

# Agenda – Y Pwyllgor Cyfrifon Cyhoeddus

Lleoliad:	I gael rhagor o wybodaeth cysylltwch a:
<b>Ystafell Bwyllgora 3 – Senedd</b>	<b>Fay Bowen</b>
Dyddiad: Dydd Llun, 16 Ionawr 2017	Clerc y Pwyllgor
Amser: 13.30	0300 200 6565
	<a href="mailto:SeneddArchwilio@cynulliad.cymru">SeneddArchwilio@cynulliad.cymru</a>

## Trawsgrifiad

Gweld [trawsgrifiad](#) o'r cyfarfod (PDF 806KB) Gweld fel [HTML](#) (229KB)

- 1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau**  
(14.00)

- 2 Papur(au) i'w nodi**

(14.00 – 14.05) (Tudalennau 1 – 3)

Rheoli perygl llifogydd ac erydu arfordirol yng Nghymru: Gwybodaeth ychwanegol gan Llywodraeth Cymru (6 Ionawr 2017)

(Tudalennau 4 – 19)

Llywodraethiant Bwrdd Iechyd GIG Cymru: Llythyr gan Ysgrifennydd y Cabinet dros Iechyd, Llesiant a Chwaraeon (9 Ionawr 2017)

(Tudalennau 20 – 21)

- 3 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai:**

- Sesiwn dystiolaeth 1**

(14.05 – 15.05) (Tudalennau 22 – 49)

Papur briffio gan y Gwasanaeth Ymchwil

PAC(5)-02-17 Papur 1 – Ymateb i'r ymchwiliad gan Denantiaid Cymru



PAC(5)-02-17 Papur 2 – Ymateb i'r ymchwiliad gan Wasanaeth Ymgynghorol Cyfranogiad Tenantiaid Cymru (TPAS Cymru)

Steve Clarke – Rheolwr Gyfarwyddwr, Tenantiaid Cymru  
David Wilton – Cyfarwyddwr, Gwasanaeth Ymgynghorol Cyfranogiad Tenantiaid Cymru (TPAS Cymru)

## Egwyd (15.05 – 15.15)

### 4 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai: Sesiwn dystiolaeth 2

(15.15 – 16.30) (Tudalennau 50 – 60)

PAC(5)-02-17 Papur 3 – Ymateb i'r ymchwiliad gan Gymdeithas Llywodraeth Leol Cymru

PAC(5)-02-17 Papur 4 – Ymateb i'r ymchwiliad gan Sefydliad Tai Siartredig Cymru

Jim McKirdle – Swyddog Polisi Tai, Cymdeithas Llywodraeth Leol Cymru  
Neil Howell – Pennaeth Tai a Chymorth Busnes, Cyngor Bwrdeistref Sirol Torfaen  
Gavin Smart – Dirprwy Brif Weithredwr, Sefydliad Tai Siartredig Y DU

### 5 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y busnes canlynol:

(16.30)

Eitemau 6 a7 o gyfarfod heddiw ac eitemau 1 a 2 o'r cyfarfod ar 23 Ionawr 2017.

### 6 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai: Trafod y dystiolaeth a ddaeth i law

(16.30 – 16.50)

### 7 Archwilydd Cyffredinol Cymru: Blaenraglen Waith

(16.50 – 17.00) (Tudalennau 61 – 89)

PAC(5)-02-17 Papur 5 – Rhaglen waith Archwilydd Cyffredinol Cymru  
PAC(5)-02-17 Papur 6 – Strategaeth ddrafft Archwilydd Cyffredinol Cymru a  
Swyddfa Archwilio Cymru 2017-2020

## Cofnodion cryno – Y Pwyllgor Cyfrifon Cyhoeddus

Lleoliad:

Ystafell Bwyllgora 3 – Senedd

Dyddiad: Dydd Llun, 9 Ionawr 2017

Amser: 14.00 – 15.51

### Preifat

#### Yn bresennol

Categori	Enwau
Aelodau'r Cynulliad:	Nick Ramsay AC (Cadeirydd) Mohammad Asghar (Oscar) AC Neil Hamilton AC Mike Hedges AC Rhianon Passmore AC Lee Waters AC
Swyddfa Archwilio Cymru:	Anne Beegan Gillian Body Gareth Jones Matthew Mortlock Dave Thomas
Staff y Pwyllgor:	Fay Bowen (Clerc) Meriel Singleton (Ail Glerc) Claire Griffiths (Dirprwy Glerc)



# **1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau**

- 1.1 Croesawodd y Cadeirydd aelodau'r Pwyllgor.
- 1.2 Cafwyd ymddiheuriadau gan Neil McEvoy AC. Ni chafwyd dirprwy ar ei ran.

## **2 Papur(au) i'w nodi**

2.1 Cafodd y papurau eu nodi.

2.1 **Llywodraethiant Bwrdd Iechyd GIG Cymru: Llythyr gan Dr Kate Chamberlain, Arolygiaeth Gofal Iechyd Cymru (12 Rhagfyr 2016)**

2.2 **Arlwoy a Maeth Cleifion mewn Ysbytai: Gwybodaeth ychwanegol gan Lywodraeth Cymru (14 Rhagfyr 2016)**

## **3 Gweithdrefnau ac Arferion Gwaith y Pwyllgor**

3.1 Trafododd yr Aelodau'r papur a thrafododd yr awgrymiadau sydd yn ddо.

3.2 Bydd y Clercod yn paratoi papur pellach ac yn cynnwys enghreifftiau o fodelau gwaith gwahanol er mwyn galluogi'r Aelodau i gael trafodaeth bellach.

## **4 Gwasanaethau Orthopedig: y wybodaeth ddiweddaraf gan Lywodraeth Cymru**

4.1 Trafododd yr Aelodau wybodaeth ddiweddaraf Llywodraeth Cymru am fwrw ymlaen â'r argymhellion a geir yn adroddiad Archwilydd Cyffredinol Cymru, a gyhoeddwyd ym mis Mehefin 2015, a nodwyd fod Dr Andrew Goodall, Prif Weithredwr y GIG, yn mynchyu cyfarfod y Pwyllgor ar 23 Ionawr er mwyn archwilio'r wybodaeth ddiweddaraf ymhellach.

4.2 Cytunodd y Cadeirydd i ysgrifennu at Dr Goodall cyn y cyfarfod yn rhoi gwybod iddo am feysydd y mae'r Aelodau wedi mynegi diddordeb yn eu trafod gydag ef.

## **5 Amseroedd Aros y GIG ar gyfer Gofal Dewisol yng Nghymru: y wybodaeth ddiweddaraf gan Lywodraeth Cymru**

5.1 Trafododd yr Aelodau wybodaeth ddiweddaraf Llywodraeth Cymru am fwrw ymlaen â'r argymhellion a geir yn adroddiad Archwilydd Cyffredinol Cymru, a gyhoeddwyd ym mis Ionawr 2015, a nodwyd fod Dr Andrew Goodall, Prif Weithredwr y GIG, yn mynchyu cyfarfod y Pwyllgor ar 23 Ionawr er mwyn archwilio'r wybodaeth ddiweddaraf ymhellach.

## **6 Consortia Addysg Rhanbarthol: papur cwmpasu'r ymchwiliad**

6.1 Trafododd yr Aelodau'r papur cwmpasu a:

- chytunwyd ar gylch gorchwyl yr ymchwiliad;
- trafodwyd y rhestr awgrymedig o dystion;
- cytunwyd i gynnal ymgynghoriad ysgrifenedig; a
- chytunwyd i gynnal ymgynghoriad ar-lein gydag athrawon a phenaethiaid.

## **7 Archwilydd Cyffredinol Cymru – Blaenraglen waith**

7.1 Trafododd yr Aelodau'r gwaith sydd ar y gweill a nodwyd eu dewis ar gyfer y gwaith hwnnw a geir ym mlaenraglen waith Archwilydd Cyffredinol Cymru a nododd y byddai'r eitem hon yn cael ei thrafod ymhellach yn y cyfarfod ar 16 Ionawr 2017.

## **8 Darpar Ysgrifennydd Parhaol Llywodraeth Cymru: Trafod y llythyr drafft**

8.1 Cytunodd yr Aelodau ar y llythyr drafft a fydd yn cael ei anfon cyn i'r Ysgrifennydd Parhaol newydd ddechrau yn ei swydd ar 6 Chwefror 2017.

## Eitem 2.1

Grwp yr Economi, Sgiliau a Chyfoeth Naturiol  
Economy, Skills and Natural Resources Group

Dirprwy Ysgrifennydd Parhaol • Deputy Permanent Secretary



Llywodraeth Cymru  
Welsh Government

Nick Ramsay AC  
Cadeirydd – Pwyllgor Cyfrifon Cyhoeddus

6 Ionawr 2017

Annwyl Nick Ramsay AC,

Yn ystod sesiwn y Pwyllgor Cyfrifon Cyhoeddus ar 12 Rhagfyr rhoddais ymrwymiad i ddarparu manylion pellach ar ddau fater sy'n ymwneud â'r system gynllunio a pherygl llifogydd:

- I. Bod caniatâd cynllunio yn cynnwys amodau ar gyfer datblygwyr i blannu coed ac i gyfyngu ar y defnydd o balmentydd anathraidd i leihau effaith llifogydd; a
- II. Bod datblygiad wedi digwydd ar dir sy'n agored i lifogydd.

Mae'r system cynllunio yng Nghymru yn dechrau â pholisiau cynllunio cenedlaethol Llywodraeth Cymru, nodir yn Polisi Cynllunio Cymru a cyfres o Nodiadau Cyngor Technegol. Ar lefel leol, mae'n ofynnol bod pob awdurdod cynllunio lleol yn paratoi a chynnal Cynllun Datblygu Lleol (CDLI), sy'n darparu polisiau lleol penodol a dyraniadau safle.

Mae'r system gynllunio yn rhoi ystyriaeth lawn i reoli perygl llifogydd yn strategol ac ar lefel safleoedd penodol. Mae mesurau manwl yn cynnwys cyfyngu ar hawliau 'Ddatblygu a Ganiateir', fel mai dim ond atal ardaloedd newydd o lawr caled athraidd gellir eu creu yn gyfagos i dai a datblygiadau diwydiannol a warysau heb ganiatâd cynllunio. Cyflwynwyd y cyfyngiadau hyn yn 2013 i liniaru effaith gronnol ychwanegiadau bach cynyddrannol o lawr caled anhydraidd ar ddŵr wyneb ffo a'r cynnydd dilynol mewn perygl o lifogydd. O ganlyniad, rhaid cael caniatâd cynllunio er mwyn gosod llawr anathraidd newydd.

Mae polisiau cynllunio cenedlaethol a lleol yn gosod disgwyliad ar gyfer datblygiadau newydd i ymgorffori systemau draenio cynaliadwy (SuDS) i leihau dŵr ffo, sy'n dod â manteision o ran defnydd ac ansawdd dŵr, yn ogystal â gwella bioamrywiaeth ac amwynder lleol. At hynny, mae awdurdodau cynllunio fel mater o drefn yn defnyddio amodau cynllunio i



BUDDSODDWYR | INVESTORS  
MEWN PUBL | IN PEOPLE

Ffurflen y pecyniaid

Canolfan QED • QED Centre  
Y Brif Rodfa • Main Avenue  
Treforest • Treforest  
Penygroes, Treorchy, CF37 5YR

Ffôn • Tel 02920 826646  
[james.price@wales.gsi.gov.uk](mailto:james.price@wales.gsi.gov.uk)  
Gwefan • website: [www.wales.gov.uk](http://www.wales.gov.uk)

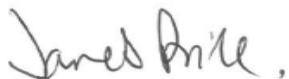
sicrhau bod datblygiad newydd yn sicrhau y defnyddir deunyddiau athraidd yn effeithiol ac yn ymgorffori tirlunio priodol, gan gynnwys plannu coed.

Ar raddfa ehangach, mae Polisi Cynllunio Cymru yn gosod dull gweithredu rhagofalus sy'n ceisio cyfeirio datblygiadau – yn enwedig rhai sy'n agored iawn i niwed fel cartrefi newydd, gwasanaethau brys ac ysgolion - i ffwrdd o ardaloedd sy'n agored i lifogydd. Dylid byth lleoli datblygiadau o'r math hwn ar orlifdiroedd sy'n ddiamddiffyn, a dim ond lle y gellir lleihau'r perygl i fywyd ac eiddo i lefel dderbyniol y dylid lleoli datblygiadau hyn tu ôl i amddiffynfeydd rhag llifogydd. Bydd archwiliad annibynnol o'r Cynlluniau Datblygu Lleol yn craffu ar ddyraniadau safleoedd mewn ardaloedd perygl llifogydd. Ar gam y cais cynllunio, rhaid i ddatblygwyr wrth gynnig datblygiadau mewn ardaloedd perygl llifogydd gyflwyno Asesiad Canlyniadau Llifogydd, fydd yn cael ei asesu gan Gyfoeth Naturiol Cymru yn rhinwedd ei swydd fel ymgynghorai statudol. Mae'r broses hon yn sicrhau bod datblygu dim ond yn digwydd ar orlifdiroedd os gellir ei gyfiawnhau ac os yw perygl i fywyd ac eiddo cyn lleied â phosibl cyn belled ag sy'n ymarferol.

Mae Llywodraeth Cymru yn gweithio'n agos gyda Cyfoeth Naturiol Cymru i ddarparu mapiau cywir sy'n dangos lle ceir perygl o lifogydd. Bydd Map Cyngor Datblygu TAN 15, sy'n benodol at ddibenion cynllunio, yn dod yn fwy cydnaws â'r Map Risg Llifogydd cenedlaethol pan fydd cyfrifoldeb dros ei rheoli yn cael ei drosglwyddo i Gyfoeth Naturiol Cymru erbyn mis Ebrill eleni. Mae'r map hwn yn rhoi eglurder i ddatblygwyr a'r cyhoedd ar leoliad a natur y perygl o lifogydd, ac yn darparu cyfyngiad pellach i leoli datblygiadau newydd mewn lleoliadau mewn perygl o lifogydd.

Yn olaf, mae Cyfarwyddyd Hysbysu a gyhoeddwyd yn 2012 yn sicrhau bod Gweinidogion Cymru yn cael eu hysbysu os yw awdurdod cynllunio lleol yn bwriadu cymeradwyo cais ar gyfer datblygiad sy'n agored iawn i niwed (10 neu fwy o anheddu lle cynigir cartrefi newydd) lle lleolir y safle ar orlifdiroedd diamddiffyn (parth C2 y Map Cyngor Datblygu). Mae hyn yn golygu bod gan Weinidogion Cymru y cyfreith i alw i mewn y cais eu hunain. Mae Gweinidogion wedi defnyddio'r pŵer yma ar sawl achlysur.

Yn gywir



**James Price**

Llywodraeth Cymru  
Ymgynghoriad – crynodeb o'r ymatebion

## Sefydlu Pwyllgor Llifogydd ac Erydu Arfordirol

Ionawr 2017

## Cynnwys

Cyflwyniad.....	2
Y Broses Ymgynghori.....	3
Crynodeb Gweithredol .....	4
Ymatebion i'r Cwestiynau Ymgynghori .....	5
Cwestiwn 1 – Ac eithrio'r nod lefel uchel o gynghori Gweinidogion Cymru ar faterion yn ymwneud â rheoli'r perygl o lifogydd ac erydu arfordirol, pa swyddogaethau ychwanegol ellid eu gosod ar y pwylgor newydd neu eu rhoi iddo?.....	5
Cwestiwn 2 – O ran aelodaeth y pwylgor newydd: a) Faint o aelodau ddylid eu cael? b) Pa sefydliadau ddylai gael eu cynrychioli? c) Pa sgiliau a/neu wybodaeth ddylid eu ceisio? ch) Beth fyddai'r cysylltiadau allweddol i sefydliadau/byrddau/pwylgorau eraill? d) A ddylid cael aelodau wedi'u penodi neu aelodau cynrychioladol ar y pwylgor newydd, neu elfen o'r ddau? .....	7
Cwestiwn 3 – Pa mor aml ddylai cyfarfodydd y pwylgor newydd gael eu cynnal, a phwy ddylai ddarparu'r cymorth ysgrifenyddiaeth? .....	9
Cwestiwn 4 – Sut dylai'r pwylgor newydd gyfathrebu ei gyngor i Weinidogion Cymru? .....	10
Cwestiwn 5 – Mae Deddf 2016 yn caniatáu taliadau amrywiol i gadeirydd ac aelodau'r pwylgor newydd. a) A ddylai cadeirydd y pwylgor newydd dderbyn taliadau cydnabyddiaeth a lwfansau? b) A ddylai'r aelodau dderbyn taliad o lwfansau? .....	10
Cwestiwn 6 – Rydym wedi gofyn nifer o gwestiynau penodol. Os oes gennych unrhyw safbwytiau ar faterion cysylltiedig nad ydym wedi rhoi sylw penodol iddynt, rhowch wybod i ni yn y ffurflen ymateb.....	11
Y Camau Nesaf .....	11
Atodiad 1: Rhestr o Ymatebwyr.....	12

## Cyflwyniad

Mae Adran 81(1) Deddf yr Amgylchedd 2016 yn rhoi'r grym i Weinidogion Cymru sefydlu Pwyllgor Llifogydd ac Erydu Arfordirol. Y bwriad yw i'r pwyllgor newydd hwn ddisodli'r Pwyllgor Rheoli Perygl Llifogydd Cymru presennol, y sefydlwyd ei drefniadau gan Ddeddf Rheoli Llifogydd a Dŵr 2010 (Deddf 2010) a Rheoliadau Pwyllgorau Rhanbarthol Llifogydd ac Arfordir (Cymru a Lloegr) 2011.

Diffinnir swyddogaeth ganolog Rheoli Perygl Llifogydd Cymru o ran yr hyn y mae'n rhaid i Gyfoeth Naturiol Cymru ei wneud ynghylch ei raglen a'i gyllideb a'r hyn na all ei wneud heb ganiatâd Rheoli Perygl Llifogydd Cymru.

Cyfrifoldeb cyfunol Rheoli Perygl Llifogydd Cymru yw cydsynio i raglen rheoli perygl llifogydd ac erydu arfordirol ranbarthol Cyfoeth Naturiol Cymru, cyflwyno unrhyw ardoll gan Gyfoeth Naturiol Cymru o dan Adran 17 Deddf 2010, a gwario unrhyw refeniw gan Gyfoeth Naturiol Cymru o dan Adran 118 Deddf Adnoddau Dŵr 1991.

Mae rheoli perygl llifogydd ac erydu arfordirol yng Nghymru yn ehangach na'r cyfrifoldebau sy'n rhan o raglen rheoli perygl llifogydd Cyfoeth Naturiol Cymru. Mae Deddf 2010 yn nodi swyddogaethau a chyfrifoldebau pob 'Awdurdod Rheoli Risg', sydd, yng Nghymru, yn cynnwys Cyfoeth Naturiol Cymru, y 22 awdurdod lleol sy'n gweithredu fel Awdurdodau Llifogydd Lleol Arweiniol a'r awdurdodau priffyrdd, y byrddau draenio mewnol, a'r cwmnïau dŵr a charthffosiaeth.

Hefyd, mae gan randdeiliaid allanol, gan gynnwys Network Rail a thirfeddianwyr preifat, swyddogaeth o ran cynnal asedau penodol sydd wedi'u lleoli mewn ardaloedd lle ceir perygl o lifogydd neu erydu, neu'n agos at yr ardaloedd hyn. Mae cyflwyno Strategaeth Genedlaethol Llywodraeth Cymru ar gyfer Rheoli Perygl Llifogydd ac Erydu Arfordirol (y Strategaeth Genedlaethol) yn golygu gweithio ar y cyd ar draws amrywiaeth o sefydliadau, gan gynnwys Llywodraeth Cymru, Cyfoeth Naturiol Cymru, awdurdodau lleol, Network Rail a Dŵr Cymru Welsh Water.

## **Y Broses Ymgynghori**

Nod yr ymgynghoriad oedd ceisio cael ymgysylltiad ehangach ar agweddau allweddol ar y pwylgor newydd er mwyn sicrhau y gall gyflawni ei nod o roi cyngor cadarn, cywir a chynrychiadol i Weinidogion Cymru ar bob agwedd ar reoli perygl llifogydd ac erydu arfordirol.

Gofynnodd yr ymgynghoriad chwe chwestiwn am wahanol agweddau ar y pwylgor newydd a rhoddodd ffactorau i'w hystyried yng nghyswilt pob cwestiwn.

Dechreuodd yr ymgynghoriad ar 11 Awst 2016 a daeth i ben ar 3 Tachwedd 2016, gan dderbyn cyfanswm o 38 o ymatebion. Rhoddwyd yr ymgynghoriad ar wefan Llywodraeth Cymru ac fe'i hanfonwyd at randdeiliaid perthnasol.

## Crynodeb Gweithredol

Croesawyd syniad y Pwyllgor Llifogydd ac Erydu Arfordirol yn eang gan yr ymatebwyr i'r ymgynghoriad.

Y neges allweddol yn ymwneud â swyddogaethau'r pwyllgor oedd y dylai ddarparu cyngor a/neu fonitro ar gyfer y rhagleni Rheoli Perygl Llifogydd ac Erydu Arfordirol.

Roedd safbwytiau'n amrywio o ran maint a chyfansoddiad y pwyllgor ond, o gymryd yr holl ymatebion i ystyriaeth, roedd y rhan fwyaf o bobl yn teimlo y dylai fod o leiaf deg o bobl ond dim mwy nag ugain, gyda nifer a oedd fwy neu lai'n hafal o aelodau cynrychioladol ac wedi'u penodi. Soniwyd am gael is-grwpiau yn bwydo i mewn i'r pwyllgor hefyd. Bydd rhaid i'r pwyllgor adlewyrchu'r ffaith ei fod yn ymdrin â Chymru gyfan, o ran y pynciau y bydd yn eu hystyried a'i gyfansoddiad. Roedd hyn yn rhywbeth y tynnwyd sylw ato mewn gwahanol ymatebion, gyda phwyslais ar bwysigrwydd gwybodaeth leol.

Neges arall a gafodd ei chyfleu oedd y dylai'r pwyllgor feithrin cysylltiadau gyda phrifysgolion a sefydliadau addysgol eraill. Soniwyd am sefydliadau eraill yr oedd pobl yn teimlo y dylai'r pwyllgor ryngweithio a thrafod â nhw yn rheolaidd, a rhoddir sylw i hyn o dan yr ail gwestiwn.

O ran y cwestiwn o amlder cyfarfodydd, bob tri mis oedd y dewis mwyaf poblogaidd, ac roedd y rhan fwyaf o'r ymatebion yn awgrymu y dylai Cyfoeth Naturiol Cymru neu Lywodraeth Cymru ddarparu'r ysgrifenyddiaeth. Er i ychydig yn fwy o bobl ddewis Cyfoeth Naturiol Cymru, roedd yn amlwg ei bod yn well gan Gyfoeth Naturiol Cymru ei hun, a sefydliadau dylanwadol fel CLILC, i Lywodraeth Cymru gyflawni'r swyddogaeth. Hefyd, awgrymwyd gan sawl ymatebwr, gan y byddai'r pwyllgor yn adrodd i Weinidogion Cymru, y byddai'n gwneud synnwyd i swyddogion Llywodraeth Cymru gyflawni'r swyddogaeth hon.

Byddai'r cadeirydd yn adrodd i'r gweinidogion ddwywaith y flwyddyn a hefyd yn llunio adroddiad blynnyddol ar ran y pwyllgor. Dylai fod gan y pwyllgor bresenoldeb ar wefan Llywodraeth Cymru a dylai fod â strategaeth gyfathrebu effeithiol ar waith.

Roedd mwyafrif y rhai a fynegodd farn yn cefnogi taliadau cydnabyddiaeth i'r cadeirydd a thalu treuliau i'r aelodau.

## Ymatebion i'r Cwestiynau Ymgynghori

Gofynnodd yr ymgynghoriad chwe chwestiwn i ddarganfod safbwytiau ar sefydlu Pwyllgor Llifogydd ac Erydu Arfordirol. Ceir rhestr lawn o'r ymatebwyr yn Atodiad 1.

### **Cwestiwn 1: Ac eithrio'r nod lefel uchel o gynghori Gweinidogion Cymru ar faterion yn ymwneud â rheoli'r perygl o llifogydd ac erydu arfordirol, pa swyddogaethau ychwanegol ellid eu gosod ar y pwylgor newydd neu eu rhoi iddo?**

Yn gyffredinol, roedd croeso i bwylgor newydd a allai gynnig safbwyt cyfannol a chyngor ar y sector llifogydd ac erydu arfordirol cyfan yng Nghymru. Dim ond un ymateb wnaeth gwestiynu'r angen am bwylgor newydd gan deimlo y byddai pwylgorau lleol wedi'u dosbarthu ar draws rhanbarthau Cymru yn hwyluso proses well ar gyfer gwneud penderfyniadau.

Roedd amrywiaeth eang o swyddogaethau ychwanegol posibl y gellid eu rhoi. Roedd y mwyaf poblogaidd a awgrymwyd fel a ganlyn:

Swyddogaeth pwylgor a awgrymwyd (yn nhrefn eu poblogrwydd)	Nifer yr ymatebion a soniodd am hyn
Darparu cyngor a/neu fonitro ar gyfer y rhagleni Rheoli Perygl Llifogydd ac Erydu Arfordirol	17
Gallu comisiynu ei raglen waith a/neu raglen ymchwil ei hun	11
Darparu cyfathrebiad dwy ffordd gwell gyda chymunedau a'r cyhoedd ar berygl llifogydd	11
Darparu cyngor ar y ffordd orau y gall Rheoli Perygl Llifogydd ac Erydu Arfordirol gyfrannu at Ddeddf yr Amgylchedd a'r Ddeddf Llesiant	9
Cynnig cyngor ar sut y dylai Rheoli Perygl Llifogydd ac Erydu Arfordirol ymgorffori ystyriaethau defnydd tir a chynllunio, yn enwedig o ran Cynlluniau Datblygu Lleol a dulliau a gweithrediad rheoli llifogydd naturiol	6
Annog gwaith partneriaeth effeithiol rhwng pob Awdurdod Rheoli Risg a sefydliad Rheoli Perygl Llifogydd ac Erydu Arfordirol	5
Cynghori ar y Strategaeth Genedlaethol ar gyfer Rheoli Perygl Llifogydd ac Erydu Arfordirol	5

Awgrymodd pedwar ymatebwr y dylai'r cyngor a ddarperir gan y pwylgor gael ei gyflwyno'n benodol ar sail fyrdymor, tymor canolig a hirdymor, sy'n gyson â'r cynigion gwreiddiol a wnaed gan Ddeddf yr Amgylchedd. Roedd pedwar ymatebwr arall yn teimlo y dylai'r pwylgor hwyluso cydweithrediad gydag a rhwng grwpiau cydnerthedd ac ymateb brys yng nghyswilt digwyddiadau llifogydd.

Roedd pedwar ymatebwr yn teimlo y dylai'r pwylgor gymryd gwahaniaethau daearyddol a sefyllfaoedd lleol i ystyriaeth wrth ddarparu cyngor ar reoli llifogydd ac erydu arfordirol. Awgrymodd tri ymatebwr y dylai'r pwylgor fod yn gyfrifol am archwilio'r posiblwydd o gyllid partneriaeth ar gyfer rhagleni rheoli perygl llifogydd ac erydu arfordirol. Roedd tri ymatebwr yn teimlo y dylai'r pwylgor gymryd y newid yn yr hinsawdd i ystyriaeth yn llawn wrth ddarparu cyngor, a dywedodd dau ymatebwr y dylai'r pwylgor gynnal adolygiad o waith ymchwil ar lifogydd ac erydu arfordirol ac amlygu a rhannu arfer gorau, yn genedlaethol ac yn rhyngwladol.

Roedd un ymatebwr yn teimlo y dylai'r pwylgor annog arloesedd.

Bydd yr holl swyddogaethau uchod a awgrymwyd yn cael eu hystyried wrth ffurfio'r pwylgor. Cafwyd nifer o awgrymiadau na ellir eu hystyried hefyd. Roedd y rhain yn cynnwys awgrym i'r pwylgor gael cylch gwaith i ystyried materion rheoli dŵr ehangach, na fyddai'n cael ei ganiatáu o dan gwmpas y pwylgor fel y'i nodir gan Ddeddf yr Amgylchedd.

Nid yw awgrym i gynnwys amddiffyniad rhag erydu afonol fel un o ystyriaethau'r pwylgor yn bosibl ar hyn o bryd, gan mai cyfrifoldeb perchenog glannau'r afon yw erydiad glan cwrs dŵr ac nid oes gan Awdurdodau Rheoli Risg bwerau i reoli'r perygl hwn o dan y Ddeddf Rheoli Llifogydd a Dŵr.

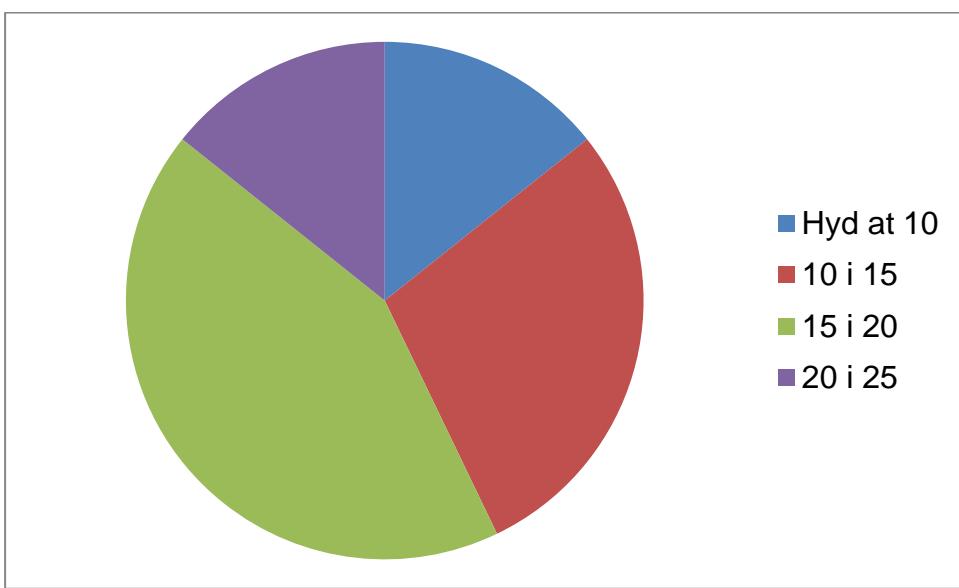
Roedd dau ymatebwr yn teimlo y dylai'r pwylgor gael y grym i holi sefydliadau rheoli perygl llifogydd ac erydu arfordirol. Mae'n bosibl y bydd y pwylgor yn cael caniatâd i wahodd cynrychiolwyr i gyfarfodydd i drafod gwahanol faterion. Fodd bynnag, gan y bydd y pwylgor yn gynghorol o ran ei statws yn hytrach na'n bwylgor craffu, ni fyddai'n briodol i'r pwylgor gymhell unrhyw sefydliad i fynychu a derbyn sylwadau craffu.

Roedd un ymatebwr yn teimlo y dylai'r pwylgor ystyried y cysylltiadau i erydu arfordirol cynyddol. Gan ei bod yn bosibl y bydd gan y pwylgor y gallu i bennu ei raglen waith ac ymchwil ei hun, mae'n bosibl y gellid ystyried tasgau o'r fath, ond nid fel swyddogaeth sefydlog ac ar wahân.

## Cwestiwn 2 – O ran aelodaeth y pwylgor newydd:

- a) Faint o aelodaau ddylid eu cael?
- b) Pa sefydliadau ddylai gael eu cynrychioli?
- c) Pa sgiliau a/neu wybodaeth ddylid eu ceisio?
- ch) Beth fyddai'r cysylltiadau allweddol i sefydliadau/byrddau/pwylgorau eraill?
- d) A ddylid cael aelodaau wedi'u penodi neu aelodaau cynrychioladol ar y pwylgor newydd, neu elfen o'r ddau?

Roedd amrywiad yn yr ymatebion a dderbyniwyd o ran maint delfrydol y pwylgor, fel y dangosir gan y graff canlynol.



Ni fynegodd llawer o ymatebwyr farn ar faint yr aelodaeth, er bod sawl safbwyt y dylid lleihau niferoedd craidd y pwylgor wrth i is-bwylgorau ategol gynnig cyfleoedd ar gyfer cynrychiolaeth ehangach a mwy o drafodaethau manwl.

O'r safbwytiau a fynegwyd ar y math o aelodaeth, roedd y mwyafrif o'r farn y dylai'r pwylgor gynnwys nifer sydd fwy neu lai'n hafal o aelodau cynrychioladol ac wedi'u penodi.

Rhestwyd amrywiaeth eang o sefydliadau yr oedd yr ymatebwyr yn teimlo bod angen iddynt fod yn rhan o'r pwylgor newydd. Roedd y rhain yn cynnwys:

- Llywodraeth Cymru
- Cyfoeth Naturiol Cymru
- Awdurdodau Llifogydd Lleol Arweiniol
- Cymdeithas Llywodraeth Leol Cymru (CLILC)
- Pob cwmni dŵr
- Network Rail
- Yr Ymddiriedolaeth Genedlaethol
- Cynghorau Cymuned a Thref, trwy Un Llais Cymru o bosibl

- Y sector gwirfoddol, gan gynnwys wardeniaid llifogydd a thrigolion mewn ardaloedd perygl uchel
- Tirfeddianwyr, gan gynnwys Undeb Cenedlaethol Amaethwyr Cymru a Chymdeithas y Tirfeddianwyr
- Cyrff anllywodraethol amgylcheddol, trwy Gyswilt Amgylchedd Cymru o bosibl
- Y Swyddfa Dywydd
- Prifysgolion
- Y sector preifat
- Grwpiau defnyddwyr yr arfordir, gan gynnwys perchnogion traethau

Teimlwyd hefyd y byddai angen i'r pwylgor gael cysylltiadau cryf â:

- Chymdeithas yr Awdurdodau Draenio a chyrff proffesiynol eraill
- Grwpiau amgylchedd hanesyddol
- Grwpiau newid yn yr hinsawdd
- Grwpiau cydnerthedd
- Canolfan Monitro Arfordirol Cymru (ar ôl ei ailsefydlu)
- Bwrdd y Rhaglen Rheoli Perygl Llifogydd ac Erydu Arfordirol (ar ôl ei sefydlu)
- Adrannau cynllunio mewn awdurdodau lleol ac yn Llywodraeth Cymru

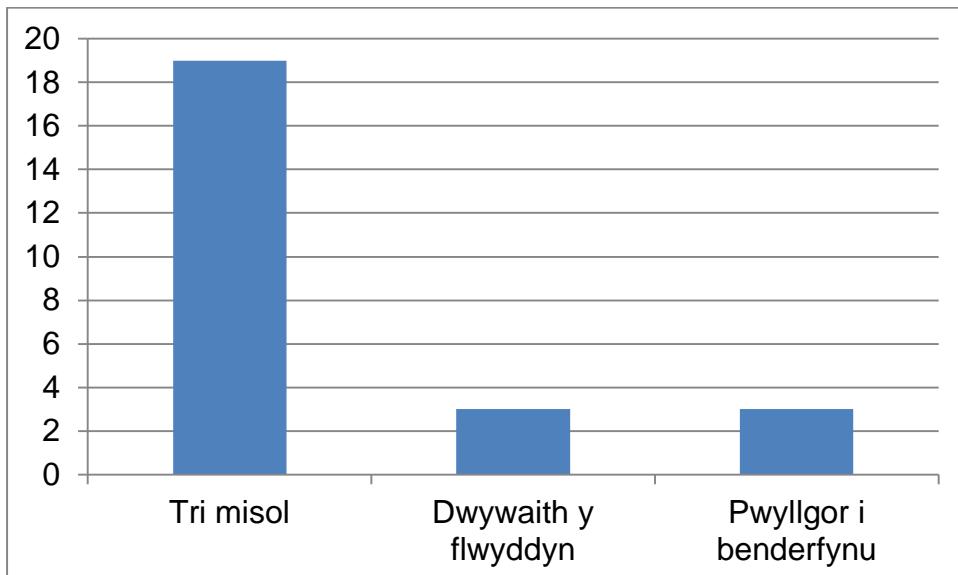
O ran y sgiliau sydd eu hangen ar y pwylgor, roedd amrywiaeth eang o ymatebion unwaith eto. Roedd y rhain yn cynnwys:

- Peirianneg, arloesedd a thechnoleg
- Ymarferwyr llifogydd ac arfordirol annibynnol
- Gwybodaeth am gyllid Llywodraeth Cymru
- Gwybodaeth am wahanol fathau o lifogydd
- Gwybodaeth dechnegol
- Gwybodaeth am raglenni buddsoddi cyfalaf
- Cyfathrebu a'r gallu i gysylltu â'r cyhoedd
- Systemau Gwybodaeth Daearyddol ac arbenigedd mapio

Hefyd, roedd yr ymatebwyr yn teimlo y dylai'r pwylgor fod â'r gallu i gyfethol arbenigedd ychwanegol yn ôl y gofyn, gan gynnwys gwahodd eraill i fynychu a chyfrannu.

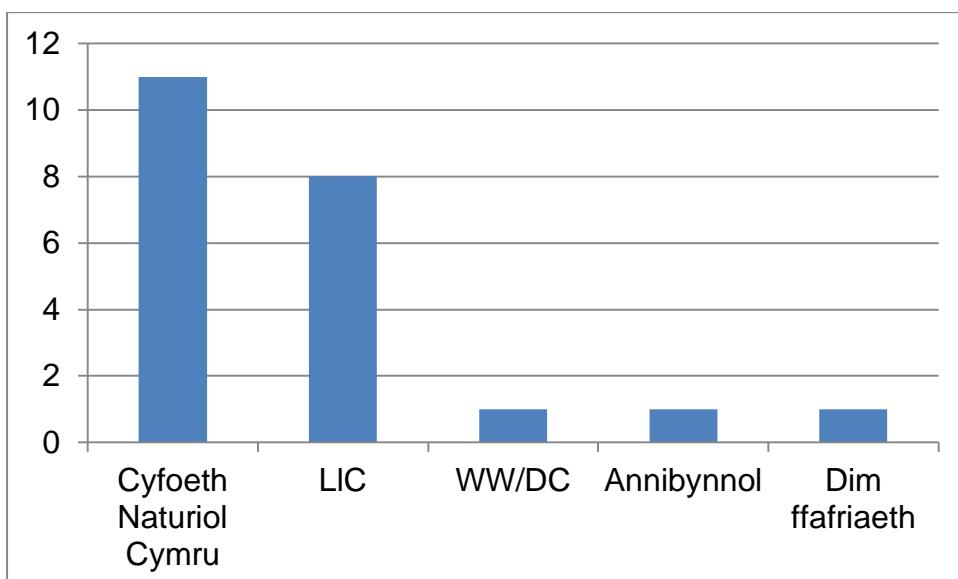
### Cwestiwn 3 – Pa mor aml ddylai cyfarfodydd y pwylgor newydd gael eu cynnal, a phwy ddylai ddarparu'r cymorth ysgrifenyddiaeth?

Roedd safbwyt cyffredinol y dylai'r pwylgor gyfarfod ar ryw ffurf bob tri mis. Mae'r graff canlynol yn dangos y gwahanol ymatebion a dderbyniwyd:



Bydd gan y pwylgor ei hun fewnbwn i amlder angenrheidiol cyfarfodydd, gyda chytundeb gan Weinidogion Cymru. Er bod yr ymatebion i'r ymgynghoriad yn amlwg yn ffafrio cyfarfodydd tri misol, pan gaiff cyfarfodydd is-bwyllgorau eu cymryd i ystyriaeth hefyd, efallai y byddai amlder o ddau i dri chyfarfod pwylgor craidd yn fwy priodol.

Roedd yr ymatebion yn ymwneud â chymorth ysgrifenyddiaeth fel a ganlyn:

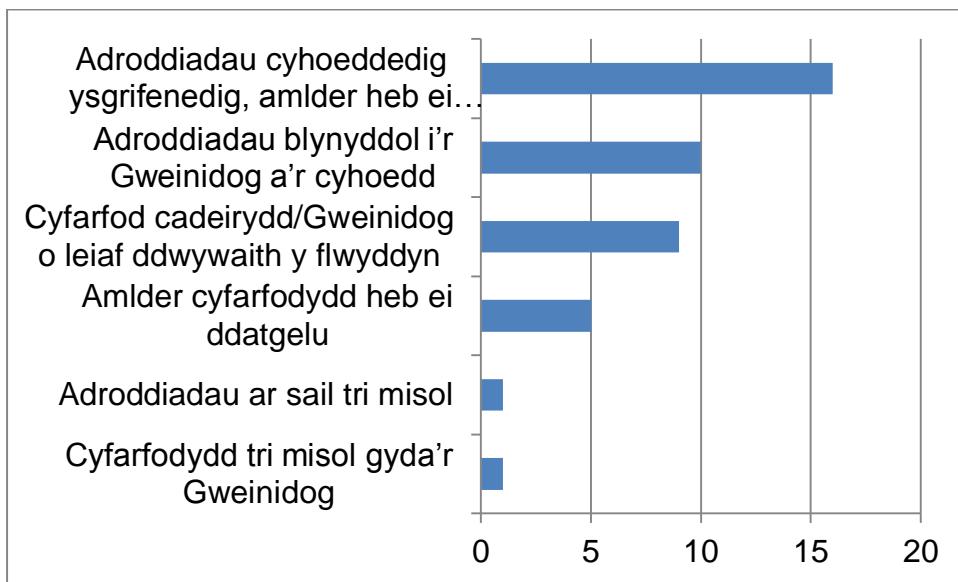


Fodd bynnag, er i nifer fwy o ymatebwyr ddweud y dylai Cyfoeth Naturiol Cymru ddarparu'r cymorth ysgrifenyddiaeth, roedd nifer sylweddol o sylwadau o'r farn y byddai Llywodraeth Cymru yn fwy priodol. Mynegwyd sawl safbwyt yn awgrymu mai Llywodraeth Cymru fyddai'r ysgrifenyddiaeth fwy addas os yw adroddiadau yn mynd i'r Gweinidog.

Hefyd, dywedodd Cyfoeth Naturiol Cymru ei hun, CLILC ac Awdurdodau Llifogydd Lleol Arweiniol mai Llywodraeth Cymru fyddai'r corff priodol i ddarparu cymorth ysgrifenyddiaeth.

#### **Cwestiwn 4 – Sut dylai'r pwylgor newydd gyfathrebu ei gyngor i Weinidogion Cymru?**

Pan ofynnwyd sut y dylai'r pwylgor gyfathrebu ei gyngor i'r Gweinidog a'r cyhoedd, roedd mwyafrif yr ymatebwyr yn teimlo y byddai rhyw fath o adroddiad ysgrifenedig a chyhoeddedig yn ddymunol. Roedd deg ymateb yn fwy penodol, gan nodi y byddai adroddiad blynnyddol yn ddymunol. Roedd yr ymatebwyr hefyd yn teimlo y byddai cyfarfodydd rheolaidd rhwng cadeirydd y pwylgor ac Ysgrifennydd y Cabinet yn ddymunol, wrth i naw ymateb ddweud y dylai'r cyfarfodydd hyn gael eu cynnal o leiaf ddwywaith y flwyddyn. Dangosir yr amrywiaeth o ymatebion a dderbyniwyd isod.



#### **Cwestiwn 5 – Mae Deddf 2016 yn caniatáu taliadau amrywiol i gadeirydd ac aelodau'r pwylgor newydd.**

- A ddylai cadeirydd y pwylgor newydd dderbyn taliadau cydnabyddiaeth a lwfansau?**
- A ddylai'r aelodau dderbyn taliad o lwfansau?**

Yn gyffredinol, roedd safbwytiau'r ymatebwyr ar daliadau cydnabyddiaeth a lwfansau yn cytuno y dylai'r cadeirydd dderbyn taliad cydnabyddiaeth priodol ac y dylai'r aelodau dderbyn treuliau priodol.

**Cwestiwn 6 – Rydym wedi gofyn nifer o gwestiynau penodol. Os oes gennych unrhyw safbwytiau ar faterion cysylltiedig nad ydym wedi rhoi sylw penodol iddynt, rhowch wybod i ni yn y ffurflen ymateb.**

Derbyniwyd 11 ymateb gennym o'r cwestiwn penodol hwn, yn cynnwys amrywiaeth o gynigion.

Defnyddiodd grwpiau amrywiol y cwestiwn hwn i fynegi eu cefnogaeth i'r pwylgor ac i groesawu'r cyfle i ymgysylltu ag ef. Cafwyd un ymateb a oedd yn teimlo bod y sefyllfa bresennol yn iawn ac nad oedd angen newid. Amlwgodd ymateb arall bwysigrwydd presenoldeb amlwg ar wefan Llywodraeth Cymru. Roedd un ymatebwr yn teimlo y dylai'r pwylgor edrych ar hanes perfformiad sefydliadau sy'n gyfrifol am amddiffyn rhag llifogydd o lifogydd arfordirol i lifogydd carthffosiaeth a phwysleisiodd un arall y dylai fod cydbwysedd rhwng cynnwys llifogydd afonol ac arfordirol.

### **Y Camau Nesaf**

Bydd Llywodraeth Cymru yn defnyddio'r adborth a gafwyd o'r ymgynghoriad hwn nawr i baratoi'r rheoliadau sydd eu hangen i sefydlu'r pwylgor yn 2017 ac i amlinellu ei weithrediad. Ar yr un pryd, bydd Pwyllgor Rheoli Perygl Llifogydd Cymru yn cael ei ddiddymu yn ffurfiol.

Yn gyfochrog â hyn, bydd Llywodraeth Cymru yn gweithredu proses reciwtio ar gyfer cadeirydd y pwylgor ac aelodaeth a fydd yn cynnwys aelodau cynrychioladol ac wedi'u penodi.

## Atodiad 1: Rhestr o Ymatebwyr

CBS Caerffili	Awdurdod Lleol
CBS Conwy	Awdurdod Lleol
Cyngor Sir Fynwy	Awdurdod Lleol
Undeb Amaethwyr Cymru	Undeb
NFU Cymru	Undeb
Cyngor Tref Llanelli	Cyngor Tref
Cyngor Tref Martletwy	Cyngor Tref
Cyngor Tref Porthmadog	Cyngor Tref
Cymdeithas yr Awdurdodau Draenio Cymru	Sefydliad
BT	Sefydliad
DCWW	Sefydliad
Sefydliad Peirianwyr Sifil Cymru	Sefydliad
Y Swyddfa Dywydd	Sefydliad
Mott Macdonald	Sefydliad
Tân ac Achub Gogledd Cymru	Sefydliad
Yr Ymddiriedolaeth Genedlaethol	Sefydliad
Network Rail	Sefydliad
Cyfoeth Naturiol Cymru	Sefydliad
Un Llais Cymru	Sefydliad
Arolwg Ordnans	Sefydliad
Y Gymdeithas Frenhinol er Gwarchod Adar	Sefydliad
Y Sefydliad Cynllunio Trefol Brenhinol	Sefydliad
CLILC	Sefydliad
Grŵp Llifogydd Cymuned Tal-y-bont	Sefydliad
Y Cynghorydd K Watts	
Dirprwy Brif Gwnstabl Gareth Pritchard	Fforwm Lleol Cymru Gydnerth y Gogledd
G. Whitworth	Atrepo
H. Jones	Cadeirydd Grŵp Cynghori Powysland Cymdeithas yr Awdurdodau Draenio Cymru
Y Grŵp Amgylchedd Hanesyddol	Llywodraeth Cymru
John Markwick	Grŵp Cynghori Draenio Mewnol Rhanbarthol Powysland
M. Bramley	Cyngor Cymuned Llanfrynnach
M. Millett	
Madeleine Havard	Cadeirydd, Rheoli Perygl Llifogydd Cymru

R. A. Falconer	Prifysgol Caerdydd ac Ymgynghorydd Dŵr Annibynnol
Richard Ebley	
Victor Hellier	NHW a Chynllun Llifogydd Marlborough

\*Gofynnodd un ymatebwr i beidio â chael ei enwi

**Eitem 2.2**

Vaughan Gething AC/AM

Ysgrifennydd y Cabinet dros Iechyd, Llesiant a Chwaraeon  
Cabinet Secretary for Health, Well-being and SportLlywodraeth Cymru  
Welsh Government

Nick Ramsay AC

Cadeirydd

Y Pwyllgor Cyfrifon Cyhoeddus

Cynulliad Cenedlaethol Cymru

Bae Caerdydd

CF99 1NA

9 Ionawr 2017

Annwyl Nick,

Diolch i chi am eich llythyr 6 Rhagfyr, yn dilyn y diweddariad a gawsoch gan Dr Andrew Goodall a Dr Kate Chamberlain ynghylch y cynnydd sydd wedi'i wneud yn erbyn argymhellion *Adolygiad Marks*.

Fel y nodwyd gennych, tanlinelloedd yr ymateb i saith o'r argymhellion ein bod yn ymchwilio i'r materion, gan gynnwys unrhyw ddeddfwriaeth yn y dyfodol, yn dilyn y Papur Gwydd 'Ein Hiechyd, Ein Gwasanaeth Iechyd'.

Byddwch yn cofio i'r ymgynghoriad ar y Papur Gwydd gael ei gynnal y llynedd i ymchwilio i feysydd posibl ar gyfer deddfwriaeth yn y dyfodol i gefnogi gwella ansawdd, integreiddio effeithiol, partneriaeth a llywodraethu gwell o fewn y gwasanaeth iechyd yng Nghymru. Ymchwiliodd pennod chwech o'r Papur Gwydd i'r cwestiwn a oes gennym drefniadau priodol ar waith ar gyfer rheoleiddio ac arolygu gwasanaethau iechyd effeithiol gan Arolygiaeth Gofal Iechyd Cymru (AGIC). Yn unol â'r argymhellion hynny a wnaed fel rhan o *Adolygiad Marks*, gofynnodd sut y gellid defnyddio deddfwriaeth i wella capaciti gweithredol AGIC, ei hannibyniaeth, a chydweithredu rhwng AGIC ac Arolygiaeth Gofal a Gwasanaethau Cymdeithasol Cymru (AGGCC).

Yn dilyn yr ymgynghoriad, cyhoeddodd y Gweinidog blaenorol dros Iechyd a Gwasanaethau Cymdeithasol grynodeb o'r ymatebion, yn ogystal â'r ymatebion yn eu crynswth (ar wahân i'r rhai a nododd eu bod yn dymuno i'w hymateb aros yn gyfrinachol). Ers yr adroddiad cryno, cyhoeddwyd hefyd adolygiad OECD o Ansawdd Gofal Iechyd yn y DU, sy'n awgrymu nifer o gamau gweithredu sy'n croestorri â'r meysydd yr ymgynghorwyd arnynt yn y Papur Gwydd, gan gynnwys sut i roi sylw i lais y claf ar faterion y GIG yn effeithiol.

Adeg yr ymgynghoriad fe'i gwnaed yn glir mai mater i'r Llywodraeth newydd yw penderfynu ar unrhyw gamau sy'n deillio o'r Papur Gwydd. Rydym bellach yn gweithio i gwblhau'r adolygiad o swyddogaethau AGIC ac AGGCC ac mae fy swyddogion wrthi'n cynnal gwerthusiad i asesu a oes angen deddfwriaeth i sbarduno gwella ansawdd ac integreiddio. Er hynny, rydym yn glir y dylid ystyried deddfwriaeth fel y dewis olaf o safbwyt sicrhau

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:

0300 0604400

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

[Gohebiaeth.Vaughan.Gething@llyw.cymru](mailto:Gohebiaeth.Vaughan.Gething@llyw.cymru)  
[Correspondence.Vaughan.Gething@gov.wales](mailto:Correspondence.Vaughan.Gething@gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

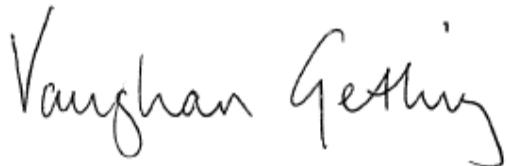
Tudalen y pecyn 20

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and responding in Welsh will not lead to a delay in responding.

newid ac felly, ar gyfer pob un o'r meysydd uchod mae swyddogion hefyd yn edrych ar ba gamau y gellir eu cymryd yn y tymor byr / canolig o fewn fframweithiau deddfwriaethol presennol. Mae fy swyddogion yn ystyried pob un o'r adolygiadau cyn ac ar ôl y Papur Gwydd, ochr yn ochr â'r ymatebion i'r ymgynghoriad, yn ogystal â chynnal trafodaethau gyda'r Arolygiaethau i sicrhau bod y dewisiadau'n ffrwyth ystyriaeth drylwyr.

Rhagwelaf y bydd fy swyddogion yn rhoi canlyniad y gwerthusiad hwn imi yn y Flwyddyn Newydd ac felly byddai'n gynamserol imi gadarnhau a fydd hyn yn cwmpasu deddfwriaeth. Byddaf yn ymdrechu i roi gwybodaeth briodol i'r pwylgor am gynnydd yn y maes hwn a'r effaith ddilysol ar yr argymhellion penodol hynny a danlinellwyd.

Yn gywir,

A handwritten signature in black ink, appearing to read "Vaughan Gething".

**Vaughan Gething AC / AM**

Ysgrifennydd y Cabinet dros Iechyd, Llesiant a Chwaraeon  
Cabinet Secretary for Health, Well-being and Sport

# Eitem 3

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon

Welsh Tenants is a representative voice for tenants formed in 1987 but with a longer campaigning history. Our mission is to 'enhance and promote the rights, representation and standards for people whom rent their homes in Wales'. We have over 500 registered groups and associates in Wales.

Welsh Tenants served almost 6 years on the Regulatory Board for Wales until the board changed to an independent structure in 2015/16. During this time we helped develop and manage and facilitate the Tenants Advisory Panel throughout this period. We are the only tenant representative body to currently sit on the RAG (Regulatory Advisory Group). We undertook a mapping exercise of tenant scrutiny among HAs in 2015.

This response relates to:

**National Assembly for Wales**

**10<sup>th</sup> Jan 2017.**

Public accounts committee response to the enquiry on the effectiveness of the current Regulatory Framework for Housing Associations Registered in Wales;

1. The effectiveness and quality of governance arrangements;
2. Whether the current regulatory regime is effective in managing and mitigating sector wide risks;
3. The effectiveness of the co-regulatory approach in practice;
4. The remuneration of senior executives of housing associations.

Further information

Steve Clarke, Managing Director  
Welsh Tenants  
Milbourne Chambers,  
Glebeland Street, Merthyr Tydfil,  
CF478AT

Email [steve@welshtenants.org.uk](mailto:steve@welshtenants.org.uk)  
Tel: 01685 723922

1. Quality of governance arrangements
- 1.1. The focus on governance has been a key area of regulatory activity. The Regulatory Board Wales commissioned a review of governance in Wales 2013<sup>1</sup>. The comprehensive research of HAs in Wales stimulated sector discussions on how governance can be improved. As a consequence a new code<sup>2</sup> was adopted in 2015 with a ‘comply or explain’ approach adopted by the regulator.
- 1.2. In our view the representative body for the sector CHC (Community Housing Cymru) undertakes its role diligently and with professional competence delivering a number of governance specific events to share and discuss emerging risks, provide workshops, discussions on strategic and policy issues for boards that address the full range of emerging risks and challenges for the sector.
- 1.3. Boards are always balanced by pushers and pullers. Those wanting to race ahead expand and diversify and those who want to stay grounded in their localism in both traditional and non-traditional models. However, the regulator reports there are some associations still presenting cause for concern’ that require closer regulatory monitoring.
- 1.4. We are confident that work undertaken by the regulator in a co-production, co-regulation approach has enabled the sector to improve board governance however this is a dynamic process.

#### Issues raised by tenant representative group

- 1.5. Executives as board members - There is significant tenant and stakeholder resistance to executive officers being on boards of HAs with voting rights. The executive is accountable to the board not a member of it. We believe this model should be confined to the private sector. If the board has concerns about understanding executive proposals, it should seek independent support and advice.
- 1.6. Paid board members – The sector has a diverse range of highly professional persons on their boards. Individual HAs can determine whether to remunerate board members with a an explanation to the regulator. Tenants are generally not in favour of ‘paid board members’. We are however sympathetic to encouraging young professionals to gain board experience through

---

<sup>1</sup> <http://gov.wales/statistics-and-research/sector-study-governance-housing-associations-registered-wales/?lang=en>

<sup>2</sup> [http://chcymru.org.uk/uploads/events\\_attachments/Code\\_of\\_Governance.pdf](http://chcymru.org.uk/uploads/events_attachments/Code_of_Governance.pdf)

compensating employers for time off to encourage younger profiles into the role.

- 1.7. Tenants as board members – The majority of boards recruit tenants to join their boards from ‘within’ and ‘outside’ of their voluntary TP (tenant participation) structures. There is no mandatory requirement among traditional housing associations to place tenants on boards. Landlords do so, as a part of their TP strategies. There are a range of practices including arrangements for ‘election’ and ‘selection’, although increasingly moving to selection only. We are not convinced, and there is little evidence to suggest otherwise, having tenants as board members improves the board function, compared to other models such as wider range of ‘consumer advice’ professionals. Although there are many tenants who are very experienced and provide a valuable contribution, our preference would be to see tenants in a ‘challenge role’ not equipping them to become ‘the landlord’ with the collective board responsibility this entails. Given the practical limitations on board size, we would rather see the emphasis on meeting other skill gaps such as consumer rights, health and wellbeing, older / young person champions etc.
- 1.8. Scrutiny and challenge – Welsh Tenants are supportive of properly structured and adequately resourced tenant scrutiny and challenge. Our view is that tenants should be empowered to monitor and evaluate ‘service delivery performance’ particularly the effectiveness, efficiency, economic and equitability of service delivery. In this way challenge and scrutiny provides a useful accountability tool for boards. According to a survey conducted in 2015 “Mapping tenant scrutiny among HAs” [2015], conducted by the Tenants Advisory Panel and Welsh Tenants, there are around 1500 tenants participating with housing associations, with a small number undertaking scrutiny and challenge roles. Effective tenant involvement has been assessed as providing significant savings annually to HAs (DCLG commissioned research<sup>3</sup> suggest savings per tenancy between £28 and £94 per property or over £20m annually to Wales if implemented, evaluated and evidenced correctly). This can be best achieved through comprehensive involvement structures with external support at local, regional and national levels. The process enables the regulator to focus on governance and financial viability while utilising local tenant scrutiny and challenge of service delivery to account for their “service delivery performance”.
- 1.9. Golden share – The sector is supported by the addition of 11 LSVT (Large Scale Voluntary Transfer) organisations that range from fully and partially mutual to traditional LSVT HA models. LSVT boards are mainly comprised of a third

---

<sup>3</sup> <https://nationaltenants.files.wordpress.com/2015/03/tlc-an-investment-not-a-cost.pdf>

tenants, councillors and independents. The golden share (councillors) maintain the link with local authority accountability providing localised assurances. There's been much discussion about removing this contingent. Welsh Tenants view is that the make-up of governance arrangements for LSVTs were determined by tenant ballot as outlined by the "offer" and "business plan". This included reassurances concerning structures and make-up of boards. Tenants voted on the whole package. A 30 year business plan, a WHQS delivery offer and accountability structures. These measures ensure concerns of anti-stock transfer bodies such as Defend Council Housing and in particular the criticisms of "privatisation of council housing" were allayed. We believe that any fundamental change should be subject to re-ballot and full consultation in line with 'Gunning principles'. If councillors are withdrawn from LSVT boards, one suggestion is for local authorities to have powers to call to account the boards and their CEO's to a public hearing to explain their performance should issues arise.

- 1.10. Social housing sector changes across the UK mean that many involved tenants have concerns about the ability of the sector to continue to provide rented accommodation for low income earners, the disabled and the elderly who can least afford market rents. In the near future, increasing commercialisation of HAs is an inevitability to maintain and even subsidise their current sector niche.
- 1.11. Mergers – Some tenants are have raised concerns by the push for increased merger activity. While we understand the necessity to address 'governance issues', mergers are an extreme solution to poor board performance or other risks as reported by the regulator. We are mindful of some views that mergers are politically motivated and produce no tangible long term savings. If mergers are to be extended, we would like to see full meaningful consultation arrangements put in place, as with the stock transfer process with independent tenant advisors appointed, including opportunities to be balloted, with tenants having some say on the appropriateness of merger partners.
- 1.12. AGMs – Annual General Meetings are the primary event to convey annual performance to shareholders and stakeholders. They are we feel, much more inclusive affairs than 5 years ago. These are often supplemented by annual tenant conferences that market the association's collaborative work and allow tenants to understand the breadth of partnership working undertaken. The changes have been widely welcomed by many.
- 1.13. Shareholders – Shareholders act as guardians of the constitution, vision and values and meet up annually, being invited to attend the AGM. However their

role is largely an advisory one to the appointed board. The shareholder role, as well as a recruiting ground for potential board members, could also be better utilised to better understand and provide more effective challenge / accountability of boards. We are pleased to see some HAs develop as ‘fully mutual’ with inclusive tenant and staff shareholding being developed. However our general view is that the role of shareholders is largely misunderstood and largely underutilised among the majority of HAs.

- 1.14. Transparency – We are mindful that HAs provide the Welsh Government with a great deal of data. We are also mindful of the need to ensure best value is achieved in reporting processes and transparency for tenants and the public to understand the sector. We appreciate the sector provides a valuable ‘public service function’ as non-public bodies. Due to the vital public impacts on the supply of affordable homes, we would wish to see HAs being subject to FOI (Freedom of Information) requests to improve transparency for the public and stakeholders. We understand that Scotland has also resolved to consult on the same issue for largely similar reasons and due to the ONS reclassification.
2. Whether the current regulatory regime is effective in managing and mitigating sector wide risks;
- 1.2. Generally, under the co-regulation regime it is for the sector to identify and manage their risks and put in place plans to mitigate their impacts. The regulator provides ‘a judgment’ as to how well the association performs across these functions and whether they have the competence and confidence to do so. However, the regulator does identify, through the ‘relationship management process’ emerging risks and can request evidence as to how the association is managing these.
- 1.3. Sector risks are also identified by regulators themselves, the sector and stakeholders coming together to consider emerging risks and challenges, these cover a very broad range including; lender confidence, devolved and non-devolved matters such as social security / housing benefit, social, technological, earnings risks, aggregates - to mention a few. Thematic reviews are also commissioned.
- 1.4. In our view the co-regulatory approach encourages HAs to be open with the regulator in raising issues of risk confidentially through the ‘relationship management process’, and requires the provision of ‘self-evaluation’ evidence of business models with plans to mitigate high value risks and ‘Delivery standard’ performance. It is seen as being more useful than routine inspections of pre-set criteria.

- 1.5. With increasing number of complicated group structures and the broad range of diversified businesses associations operate within, regulation also crosses sector boundaries including health, wellbeing and social services. Soft and hard intelligence is therefore critical in the gathering of evidence to make informed judgements. We understand that the Welsh government as regulator has critical links to other regulatory bodies to understand the nature of these risks through various networks.
  - 1.6. The regulatory structure also includes RAG (Regulatory Advisory Group) consisting of stakeholder representative bodies to advise the regulatory board on sector wide risks.
  - 1.7. Over several years a number of high level risks have been identified. Most if not all RSLs appear to have comprehensive risk inventories and are improving their ability to respond to current and emerging risks. This is a dynamic process.
3. The effectiveness of the co-regulatory approach in practice;
  - 3.1. The term 'co-regulation' in effect means housing providers self-regulate in a transparent manner, subject to resident, stakeholder and partner scrutiny and challenge. As one HA states "The aim of co-regulation ensures associations take full responsibility for their actions and how they operate, thereby enabling a reduction in direct, central regulation" (Wales & West HA). This means, demonstrating confidently that housing associations are able to undertake their obligations within the co-regulation relationship diligently. This also means being transparent and open with the regulator, tenants and stakeholder partners regarding performance.
  - 3.2. Some housing associations are better equipped to deliver a co-regulation approach than others. This does depend on the culture and quality of staff and their knowledge and competence to deliver a best value approach and a commitment to the principles of co-regulation. Co-regulation requires extraordinary levels of trust on behalf of the regulator and we would suggest a less transparent, some would say "cosy" model of regulation, however the chosen model has yielded improvements in governance arrangements, identifying emerging risks. This can be evidenced through 'closer monitoring' with several associations and has stimulated sector wide collaborative responses to help mitigate them.

- 3.3. While Welsh Tenants fully accepts the need to focus on governance and financial viability we would welcome better ‘service deliver judgements’ to triangulate governance and financial viability. With more meaningful transparent reporting on how well housing associations deliver service performance commitments and accountable tenant involvement to demonstrate its effectiveness.
- 3.4. Registered Social Landlords as providers of social housing fulfil a vital public service function in society. There is much confusion regarding landlords obligations, and tenants’ rights, relating to being informed, consulted and to participate in changes to housing management, including on issues such as rent and service charges, common housing registers, housing management and mergers. Section 104-106 of the 1985 housing Act guaranteed secure tenant rights to be informed, consulted and to participate and has been the fundamental principle used by successive governments in Wales to encourage and support housing authorities and RSLS to participate with tenants. As registered social landlords with assured tenancy agreements the statutory rights are now more confused particularly with a non-public body providing essentially a public service. It is our firm belief, that the principle of tenant involvement and consultation as outlined in the Gunning principles<sup>4</sup> would be better served through the development of a consolidated statutory right to be informed, consulted and participate - as in Scotland to safeguard opportunities for accountability, representation and involvement not least to tenants who are not involved.

#### 4. The remuneration of senior executives of housing associations.

- 4.1. Remuneration of senior executives has not been an issue raised by tenants, apart from concerns about potential remuneration of board members. Most may not be unaware of the salary and enhancements attached to senior executive remuneration packages. This further reinforces the need for more transparency of final package schemes.
- 4.2. The comparative salaries prevalent in HAs in England is however it would seem are beginning to feature among top earners here, with a steady stream of executives being attracted to Wales potentially forcing prices upwards.
- 4.3. We are concerned about reports of staff members having to pay for their own ‘inferior tools’ and having to take out loans and ‘salary sacrifice’ to pay for them and other such conditions/terms which may not be subject to higher earning grades supressing earnings for some.

---

<sup>4</sup> <http://www.wlga.gov.uk/publications-improvement-and-governance/the-law-of-consultation>

- 4.4. Salary bands including full disclosure of enhancements/benefits/pensions, are not universally transparent. In the interest of transparency, we would welcome annual published ratios of earnings among all staffing levels in the summarised and full accounts of HAs.

## 5. Other concerns

- 5.1. The Office of National Statistics (ONS) has within its remit the ability to determine decisions regarding accountancy practices and the power to determine whether a body is classified as 'public' or 'non-public' institutions. The ONS Economic Statistics Classification Committee (ESCC), considered the classification of registered social landlords (RSLs) and housing associations in England, which concluded in 2015. This was undertaken in the context of international rules laid out in the European System of Accounts (ESA) 2010 and the accompanying Manual on Government Deficit and Debt 2016 (MGDD 2016) and determined the private registered providers (PRPs).
- 5.2. In the June 2016 Classifications Forward Work Plan, the ONS undertook a further review of the statistical classification of registered social landlords and housing associations in Scotland, Wales and Northern Ireland and concluded that registered providers of those administrations are 'public, market producers' and as such they will be reclassified to the Public Non-Financial Corporations (S.11001) sub-sector for the purpose of national accounts and other ONS economic statistics.
- 5.3. For Wales this classification applies with effect from 24 July 1996; the date of the Housing Act 1996.
- 5.4. As a consequence of the ONS decision, Welsh Tenants are concerned that the loan debt carried by the sector in Wales will become 'public debt' and seriously undermine the ability of the sector to deliver on the planned 20,000 homes recently announced, as the debt required to service new borrowing will be capped by Welsh government borrowing powers and/or restrict the borrowing potential of the sector. We would support urgent legislation that would reverse this decision without serious detriment to accountability and transparency of the sector.
- 5.5. Further issues of concern raised by tenants, is that the sector will utilise the opportunity of the ONS decisions to seek a number of changes and powers of the regulator and Welsh Government.

- a) the sector could place demands on Welsh government not to intervene in its affairs restricting effective regulation in the interest of tenants (tenants at the heart) including restricting any impositions of scrutiny and challenge
- b) concerns that landlords will increasingly focus on commercial and market rent activities and not meet the needs of people unable to access or afford open market rents the number of social housing rent properties as a proportion of homes provided by the social housing sector may further diminish with fewer powers of the regulator to intervene, specifically to meet a mandate to provide homes for those in greatest need
- c) that Welsh Government requested data gathered by HAs and used by the public through ONS data gathering and or FOI (Freedom Of Information) requests will be further reduced leading to less transparency
- d) that existing properties or new properties not funded directly or indirectly by social housing grant and or surpluses generated by HA activity will be used to provide 'market rent properties' that lay outside of the 'common housing register' and thereby excluding tenants from the ability to transfer / downsize to these newly acquired homes

## Conclusion

These are demanding times for the sector and for the provision of genuinely affordable homes being harder to access, potentially eliciting fundamental changes in social housing provision for existing and new entrants. Generally the sector is well governed and aware of risks and collaboratively tackle them. There are significant strengths in the co-regulation approach but we are mindful that this could be undermined by the ONS decision and the level of 'back-off' required to address the reversal of the reclassification.

We are under no illusion as to the challenges the sector face. We do however need to maintain a viable social housing sector that may aspire to focus on commercial activities. Wider risks particularly non-devolved matters and the ability to respond effectively to them, particularly social security changes and supply of genuinely affordable homes means that significant stresses remain.

Shortfalls in the Shared accommodation rate will impact on All Broad Market Assessment Areas in Wales with the exception of one in Wrexham (West Cheshire) with the shortfall being in excess of £14 per week. While spare subsidy system (bedroom tax) continues to impact on thousands of tenants with the opportunity to move to smaller affordable social housing being

diminished with the longer term pressures on the Discretionary Housing Payment system and common register changes. While housing management costs are rising steadily as a result of additional work by housing professionals to support tenants. In some areas housing associations are increasingly using section 21 notices (used during the tenancy probationary period) to evict tenants who are struggling to pay rent, placing further pressures on Local authorities (Shelter Cymru research).

The sector has responded well to the pressures, but no doubt is set for significant change as pressures continue. Having an effective regulatory process that embraces collaborative solutions is therefore vital to also holding in check those pushers who may want to diversify away from a high cost social housing sector.

New models of supply through for example modular build and we would suggest self-management to reduce management costs may be required to hold rent costs down. We must however continue to be innovative in finding and funding effective collaborative solutions.

## The National Assembly of Wales' Public Accounts Committee **Inquiry into Regulatory Oversight of Housing Associations**

### **About Us:**

TPAS Cymru works to improve the lives of social housing tenants in both housing and community matters, by promoting effective participation of tenants with their landlords and with other partners in issues that affect them. We have supported social housing tenants and landlords in Wales for over 25 years and have a strong track record in developing effective participation through training, support, practical projects and policy development.

### **This Response is based on:**

- Our experience of working with tenants and tenants groups and listening to their views.
- Our observations and dialogue with our members and partners within the HA sector
- Our membership of the Regulatory Advisory Group
- Our work to improve partnerships between tenants and residents and their Housing Association landlords and other partners.

TPAS Cymru welcomes the opportunity to respond to the Public Accounts Committee Inquiry into Regulatory Oversight of Housing Associations and we have responded to each of the terms of reference as set out in the consultation paper;

## **1. The effectiveness of the current Regulatory Framework for Housing Associations Registered in Wales?**

- 1.1 The current Regulatory Framework for Housing Associations (HAs) Registered in Wales has evolved and developed since its inception. Welsh Government has worked with the housing sector, including tenant organisations such as ourselves, to continually develop and improve the framework to ensure it operates effectively to protect tenants and investment in Welsh Housing Associations.
- 1.2 Changes within the last 12-18 months including the establishment of an independent Regulatory Board (RBW) and a reinvigorated Regulatory Advisory Group (RAG) have been positive moves. As members of the RAG, we have seen an improvement in openness, dialogue and communication between the housing sector and Welsh Government which is helping focus the work of the Regulation Team. This is strengthening the co-regulatory approach and thus supporting HAs to provide quality homes and services to their tenants.
- 1.3 Published outputs from the regulation team have changed to much shorter ‘exceptions based’ Opinion Reports and there are some doubts as to the value of this information in enabling Tenants to see clearly how their landlord is performing. The current reports do not appear to be widely used or relied upon by Tenants.
- 1.4 In the interests of openness and transparency there are other outputs from regulation, such as individual landlord self evaluations, which could be disseminated more widely. A suggestion would be that landlords are encouraged to ensure this information is advertised and made more widely available to their tenants and other local stakeholders.
- 1.5 The framework continues to evolve and develop and we are supportive that the principles underpinning the Regulatory Framework continue to be the right ones i.e. that Tenants should be at the heart of regulation; that individual housing associations should be responsible for their own actions; that regulation should be open, transparent, consistent and proportionate; and that regulation is founded on co-regulation.
- 1.6 The proposed revised approach to regulation, to include a focus on continuous improvement and a clear Regulator’s ‘judgement’ are welcomed. This new approach will need to be adequately resourced to ensure the Regulation Team have the capacity to deliver the changed framework. The team will also need the

capacity to engage directly with tenants and stakeholders at a local level to gather relevant intelligence and evidence as part of each HAs regulatory process.

## **2. The effectiveness and quality of governance arrangements?**

- 2.1 Without having an in-depth knowledge of each HA in Wales it is difficult for us to make a blanket statement about the effectiveness and quality of governance arrangements across the country. However, in general terms we have observed consideration and work undertaken by boards and senior management teams to improve governance over the last couple of years. We're aware that the quality and effectiveness of boards seems to be improving and frameworks for good governance including CHC Cymru's 'Code of Governance' appear well understood within the sector.
- 2.2 There has been a general shift in the sector towards more inclusive and rigorous recruitment methods to help strengthen governance by widening skills and diversity at board level.
- 2.3 Whilst many boards display a strong commitment to tenant involvement at board level how meaningful and successful that is in practise seems to vary. Boards need to explore opportunities to develop clear and direct links between their tenants and the work of the board. This could include engaging with tenants at strategic level as well as offering opportunities for effective challenge of landlord performance and decision making such as through tenant scrutiny.
- 2.4 Involvement of tenants in governance need not always directly translate into board membership: if tenants feel they may have stronger voice and to challenge and hold their landlord to account from outside of the board then this approach needs to be made available to them.

## **3. Whether the current regulatory regime is effective in managing and mitigating sector wide risks?**

- 3.1 Housing associations face an increasing range of risks in delivering their objectives and managing their businesses. Boards are expected to consider the extent to which their strategies and business plans could cope with threats, including changes in the economy, housing policy and related areas including welfare, health and social care.

- 3.2 The current regulatory regime appears to be well focussed to respond to risks faced by the sector and the regulator plays a significant role in identifying potential sector wide risks including producing a paper specifically on this. The document produced is useful for the sector, stakeholders and tenants, helping them to identify and prepare for broader risks.
- 3.3 The identification and sharing of new and emerging risks is also covered by a regular agenda item at the Regulatory Advisory Group meetings.
- 3.4 TPAS Cymru's experience is that tenants can provide useful evidence and information regarding some potential local and service risks faced by their landlord. It may be useful for the regulation team to ensure they dedicate sufficient capacity to enable them to engage directly with tenants and stakeholders at a local level. This would provide them with an opportunity to discuss any particular risks identified by them as part of the regulatory process.
- 3.5 More openness by the regulation team, where possible, would be welcomed in terms of the sharing of lessons learnt relating to managing and mitigating risks e.g. how failure to manage risks by HAs is resolved by boards and how regulatory interventions by the regulation team have protected tenants. This would help to demonstrate the effectiveness of regulation and provide reassurance to tenants.
- 3.6 The proposed revised approach to regulation, including clear standards and 'judgements', should place a continued emphasis on risk and the HAs ability to manage particular risks facing their organisation to protect tenants and investment in Welsh HAs.

#### **4. The effectiveness of the co-regulatory approach in practice?**

- 4.1 TPAS Cymru believe that Co-regulation remains a key element of the regulatory framework and we therefore support the retaining of this focus. In a co-regulatory environment, honest, robust self evaluation is essential and offers mutual benefits. This approach raises expectations that individual HAs assess their own performance honestly and challenge themselves to drive their own continuous improvement.
- 4.2 Where co-regulation appears to be working well is where HAs see self-evaluation as being fundamental to their organisation's performance management and not just part of the regulatory framework.

- 4.3 Some HAs appear to have devoted considerable resources to self evaluation with boards also ensuring tenants are engaged in the process and provided with the opportunity to reflect on the health and performance of the Association. However, it is not clear if all HAs enable tenants to be engaged in self evaluation ensuring it is a reliable view of the Association's performance; this is despite of clear guidance from the regulation team for them to do so.
- 4.4 Effective self evaluation is one of the ways in which a Housing Association can be accountable to tenants, service users and other stakeholders by publishing an evaluation of their health and performance in a way that is readily accessible to tenants. Many individual self evaluations are not made openly and easily available by HAs in a range of accessible formats. This lack of openness limits the opportunities for tenants to challenge or validate their landlord's performance which would ultimately provide mutual benefit for all.

## **5. The remuneration of senior executives of housing associations?**

- 5.1 As independent organisations the remuneration of senior executives of HAs is a matter for each HA board. However in the spirit of openness it is TPAS Cymru's observation that there is a need for HAs to have clear, transparent and published policy rationale for setting senior executive pay. This could include a published policy by a HA that states what the market position and rationale is for senior executive pay decisions. Boards also need to be experienced, trained and advised about remuneration.
- 5.2 Remuneration of senior executives should focus on whether HAs and their tenants are getting the best possible value for money and return from their senior executives' investment.



## **Inquiry into Regulatory Oversight of Housing Associations**

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales. The three fire and rescue authorities and the three national park authorities are associate members
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve
3. This is the WLGA's contribution to the inquiry by the **National Assembly for Wales' Public Accounts Committee into Regulatory Oversight of Housing Associations**. The WLGA welcomes the opportunity to contribute, and we have used the format provided by the inquiry's terms of reference to structure the contribution

### **The effectiveness of the current Regulatory Framework for Housing Associations Registered in Wales**

4. The WLGA is currently represented on the Regulatory Advisory Group which provides advice to the Regulatory Board, and were previously represented on the Regulatory Board for Wales, prior to its re-constitution as an independent Board in 2016. Through this participation and involvement, WLGA has contributed to the ongoing development of the Regulatory Framework, and its implementation and delivery

5. Local authorities see housing associations as key local partners providing homes and services to local citizens and, therefore, have an interest in ensuring that the regulation of associations is robust and credible
6. The WLGA supports the three main principles underpinning the Regulatory Framework:
  - Tenants at its heart, with the goal of the framework being that tenants and their families have decent, affordable homes and receive high quality services;
  - Housing associations take full responsibility for their actions and the way they operate; and
  - The framework is based on close working relationships between the Welsh Ministers, housing associations, their tenants, and their key partners
7. Regulation has developed and evolved considerably since the framework was introduced in 2011, following the Essex Review of Affordable Housing. WLGA welcomes the recently announced revised and improved approach to delivering housing regulation which it is believed will allow a clearer focus on the issues of governance, financial viability and tenant services
8. This revised approach will feature annual published co-regulation statuses for governance (including service delivery) and financial viability. It is also proposed that the existing delivery outcomes will be revised to set new performance standards, and associations will be required to submit an annual statement of compliance with these performance standards
9. Regulation supports the critical relationship between councils and housing associations in meeting the housing needs of local communities, particularly for the most vulnerable for whom councils have statutory duties to support. housing associations have a critical role in supporting local authorities in delivering their strategic housing roles, with a key aim being to increase the supply of affordable housing. Therefore, the effective management of associations' development programmes is of critical concern with the attendant focus on management of finance, relationship with lenders, gearing ratios, etc.
10. However, the relationships between councils and housing associations do not solely rely on regulation, and are also often supported by a variety of local

arrangements and partnership structures. For example, local authorities' staff and housing association development teams will regularly meet to review Programme Delivery Plans (PDP's) which set out development priorities for delivering additional affordable housing and the use of Social Housing Grant and other types of public subsidy

11. Section 95 of the Housing (Wales) Act 2014 places a requirement on certain bodies, including housing associations, to co-operate with local authorities in preventing homelessness, unless it is unreasonable to do so. A mechanism for an annual joint review of co-operation between individual local authorities and housing associations on homelessness is currently under development, with input from Community Housing Cymru (CHC), Welsh Government and WLGA, and is now being trialled in a number of areas

### **The effectiveness and quality of governance arrangements**

12. It is significant that the first thematic review commissioned by the Regulatory Board after it was established was in relation to the governance of associations in Wales. This signalled the importance that the Regulatory Board attached to ensuring good governance across all associations
13. Following this thematic review, CHC developed a Code of Governance for associations setting out standards and practices that boards and their members should adhere to in order to deliver good governance. The WLGA supports the principles within the code
14. The WLGA supported the re-constitution of the Regulatory Board for Wales in 2016 to become a board fully comprised of independent members, rather than including a variety of representative stakeholders as had previously been the case

### **Whether the current regulatory regime is effective in managing and mitigating sector wide risks**

15. Welsh Government, as the regulator, publishes "Sector risks facing housing associations in Wales" which sets out the key governance, financial and service risks facing housing associations, including those risks which apply to the whole sector. This is a useful reference for housing association boards, however, it is

clearly the responsibility of individual association boards to identify and manage the risks relating to the operating environment and particular local context/s of each association

16. The delivery outcomes and self-assessment processes have provided useful tools to support this activity and the regulatory regime has continuously emphasised the importance of risk identification and mitigation. The annual submission of 30-year business plans with explicitly identified key planning assumptions also supports this risk management approach across the sector

### **The effectiveness of co-regulatory approach in practice**

17. Co-regulation, built on close working relationships, is a key principle of the regulatory framework, and effective self-assessment by boards is a key component
18. An ongoing, positive, regulatory relationship between regulation staff and an association is an important feature of the co-regulatory approach, therefore appropriate capacity within the regulatory team is critical to the success of co-regulation, along with openness and transparency on the part of the association board and staff
19. The proposals within the revised approach to delivering housing regulation for the development of performance standards and the submission of an annual statement of compliance will further emphasise the importance of the co-regulatory approach and the responsibilities on association boards to positively engage with the regulation team

### **The remuneration of senior executives of housing associations**

20. To increase transparency, a range of organisations including local authorities and Welsh Government publish Pay Policy Statements. A similar approach may be worth considering for housing associations

---

<b>Prepared by</b>	Jim McKirdle WLGA Housing Policy Officer
<b>Cleared by</b>	Cllr Dyfed Edwards

	WLGA Spokesperson for Housing and Welsh Language
<b>Date</b>	January 2017

**Chartered Institute of Housing Cymru**  
4 Purbeck House, Lambourne Crescent  
Cardiff Business Park, Llanishen  
Cardiff  
CF14 5GJ

Tel: (029) 2076 5760



Sent to: [seneddPAC@assembly.wales](mailto:seneddPAC@assembly.wales)

## Evidence Submission to the Public Accounts Committee

### Inquiry Into Regulatory Oversight of Housing Associations

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: [www.cih.org](http://www.cih.org)

In Wales, we aim to provide a professional and impartial voice for housing across all sectors to emphasise the particular context of housing in Wales and to work with organisations to identify housing solutions.

For further information on this response please contact  
Matthew Kennedy, policy & public affairs manager  
at the above address or email [matthew.kennedy@cih.org](mailto:matthew.kennedy@cih.org)

## **Introduction**

CIH welcomes the opportunity to provide evidence to the Public Accounts Committee as it undertakes its inquiry into the regulatory oversight of housing associations in Wales.

Our response is informed by feedback from our members, our knowledge of the housing industry and expertise from our policy and practice teams.

## **General Comments**

CIH Cymru supports the development of Welsh policies, practices and legislation that aim to address the key housing challenges we face, to improve standards and supply, promote community cohesion, tackle poverty and promote equality. We promote a *one housing system* approach that:

- places the delivery of additional affordable housing at the top of national, regional and local strategies as a primary method of tackling the housing crisis;
- secures investment to ensure the high and sustainable quality of all homes in a sustainable framework;
- improves standards and develops the consumer voice within the private rented sector
- promotes the concept of housing led regeneration to capture the added value that housing brings in terms of economic, social and environmental outcomes;
- recognises that meeting the housing needs of our communities is a key aspect of tackling inequality and poverty;
- ensures that there are properly resourced support services in place to prevent homelessness and protect the most vulnerable;
- uses current and potential legislative and financial powers to intervene in housing markets and benefit schemes;
- promotes consumer rights & tenant involvement;
- and supports the continued professional development of housing practitioners.

## **The effectiveness of the current Regulatory Framework for Housing Associations Registered in Wales**

1. Following the review of affordable housing in Wales a new Regulatory Framework for housing associations was developed collaboratively in 2011 between Welsh Ministers, housing organisations and tenant groups. The new Regulatory Framework worked along three main principles:
  - Placing tenants at the centre of the framework
  - Housing associations taking full responsibility for their actions and operating practices
  - The framework is based on close working between Welsh Ministers, housing associations, tenants, services users and other key partners<sup>1</sup>
2. We welcomed the original approach outlined in the framework, as it recognised that a “one size fits all” model would not be appropriate in a sector where housing associations can vary significantly in the scale and complexity of their operations. In addition an approach that is transparent and consistent with regards to regulatory judgements, prompting learning and improvement from regulatory activity is one we continue to endorse. The Regulatory Framework included a self assessment; regulatory assessment; delivery outcomes; financial viability judgement; regulatory assessment report and enforcement powers.
3. Building on this, more recently housing association regulation in Wales has been revisited with the aim of improving and building on the risk-based, tenant centred approach developed through the framework in 2011. We strongly welcome that this new approach will continue to place tenants at the heart of the regime, that the underpinning principles of the framework will remain and the system of co-regulation will continue.
4. The new approach is one that will focus on continuous improvement and strategic risks, as housing associations continue to respond to complex operating challenges. We believe that finding the right balance is important for tenants, staff, lenders and other stakeholders linked to an associations work. With the challenges facing the housing association sector only set to intensify we believe that an increased focus on the strategic risks will give confidence to lenders and ensure services are focused on providing high quality outcomes for tenants whilst also delivering value for money.
5. This revised approach will be implemented from 1 January 2017 with a view to assessing its effectiveness following the first full cycle. We look forward to working closely with our members to gain insight and inform the housing regulation team on the impact of these changes.

## **The effectiveness and quality of governance arrangements;**

6. As organisations deeply rooted in tackling poverty, building affordable housing, and increasing community well-being, the tenant voice has rightly been at the heart of how organisations are governed and regulated.
7. It has become common practice to ensure tenants are empowered to become involved in shaping the work and practices of housing associations, providing their experience and expertise to ensure housing associations continue to learn and work with local communities. This has been achieved through, for example the election of tenant board members, creation of scrutiny panels and greater interaction through social media and other technology.

---

<sup>1</sup> <http://gov.wales/topics/housing-and-regeneration/publications/regframeworkhousingassoc/?lang=en> (January 5, 2017).

8. Our membership felt that the current direction of travel, with a focus on risk management and strong governance is the right area to scrutinise, whereas previously the focus has been placed too greatly on the Housing Associations Regulatory Assessment, (HARA) which some felt, had too many measurements organisations would need to commit considerable resources evidencing.

**Whether the current regulatory regime is effective in managing and mitigating sector wide risks; and/or**

9. At the present time, when housing associations are facing extensive challenges in meeting demand for affordable housing in addition to meeting the needs of communities, mitigating and managing risk is vital to both sustainability and increasing quality of services provided to tenants.
10. Welsh Government's Housing Regulation Team produced a report in March 2016 outlining the sector risks facing Housing Associations in Wales with a view to informing and supporting risk management at a board level. We feel this proactive approach to working with housing associations and other stakeholders to identify risk is positive and should continue to be a feature of how the team work in the future.
11. In that report the team identified a number of prominent risks for the sector and the boards of respective organisations to consider. These included a need for boards to understand and mitigate the risks of welfare reform; reliance on Supporting People funding; pension costs; increased costs of business operations; managing large-scale programmes of housing development; business diversity; stock condition and debt (both existing and new).<sup>2</sup>
12. We believe that these risks continue to be prominent to the success and viability of the housing association sector. The regulatory regime has an important role to play in supporting organisations to identify and mitigate risks. We also recognise the vital role that boards currently play in horizon scanning, compiling and monitoring risk registers, and identifying risk champions at board level. Such initiatives seek to ensure risk remains high on the agenda for housing associations recognising the complex and fast-paced nature of the operating environment.

**The effectiveness of the co-regulatory approach in practice**

13. The co-regulatory approach has been a positive step-change toward joint accountability in housing association regulation in Wales. Some of our members have highlighted that although the approach has brought about real change through cooperation and challenge, this can vary across Wales depending on the skill-set and approach undertaken by individual regulatory officers. However, members have also reflected that the Regulatory team seems under-resourced as it strives to fully implement and work to this approach.
14. As the challenges for housing associations intensify and change it is vital that both the regulatory regime and governing boards of housing associations are equally able to effectively operate the co-regulatory approach. This will continue to require skills and expertise in the various areas of operations conducted through housing associations across Wales to be present and well-represented on both governing boards and within the Welsh Government's Housing Regulation team.
15. For example, as part of our role in supporting professional standards we will be providing a series of CIH Cymru Masterclasses in partnership with Central Consultancy and Training.

---

<sup>2</sup> <http://gov.wales/docs/desh/publications/160331-sector-risks-facing-housing-associations-en.pdf> (January 5, 2017).

These include separate sessions on Constructive Challenge, Risk and Assurance and Value for Money.

### **The remuneration levels of senior staff members of housing associations**

16. The housing association sector is facing an increasingly challenging operating environment. The breadth of operations undertaken by many associations means that outcomes achieved with and for tenants are felt across sector such as health and social care.
17. In 2015-16, local authorities reported 2,400 additional affordable housing units had been delivered across Wales, an increase of 8 per cent on the previous year. This brings the total delivered since April 2011 to 11, 508 which exceeds the previous Government target of 10,000 additional affordable homes by 15 per cent.<sup>3</sup>
18. Welsh Housing Associations continued to make the largest contribution to additional affordable housing in Wales, delivering 94 per cent of all additional affordable housing provision during 2015-16 (2,250 units)<sup>4</sup>
19. Over and above the provision of affordable housing, housing association operations can extend to managing food banks, debt advice services, homecare, student accommodation, community facilities and grants, job clubs, fly tipping removal, community recycling, domestic violence support.
20. The housing association workforce is one made up of a wide range of professional skills, attributes and qualifications. Some enter the sector through undertaking a skilled apprenticeship, or following the completion of a housing studies qualification, others transfer from other professions. Solicitors, nurses, social workers, teachers, designers represent just some of the disciplines whose skills can translate with ease to a career in the housing sector.
21. In order to attract good quality people to lead organisations with significant numbers of staff from diverse disciplines, a mandate to develop and improve communities through managing and increasing affordable homes through a budget that can exceed £40m turnover a year, there will be an expectation that a reasonable package will be offered.
22. As independent organisations it is up to the governing board of individual associations to determine the level of senior staff pay and to justify this to stakeholders if challenged.

### **Additional Comments**

23. One additional issue which requires careful and swift consideration by Welsh Government is the decision by the Office of National Statistics to reclassify housing associations as public bodies. The impact of placing the borrowing debt of the housing association sector on the public accounts is likely to be detrimental to associations ability to borrow further funds to invest in building new affordable homes to meet the 20k target set out in the programme for government. We welcome the intention stated by the Welsh Government to take steps to reverse this decision and believe this may be an opportunity to consider how regulatory arrangements could further compliment the capacity of associations to increase housing supply, via the process of reversing the decision in legislation.

---

<sup>3</sup> <http://gov.wales/docs/statistics/2016/161019-affordable-housing-provision-2015-16-en.pdf> (January 5, 2017).

<sup>4</sup> Ibid



Mae cyfyngiadau ar y ddogfen hon

Mae cyfngiadau ar y ddogfen hon