



Department for  
**Communities**

An Roinn  
**Pobal**

Department fur  
**Commonities**

# Regulatory Framework

Ark Housing Association – Regulatory Judgement

Report 2021/22



## Introduction

The Department for Communities (DfC) is the Regulatory Authority for Registered Housing Associations (RHAs) in Northern Ireland. Housing Regulation Branch within DfC undertakes this regulation activity on behalf of the Department and we seek to protect the interests of tenants, homeless people and others who use the services provided by RHAs. To ensure this is achieved, RHAs must provide us with the necessary information on a regular basis to demonstrate how the Regulatory Framework Standards are being achieved.

## RHA Background

Founded in 1987, Ark Housing Association (Ark Housing) provides social rented accommodation. It currently owns and manages 605 houses, bungalows and apartments across Northern Ireland. At present, it operates primarily in Belfast and County Down but also has a presence in Belcoo, Portrush, Lisburn, Moira and Bangor. Ark Housing provides a wide range of specialist homes and services to meet the needs of families, older persons and single person households. Its supported accommodation comprises of residential care, sheltered housing, frail elderly and dementia care, self-contained apartments for those suffering ill mental health and temporary accommodation for homeless families.

## Regulatory Approach

Through our risk-based and proportionate approach to regulating RHAs, we focus our attention on the important risks and key aspects of an RHA's performance. This includes having different levels of engagement depending on the RHA's risk and performance profile.

When we refer to risk, we are referring to the risk to the interests of tenants and other service users. This may not always be the same as an RHA's own detailed assessment

of the operational risks it faces. This judgement is completed in accordance with the risk-based approach to Regulation introduced in April 2017.

## Overall Opinion

### Regulatory Judgement:

### Ark Housing

**1 – Meets the requirements**

Based on a review of the evidence submitted by the RHA, Housing Regulation Branch has determined that Ark Housing has demonstrated that it meets the Regulatory Standards.

## Assessment Findings

### Outcome of Governance Standard - MET

#### Governance Standard 1:

*“Social housing providers shall ensure effective governance arrangements that deliver their aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner”.*

#### Findings:

During the 2021/22 year, Ark Housing:

- Had a Code of Governance in place that is compliant with the National Housing Federation’s (NHF) Code of Governance published in 2020. The code focuses on the organisation’s missions and values, strategy and delivery, board effectiveness and control and assurance;
- Had an accompanying governance manual which clearly defines the roles of the Board members, the Chair, Vice-Chair, Committee Chairs and Company Secretary;

- Had a process in place detailing appropriate delegated limits of authority for expenditure and payment approval. The Board of Ark Housing review these delegated limits periodically;
- Had a Board Code of Conduct in place that was last approved in June 2021;
- Undertook a skills analysis and recruitment process to replace a board member who resigned during the reporting year and provided the new member with induction training;
- Carried out an annual board effectiveness review, which was finalised in May 2021 and an annual appraisal of the Chief Executive in March 2022;
- Ensured that individual board member appraisals were carried out on a one-to-one basis with the Chair. The most recent appraisals were conducted during May 2022;
- Had a corporate strategy in place that runs to 2022 and has provided evidence of strategic annual business planning in this reporting year. These documents are in line with the mission, values and objectives of the organisation;
- Was subject to a Social Housing Development Programme (SHDP) routine inspection which entailed inspection of three SHDP schemes and three adaptation projects. Three inspection reports were issued with a green inspection rating which means that no significant issues had been reported. However, two SHDP and one adaptation inspections were awarded amber and red ratings respectively. Ark HA has subsequently in March 2023 reported that it had implemented all recommendations. At the time of this assessment, the DfC Housing Inspection team was in the process of undertaking a recommendation follow up exercise;
- Had procedures in place to ensure appropriate, timely and accurate reporting to the Board in relation to performance against the strategic and business plans; and
- Provided accurate and timely statutory and regulatory returns to the Regulator throughout the reporting year.

## **Evaluation:**

Ark Housing has demonstrated that it has effective governance arrangements that deliver its aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner.

## **Governance Standard 2:**

*“Social housing providers shall adopt a robust approach to the assessment and management of risk and demonstrate informed and transparent decision-making processes”.*

## **Findings:**

During the 2021/22 year, Ark Housing:

- Continued to operate its corporate and strategic risk policy which was last reviewed in November 2020 to help the organisation identify and evaluate risks. Risks to the association’s strategic and business objectives are assessed against internal and external changes as well as to changes within the UK Housing Sector;
- Ensured that the corporate & strategic risk register was reviewed by and approved by the Audit, Compliance & Risk Committee and the Board on four occasions;
- Had an external audit function in place provided by GMcG Belfast, who were appointed in June 2020. ASM Chartered Accountants, appointed in May 2020, provided the internal audit function. Internal and external auditors report to the Audit, Compliance and Risk Committee with the committee in turn reporting to the Board;
- All internal audit reviews undertaken during the reporting period have resulted in a ‘*Satisfactory*’ assurance opinion being issued and recommendations have been followed up. An unqualified audit opinion has also been received; and
- Had an internal audit strategy covering the period 2020-2023. This contains clear guidelines on reporting processes, follow up activities and quality

assurance procedures. The strategy appears to provide adequate coverage of the key business areas within the organisation.

**Evaluation:**

Ark Housing adopts a robust approach to the assessment and management of risk and demonstrate informed and transparent decision-making processes.

**Overall Governance Standard comments:**

Ark Housing has demonstrated that it has effective governance arrangements in place that deliver its aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner.

Ark Housing adopts a robust approach to the assessment and management of risk and demonstrates informed and transparent decision-making processes.

## Outcome of Finance Standard - MET

### Finance Standard 1:

*“Social housing providers shall manage their resources effectively to ensure financial viability is maintained in the short, medium and longer term”.*

### Findings:

- Evidence has been provided to demonstrate that Ark Housing has effective controls and procedures in place to ensure security of assets and the proper use of funds;
- There is appropriate financial reporting to management and the Board;
- The Board is provided with sufficient information to monitor and report on the delivery of objectives;
- The risks to delivery of financial plans are identified and effectively managed with: regular reporting of Key Performance Indicators (KPIs) and variances against budget; stress testing of forecasts and financial covenants; maintenance of a risk register and action plan to mitigate risks; and a treasury management policy with short term cash forecasting to ensure liquidity; and
- All financial reporting requirements are met, ensuring legislation is complied with and all relevant accounting standards are adhered to.

### Evaluation:

Ark Housing has demonstrated that it manages its resources effectively to ensure financial viability is maintained in the short, medium and longer term.



## **Finance Standard 2:**

*“Social housing providers shall articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisation’s objectives”.*

### **Findings**

- Ark Housing has undertaken a robust assessment of all its assets and resources. Performance management and scrutiny functions are effective at driving and delivering improved value for money performance;
- A self-assessment of the organisation’s value for money performance has been completed in a transparent and accessible format; and
- The Value for Money statement contains key elements of a thorough value for money assessment, namely: specific value for money priorities; assessment of 2021/22 performance; encompasses functions across the entire business; and considers social value as well as financial performance.

### **Evaluation**

Ark Housing has articulated and delivered a comprehensive and strategic approach to achieving value for money in meeting the organisation’s objectives.

### **Overall Finance Standard Comments:**

Ark Housing has demonstrated that it manages its resources effectively to ensure financial viability is maintained in the short, medium and longer term. Ark Housing has also articulated and delivered a comprehensive and strategic approach to achieving value for money in meeting the organisation’s objectives.

# Outcome of Consumer Standard - MET

## Consumer Standard 1:

*“Social housing providers manage their businesses so that tenants and other customers find it easy to participate in and influence their landlord’s decisions at a level they feel comfortable with”.*

## Findings

During the 2021/22 year, Ark Housing:

- Continued to implement its five-year tenant participation strategy 2017-2022. This strategy highlights the levels of participation available within the organisation. It sets out how tenants can be involved in information and communication events, group structures, formal based tenant groups or as part of the organisation’s governance structure. A summary is provided of the key aspects of the various roles, the influence that tenants will have, the time commitment required and the benefits to tenants and the organisation;
- Continued to progress the actions contained within its tenant participation action plan, which aligns to its overall tenant participation strategy. The plan aimed to engage communities, develop service excellence and focus on customer satisfaction;
- Developed a range of KPIs directly linked to tenant engagement that are regularly monitored by the Senior Management Team, the Performance and Investment Committee, the Tenant Forum and the Board;
- Continued to work with its tenant forum which met five times during the reporting year to review and develop the Tenant Forum terms of reference, a tenant satisfaction survey, a customer services strategy, pre-tenancy presentations for new schemes and a tenant participation governance framework. The forum elected a chair and vice-chair in March 2022;

- Had an up-to-date website with a range of relevant and informative leaflets and publications for its tenants. The website contains a tenant handbook, which provides a summary of key issues and policies relating to tenancy and has a range of accessibility features to assist users in accessing online publications;
- Established a website working group which was made up of tenant forum members and staff and which undertook a review of the existing website. The feedback from this working group was fed into the specification for procuring a website designer and the new website will be launched at the end of September 2022;
- Continued to work in conjunction with its tenant forum to implement a three-year customer service strategy to enhance participation and communication throughout the organisation and create links and partnerships with other organisations and the wider community;
- Continued to implement its customer service action plan which details the actions taken in improving customer service and which reflects the aims and objectives outlined within the organisation's customer services strategy. This strategy and action plan was reviewed and approved by the Tenant Forum, Senior Management Team and Board; and
- Appointed an independent consultant to undertake a tenant satisfaction survey and published the results online and in its annual report. The survey showed good levels of satisfaction across key areas such as home quality, repairs and maintenance, value for money, affordability, engagement and security. A summary action plan has been developed to address areas where satisfaction requires engagement and improvement.

## **Evaluation**

Ark Housing has managed its businesses so that tenants and other customers find it easy to participate in and influence decisions at a level they feel comfortable with.

## Consumer Standard 2

“Social housing providers shall provide ‘Decent Homes’ standard accommodation with good service quality choices appropriate to the diverse needs of their tenants”.

### Findings:

During the 2021/22 year, Ark Housing:

- Reported that all its homes meet the ‘Decent Homes Standard’. The association completed 6 minor adaptations and developed 68 new general needs homes bringing its total stock to 605;
- Measured performance statistics and shared results with its tenants and other relevant stakeholders. The association exceeded the departmental performance targets in respect of emergency response maintenance (97%), urgent (88%) and routine (95%). Performance against targets continue to be reported to tenants through the annual report and social media channels;
- Continued its membership of ‘HouseMark’ and benchmarked its tenant satisfaction survey results against housing associations of a similar size;
- Continued to operate a range of policies and procedures maintenance and property management that are kept under regular review;
- Provided information on service charges within its tenant handbook which is readily available online;
- Undertook an internal audit on property maintenance and received a *Satisfactory Assurance* rating;
- Did not conduct a stock condition survey due to access difficulties as a result of Covid-19. The association has, however, made good progress in getting the program back on track and, since 2018 and as of 31 March 2023, has completed 60% of surveys. The association has advised it is on track to complete the remainder over the next 18 months. This area will be looked at during the 2022/23 assessment;

- Had plans in place for the redevelopment, refurbishment, or disposal of Voids; and
- Had three Joint Management Agreements (JMA) in place with (i) Threshold Services to provide supported housing services for people with mental health issues; (ii) with the charity 'Inspire Wellbeing' to help provide supported housing and care services for older persons; and (iii) with the South-Eastern Health and Social Care Trust to provide 24-hour care and support for frail elderly persons and those living with mild or moderate dementia. The association undertook 12 meetings with these partners throughout the reporting year.

### **Evaluation:**

Ark Housing has demonstrated that it provides 'Decent Homes' standard accommodation with good service quality choices appropriate to the diverse needs of tenants.

### **Consumer Standard 3:**

*"Social housing providers shall concentrate their efforts to support vibrant communities that encourages tenant opportunities and promotes well-being".*

### **Findings:**

During the 2021/22 year, Ark Housing:

- Worked with families in developing and delivering 14 community events involving activities such as:
  - The Big Lunch
  - Family Fun Days
  - TBUC Summer schemes
  - Cooking demonstrations
  - Scheme clean ups

- Facilitated five community events involving 22 participants, two advisory group meetings, partnership working with Triangle, Arbour and Clanmil RHAs;
- Was successful in acquiring funding through Live Here, Love Here for the provision of a greenhouse at Moyard and Polytunnel at Roseville, as well as for horticultural training for families at both schemes;
- Was successful in achieving funding through the NIHE Provider Investment Fund for the installation of Wi-Fi and to purchase laptops that were used in the delivery of digital inclusion training provided by Supporting Communities. These laptops remain in the common room at Roseville and can be accessed by families;
- In partnership with the Northern Ireland Housing Executive (NIHE), Community Hubs across Belfast and Supporting People, launched a floating support service which provided support to 170 families and successfully assisted 81 families into more suitable accommodation;
- Was successful in achieving funding from the NIHE Provider Investment Fund for the development of a sensory garden at Moyard House; and
- Had an anti-social behaviour (ASB) policy in place that was last approved in March 2021. In the reporting year Ark Housing addressed 84% of its reported ASB cases which helped ensure that tenants felt safe in their homes. 81% of tenants believed that their neighbourhood was a safe place to live.

## **Evaluation**

Ark Housing has illustrated how it contributes to supporting vibrant communities, that encourages tenant opportunities and promotes well-being.

## **Overall Consumer Standard Comments:**

Ark Housing has managed its businesses so that tenants and other customers find it easy to participate in and influence decisions at a level they feel comfortable with. Ark Housing has demonstrated that it provides 'Decent Homes' standard accommodation with good service quality choices appropriate to the diverse needs of its tenants. Ark Housing has illustrated how it contributes to supporting vibrant communities, that encourages tenant opportunities and promotes well-being.

## **Overall Comments**

Ark Housing demonstrates that it meets the required Regulatory Standards. No further engagement is required at this time.

### **Anticipated Level of Engagement for 2022/23:**

**Level 1** – Where following submission of the Regulatory Standards Annual Return (RSAR) and required financial information, we are content there is sufficient assurance and little additional contact is required unless other matters arise.