



**Merthyr  
Housing**

*Where People  
Come First*

**Tai  
Merthyr**

*Lle Daw Pobl  
yn Gyntaf*



# Self-Evaluation 2022-2023



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We invest in people Gold



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# Introduction

In January 2022, Welsh Government published the revised Regulatory Framework. As part of this regulatory assessment, we are required to complete and publish a robust, evidence based and challenging self-evaluation. This should provide an assessment of how we are performing against our plans and whether we are delivering successful outcomes for tenants and service users and whether we comply with the regulatory standard.

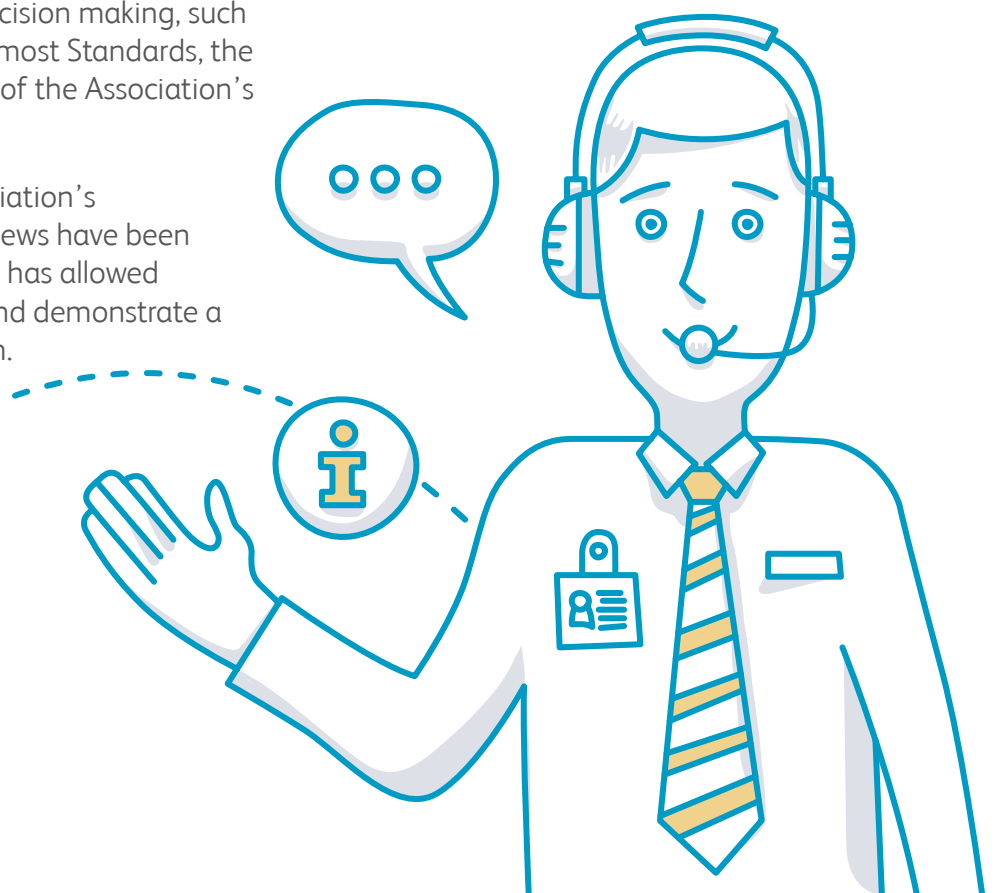
## Our Approach and the role of tenants

The annual tenant satisfaction survey has been used to provide data to support the Regulatory Standards as appropriate. However, this data does not cover the whole Framework. Consequently, additional tenant feedback has been sought.

The Tenant Services Standard Group (TSSG) is our established tenant engagement group. The members are very keen and committed to the organisation and have been involved in strategic decision making, such as our rent setting processes. For most Standards, the TSSG has been asked for its views of the Association's performance.

The Board has assessed the Association's performance, and both of these views have been added to the self-evaluation. This has allowed performance to be triangulated and demonstrate a robust approach to self-evaluation.

In order to allow fuller discussion of each Standard, a rolling programme has been established. This timetable runs alongside our business planning cycle.



# Key Developments during 2022/23

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## Housing Management

The focus has been on preparing for and implementing the Renting Homes (Wales) Act 2016. MTHA has worked in partnership with six other associations. This has allowed us to share resources through the appointment of a Project Manager, and one legal contract.

Our long-serving Housing Services Manager retired in April 2022 and demonstrating the success of our succession planning, was replaced by her deputy – the Senior Tenancy Management Officer.

The continuing vacancies in housing have meant that the programme of Keep In Touch visits has been reduced. The Community Development Team has helped to complete some of these key visits.

Our rent arrears are remaining static at around 2.5% or below. We are continuing to help tenants to access benefits and refer to partner organisations for additional support.

## Maintenance and Development

The increased cost of materials has been a challenge. We are using our stock condition surveys to reinforce our approach to component lifecycle guided planned maintenance. With the exception of two homes, as at 1 March 2023, all homes have been fitted with carbon monoxide alarms.

Reactive repairs are continuing by using our in-house DLO as well as external contractors. We are exceeding our target response times.

The Optimised Retrofit Project with Sero Homes continues. As part of the Optimised Retrofit Programme (ORP), we are installing Intelligent Energy Systems (IES) to 73 homes and we will be completing Whole Home Surveys across these properties. We have

installed Welsh manufactured Solar Photovoltaic (PV) roof panels with battery storage systems to 28 homes, with a further 30 due in 2022/23 and then 30 each year for the following 2 years. These will also have a Whole Home Survey and IES fitted.

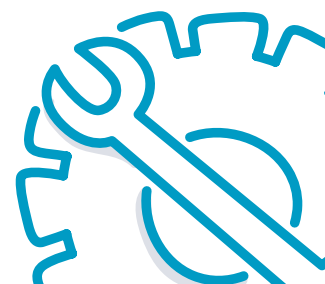
Our development programme has been adversely affected by a contractor going into liquidation earlier in the year. This has affected 41 homes on two live sites and one pipeline scheme. Completion contractors have been appointed for the two live schemes and work has resumed on site. An alternative contractor is being sought for the pipeline scheme. We are partnering with a private builder to receive a number of homes through a Section 106 agreement.

## Community Development

This year, the team has been able to work in the community for the first time since the pandemic. This led to a programme of summer events out in the community.

A new Tenant Engagement Strategy is being developed and this will help us to revitalise and reinvigorate our community groups. We were successful in securing a grant of £299k over a three-year period to fund the Fit and Fed project which is helping to tackle holiday hunger. We are working with 14 community groups to deliver this important project.

We promote local food pantry models across the borough. This is helping those in food poverty to access fresh food. A successful bid to the Ffos-y-Fran fund of £15,000 is enabling us to support tenants in fuel poverty.



# Key Developments during 2022/23

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## Governance & Corporate Services

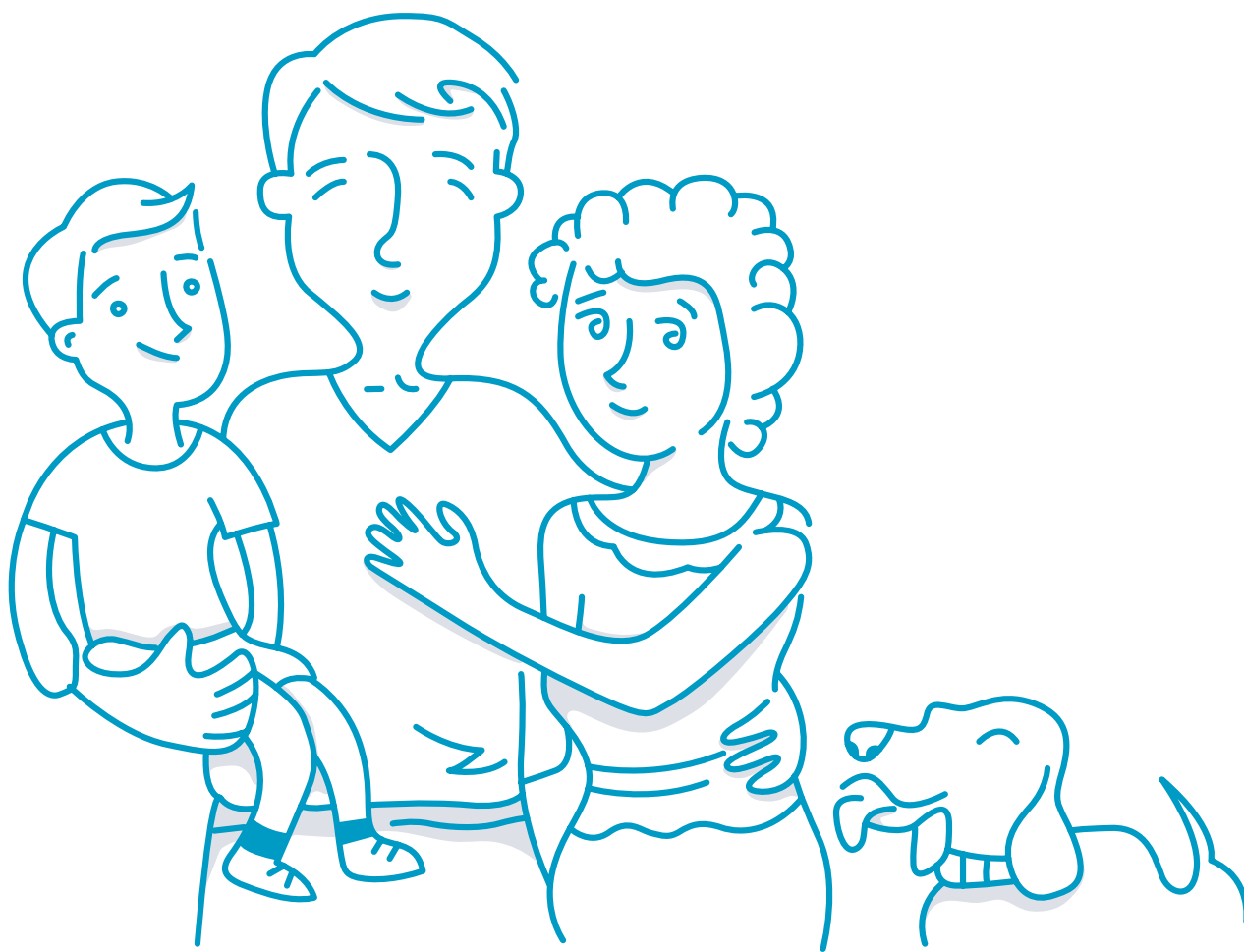
Our new Corporate Plan was published in April 2022. This has four strategies: Growth, Improving and Maintaining Services, People and Culture, and Decarbonisation. Equality and Diversity underpins the whole Plan. The Plan was reviewed in February 2023 and TSSG's views were sought.

In August 2022, a new Director of Corporate Services joined the Association. Four new Board Members were recruited to strengthen the Board and they were appointed at the AGM in September 2022. We achieved Investors in People Gold accreditation in June 2022 and Customer Service Excellence re-accreditation in February 2023.

Our management accounts to 31 December 2022 show a healthy surplus with a reforecast for the full year to achieve an operating surplus of 20%. In 2021 we restructured our loans and secured funding of £9.3m from THFC to support the future development programme.

## Staff Recruitment

Like a lot of organisations, filling vacancies has been a challenge. Recruitment has been affected by the current job market and increased salary expectations. As a small organisation, we are unable to compete on salary levels. We are also experiencing higher than expected levels of long-term sickness which is resulting in increased pressures on staff and higher costs for agency staff.



# Strategic Risks

The sector is facing significant risks. These include the continued impact of the pandemic, Brexit and the war in Ukraine. We have seen the impact on our business including material shortages and higher costs. Our tenants and staff, as well as our business are affected by the cost-of-

living crisis which has led to a period of high inflation, particularly energy prices as well as increasing interest rates. All of this uncertainty makes the management of risks to ensure that we remain resilient and can continue to serve our communities all the more important.

The table below shows our current risk register.

Risk Title	Inherent Risk	Residual Risk	Mitigated Risk	Risk Appetite
Rental Income	25	16	9	Balanced
Managing MTHA's finances and demonstrating VFM	16	12	9	Balanced
Pension	20	9	9	Cautious
Contractor Management	20	16	16	Cautious
Internal Controls	16	12	9	Balanced
Governance	12	9	6	Balanced
Data Security	20	9	6	Balanced
Health and Safety	25	25	10	Balanced
Existing Stock Quality	12	12	9	Balanced
Delivering Services to Tenants	12	9	6	Balanced
Development	25	25	20	Balanced
Recruitment and Retention	16	16	9	Balanced
Decarbonisation	16	16	16	Cautious
Renting Homes Act Implementation	16	16	9	Cautious
Redhouse	12	12	9	Cautious

In Quarter 1 of 2023-24 an externally facilitated workshop will be arranged for ARC and SMT to review the Association's strategic risks.

## Health and Safety

The Association has a strong culture of life safe servicing compliance. The table below shows performance at 31 December 2022.

Indicator	Performance
% Gas Safety Inspections completed on time	100%
% Electrical Inspections completed on time	99.41%
% Legionella checks completed on time	100%
% Asbestos Checks completed on time	99.42%
% Fire Safety Risk Assessments undertaken on time	100%
Number of outstanding recommendations from Fire Risk Assessments beyond target date	1
% Lift Inspections completed on time	100%

In January 2023, one of our properties suffered a natural gas explosion. We have worked closely with the Health and Safety Executive to identify the cause. We followed our Business Continuity Processes and those affected were found alternative accommodation.

## Code of Governance

MTHA has adopted the CHC Code of Governance. Annually, we review our compliance with the Code. This was last reviewed in September 2022. Areas of non-compliance or for strengthening are highlighted below:

Ref	Indicator	Performance
1.4.1	All board members can explain the organisation's purpose and objects	Induction Process being reviewed and refreshed as Covid restrictions have lifted.
1.5.2	The board considers the benefits and risks of merger or group structure if the organisation's viability is uncertain, or changes would benefit tenants and others that it serves	NHF Merger Code to be considered by Board as part of business planning cycle
1.5.5	The board considers and acts upon the environmental sustainability and carbon footprint of its activities.	Deliver the Decarbonisation Action Plan
2.5.4	The board, through its relationship with the chief executive, creates the conditions in which the staff are confident and enabled to provide the information, advice and feedback necessary to the board.	As part of a series of deep dives with ARC, the appropriate managers will be in attendance.
3.8.1	The board understands how real and perceived conflicts of interests, and conflicts of loyalty, can affect an organisation's performance and reputation.	BDA training to be adapted and rolled out in-house
4.5.1	The board regularly reviews which matters are reserved to the board and which can be delegated. It collectively exercises the powers of delegation to senior managers, committees or individual board members, staff or volunteers.	Fully review workflow processes within accounting systems and certification/approval automation

Ref	Indicator	Performance
4.5.4	When the organisation is using third party suppliers and contractors, it aims to ensure that any work is carried out in line with its values, particularly when it is being directly provided to tenants and others that it serves.	Consider including Modern Slavery Statement in next review of Procurement Policy An offer for Equality & Diversity training will be made to our contractors during their quarterly review meetings
4.6.2	The board regularly monitors performance using a consistent framework and checks performance against delivery of the organisation's strategic aims, operational and financial plans. It has structures in place to hold staff to account and support them in meeting these goals.	Reinstate quarterly away days with SMT and Line Managers
4.6.4	The board regularly considers how the organisation can improve its services, provide value for money and deliver social value.	Review income generated from rent uplifts and evidence against cost base
4.6.6	The board regularly considers feedback from tenants on the organisation's services and makes sure that the needs of tenants shape the design and improvement of services.	Respond/implement actions arising from the Tenant Satisfaction Survey
5.8.1	Board members receive an appropriately resourced induction when they join the board. This includes meetings with senior management and covers all areas of the organisation's work. Board members are given the opportunity of ongoing learning and development.	Governance Manager/CEO to review induction programme and roll out to new Board members.
6.5.1	The board analyses and can define how equality, diversity and inclusion are important for the organisation, its context and the delivery of its aims. It has a clear awareness of its starting point as a whole organisation, from which it wants to make progress, and an understanding that effecting change in this area will require action across all its operations.	Improve number of completed Tenant Census forms. This can be used to better tailor services
6.7.1	The board ensures that there are appropriate arrangements and resources in place to monitor and achieve the organisation's equality, diversity and inclusion plans, including those relating to the board.	Tenant Census sent out in 2021 but work will continue to improve completion rates which will allow the Association to understand better its tenant population. Board and staff make-up will be measured against those findings to see how reflective we are.
6.8.1	The board regularly publishes information on its progress towards achieving its equality, diversity and inclusion plans, including challenges, opportunities and learning.	Tenant Census sent out in 2021 but work will continue to improve completion rates which will allow the Association to better understand its tenant population. Board and staff profile can be reviewed to see how reflective it is of our communities
7.4.2	The board makes sure that there is a strategy for regular and effective communication with stakeholders about the organisation's purpose, values, work and achievements, including information that enables them to measure the organisation's success in achieving its purpose.	Implement objectives arising from review of Marketing and Communication Strategy

7.4.3	The board ensures that that it has heard and listened to the views of tenants and stakeholders, and where appropriate, involved them in decision-making about significant changes to the organisation's services or policies.	Continuous consultation with all tenants on rent affordability via newsletter and social media
7.5.1	The board makes sure that there is a transparent, well-publicised, effective and timely process for making and handling a complaint and that any internal or external complaints are handled constructively, impartially and effectively.	The Association has adopted the Public Service Ombudsman for Wales' model complaints policy. This will be reviewed during 2023-24 and we will work with the Complaints Standards Authority.

## Regulatory Standards



The Board and TSSG reviewed our compliance with the Regulatory Standards and this is summarised below:

<b>Regulatory Standard 1: The organisation has effective strategic leadership &amp; governance arrangements which enable it to achieve its purpose and objectives.</b>	
Has a strategy which reflects its vision, culture and values and sets out how the organisation will achieve its core purpose as a social landlord	Full
Complies with its own governing documents and meets the requirements of an appropriate Code of Governance	Full
Sets and delivers measurable, evidence-based commitments across all areas of its business in relation to equality, diversity and inclusion (including anti-racism and tackling hate crime) reflecting the diversity of the communities it works in and with	Partial
Has a diverse Board, reflecting the communities the RSL works in and with, and has the skills and knowledge required to be effective	Full
<b>Regulatory Standard 2: Robust risk management &amp; assurance arrangements are in place</b>	
Has an effective framework for risk management, internal controls and assurance that enables it to successfully identify and manage existing and emerging risks which threaten delivery of its strategy or compliance with legislative or regulatory requirements.	Full
Does not put social housing assets or tenants at undue risk	Full
Maintains accessible and up-to-date business continuity, contingency and disaster recovery plans	Full
<b>Regulatory Standard 3: High quality services are delivered to tenants</b>	
The social landlord keeps tenants safe in their homes and promptly identifies and corrects any under-performance or non-compliance on landlord health and safety matters.	Full
Delivers services which meets the diverse needs of tenants	Full
Achieves and maintains high levels of tenant satisfaction with services	Full
Makes landlord performance available to tenants	Full

<b>Regulatory Standard 4: Tenants are empowered &amp; supported to influence the design &amp; delivery of services</b>	
The landlord creates a culture which values and promotes tenant involvement.	Partial
The landlord enables tenants to understand the organisation's approach to tenant involvement, and how they can get involved and how the organisation will listen to and act on tenants' feedback and learns from complaints.	Partial
Provides opportunities for tenants to be involved, can demonstrate that tenants are satisfied with them and can demonstrate the difference that involvement is making	Full
Can demonstrate diverse tenant views and expectations inform the development and review of housing and related services, and the response to any under-performance	Partial
<b>Regulatory Standard 5: Rents &amp; service charges are affordable for current &amp; future tenants</b>	
The social landlord ensures all applicable rules and statutory guidance (including the current rent agreement) are complied with.	Full
<b>Regulatory Standard 6: The organisation has a strategic approach to value for money which informs all its plans &amp; activities</b>	
The social landlord determines its strategic approach to value for money, ensuring the approach relates to its social purpose, and makes strategic and operational decisions in line with it.	Full
The social landlord can demonstrate to stakeholders, including tenants, that it achieves value for money in delivering its strategy and services.	Full
<b>Regulatory Standard 7: Financial planning &amp; management is robust and effective</b>	
Sets financial plans which enable it to deliver its strategy and achieve its social purpose, and there is appropriate reporting to the Board against these plans.	Full
Is financially viable in the short, medium and longer-term, and maintains sufficient funding and liquidity to support this.	Full
Monitors, reports on and complies with all covenants it has agreed with funders	Full
Identifies and effectively manages risks to the delivery of financial plans including appropriate stress testing, scenario planning and use of internal thresholds	Full
Has an effective treasury management strategy and associated processes	Full
<b>Regulatory Standard 8: Assets &amp; Liabilities are well managed</b>	
Has an accurate and up to date understanding of its assets and liabilities	Full
Maximises the use of assets to achieve its social purpose and the objectives of the organisation	Full
Uses accurate information about assets and liabilities to inform strategic and financial decisions	Full
<b>Regulatory Standard 9: The organisation provides high quality accommodation</b>	
Ensures publicly funded homes meet all applicable standards, rules and statutory guidance issues in connection with quality of accommodation, including the current Welsh Housing Quality Standard.	Full

A continuous improvement plan has been compiled which will help to improve the services we provide to our tenants (contract holders). This is attached at Appendix 1. The Board and TSSG will monitor our progress and continue to assess our compliance with the Regulatory Standards throughout 2023-24 so that a new self-evaluation can be published in March 2024.

Each Regulatory Standard is considered in further detail below:

<b>Regulatory Standard 1:</b> <b>The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives.</b>
<b>1a: has a strategy which reflects its vision, culture and values and sets out how the organisation will achieve its core purpose as a social landlord</b>
<b>Position Statement</b>
<p>MTHA’s Board established a task and finish group to lead the development of the Corporate Plan for 2022-25. This reviewed our mission, vision and values. The Plan is comprised of four strategies: Growth, Improving and Maintaining Services, People and Culture and Decarbonisation. Equality, Diversity and Inclusion underpins all of our activities and was published in March 2022. In February 2023, the Board reviewed the Corporate Plan and TSSG was also consulted.</p> <p><b>We fully comply with this standard.</b></p> 
<b>Evidence and Assurance</b>
<ul style="list-style-type: none"> <li>The Tenant Satisfaction Survey results of 2022 reinforced the need to get the basics right which is why our strategic priorities changed as part of the Corporate Plan review in 2022. Core Services has been amended to reflect the need to improve and maintain services. Diversification and business development have been removed to reflect the changing environment in which we are operating.</li> <li>A joint Board and TSSG Away Day was held in November 2022 to discuss priorities and budgets.</li> <li>Corporate Plan agreed by Board in February 2023.</li> <li>Revised KPIs and PIs considered by Board and TSSG in March 2023</li> <li>Operational Plans are in place to deliver the strategies.</li> </ul>
<b>1b: complies with its own governing documents and meets the requirements of an appropriate Code of Governance</b>
<b>Position Statement</b>
<p>We comply with our governing documents which were reviewed and approved by the Board in March 2023. A review of our compliance with the CHC Code of Governance has taken place. We comply with the Code and have identified areas for improvement (see page 4).</p> <p><b>We fully comply with this standard.</b></p> 
<b>Evidence and Assurance</b>
<ul style="list-style-type: none"> <li>Review of Standing Orders, Financial Regulations and Scheme of Delegated Authority by Board in March 2023</li> <li>CHC Code of Governance Compliance Statement reviewed by Board in September 2022</li> <li>We adopted the CHC Model Rules 2017 which were approved by FCA in 2020</li> <li>Board Appraisals were held in 2022 and outcomes considered by Board in July 2022. Appraisals are scheduled to take place again in April 2023.</li> </ul>

**1c: sets and delivers measurable, evidence-based commitments across all areas of its business in relation to equality, diversity and inclusion (including anti-racism and tackling hate crime) reflecting the diversity of the communities it works in and with**

#### Position Statement

MTHA is proud to have achieved Tai Pawb's QED Award in 2020, which was reviewed 2022. We are committed to improving our services for our tenants and stakeholders. Our new Corporate Plan has EDI as a cross-cutting theme with appropriate KPIs in place. We have amended the terms of reference our Remuneration Committee to be a People and Remuneration Committee. They have oversight of equality and diversity. A quarter of our Board live in Merthyr Tydfil, including one tenant.  
**We partially comply with this standard.**



#### Evidence and Assurance

- Equality and Diversity Policy
- Hate Crime Procedure included in our ASB Procedure
- Equality Action Plan
- Tai Pawb Two Year Review Report
- Equality Information is published in our Annual Report
- Welsh Language Scheme and progress is published on our website
- Complaints Policy published in English, Welsh, Polish and Portuguese
- Board EDI Training held in May 2022
- Tenant Census

**1d: has a diverse Board, reflecting the communities the RSL works in and with, and has the skills and knowledge required to be effective**

#### Position Statement

Following a period of significant change in 2018 after the Association adopted the 9-year Rule, the Board has become much reflective of the community we serve. We have 12 Board members, a quarter of whom live in Merthyr Tydfil. One of our Board Members is a tenant. We complete annual appraisals after which the Board's skills matrix is updated. Equality information is sent annually to WG.  
**We fully comply with this Standard**



#### Evidence and Assurance

- A Skills Matrix is produced annually following the Board Member appraisals.
- Equality Return to Welsh Government is submitted annually in October. The last return was October 2022.
- Board Member Recruitment channels include as wide a reach as possible. Recent Chair advert published in Welsh, English, Polish and Portuguese. We have used a Recruitment Agency for our last two campaigns.
- Tenant Census Data is being collected to allow us to gain a better insight into our tenant population.

**1e: makes logical decisions based on clear, good quality information which includes assessment of risk and, where appropriate the views of tenants**

**Position Statement**

We have a Scheme of Delegated Authority which is reviewed annually by Board. This, and our Standing Orders, set out our decision-making processes and responsibilities. Our Board Reporting Template includes a section asking about the link to our risk register as well as the impact on tenants.

**We fully comply with this standard**



**Evidence and Assurance**

- An annual review of Standing Orders, Financial Regulations and Scheme of Delegated Authority is taken to Board in March
- Board Report Template was reviewed and updated in January 2023
- Strategic Risk Register reviewed by ARC and Board regularly
- Annual Board Appraisals conducted

**1f: enables and supports tenants to influence strategic decision making**

**Position Statement**

We have the TSSG (Tenant Service Standards Group). This group of tenants are involved in the rent setting process and there is an annual joint Away Day with Board.

**We do not fully comply with this standard**



**Evidence and Assurance**

- We have a tenant consultative body, the TSSG. This meets monthly.
- TSSG is involved in our rent setting as part of an Away Day with Board in November
- A consultation was conducted in September 2022 to seek tenants views on rent increases and services. This was used as a basis for discussions at the Away Day in November 2022.

**1g: complies with all relevant legislation, regulatory requirements and statutory guidance and communicates in a timely manner with the regulator, including on material issues that relate to actual or potential non-compliance.**

**Position Statement**

The Board exercises appropriate day-to-day control and direction to ensure that we comply with all relevant legislation and law and act with integrity and honesty. We have an open and honest relationship with the Regulator and ensure that we are proactive in communicating in any potential matters of regulatory interest.

**We comply with this standard**



**Evidence and Assurance**

- An annual Compliance Calendar is maintained and exception reports go to ARC
- Governance registers considered by ARC on an exception basis – as well as compliance calendar this includes fraud and irregularities, subject access requests and data breaches.
- All staff (and Board members as appropriate) receive e-learning in areas of law and legislation.
- Annual Schedule 1 return is made to Welsh Government each May.
- A comprehensive annual Internal Audit Plan is approved by ARC and Board
- The Board led on Gas Capping Discussions in autumn 2022.

**Regulatory Standard 2:  
Robust risk management and assurance arrangements are in place**

**2a: has an effective framework for risk management, internal controls and assurance that enables it to successfully identify and manage existing and emerging risks which threaten delivery of its strategy or compliance with legislative or regulatory requirements.**

**Position Statement**

MTHA has a comprehensive risk management process in place. An updated and revised Strategic and Operational Risk Register was reviewed by ARC and Board in February 2023. Risk management implementation is monitored quarterly by ARC and reported to Board. There are detailed risk maps supporting each risk with specific interventions to mitigate the risk. The Board ensure that the Risk Management Strategy and Policy is appropriate and regularly reviewed.

**We believe that we fully comply with this standard.**



**Evidence and Assurance**

- Risk Management Strategy and Policy approved by Board in November 2022.
- The Board collectively reviews, analyses and agrees its risk appetite annually
- Sector risks are considered as part of the process
- Strategic risks are reported to the Board quarterly
- Financial performance is monitored regularly, and forecasts are stress tested
- Business Continuity Plan is in place
- Board away days are held to discuss sensitive or complex topics in detail – September 2022 focussed on development and the cost-of-living crisis
- Risks defined in all Board and Committee papers as part of the report
- An Internal Audit programme is approved by ARC
- Due diligence completed on new contractors
- Independent professional advice and guidance used eg Centrus for Treasury Strategy
- All risks held on Decision Time and are reviewed regularly by their owner

**2b: does not put social housing assets or tenants at undue risk**

**Position Statement**

The health and safety of our tenants is the highest priority for our Board and staff. We always prioritise investment in the health and safety of our tenants. This includes complying with all Regulation, Legislation, Law and approved Codes of Practice. We have golden rules in place which ensure that there is a buffer between our covenants.

**We believe that we fully comply with this standard.**



**Evidence and Assurance**

- Our Golden Rules ensure that we do not over-extend borrowing or come close to breaching any banking covenants
- Appropriate risk planning for new activities
- Asset Management Strategy in place
- H&S Compliance reported as part of quarterly KPIs
- Quarterly H&S report to Board
- Independent H&S Consultant provides support to the Association weekly
- Regular compliance and data integrity audits undertaken by Mazars
- We have a robust financial appraisal model for developing new homes
- Tenant Satisfaction Survey (January 2022) – Thinking about your home specifically, how satisfied or dissatisfied are you that your housing association provides a home that is safe and secure – 80 % either very or fairly satisfied.
- Tenant satisfaction to overall quality of home 84 %; Trust 77 % very or fairly satisfied
- We work with other agencies to identify tenants at risk and provide support
- Home safety information is shared with tenants via social media, website and the Beacon

## 2c: maintains accessible and up-to-date business continuity, contingency and disaster recovery plans

### Position Statement

We protect the well-being and safety of our tenants, staff, homes and assets.  
**We believe we fully comply with this Standard.**



### Evidence and Assurance

- Business Continuity Plan in place and reviewed annually
- Mazars reviewed Business Continuity in 2021 as part of internal audit programme
- We have successfully navigated the pandemic by following our BCP
- 3 Year IT Strategy approved by Board in 2021
- Annual IT penetration testing to ensure security of systems and monthly file restore tests for business continuity

## Regulatory Standard 3: High quality services are delivered to tenants

**3a: The social landlord keeps tenants safe in their homes and promptly identifies and corrects any under-performance or non-compliance on landlord health and safety matters.**

### Position Statement

The Association is committed to keep tenants safe. We have a full programme of life safe service checks. These are scheduled in advance of their renewal dates to ensure full compliance.  
**We fully comply with this standard.**



### Evidence and Assurance

- The quarterly KPI Report to Board includes our performance against life safe services
- Board receives a quarterly Health and Safety Report
- Health and Safety is a stand-alone risk on the Strategic Risk Register
- ARC conducted a deep dive into the management of the risks around health and safety in May 2022
- Health and safety compliance forms part of the annual internal plan
- Monthly Health and Safety Meeting held with representatives from across the Association
- A Board member sits on the Health and Safety Committee

### 3b: delivers services which meets the diverse needs of tenants

#### Position Statement

We use our tenant satisfaction data to improve our services. We collect data on our tenants so that we can look at the diverse needs of our tenants, this is still in its infancy and the priority has been impacted by the roll-out of Renting Homes Act.

Equality and Diversity is an underpinning theme of our Corporate Plan and we achieved the Tai Pawb QED Award.

**We fully comply with this standard.**



#### Evidence and Assurance

- Our Corporate Plan is reviewed annually and approved by Board in February 2023.
- Our Tenant Census was sent to all tenants in July 2021
- Tenant profile Information included in 2021-22 Annual Report
- Complaint Satisfaction Survey asks for respondents to answer some E&D monitoring information to see whether any group of tenants is being adversely impacted.
- The Association has an Equalities Action Plan which is monitored by the People and Remuneration Committee on behalf of the Board.
- Staff and Board members complete equality and diversity training biennially.
- The Complaints Policy has been published in English, Welsh, Polish and Portuguese and published on our website
- All staff have been sent details on how to use Language Line to support tenants, this would generally be used for those occasions when the communication is planned. Staff use Google Translate to communicate with tenants during home visits if necessary.
- The Association has two Polish speaking staff who provide support as required.

### 3c: achieves and maintains high levels of tenant satisfaction with services

#### Position Statement

We ask tenants to complete an annual satisfaction survey. In February 2022, we achieved a 37% response rate. We also have a number of service specific satisfaction surveys. These include our DLO asking tenants to complete a survey on our reactive repairs performance.

**We fully comply with this standard.**



#### Evidence and Assurance

- A regular Satisfaction Survey is sent to tenants. We use the standard questions set by Welsh Government. The last survey was undertaken in February 2022.
- Satisfaction KPIs reported to Board and SMT
- Performance data is shared via the Annual Report including benchmarking our performance against the sector.

### 3d: Makes landlord performance available to tenants

#### Position Statement

Our performance, including value for money benchmarking is published annually in our Annual Report. As part of the TSSG's revised terms of reference, the group will review the quarterly KPI report. You Said We Did sections are being included in the tenant newsletter.

**We fully comply with this standard.**



#### Evidence and Assurance

- Our Annual Report is available on our website.
- The Beacon is sent to all households and previous versions are available on our website.

### Regulatory Standard 4: Tenants are empowered and supported to influence the design and delivery of services

#### 4a: The landlord creates a culture which values and promotes tenant involvement.

#### Position Statement

We are committed to working with our tenants and our Community Development team take the day-to-day lead on this work. We recognise that the Covid pandemic, staff changes, and shortages have impacted our work in this area. The tenant satisfaction survey from 2022 shows that 86 % of tenants are satisfied that we listen to their views and act upon them. However, due to the impact of the pandemic and staff shortages, **we believe that we partially comply with this standard.**



#### Evidence and Assurance

- Our Corporate Plan is updated annually and the plan for 2023 – 26 was approved by Board in February 2023
- Our Operational Plans 2023 – 26 are monitored by the Senior Management Team and are our way of implementing the Corporate Plan.
- The Board approved the Community Development Strategy for 2019-23 in 2019.
- The Tenant Satisfaction Survey of 2022 results show 86 % satisfaction.
- The TSSG meets monthly and acts as the Association's tenant consultative body

#### 4b: The landlord enables tenants to understand the organisation's approach to tenant involvement, and how they can get involved and how the organisation will listen to and act on tenants' feedback and learns from complaints.

#### Position Statement

We use the Beacon (our tenant newsletter) and social media channels to promote opportunities for tenants to be involved. Our Tenant Service Standards Group (TSSG) is the formally constituted body which acts as a critical friend to the Board and Association. The Board and TSSG receive regular complaints information.

The tenant satisfaction survey from 2022 shows that 86 % of tenants are satisfied that we listen to their views and 60.86 % are happy with the way we deal with complaints.

However, due to the need to expand our tenant engagement and involvement levels, **we believe that we partially comply with this standard.**



## Evidence and Assurance

- The TSSG Terms of Reference were reviewed in May 2022.
- Our Complaints Policy follows the Public Services Ombudsman for Wales Model Complaints Policy and is published on our website in English, Welsh, Polish and Portuguese
- A Complaints Annual Report is produced. This is considered by TSSG and Board in May. A summary is included in the Annual Report.
- The last Tenant Satisfaction Survey was conducted in 2022. The results showed that 86 % of respondents are satisfied that we listen to their views.

### 4c: Provides opportunities for tenants to be involved, can demonstrate that tenants are satisfied with them and can demonstrate the difference that involvement is making

#### Position Statement

Our most recent tenant satisfaction survey results show that 71 % of our tenants are satisfied with the way we listen to their views and act upon them. Our Annual Report contains a section on the work of the TSSG and the ways they have influenced our work.

**We believe that we fully comply with this standard.**



#### Evidence and Assurance

- The Tenant Satisfaction Survey 2022 was considered by Board in February and March 2022.
- The TSSG's views are sought for various issues, including the Merthyr Standard (July 2022) and new Physical Adaptation Grant application process (September 2022)
- The Beacon is sent to all households and is used to seek views.
- The Community Development Strategy sets out the way in which tenants can get involved in the Association.
- The Fit and Fed project is using wellbeing cards. This record the difference that being involved in the project has had on an individual's wellbeing.

### 4d: Can demonstrate diverse tenant views and expectations inform the development and review of housing and related services, and the response to any under-performance

#### Position Statement

The most recent tenant satisfaction survey received a response rate of 37 %. The survey allows comments to be made by respondents and these are included in the report. It is recognised that we need to encourage involvement from a wider tenant base.

**We do not fully comply with this standard.**



#### Evidence and Assurance

- The Community Development Strategy sets out the way in which tenants can get involved in the Association.
- The TSSG is consulted on policies and services changes. Their remit has been expanded to include looking at performance information.

**Regulatory Standard 5:  
Rents and service charges are affordable for current and future tenants**

**5a: The social landlord ensures all applicable rules and statutory guidance (including the current rent agreement) are complied with.**

**Position Statement**

MTHA is committed to using the Joseph Rowntree Living Rents Model as a guide when setting rents in line with Welsh Government Policy. We use the 25 % quartile of average income when modelling our rents to ensure that they are no more than 28 % of household income, or 33 % including service charges.  
**We fully comply with this standard.**



**Evidence and Assurance**

- The Board sets the Annual Rent Policy which follows the guidance issued by Welsh Government. The TSSG is also consulted on the proposed rent increase. This is part of the TSSG and Board Away Day that is held annually in November.
- In December 2020, the Board agreed to use the Joseph Rowntree Foundation (JRF) Living Rents model whereby rent is affordable when it takes up no more than 28 % of a household's net income (33 % including service charges).
- In September 2022, a Rent Affordability Survey was sent to all tenants. The results were considered as part of the TSSG and Board Away Day in November 2022 and helped to frame the rent increase discussions.
- Annually, the Association completes WG Rent Self Certification Form and CHC's Rent Survey.

**Regulatory Standard 6:  
The organisation has a strategic approach to value for money which informs all its plans and activities**

**6a: The social landlord determines its strategic approach to value for money, ensuring the approach relates to its social purpose, and makes strategic and operational decisions in line with it.**

**Position Statement**

MTHA has a Value for Money Strategy and Policy which were approved by Board in March 2021. We are committed to maximising value for our tenants both current and future, stakeholders and the wider community.

As a small organisation, VFM has always been part of our culture. Every member of staff ensures that VFM is key to any decision being made regarding a service provided or contract awarded. The importance of securing VFM is well understood by staff throughout the Association.

We are keen to support Merthyr businesses and use local contractors whenever possible.

**We believe we fully comply with this standard.**



**Evidence and Assurance**

- The Association's Value for Money Strategy and Procedure was reviewed and approved by Board in March 2022.
- The Association maintains a Savings Register to collate vfm. This is used in the Annual Report to evidence how vfm is achieved.
- An approved contractor list is kept by Maintenance.
- Lifespan is used store our stock condition surveys and identify when components need replacing.

**6b: The social landlord can demonstrate to stakeholders, including tenants, that it achieves value for money in delivering its strategy and services.**

#### Position Statement

We review all aspects of the business during our business planning cycle to ensure that services are providing value for money and consider affordability in our rent setting and Service Charges. Our Corporate Plan includes VFM measures and we report our performance in our Annual Report. Our Tenant Satisfaction Survey conducted in January 2022 showed that 80% of respondents were very or fairly satisfied that our rent provides value for money. The percentage very or fairly satisfy tenants with value for money of our service charges was lower at around 70%.

**We believe we fully comply with this standard.**



#### Evidence and Assurance

- Our last Annual Report was published in September 2022 and is available on our website.
- Our Corporate Plan has been reviewed for 2023-26. This includes our commitment to partnership working and the use of local contractors
- Our quarterly KPIs are considered by Board

### Regulatory Standard 7: Financial planning and management is robust and effective

**7a: sets financial plans which enable it to deliver its strategy and achieve its social purpose, and there is appropriate reporting to the Board against these plans.**

#### Position Statement

MTHA sets its budget annually based on its rental income. Spending priorities are linked to our corporate plan and accompanying strategies. Board receive quarterly management accounts showing our progress against budget and quarterly KPIs detailing progress against priorities.

**We fully comply with this standard.**



#### Evidence and Assurance

- Annually, the Board considers the draft budget and the rent settlement in December before agreeing its final budget in March.
- Quarterly Management Accounts, including 18-month cashflow forecast, reviewed by Board
- The Board holds strategy days, the last of which was 20 September 2022. At that meeting the Board considered the impact of the cost-of-living crisis on our tenants, our staff and the Association.
- During October 2022, a rent consultation survey was sent to all of tenants

**7b: is financially viable in the short, medium and longer-term, and maintains sufficient funding and liquidity to support this.**

**Position Statement**

Following a refinancing exercise in 2021, MTHA has strengthened its financial position. In March 2021, the Association adopted a number of golden rules which support our risk management strategy and are focused on financial performance. **We fully comply with this standard.**



**Evidence and Assurance**

- We have established a set of Golden Rules. These act as a buffer, to ensure that we remain compliant with our funders' covenants so that our tenants' homes are not put at risk.
- The Board considers our KPIs quarterly. We report on our funding and liquidity levels.
- The Board reviews our Management Accounts quarterly.
- At least annually, Board considers our 30 Year Business Plan. As part of this we test the resilience of the plan by modelling the impact of various scenarios on our business. We then identify mitigating actions.
- We have a Treasury Management Policy which is monitored through our management accounts
- The Welsh Government Social Landlord Finance Survey was submitted in November 2022
- Annual Statutory accounts prepared on Going Concern basis

**7c: monitors, reports on and complies with all covenants it has agreed with funders**

**Position Statement**

MTHA reports on its covenant compliance as part of its quarterly management accounts report to Board. The Association's Golden Rules are closely aligned to its covenants to ensure that there is headroom and minimise the risk of breaching covenants. **We fully comply with this standard.**



**Evidence and Assurance**

- We have established a set of Golden Rules.
- The Board considers our KPIs quarterly. Our KPIs reflect our covenant levels.
- The Board reviews our Management Accounts quarterly, including our covenant compliance.
- Management Accounts emailed to lenders quarterly after board approval
- External Auditors Annual Covenant Compliance letters to funders
- Quarterly meetings are held with the main banker and annual compliance review meetings with all lenders

**7d: identifies and effectively manages risks to the delivery of financial plans including appropriate stress testing, scenario planning and use of internal thresholds**

**Position Statement**

The Association reviews its 30-year business plan twice a year. This includes testing the plan to see what breaks it and identify appropriate mitigations. The Association has a set of golden rules which form part of its risk management strategy. **We fully comply with this standard.**



**Evidence and Assurance**

- The Board receives regular reports on the 30-year business plan, stress testing and mitigation analysis
- We have a set of golden rules in place

## 7e: has an effective treasury management strategy and associated processes

### Position Statement

MTHA has an up-to-date Assets and Liabilities Register which allows us to track our assets and security position and monitor the value of liabilities. The Growth plan is modelled in our 30-year business plan and plays a vital role in short and long-term business planning.  
**We fully comply with this standard.**



### Evidence and Assurance

- Board approved Treasury Management Strategy is in place
- The Board monitors delivery by reviewing KPIs and golden rules.

## Regulatory Standard 8: Assets and Liabilities are well managed

### 8a: has an accurate and up to date understanding of its assets and liabilities

### Position Statement

MTHA has an up-to-date Assets and Liabilities Register which allows us to track our assets and security position and monitor the value of liabilities. The Growth plan is modelled in our 30-year business plan and plays a vital role in short and long-term business planning.  
**We believe we fully comply with this standard.**



### Evidence and Assurance

- We have a published Growth Strategy
- We have a published Improving & Maintaining Services Strategy
- We have a published Decarbonisation Strategy
- Golden Rules and KPIs to monitor financial targets such as gearing ratio
- Ongoing review of land registry documents to ensure security ready
- Release of excess security on loans
- Finance restructure completed in 2021/22

## 8c: uses accurate information about assets and liabilities to inform strategic and financial decisions

### Position Statement

The Board uses a range of evidence including financial, risk and independent advice to all its decisions in relation to our assets and liabilities.

**We believe that we fully comply with this Standard.**



### Evidence and Assurance

- MTHA Standard Financial Appraisal Viability Model
- Corporate Plan
- Board Away Day September 2022
- Treasury Strategy
- Strategic Risks reported to ARC and Board
- Assets & Liabilities Register reported to Board
- 30 Year Business Plan approved by Board annually
- KPIs reported to Board quarterly
- Approximately 50% of stock as unencumbered (not used as security for loans)
- Independent valuation of our properties

## Regulatory Standard 9: The organisation provides high quality accommodation

### 9a: ensures publicly funded homes meet all applicable standards, rules and statutory guidance issues in connection with quality of accommodation, including the current Welsh Housing Quality Standard.

### Position Statement

The safety of our tenants and their homes is a high priority for us, and we take our regulatory obligations, compliance obligations, and the management of associated risks seriously. We provide our tenants with a good quality, safe and well-maintained home.

**We believe we fully comply with this standard.**



### Evidence and Assurance

- 89% of tenants were satisfied that MTHA provides a home that is safe and secure (Tenant Satisfaction Survey February 2022)
- Performance Indicators monitor our performance against WHQS. We have a number of acceptable fails due to the topography of the area
- Landlord Health and Safety Performance (Lifesafe Services) are reported to Board quarterly.
- WHQS Compliance Policy was approved in June 2020
- Void Procedure was approved in July 2020
- TSSG consultation meeting on Merthyr Standard 13 July 2022
- The Board provided written assurance to WG on the way in which disrepair is managed in July 2021. In May 2022, Board considered MTHA's performance against that of the sector following the publication of WG's report.
- Growth Strategy is part of the Corporate Plan as is maintaining and improving existing services.





**Merthyr  
Housing**

*Where People  
Come First*

**Tai  
Merthyr**

*Lle Daw Pobl  
yn Gyntaf*