

### Areas for improvement

- Undertake stakeholder survey to gain a clearer understanding of how our partners view us
- Agree timetable and implementation plan for Business Plan review during the 1<sup>st</sup> quarter of 2020
- Undertake Board Workshop to assess compliance with the CHC Code.
- Develop Risk Management Framework Policy document to correspond with experience of using Decision Time Risk Portal

## PS.2: Effective and appropriate tenant involvement and high quality and improving services

- Demonstrates how tenants are effectively involved in strategic decision making and shaping services in ways appropriate for tenants and the organisation
- Demonstrates how the board assures itself of current service performance, including tenant satisfaction, and drives continuous improvement
- Ensures that all homes meet required standards of design and quality
- Meets all applicable statutory requirements providing for the health and safety of the occupants in the home

### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"> <li>• The Board composition includes three Tenant Board Member positions, appointed on a skills basis.</li> <li>• The Tenant Scrutiny Panel report directly to the Board on their findings</li> <li>• Consultation with Tenants on proposed rent increases.</li> <li>• Monthly KPI and performance reports are scrutinised by the Board</li> <li>• The Board monitor tenant satisfaction levels</li> <li>• A Tenants 'Have Your Say' groups acts as a consultative body for discussions on strategic and operational direction.</li> <li>• We maintain a constant monitoring programme of our Landlord safety responsibility, any areas requiring improvement are dealt with</li> </ul>	<ul style="list-style-type: none"> <li>• Tenant Scrutiny Panel</li> <li>• Community 'Pop Up' consultation events</li> <li>• 'Have your say' tenants meetings</li> <li>• Consolidation of data onto one system 'RAMIS'</li> <li>• Social media engagement</li> <li>• Tenant involvement in Chief Exec recruitment</li> <li>• Community Investment Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Standard, Standard Regulatory Judgement received March 2019</li> <li>• Internal Audit reports on KPIs, performance and Landlord Health and Safety – adequate assurance received Jan 2020</li> <li>• Corgi Audits</li> <li>• Substantial assurance – Duty of Care – Gas Safety Internal Audit 2017/2018</li> </ul>

### Areas for improvement

- Increase options for digital engagement
- Update of terminology in Rules to reflect Board Member roles as being equal (not tenant members)
- Complete consolidation of all landlord compliance monitoring onto RAMIS

### PS.3: Comprehensive assessment of the business impacts of current and emerging risks, including new business and development opportunities, with robust risk management arrangements

- 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

#### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"> <li>• Taff Housing approves its own business plan and annual accounts. It receives management accounts for approval quarterly.</li> <li>• Risks monitoring takes place at each Board meeting.</li> <li>• The Board considers risks to the business plan and undertakes regular stress testing exercises to map out these scenarios and discuss mitigation measures.</li> <li>• An appropriate risk management tool (Decision Time) has been approved by the Board</li> <li>• Development scheme appraisal undertaken and approved by Board</li> </ul>	<ul style="list-style-type: none"> <li>• Standing orders (section 4.0)</li> <li>• Annually board members have to complete a declaration of interest form and declarations are a standard item at the start of each meeting agenda.</li> <li>• Appropriate Insurances in place</li> <li>• Risk Management via Decision Time portal</li> <li>• Independent advice sought as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>• Standard, Standard Regulatory Judgement received March 2019</li> <li>• Independent Treasury Review reporting to Board Feb 2020</li> <li>• Substantial Assurance – Risk Management Self-Assessment Internal Audit 2016/2017</li> </ul>

#### Areas for improvement

- Work with Board to establish clearer understanding of organisation risk appetite
- Further embed Decision Time Risk management into decision making
- Risk champion for specific areas

#### PS.4: Clearly evidenced self-evaluation and statement of compliance

- Compliance with Circular02/15 - the core principles of self-evaluation for use by Housing Associations Registered in Wales, or any subsequent guidance which replaces this Circular

#### Evidence

##### First Line

- This issue is included in the matters reserved for Board. The Board undertake regular reviews of organisational performance against the standards, looking at service delivery, finance and governance as well as ensuring that tenants are shaping the service delivery and decision making

##### Second Line

- Standing orders (section 4.0)
- Self-Evaluation Statement 2019
- Annual report published

##### Third Line

- Standard Standard Regulatory Judgement received March 2019

#### Areas for improvement

- Ensure clear 'golden thread' established to enable clear lines of sight from Board Assurance to operational performance and delivery.
- Undertake Board Workshop to assess compliance with the CHC Code

**PS.5: A track record of achieving positive outcomes, responding appropriately to new challenges and performance issues**

- Demonstrates how the board assures itself of current performance and drives continuous improvement
- Demonstrates how lettings make the best use of available housing, compatible with the core purpose of the Registered Social Landlord

**Evidence**

First Line	Second Line	Third Line
<ul style="list-style-type: none"><li>• Monthly KPI report to Board</li><li>• Monthly Business Intelligence meeting monitors operational performance</li><li>• Allocations Policy</li><li>• We participate in local authority letting schemes</li></ul>	<ul style="list-style-type: none"><li>• Adequate Assurance on Performance Management and KPI Internal Audit Jan 2020</li><li>• Guidance taken from Sector Risk Profile</li></ul>	<ul style="list-style-type: none"><li>• Standard, Standard Regulatory Judgement received March 2019</li><li>• Independent Governance Review Jan 2020</li></ul>

**Areas for improvement**

- Improve our approach to Contract Management

## PS.6: Delivering value for money in all areas of the business

- Demonstrates a strategic approach to and delivery of value for money across the business

### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"><li>• A VFM Strategic Framework was adopted in August 2018. This was developed in conjunction with tenants, staff and Board members.</li><li>• Principles for measuring VFM have been consulted upon</li></ul>	<ul style="list-style-type: none"><li>• Benchmarking via global accounts</li><li>• Social value secured through procurement process</li></ul>	<ul style="list-style-type: none"><li>• Standard, Standard Regulatory Judgement received March 2019</li><li>• Independent treasury Review Feb 2020</li></ul>

### Areas for improvement

- Embed the organisations approach to VFM and implement ways of measuring how the adopted principles are being used.
- Continue to look proactively for opportunities to collaborate
- Improve how we report our progress to stakeholders
- Improve procurement process
- Co-produced approach to rent affordability

## PS.7: Compliance with regulatory and statutory requirements and guidance

- Communicates in a timely manner with the regulator on material issues that relate to non-compliance
- Adheres to all regulatory requirements

### Evidence

#### First Line

- Compliance returns calendar in place outlining key submissions dates and responsible officers
- Ongoing good relationship with our Regulatory Engagement Manager
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#### Second Line

- Standing Orders (section 4.1.2)
- RAP Implementation and progress shared with Regulator

#### Third Line

- Standard, Standard Regulatory Judgement received March 2019
- Independent Governance Review Jan 2020

### Areas for Improvement

- Implement any outstanding RAP actions
- Consolidate all requirements into a Board Assurance Framework



## PS.8: A financial plan which delivers and supports the business plan and effective monitoring of financial performance

- 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

### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"><li>• 30 year financial plan stress tested against financial covenants</li><li>• Annual budget set with contingencies</li><li>• Quarterly Management Accounts approved by Board</li><li>• Relationships with lenders managed proactively</li></ul>	<ul style="list-style-type: none"><li>• Standing orders (section 4, 4.1.5, 4.2)</li><li>• Internal Audit programme agreed by ARC and implemented.</li><li>• Covenant compliance monitored quarterly by the Board</li></ul>	<ul style="list-style-type: none"><li>• Standard, Standard Regulatory Judgement received March 2019</li><li>• 'Clean' external audit received</li><li>• Reasonable Assurance – Key Financial Controls Internal Audit 2016/2017</li></ul>

### Areas for Improvement

- Ensure appropriate skill at Board level to support good decision making
- Board Treasury Training

## PS.9: Effective management of treasury operations ensuring sufficient liquidity at all times

- Ensures sufficient funding is available to deliver the business plan
- Ensures financial forecasts are based on appropriate and reasonable assumptions

### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"><li>• Cash flow management system which provides accurate cash requirements 3 years forward to anticipate cash requirements in a timely fashion</li><li>• New revolving facility will be in place prior to year-end.</li><li>• Additional funding included for future developments.</li></ul>	<ul style="list-style-type: none"><li>• Standing Orders (section 4.1.5)</li><li>• Stress testing scenarios are set by ARC. Stress testing results reported and discussed by Board</li></ul>	<ul style="list-style-type: none"><li>• Standard, Standard Regulatory Judgement received March 2019</li><li>• 'Clean' external audit received</li><li>• Independent treasury Review Feb 2020</li><li>• Reasonable Assurance – Key Financial Controls Internal Audit 2016/2017</li></ul>

### Areas for Improvement

- Ensure appropriate skill at Board level to support good decision making
- Board Treasury Training
- Development of 'golden rules' for treasury
- Independent Review of Treasury

## PS.10: A clear understanding of liabilities and asset performance

- 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 standards set out in the Welsh Housing Quality Standard

### Evidence

First Line	Second Line	Third Line
<ul style="list-style-type: none"><li>• Rolling stock condition programme in place</li><li>• Report to Board with accompanying Data Plan</li></ul>	<ul style="list-style-type: none"><li>• Asset and Liability Register in place which includes all securitisation information. · Board Scheme Appraisal approval process adopted · PS10 Compliance Data Plan</li></ul>	<ul style="list-style-type: none"><li>• Homes built to DQR standards. · WG approval of future developments · 'Clean' external audit received</li></ul>

### Areas for Improvement

- Move to full stock condition programme to enable greater clarity on asset performance



# TAFF

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