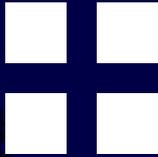




**housing
agency
regulation office**

One Year On

**The Regulation of
Approved Housing
Bodies in Ireland**



**Regulation Office
2014 Annual Report
and Sectoral Analysis**



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regulation office**

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01

Welcome from the Chair, Dr Jennie Donald

The past 18 months have been a busy time for the Regulation Office and the interim Regulatory Committee. This report outlines the significant progress that has been made embedding regulation across the Approved Housing Body (AHB) sector over this period.

The diversity of AHBs is part of the sector's strength, with expertise and experience across a broad housing offer. However, having so many organisations with over 500 registered AHBs, has also led to challenges around accountability, awareness, coherence and confidence.

The majority of housing stock owned by AHBs is now being regulated and 142 organisations have gone through their first Annual Regulatory Assessment. Regulation should not be an onerous process for AHBs; rather it is about verifying the approaches that are already in place for well-governed, financially viable and tenant-focused organisations. We hope the recent assessment process will have proved relatively straightforward for most AHBs. Where particular issues have been highlighted by the Regulation Office or further action required, this should be seen as a positive intervention to drive improvement and good practice. We have sought to engage fully with AHBs as

they get to grips with the new regulatory processes, and this has been of real benefit for individual organisations and the Regulation Office.

One of the significant outcomes from this process is that the information received from both sign up to the Regulation Code and the Annual Return is enabling us to gain a unique insight into how the sector functions. This insight will ultimately benefit the sector as a whole. The analysis within this Annual Report provides an overview of what the sector looks like, as well as how it is performing against certain key indicators. This will be helpful for potential lenders and investors and will, we hope, support AHBs in attracting private finance. Stakeholders in Government and local authorities, as well as tenants, representatives and regulatory bodies, elected representatives and the media will benefit from this greater knowledge, insight, and understanding of the sector and how it operates.



“ Regulation is important in protecting the interests of tenants and ensuring that social landlords are providing good quality services.”

AHBs have a critical role in supporting the delivery of the *Social Housing Strategy 2020*, and so this is an important time for the sector as it takes on new levels of responsibility and a wider remit. Regulation is important in protecting the interests of tenants and ensuring that social landlords are providing good quality services. It also safeguards public investment in AHBs and facilitates access to long-term private finance at good rates by providing assurance for lenders and investors. This private finance is an important element of AHBs' role in responding to the development challenge set out in the new strategy and maximising their potential as key delivery partners for Government.

Just as the Regulation Office and interim Regulatory Committee are asking AHBs to be transparent, accountable and demonstrate good governance; we apply the same principles to our own activities. This Annual Report is an open statement of how we are performing as a Regulator, as well as an analysis of the sector. The journey from February 2014, when the Regulation Office and interim Regulatory Committee were established, to this point has not been without its challenges. These challenges are to be expected with an entirely new system and structures, and throughout, we have remained focused on our objectives.

I would like to take this opportunity to thank my fellow members of the interim Regulatory Committee (iRC) for their commitment and contribution and Rosalind Carroll and her team in the Regulation Office for their dedication and hard work. The continued support and interest of the Ministers and their officials in the

Department of Environment, Community and Local Government has been much appreciated by the Committee; my thanks to them and also to the Housing Agency which has facilitated the work of the Regulation Office. The Regulation Office has engaged with a number of AHBs, representative bodies and stakeholders in establishing new practices and processes and their advice and assistance has been invaluable.

We are delighted to present our first Annual Report and Sectoral Analysis. We look forward in the years ahead to building on the lessons learned and achievements of our regulatory experience to date, and to working with AHBs and other key stakeholders to deliver an effective regulatory system and stronger AHB sector.

A handwritten signature in blue ink that reads "Jennie Donald". The signature is stylized and written in a cursive-like font.

Dr Jennie Donald
Chair of interim Regulatory Committee

Introduction

by the Head of Regulation, Rosalind Carroll

2014 was the first year of operation for the Regulation Office and the first time that the not-for-profit housing sector has been subject to formal regulation. This Annual Report and Sectoral Analysis provides an account of the work of the Office over the last year and our key achievements but it also importantly, provides sector-wide analysis, based on our regulatory assessment of 142 AHBs.

I am pleased to report that **194 AHBs** have now signed up to regulation; encouragingly this represents **nearly 80% of all housing stock** owned and managed by AHBs, which means that some **23,831 homes are now protected through regulation**.

Regulation has a key role to play, not just in protecting tenants and safeguarding the public investment in social housing, but in the delivery of social housing. The landscape of the social housing sector in Ireland is changing. The Government's *Social Housing Strategy 2020 – Support, Supply, and Reform* envisages a significant role for AHBs in the delivery of over 35,000 new social homes. Regulation is key to enabling this supply as the sector is becoming less reliant on capital grants from Government and increasingly borrows finance to support the development of new homes.

The presence of regulatory oversight is critical in building the confidence of lenders to invest in the sector and in building the capacity of the sector to take on new risk. Throughout the year we have focused on embedding regulation in the sector and creating an awareness of the benefits of this regulation.

The results of our first assessment of the sector are encouraging. There is lots of evidence of good practice. The analysis provided in this report includes sector information on housing stock, the profile of social landlords, the numbers of volunteers and employees within the sector and the performance of the sector in relation to key housing management areas. We also have provided, for the first time, global accounts in respect of the larger AHBs, which gives aggregate data on income and expenditure and debt levels. This data demonstrates that the sector is financially robust, with



“The presence of regulatory oversight is critical in building the confidence of lenders to invest in the sector and in building the capacity of the sector to take on these new risks.”

a turnover for larger AHBs of over €62 million and a 17% operating margin. This strong financial performance is critical to attracting investment for future supply.

While overall performance of the sector is good, we have identified some areas for improvement, which is to be expected given this regulatory framework is new to the sector. To fulfil our objective of protecting tenants and safeguarding investment in the sector, we have, and will continue to engage with organisations where necessary to deal swiftly with any issues arising.

The regulatory framework for the sector is evolving, and we have made considerable progress in 2014 in developing the framework to provide for more robust financial regulation of the sector. We consulted extensively with the sector, lenders and other key stakeholders in the development of a Financial Standard and Assessment Framework which allows us to more effectively monitor and report on the financial health of AHBs.

A significant amount has been achieved by a small but dedicated team working in the Regulation Office and I would like to acknowledge their hard work and

resilience over the last year. The establishment of regulation is an achievement not just of the Office but of the sector as a whole, many of whom are volunteers. There has been a significant effort made by AHBs to meet the new regulatory requirements and to support the introduction of regulation. We will continue to listen to, and work with, the sector and other key stakeholders to support the transition to this new regulatory environment, and to where possible streamline regulatory returns.

The AHB sector has made an enormous contribution to people’s lives and the ambition of the Regulation Office is to enable and support that continued delivery.

Rosalind Carroll
Head of Regulation

Why regulation is important:

- 1) To ensure that the investment made by the State is managed and that homes provided are available for tenants into the future
- 2) To build capacity of the sector to deliver more and better quality homes
- 3) To build confidence of public and private funders to invest in the sector, through the presence of regulatory oversight.

“Our mission is to protect social housing assets and ensure quality services to tenants by regulating well governed, well managed and financially viable AHBs.”



2014 at a glance



Regulatory Framework and structures established

194 AHBs signed up to Regulation

Nearly 80% of homes provided covered by regulation

23,831 homes protected

142 AHBs reviewed and assessed

Consulted and developed the Financial Standard and Assessment Framework

Key data collated on AHBs for the first time

Developed the first set of global accounts for the sector

Awareness of regulation and good governance increased

Communicated with AHBs through a wide range of channels, from workshops to newsletters

Lender confidence increased

All in our first year of operation

02

About Us

The Regulation Office was established as the Regulator for not for profit social housing providers in 2014 on an interim basis, pending enabling legislation.

Objective and key goals

Our objective and key goals for regulation are:

- To provide assurance to tenants, Boards, Government and potential investors that the sector is stable and well-regulated.
- To safeguard tenants and public investment in the sector
- To improve and encourage good governance and financial health across the sector
- To provide a framework for AHBs to manage risk effectively and to focus on achieving best outcomes for tenants
- To facilitate investment in social housing by growing confidence in the sector
- To contribute to the overall sustainability of the sector

Currently we regulate **194 Approved Housing Bodies** (AHBs) and have a **publicly available listing** of all AHBs signed up to regulation on our website.

The Regulation Office is part of the Housing Agency. The Housing Agency is a State Body that supports the delivery and supply of housing and housing services.

It is funded by the Department of the Environment, Community and Local Government.

The Regulation Office is led by an **interim Regulatory Committee** (iRC) of non-executive members. The Committee, appointed by the Minister for Housing and Planning in February 2014, is a Committee under the Board of the Housing Agency, but has independent decision making powers. The Committee sets our strategic direction and ensures that we are focused on the right things. The Terms of Reference for the Committee include:

- To oversee the assessment of AHBs in respect of their financial viability, governance and management, and that they are otherwise in compliance with the Regulatory Framework
- To provide advice and recommendations on implementing the Regulatory Framework
- To provide guidance to participating AHBs to assist in the attainment of compliance
- To bring significant non-compliance issues to the attention of the Minister
- To advise the Minister on the development of a statutory regulatory framework



The Committee has 11 members with experience ranging across regulation, law, finance and housing. The members of **the Committee** are:

- **Dr Jennie Donald (Chair)**
- **Damian Allen**
- **Dr. Oonagh Breen**
- **Michael Cameron**
- **Martina Deans (resigned)**
- **Ann Marie Farrelly**
- **Ronan Heavey**
- **Gerry Hunt**
- **Eddie Lewis**
- **Donal McManus**
- **Dr Mary Lee Rhodes**

Our Governance

Our own governance is very important to us. We operate according to the principles set out in the State's Code of Practice for the Governance of State Bodies and established good practice. A Governance Code of Conduct has been adopted and a Register of Interests established. A protocol between the Housing Agency, the Regulation Office and the Committee has also been established to ensure that there is clarity regarding roles and responsibilities. In addition to this, it is our aim to operate in a manner that is transparent for interested parties and the general public. The minutes of all meetings of the Committee are published on our website and they have met nine times since February 2014.

We are here to provide assurance to tenants, Boards, Government, and potential investors that the sector is stable and well-regulated.

03

The Regulatory Framework



Why is Regulation Important?

Regulation:

- Safeguards the significant investment made by the State for social housing
- Protects existing tenants
- Develops the capacity of the sector to grow
- Is an integral part of an effective housing system
- Is an enabler for investment and new supply
- Builds confidence of both public and private funders to invest in the sector

Regulation can assist the sector as:

- Regulatory Standards act as a management tool for AHBs by providing a framework by which to measure themselves
- It can give confidence to AHBs themselves in their own viability and sustainability
- It builds a picture of the sector by collating and aggregating data

Context and Background

There are approximately 520 AHBs providing over 30,000 homes across the country. The AHB sector is very diverse in terms of activity and size, ranging in scale from small voluntary-led community based organisations to large scale national organisations with large teams of employees.

The sector has developed steadily over the last 20 to 30 years, in what was up to recently, a low-risk environment. However, social housing delivery is changing, with the

AHB sector becoming less reliant on capital grants from the Government, and increasingly borrowing finance to support the development of social and affordable housing. This makes more effective use of monies and enables the delivery of more homes, but, it also requires developing AHBs to change how they do business and to take on more risk.

In this context, regulation is vital to help ensure that the enhanced role of AHBs is managed effectively, that existing assets are safeguarded, and that the tenants of existing and future social homes are protected at all times.

The interest of the tenant is also central to us. Therefore, while regulation will focus on governance and financial viability to enable investment and safeguard assets, we will also monitor the performance of AHBs in respect of their landlord functions.

Local authorities will continue to have a valuable and important role in relation to enabling AHBs deliver on their social housing functions. Local authorities are responsible for nominations of applicants from their social housing waiting lists and inspecting property standards. They also have a strategic role and work with AHBs to meet the long term housing need in local communities.

The Regulatory Framework in Ireland

The regulatory framework is based on the Voluntary Regulation Code *'Building for the Future'* (the Code), which was launched in July 2013 as a stepping stone to statutory regulation. The Code sets out key governance, financial management and performance management principles that all AHBs signed up to Regulation are required to adhere to.



Initial sign-up to the Code and to regulation is, at present, on the basis of voluntary sign-up by the AHB. However, once an AHB has committed to the Code's provisions they are expected to adhere to the requirements. The Code operates on a "comply or explain" principle, which allows some flexibility for organisations where they do not comply with elements of the Code, but provide a reasonable and acceptable explanation for the departure from the Code.

In addition, while sign up is voluntary, State funding for development is now prioritised on the basis of compliance with the Regulatory Framework. It is also mandatory for all newly established AHBs to sign up to regulation prior to gaining 'Approved Body' status.

As part of the Social Housing Strategy 2020, the Government have committed to introducing statutory-based regulation for AHBs by 2016.

Our Regulatory Focus

Our mission is to protect social housing assets and ensure quality services to tenants by regulating well governed, well managed and financially viable AHBs.

Through regulation, AHBs commit to complying with specific requirements and meeting certain objectives in relation to **governance, financial viability** and **performance management**.

- 1. Governance:** The regulatory framework requires AHBs to ensure that their organisation is well governed to support its aims and objectives, to be in compliance with legal requirements and relevant Government policies, and to have a clear strategic direction.
- 2. Financial Viability:** Under the regulatory framework, AHBs must be financially viable and have adequate resources to meet both current and future business and financial commitments.

“ State funding for development is now prioritised on the basis of compliance with the Regulatory Framework. It is also mandatory for all newly established AHBs to sign up to regulation prior to gaining 'Approved Body' status.”

3. Performance Management: The framework requires that all AHBs deliver quality services and seek continuous improvement. This ensures that AHBs are focused on delivering good quality housing for those in need. All AHBs signed up to regulation must provide performance data on rent payments, arrears, vacancies, repairs and management costs.

Our Approach

The Regulatory Framework is underpinned by a number of key principles:

1. Proportionality

The Framework is proportionate and risk-based, so what is expected and required of AHBs is dependent on the size, scope and risk profile of each individual AHB. Larger scale AHBs and those with significant development plans will be subject to more extensive regulation. A three tier level system is used to categorise AHBs for regulatory purposes: Tier 1 (smaller AHBs), Tier 2 (medium sized AHBs), and Tier 3 (larger AHBs).

AHB Tier Classification

Tier 1	0-50 units with no development plans or development plans that keep the total under 50 units.
Tier 2	50-300 units or development plans that keep the total under 300 units, or the use of loan finance for development.
Tier 3	>300 units or sizeable development plans, including the use of loan finance for development.

2. Accountability

AHBs are asked to detail the financial, governance and management disciplines that support them in delivering services. The State has provided significant public funding over the years to AHBs, making them a key stakeholder. By committing to the regulatory framework, AHBs provide assurance to the State that their assets are being managed, maintained and protected for long term social housing use and that public funds are being utilised appropriately.

AHBs must be accountable to their tenants and the regulatory framework emphasises this by requiring AHBs to monitor and report on how they manage their operations including areas such as repairs, allocations, vacancies, etc. This involves having an agreed set of performance management indicators and specific tenant service indicators.

Being accountable about their business and operations builds the confidence of funders and other stakeholders, especially as one focus of regulation is to support the sector to access commercial finance for development.

3. Transparency

In engaging with the framework, organisations are being asked to be open about their business and operations. Much of the assurances required by the Regulator are dependent on the AHBs engaging constructively with regulation and having inbuilt systems within their governance structures, which support and can ensure that there is an ability to provide assurance to the Regulator. Ultimately the presence of regulation will allow for more open and transparent reporting on the sector.

4. Confidence in the sector

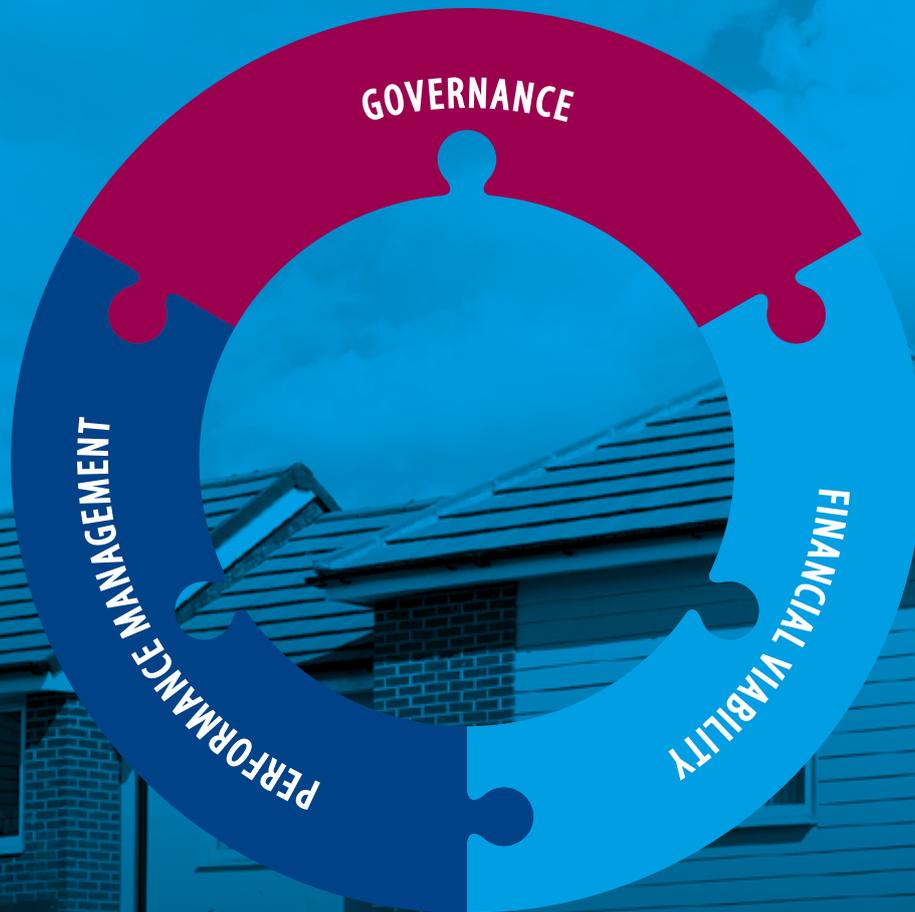
Regulation of the sector allows both public and private investors have confidence in our system of regulation and in the reputation and creditworthiness of our AHBs. The Regulatory Framework therefore must have visibility and the tools to assess risk at all levels in order to avoid losses or defaults.

An Evolving Framework

The current regulatory framework is designed to evolve as both the sector and the Regulator grow and develop. The Code sets out the core principles of the Regulatory Framework and the basic expectations and requirements for AHBs, but allows for an evolving Regulatory Framework in order that regulation can continue to develop and support the work of the sector in providing long term secure homes for people in housing need.

This development of the Regulatory Framework has already commenced, specifically in relation to financial standards for AHBs. Setting a standard and a framework for assessing the Financial Viability of the sector will ultimately ensure the safeguarding of social housing assets and protect the long term interests of the tenant.

Our Regulatory Focus



“Our focus at all times will be to enable well run, well organised and well regulated organisations deliver more homes for people in need of social housing.”

03 The Regulatory Framework /continued

In consultation with the sector and other stakeholders, the Financial Standard and Assessment Framework has been developed and will be piloted with the sector in 2015. The regulatory framework will continue to grow and we expect to further develop the standards in relation to governance and performance management. This will provide further assurances to tenants and other stakeholders that organisations are well run and are accountable for their business.

The approach to regulation has to be flexible in order to keep pace with developments in the sector. The Regulatory Framework will continue to advance as

the sector changes. The progression of the framework is necessary so that AHBs can provide assurances in relation to the increased risks associated with evolving supply mechanisms, advances in acquisition of finance to fund growth, and as a response to AHBs becoming more dynamic and flexible in their delivery of homes.

The regulatory structure in its current voluntary form will enable AHBs to transition smoothly to a statutory-based system of regulation. Legislation is currently in development, with a view for full statutory implementation in 2016.

The Regulatory Journey

Strategic Review of the Capital Funding Schemes for Voluntary and Co-operative Housing

2009

Introduction of Private Finance as a mechanism to deliver housing



2011

Housing Policy Statement 2011 confirms a central role for AHBs in delivery of social housing and states the need for a regulatory framework to be in place to support this

DECLG commence formal consultation with the Sector on the proposed Regulatory Framework

2012



2013

July
Launch of Regulatory Framework: *Voluntary Code for AHBs: Building the Future*. All AHBs invited to sign up to regulation

Summary

A well-regulated sector helps AHBs to access the finance they need at competitive rates, while tenants benefit from the reassurance that regulation of the sector brings. The diversity of organisations in the sector makes a ‘one size fits all’ approach to protecting social housing assets impractical, so with any development of the framework we will continue to be proportionate in our approach. Our focus at all times will be to enable well run, well organised and well regulated organisations deliver more homes for people in need of social housing.



February
Regulatory structure and Regulation Office established

November
‘Social Housing Strategy 2020’ commits to establishing a statutory based Regulator for AHBs



What’s next?

2015–2016
As the Regulator continues development of a robust, enabling framework; we will continue to assess, intervene where required and further develop on the Framework, specifically regarding governance standards and performance management

2014

February 2014 to May 2015

Consultation on further development of financial standards for the sector

May

148 AHBs are signed up to the Code at this point. The first Annual Return for the 2013 year issued to these organisations



2015

April

First Assessment of the Sector completed. Individual reports issued to all AHBs

May

194 AHBs signed up to Code at this point

July

Launch of next phase of the Regulatory Framework – *Financial Standard and Assessment Framework*; and launch of the first *Annual Report and Sectoral Analysis*

2016

2016

Legislation to underpin the establishment of statutory based regulation

2018

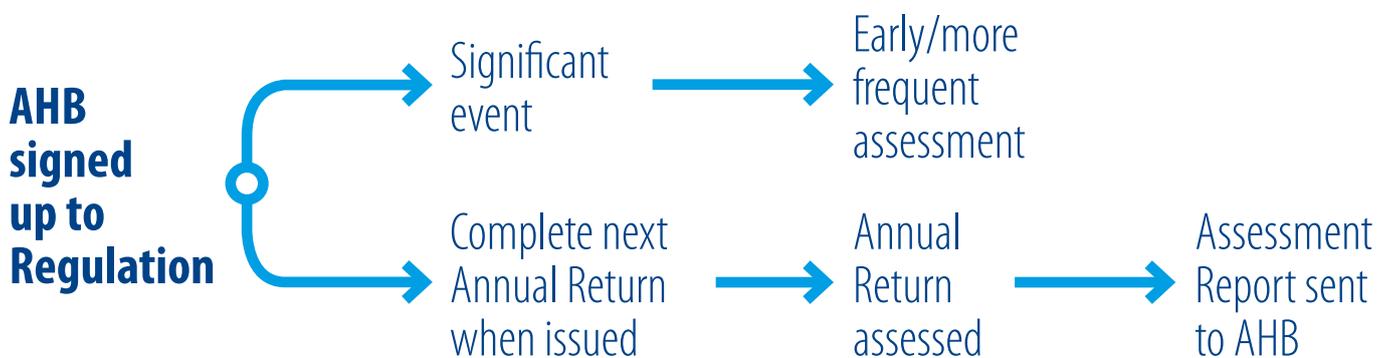
Published Regulatory Assessment Reports for larger AHBs



04

How do We Assess the Sector?

Once an AHB is signed up to regulation, we assess them annually. If a significant event occurs in an AHB's business, assessment may come earlier than the next scheduled assessment of the AHB, or become more frequent.



What are We Assessing?

The Regulation Office undertakes annual assessments of the performance of AHBs to ensure that they are financially secure into the future, are well managed and well governed.

We review AHBs in terms of three key areas:

1. Governance

Is the AHB adequately governed and directed in the best interests of its tenants and other stakeholders including the State?

2. Financial Viability

Has an AHB sufficient resources, currently and in the long term, to meet financial commitments?

3. Performance Management

Are AHBs delivering quality services to tenants and focused on delivering good quality housing?

How We make an Assessment

To assess Governance, Financial Viability, and Performance Management, we require AHBs to make an Annual Return to us. The Annual Return includes both financial and other information about the AHB.

We review the data contained in this return in detail, taking account of the history and management of each AHB, the environments it operates in, and consequently the risk it faces. We take a risk-based approach to assessment. Where an AHB may be exposed to greater risk, we will seek more data and information, and liaise more with that AHB.

Our Assessment Reports

Following our assessment, we issue a Regulatory Assessment Report which provides feedback and direction to AHBs on their performance across the three key areas. Where AHBs are substantively compliant with the provisions of the Code (as the majority of them were for the 2013 assessment year), AHBs will have until the next Annual Return date to implement any recommendations. However, arising from the findings of our assessment process, there may be occasions when further and more immediate engagement will be required between an AHB and the Regulation Office.

When Engagement is Required

Where the Regulator has identified issues of concern during the assessment, the AHB will be informed through the assessment report and asked to engage with the Regulation Office. Sometimes, this will take the form of providing additional information or clarification on a specific matter. On some occasions, a meeting with the Regulation Office may be required, and a clear timeline for any action to be taken will be agreed with the Regulation Office.

If Further Action is Needed

The Regulator will ensure the integrity of the Office and the viability of the AHB sector are upheld by ensuring that where issues have been identified, they are addressed and remedied in a timely manner. If adequate explanations are not forthcoming in relation to non-compliance with the Framework, or if issues cannot be adequately resolved, the organisation will be removed from the listing of AHBs signed up to Regulation (Note: compliance with the Code is a prerequisite for access to funding from the Department of the Environment, Community and Local Government). Additionally, the Regulation Office can liaise with the relevant local authority to ensure that issues are addressed under the AHB's contracts with a local authority.

Acting on Other Information

The Regulator may obtain information from interested parties such as members of the public or former employees highlighting an area of concern with a particular AHB. The Regulation Office will follow up all such concerns in accordance with the provisions of the Code and in relation to the 3 key areas of Financial Viability, Governance and Performance Management.

05

Sectoral Analysis – What we now know about the Sector

Resulting from our first regulatory assessment of AHBs, we now have key data on the sector as a whole. This enables us to create a clear picture of the sector nationally, and this chapter details what we now know about the sector.

The chapter provides:

- A profile of the regulated AHB sector as at the 31st December 2013, and
- Details on what we now know about the performance of AHBs in the key areas of governance, performance management and finance and business management.

As this is the first year of collating data and undertaking regulatory assessments, we do not have prior year figures to compare performance against. However, this information provides a baseline against which future performance can be assessed. It is also a starting point for identifying future trends and it is envisaged over time that additional, and more detailed data, will be available.

It is important to also recognise that this is the first regulatory assessment that the sector has gone through, and that it will take time to develop and respond to the new regulatory requirements.

The Sector's response to regulation to date has been very positive, and we welcome the extent to which AHBs have embraced regulation. 194 AHBs have signed-up to regulation. This means that nearly 80% of the overall AHB housing stock is now regulated. This report will be an important resource for regulated AHBs to compare and evaluate their performance against results achieved across the sector as a whole.

Overview of Performance

The results of our first assessment demonstrated a good performance by the majority of AHBs. Inevitably given that this is the first year of formal regulation of the AHB sector, there are some areas for improvement. As a result of the assessment process, we identified 17 AHBs who required further engagement, including obtaining further assurances in respect of their governance, performance or financial viability. AHBs with less significant areas for improvement will have until the next assessment to address or progress on the matters identified during the assessment. 16 AHBs were removed

“The results of our first assessment demonstrated a good performance by the majority of AHBs.”

from the Public Listing of AHBs signed up to regulation, due to non-submission of their Annual Return. 10 of these AHBs have since submitted their Annual Return and have been reinstated onto the Public Listing.

Basis of Data Analysis

The following analysis is based on data provided by AHBs that took part in our first assessment and is based on their 2013 performance.

- 148 AHBs were signed up to Regulation and were required to submit an Annual Return to the Regulation Office
- 16 AHBs were subsequently removed from the Public Listing due to non-submission of their Annual Return
- 10 of these AHBs have since submitted their Annual Return, been assessed and have been reinstated onto the Public Listing
- This indicates an Annual Return submission rate of 96%, with the remaining 4% still removed from the public listing
- Therefore, the data below is based on the performance of 142 AHBs who completed the Annual Return in 2014 and were subject to assessment.



Key Results in Reported Performance of 142 AHBs for 2013

- 22,332 – Total number of AHB social homes regulated
- 80% of the AHB stock is owned and managed by larger (Tier 3) AHBs
- 2,500 – People employed in the AHB sector making it a key employer
- 1,219 Board members are involved in the governance of AHBs
- 2.21% – Rent arrears as a total of rents receivable
- 2.5% – The percentage of vacant but tenatable homes
- €1,591 – The average management and maintenance cost per home for the 2013 year
- 72% of AHBs have a sinking fund in place to provide for the long term upkeep of homes

1. AHB Housing Stock Profile

Number of Social Homes Regulated

142 AHBs were subject to a regulatory assessment in 2014. These AHBs provided over 22,332 homes, which given an estimated overall stock for the sector of 30,000 homes, equates to 74% of the total housing stock being covered by regulation. This figure will increase over time, and at date of publication of this report **almost 80% of AHB housing stock was subject to regulation.**

Profile of AHB Stock by Tier

The AHB sector is diverse in size with a significant number of organisations relative to the total size of the sector. The analysis shows that while the sector is diverse, 10% of the AHB sector (the larger AHBs) deliver almost 80% of the housing stock. In contrast, there are 94 smaller (Tier 1) AHBs that provide just 6% of the housing stock.

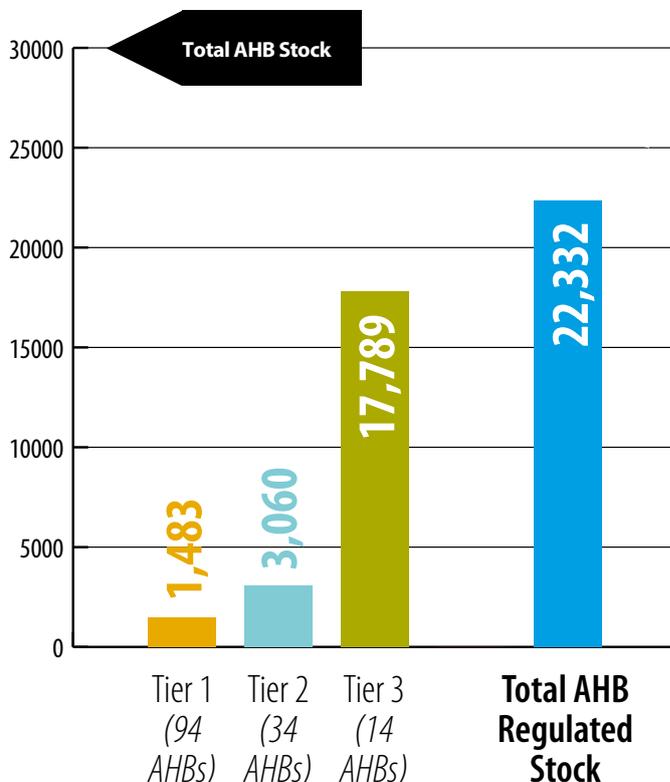
In summary:

- 14 Tier 3 AHBs account for **80% of the stock or 17,789 homes**
- 34 Tier 2 AHBs delivered 14% of the stock or 3,060 homes, and
- 94 Tier 1 organisations delivered 6% of the stock or 1,483 homes in total.

Of the 142 AHBs assessed in respect of 2013:

- 10% are larger AHBs (14 Tier 3 AHBs)
- 24% are mid-sized AHBs (34 Tier 2 AHBs)
- 66% are smaller AHBs (94 Tier 1 AHBs)

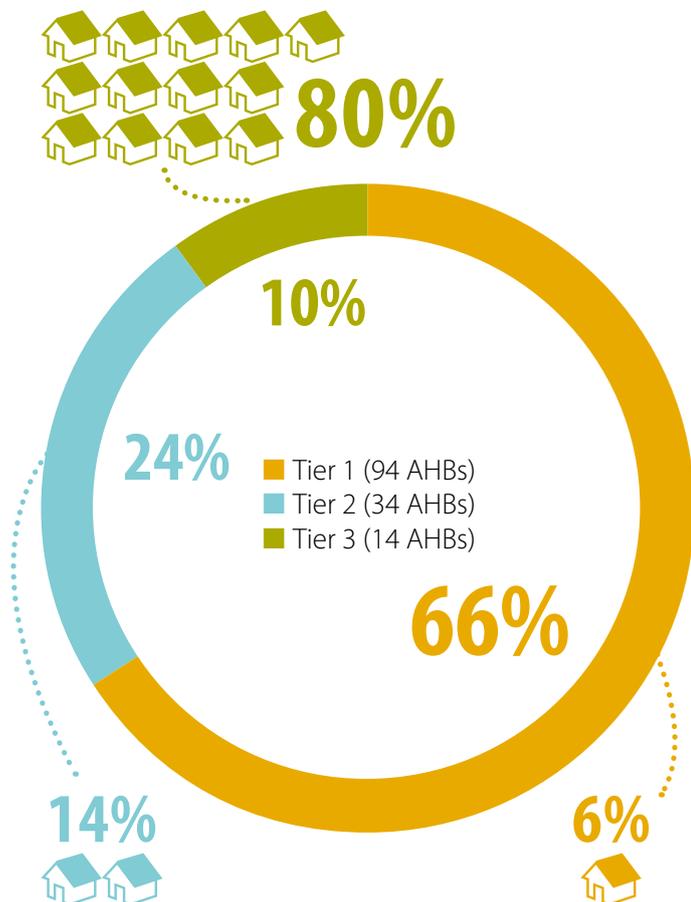
Figure 1 AHB Social Housing Stock – Numbers by Tier, Total Regulated, Total in Sector



This data indicates the diverse nature of the sector in terms of scale with on average a Tier 3 AHB responsible for 1,270 units, a Tier 2 AHB having 90 units and a Tier 1 AHB having 16 units. There are, however, a number of larger AHBs that provide over 4,000 units. This variation in scale highlights the necessity for regulation to be proportionate and risk based to ensure optimal efficiency and effectiveness both in the Regulation Office itself and throughout the sector.



Figure 2 Percentage of AHBs in Each Tier and The Proportion of Stock They Provide

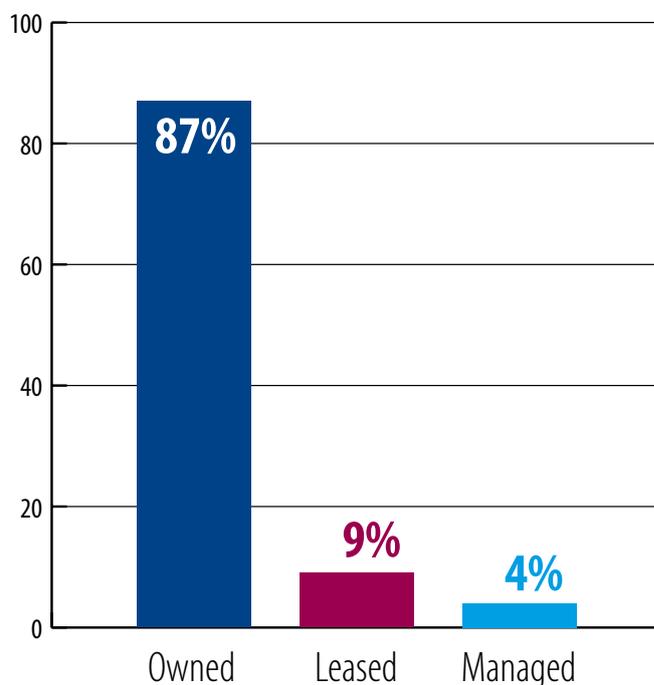


Housing Stock Profiles

The sector has a strong asset base with 87% of the housing stock in AHB ownership. The remaining 13% is leased or managed as shown in the table below.

- 17,732 units are owned by AHBs (87%)
- 2,723 units are leased (9%)
- 1,877 units are managed on behalf of a third party (4%)

Figure 3 Proportion of AHB Stock which is Owned/Leased/Managed



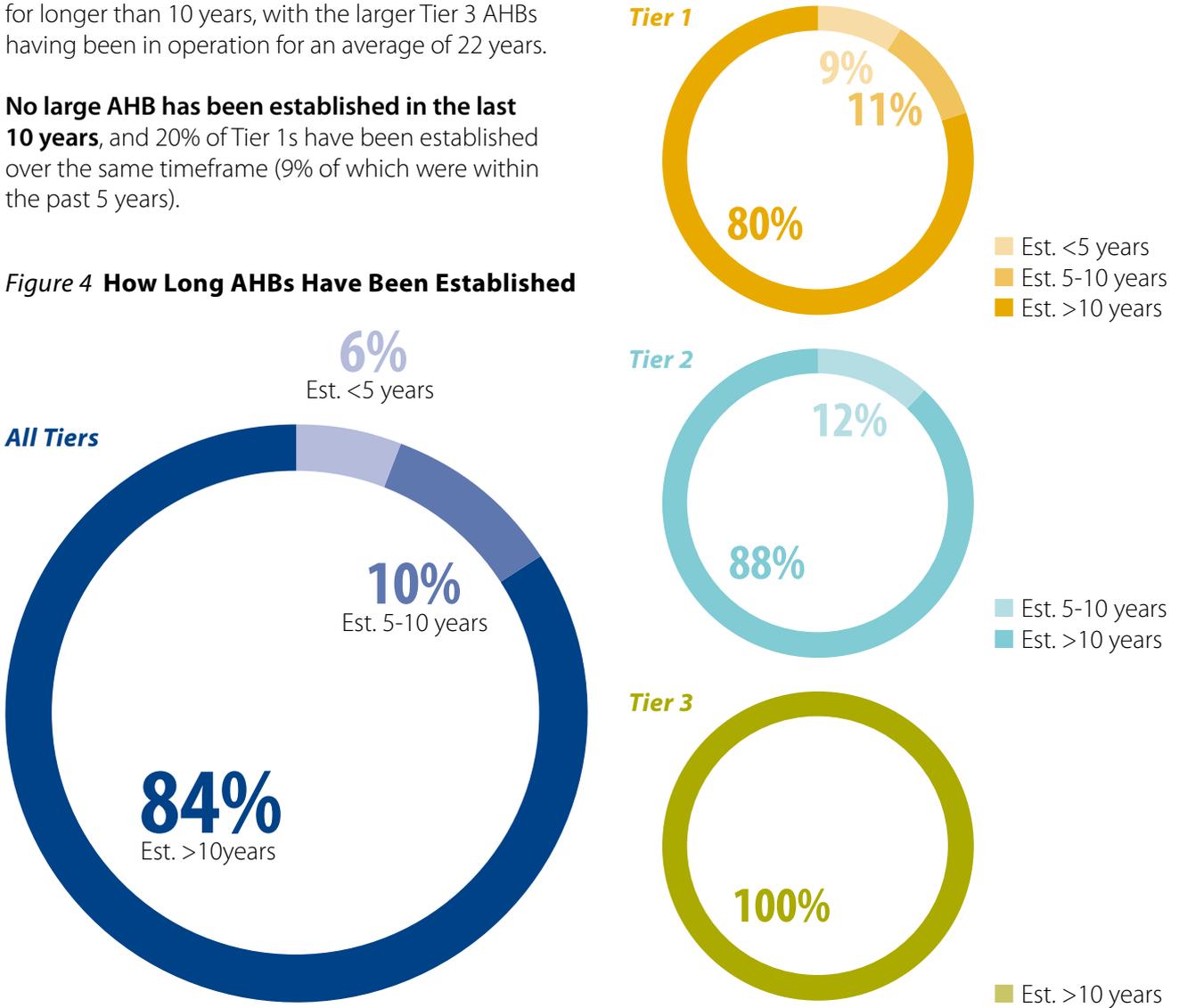
“The analysis shows that while the sector is diverse, 10% of the AHB Sector deliver almost 80% of the housing stock.”

The Establishment of the AHB Sector in Ireland

The AHB sector has developed steadily over the last 20-30 years and therefore many AHBs have been operating as social landlords for a significant period of time. Our analysis shows that 84% of AHBs have been in operation for longer than 10 years, with the larger Tier 3 AHBs having been in operation for an average of 22 years.

No large AHB has been established in the last 10 years, and 20% of Tier 1s have been established over the same timeframe (9% of which were within the past 5 years).

Figure 4 How Long AHBs Have Been Established



2. What we now know about the Sector – Governance

Governance

Good governance underpins an AHB's ability to deliver quality services, drive improvements and manage risks and therefore is a critically important area for regulation. Experience from other jurisdictions strongly indicate that there is a link between good governance and the financial viability and effective management of an organisation. The Regulation Office is committed to supporting the sector to improve performance and effectiveness in this area.

We examine governance to ensure that organisations are properly run, assets maintained and tenants and assets are protected. Good governance supports the AHB to meet its aims and objectives.

A well governed AHB should:

- Have a skilled, competent, robust Board, that challenges the status quo
- Have effective Board policies
- Have regular Board meetings
- Have clear organisational and decision-making structures with effective Board oversight, and
- Demonstrate strong and effective leadership.

Our analysis of the sector gives some insight into the governance arrangements of AHBs.

Regular Board Meetings

On average, governing Boards or management committees of AHBs met seven times during the course of 2013. This is nearly double the requirement as set out in the Regulatory Framework.

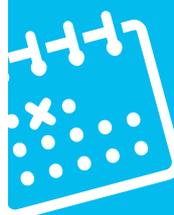
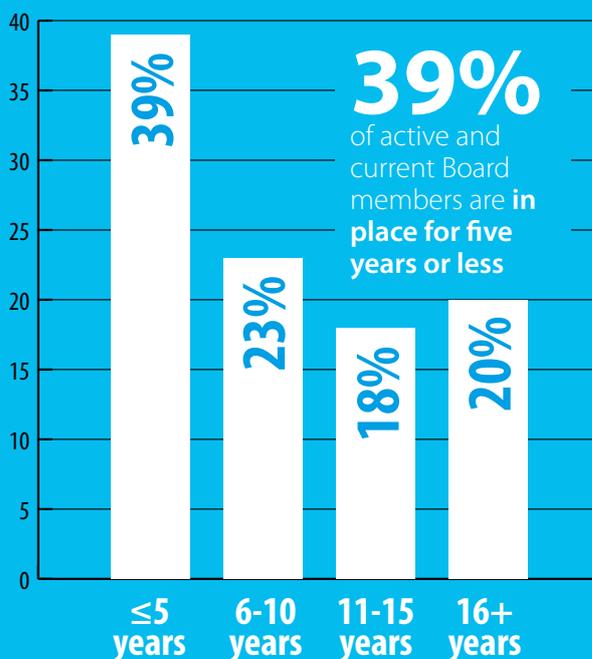
Board Membership

20% of Board members have been members of an AHB Board for 16 years or more. It will be important over time to ensure that all AHBs are active in succession planning and have policies to support Boards to remain balanced and capable of effective challenge.

Board Membership

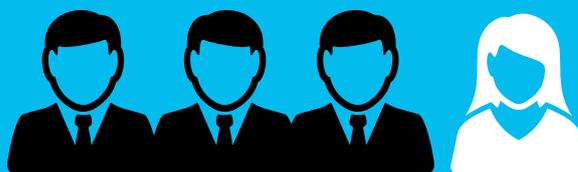
1,219

Board members are actively involved in the governance of AHBs – all volunteers and give of their time without any financial compensation



10.4 years

The average length of time that current Board members are involved with AHBs



75% of Chairpersons are male

25% of Chairpersons are female

97%

AHBs that have the minimum number of required Board members in place.

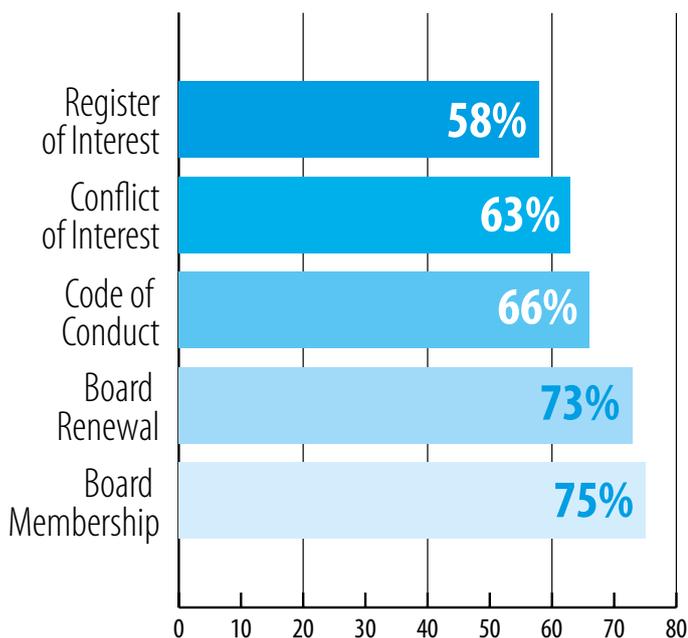
Governance Policies

One indicator of good governance is the effective implementation of key Board policies. These policies are necessary to ensure, amongst other things, that there is a clear segregation of roles and duties and that there is transparency and accountability.

All Boards are required to hold a register of interests detailing interests of Board members so that any potential conflict of interest that a Board member may have between their role as a director and their private interests can be readily identified. Additionally, all Boards need a conflict of interest policy which will set out how the Board will act where a conflict of interest occurs. Such policies are a critical part of protecting the integrity and transparency of the sector and therefore form part of our regulatory assessment.

The chart below shows the extent to which Board policies are in place throughout the sector.

Figure 5 % of AHBs with Governing Board Policies in Place



From the chart we can see that:

- 75% of AHBs had a Board membership policy in place
- Nearly three quarters of the AHBs had a Board membership renewal policy in place
- Just over half of AHBs had a Register of Interest in operation

Our Assessment Reports to individual AHBs highlighted instances where relevant Board policies needed to be developed and strengthened. We will work with the sector in this area, increasing awareness of good governance and supporting the development of good practice.

Group Structures

Just over one third of the Tier 3 AHBs were part of larger group structures or operated subsidiary companies.

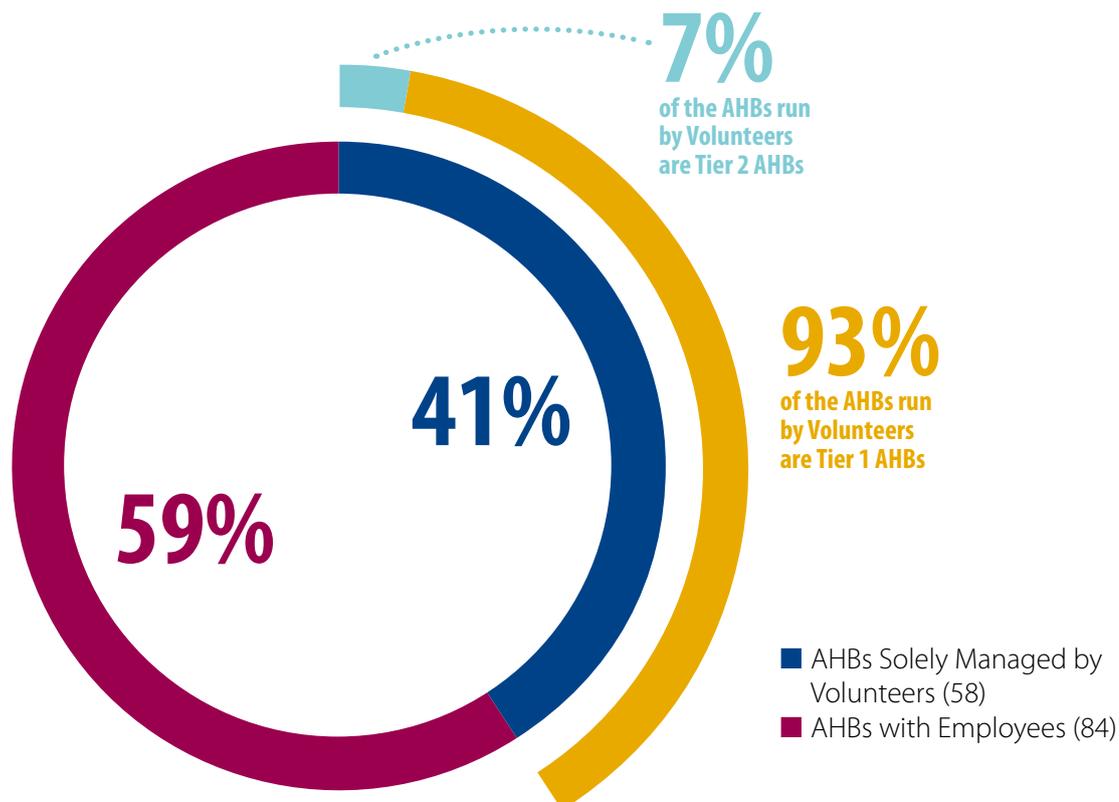
As the sector develops, it is expected that more group structures will emerge, leading to a more complex operating environment for AHBs and the regulatory process. Where there are group structures, it is critical that there are governance arrangements in place ensuring that the interests of the AHB are protected within the group, that clear decision making processes and governance arrangements exist, and that the assets and liabilities of the AHB are readily identifiable and appropriately managed.

Volunteers and Staffing of AHBs

Traditionally, AHBs have, at their core, a strong reliance on volunteerism. Volunteers continue to contribute significantly to both the development and management of social housing. There are just **over 3,500 volunteers** involved in the management and operation of AHBs across the sector. The profile of the sector shows us that while there is an element of volunteerism in all AHBs, some 41% of AHBs have no staff employed and are entirely run by volunteers. The majority of these organisations (93%) are small Tier 1 AHBs. This demonstrates that there are different and distinct types of organisations, varying from community-based organisations who serve their own local communities to larger scale national organisations established to develop and serve a wider purpose or community.

While the sector benefits from significant voluntary effort, it is also a significant employer and the data shows just over 2,500 people employed across the sector. For larger (Tier 3) AHBs, the data highlights that they employ approximately 625 people directly in relation to social housing provision, averaging at just over 44.6 staff per Tier 3 organisation. (Note that this figure may encompass a broad variety of ancillary roles, not necessarily specific to housing management. This is particularly relevant to Tier 2 AHBs). The following table sets out the average number of staff employed by Tier level.

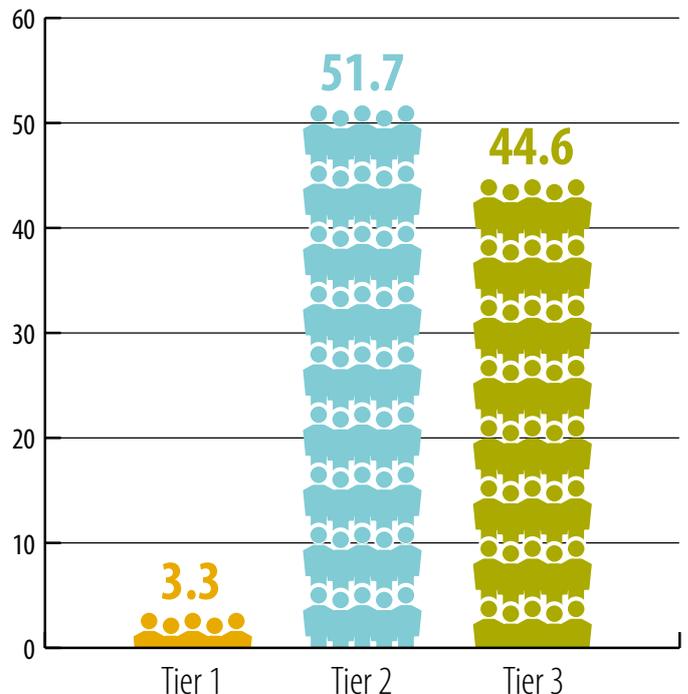
Figure 6 Proportion of AHBs Run Entirely by Volunteers



In summary:

- 41% (58 AHBs) have no staff employed at all and are fully dependent on volunteers to run all aspects of their business. However, this represents just 6% of the overall regulated stock.
- Of the 58 AHBs fully operated and managed by volunteers
 - 52 are Tier 1 AHBs
 - 6 are Tier 2 AHBs
- No Tier 3 AHBs are fully operated and managed by volunteers, although there are volunteers supporting their business operations.

Figure 7 Average Number of Staff Employed



3. What we now know about the Sector – Performance Management

Performance Management

In regulating AHBs we want to help ensure the delivery of good quality housing to tenants. Additionally, we want to assist the sector in striving for continuous improvement in managing their performance efficiently and effectively for the benefit of their tenants.

Performance Management Structures

We require organisations to have a performance management structure in place, which at minimum, monitors and reports on the following: rent payments and arrears, voids, repairs and maintenance. We will assess these structures with the interests of the tenants to the fore.

- All larger (Tier 3) AHBs had a performance management and reporting system in place
- 80% of the Tier 1 AHBs have some basic performance management system in place. However, we have recommended to many smaller (Tier 1) AHBs that they further develop their performance management to include additional key performance indicators
- Two thirds of all AHBs have some form of monitoring and reporting system on repairs

Rent Arrears

All AHBs should have policies in place to minimise the risk of rent arrears occurring.

Rent arrears as a percentage of total rent receivable for the 2013 year was as follows:

Tier Level	Rent Arrears as a % of Total Rent Receivable
Tier 3	6.27%
Tier 2	2.27%
Tier 1	1.48%
Overall	2.21%

Smaller (Tier 1) AHBs have the lowest levels of rent arrears; this is most likely due to the nature of their housing management structures, which in many cases are personal, “hands on”, and local.

Voids

A void is ‘a property available for letting but not tenanted’. A void period is defined from when the property is available for letting to the time a new tenancy commences. For the purposes of our data collection, we asked for this time period to be measured in weeks.

- 2.5% of properties were void in 2014
- 10.7 weeks is the average length of a void

Analysing Voids by Tier Level

Larger (Tier 3) organisations have performed well with fewer voids as a percentage of stock and a shorter turn-around time of just under 8 weeks.

Tier Level	Average Number of Void Units	Voids as a % of Total Stock	Average Length of a Void
Tier 1	1 unit	5.4%	11.2 weeks
Tier 2	12.7 units	8.7%	10.5 weeks
Tier 3	41.6 units	1.2%	7.7 weeks
Overall	5.6 units	2.5%	10.7 weeks

Void properties are a feature of housing management, however, if not managed efficiently, they unnecessarily reduce the number of homes available to those in need and have a negative effect on rental income of the AHB. AHBs should have written allocations policies and void management procedures in place to pre-empt any delays in letting properties. Additionally, it is important that AHBs and local authorities have an effective collaboration to let properties quickly and efficiently.

Management and Maintenance Costs

The combined average management and maintenance cost per unit for the 2013 year is €1,591 per unit. As we collate data into the future we can monitor and review trends in terms of expenditure incurred.

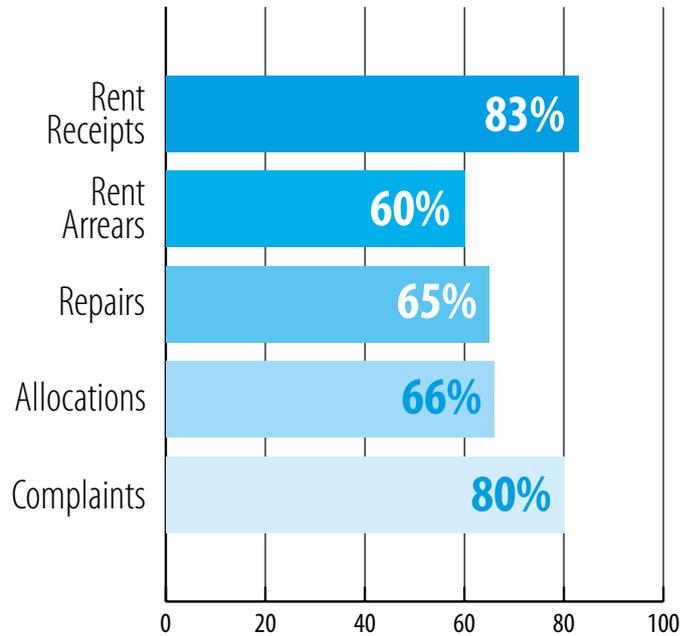
Tenant Services

At the heart of regulation are the tenant's interests. Regulation ensures tenants are protected and are recipients of quality services. Accordingly, the Regulation Office expects AHBs to have certain policies in place to support the tenant, to communicate with the tenant on a regular basis, and to ensure that tenants are aware of policies that impact on their tenancy.

AHBs are required under the regulatory framework to have formal policies in place for dealing with the allocation of social homes, complaints from tenants and policies setting out how rent arrears will be managed, as well as policies stating what tenants can expect in terms of the management of repairs. All AHBs are also required to issue rent receipts or statements to tenants periodically.

Our findings show that formal policies are more likely to be in place in larger (Tier 3) AHBs and they are more likely to have a complete set of tenant service policies in place which have been recently reviewed and updated.

Figure 8 % of AHBs with Tenant Service Policies in Place



Just over half of the smaller (Tier 1) AHBs have been requested to develop one or more of the required tenant service policies. The Regulation Office recognises that Tier 1 AHBs who are mainly community-based, voluntary-run organisations may need support in this area. We will work with the Sector in this regard.



4. What we now know about the Sector – Finance and Business Management

Finance and Business Management

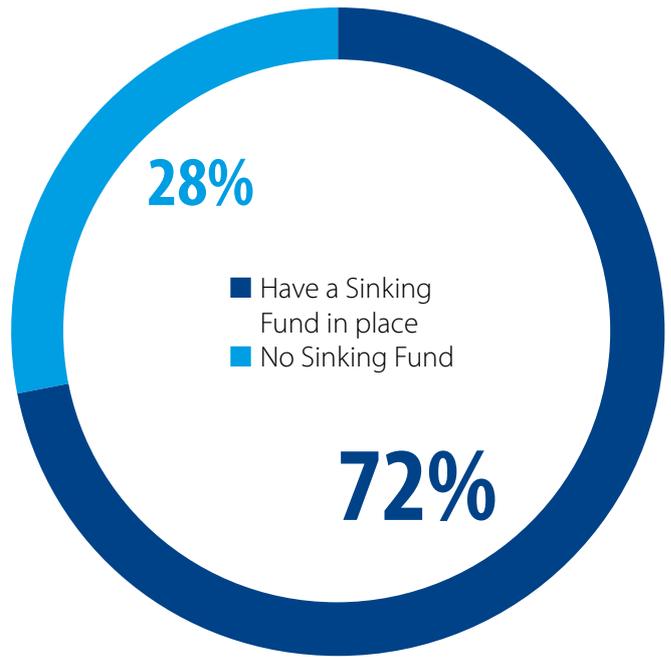
Under Regulation, AHBs are required to demonstrate that they are financially viable and have adequate resources to meet both current and future business and financial commitments. Having a sinking fund provision, a strategic and business plan and a risk register are just some of the important elements of appropriate financial and business management.

Sinking Fund Provision

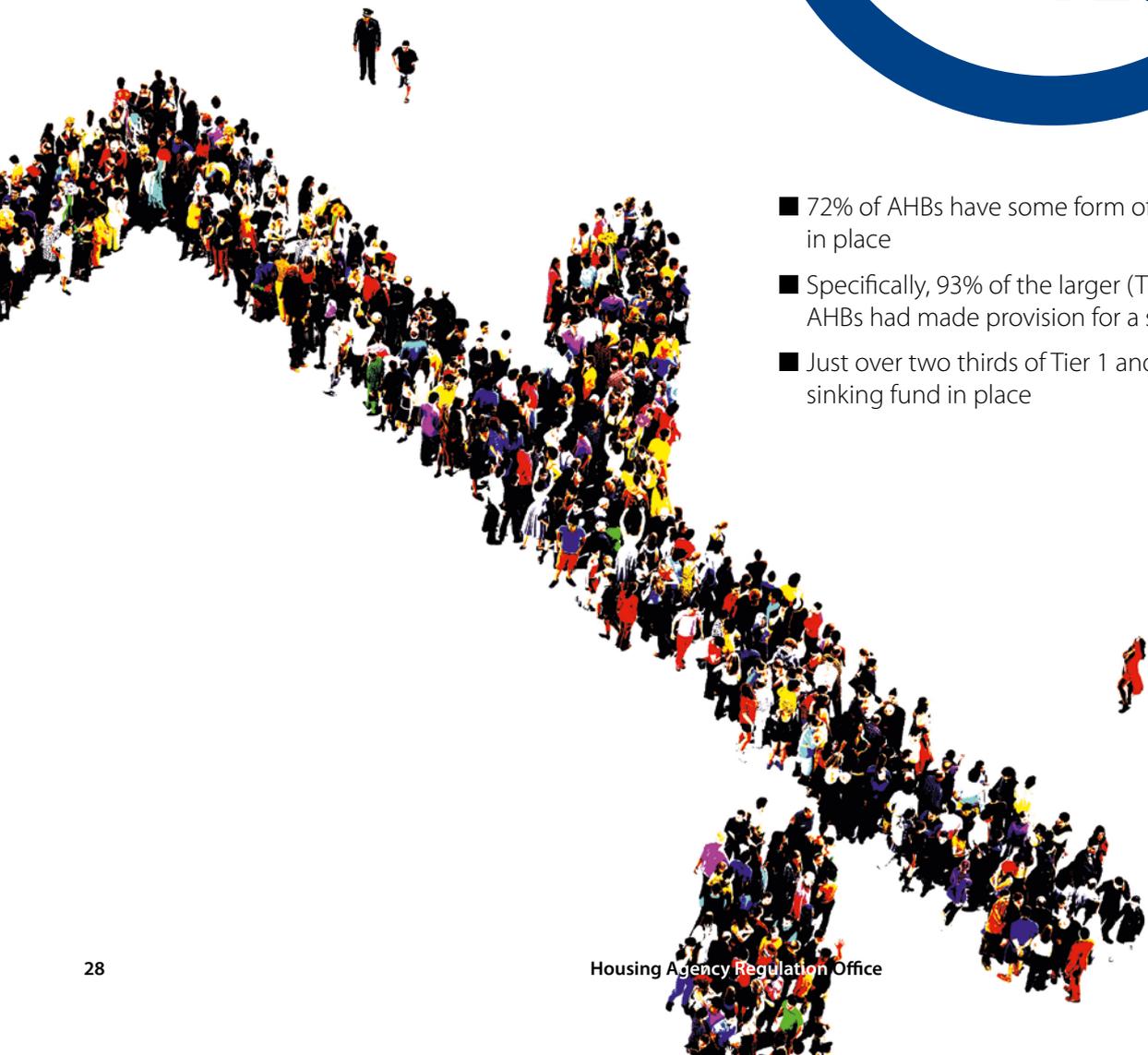
All AHBs under regulation are required to have a sinking fund in place. The establishment of a sinking fund – the provision for longer term repair and refurbishment – is very important. There has been significant investment from the State and from AHBs into providing much-needed social housing for tenants. Sinking funds make sure that these assets can be maintained and continue to be available for tenants on a long-term basis.

Based on our assessment of AHBs:

Figure 9 % of AHBs with a Sinking Fund in Place



- 72% of AHBs have some form of sinking fund in place
- Specifically, 93% of the larger (Tier 3) group of AHBs had made provision for a sinking fund
- Just over two thirds of Tier 1 and 2 AHBs had a sinking fund in place

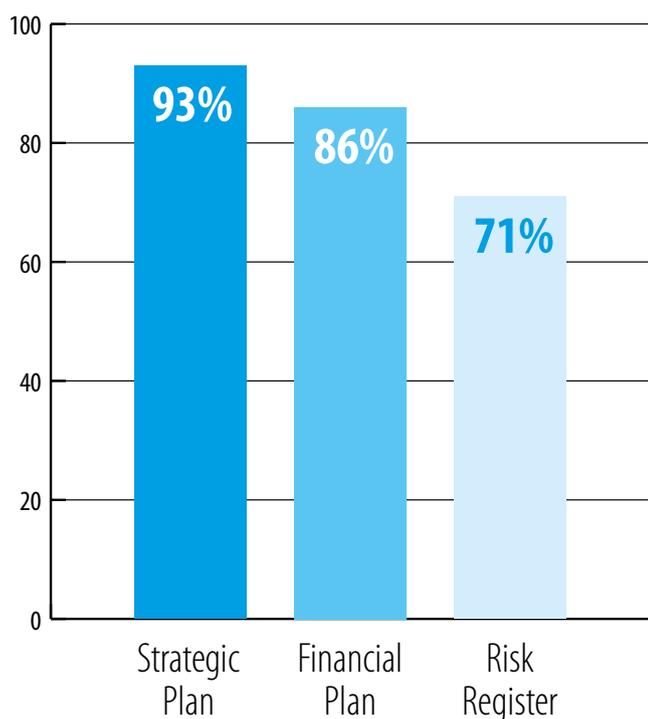


Financial and Strategic Planning for Tier 3 AHBs

Larger (Tier 3) AHBs are required to have a three year Financial Plan and a Strategic Plan in place with clear, measurable objectives.

- 93% of the Tier 3 AHBs had a Strategic plan in place
- 86% of the Tier 3 AHBs had a Financial plan in place
- The remaining 14% of the Tier 3 AHBs that did not have a financial plan in place indicated they were working towards developing such a plan

Figure 10 % of Tier 3 AHBs with a Strategic Plan, a Financial Plan and a Risk Register



Risk Register

Risk management is a key part of any well governed organisation. Many AHBs are operating in a more complex environment with either increased diversification of functions, increasing regulatory requirements or have started financing housing development through loan finance. This changed environment brings new risks which need to be managed.

The maintenance of a Risk Register is a requirement for Tier 2 and Tier 3 AHBs signed up to the Regulatory Framework.

The sectoral analysis shows:

- 71% of Tier 3 AHBs operate a risk register
- Just 40% of the Tier 2 organisations operate a Risk Register

The Regulation Office will work with the sector in highlighting the importance of risk assessment and management. We recognise that risk is an inherent part of all businesses and of developing, but it is critical that it is managed and mitigated where possible.

06

Global Accounts of Tier 3 AHBs

The Global Accounts and Analysis collates for the **first time** in Ireland key financial data in relation to the larger AHBs who are signed up to Regulation.

This allows us to see, amongst other things:

- the income of the sector
- the operating expenses
- the number of employees
- the asset base
- the level of Government funding
- the extent of borrowings

The purpose of the 2013 Global Accounts is to provide a financial overview of the larger AHBs signed up to Regulation. These Global Accounts are based on an analysis of the regulatory returns and financial statements of larger (Tier 3) AHB providers who own, lease or manage at least 300 social homes. Almost half of these providers offering over 1,000 homes each. These AHBs represent approximately 80% of the social housing units under regulation, amounting to nearly 18,000 homes.

Key Activities and Revenue Streams

The provision of social homes for rent is the primary activity for most AHBs. However, a small number of AHBs have begun to diversify their activities and are now providing homes for market rental. This has supported them in delivering sustainable mixed tenure communities and may also, in time, generate income for social housing provision.

This type of activity exposes providers to a different set of risks, and it is important that this is managed appropriately. Further differences exist between AHBs in the type of housing that they provide. Some AHBs provide a mix of general need and supported housing, while some providers may just specialise in supported housing. These AHBs as well as providing housing normally have a relationship and revenue stream for the support side of their business from the Health Service Executive (HSE).

Basis of Preparation of Global Accounts

The information provided this year introduces the aggregate income and expenditure for the larger AHBs (Tier 3). In order to consolidate the financial data of Tier 3 AHBs, it was necessary to standardise the data. For the purposes of this analysis, we have excluded depreciation on housing assets and amortisation of capital grants. Additionally, in the case of one Tier 3 AHB, the entire group financial position is not shown as only a minority of income relates directly to social housing. Accordingly, only an element of their income, expenditure and assets and liabilities are accounted for in the global accounts. This is the first time that global accounts have been presented for the sector and as such we are unable to provide analysis on trends or comparisons from previous years, but this will be presented in the future. In addition, the level of detail will increase over time as we implement our new Financial Standard and Assessment Framework.

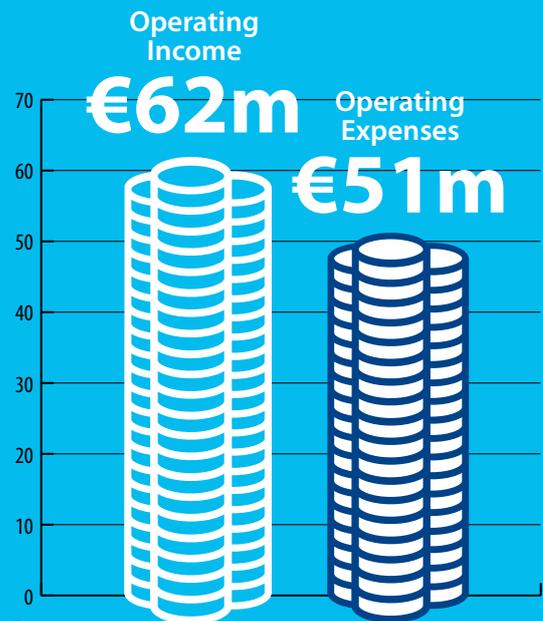
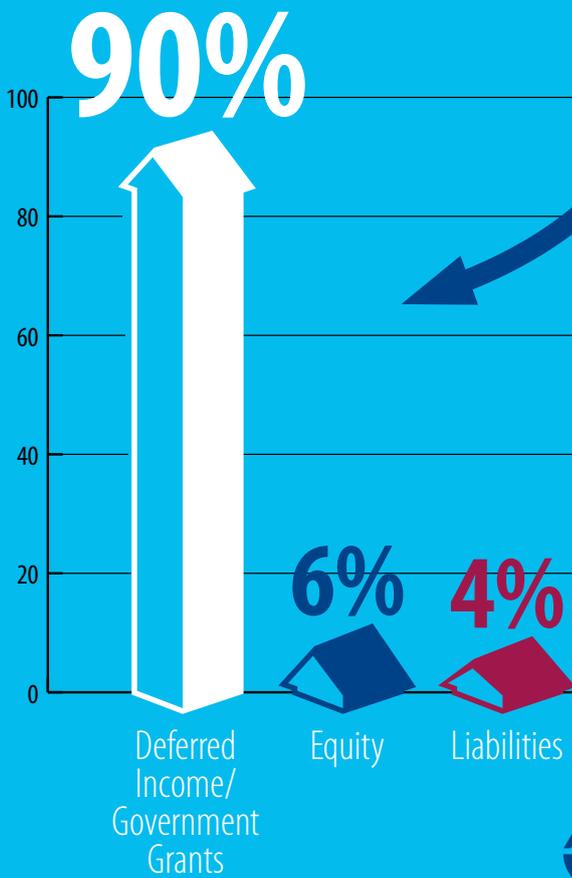
We present on the following pages:

- Financial Data Highlights and Summary
- Global Financial Statements
- Key analysis and commentary of headline numbers and financial ratios

Financial Data Highlights (Tier 3 only)



Asset Composition



Loan to Value Ratio

2.6%

Based on cost of housing assets



Sum of Government
Capital Grants invested

€1.7bn

Financial Ratios

Operating Margin	17%
Current Ratio	3.4
Gearing Ratio*	2%

* Where CALF funding is excluded from debt and Deferred Income Capital Government Grants included as equity.

Summary

The 2013 Global Accounts demonstrate that the sector, in aggregate, is financially sound. The sector recorded a solid financial result, turnover was €62 million and the operating margin was 17%.

The AHBs have social housing assets of €1.8bn of which the state has invested €1.7bn in capital funding.

Borrowing by the sector for development purposes is still very low at c.€46 million. Total assets in the sector are €1.9bn financed by:

- €1.7bn (90%) in Government Capital Grants,
- €110m (6%) in equity built up by the AHBs
- €69m (4%) in liabilities.

Of the €69m in liabilities, just €46m is in relation to development borrowings, and gearing (the ratio of debt to equity) is just 2%. This indicates significant capacity for borrowing for development by the Sector in the next number of years. We expect to see a substantial increase in borrowings in the coming years to facilitate much-needed development. This requires additional risk management by relevant AHBs and continuing active oversight by the Regulation Office

“The Global Accounts indicate significant capacity for borrowing for development by the Sector in the next number of years.”

Global Income and Expenditure Account of Larger AHBs (Tier 3)

	Financial Year 2013 €'000
Income	61,513
Operating Expenses	(51,326)
Operating Surplus	10,187
Interest Receivable	799
Interest Payable	(985)
Net Surplus for the financial year	10,001

Global Balance Sheet of Larger AHBs (Tier 3)

	Financial Year 2013 €'000
Fixed Assets	
Social Housing Properties	1,812,844
Other Fixed Assets	4,597
	1,817,441
Current Assets	
Cash and Investments	54,294
Debtors	22,044
	76,338
Creditors: Amounts Falling Due Within One Year	(22,156)
Net Current Assets	54,182
Total Assets Less Current Liabilities	1,871,623
Creditors: Amounts Falling Due After One Year	
Long Term Loans	(43,938)
Deferred Income	(1,713,782)
Other Long Term Creditors and Provisions	(3,260)
Total Net Assets	110,643
Reserves	
Income and Expenditure Account	61,668
Designated Reserves: Maintenance / Sinking Fund	48,975
	110,643

Key Analysis of Global Financial Accounts¹

Efficiency and Effectiveness

Operating Margin² 17%

The income of Tier 3 AHBs exceeds operating expenses with the Tier as a whole operating at a margin of 17%. There is an operating surplus per unit of €573.

On average turnover per employee is €98k and there are 28 social housing units per employee.

Operating Cash Flow

The total operating cash flow of Tier 3 AHBs in 2013 was €12.9M. This represents 21% of turnover.

Liquidity and Viability

Liquidity is measured in terms of the current ratio³. The average current ratio for the year was 3.45 times, which indicates that short term commitments can be met. The current ratio is measured at a point in time; hence the ratio may vary periodically. In terms of cash per unit Tier 3 AHBs have €3,052 per unit.

Protecting the Asset

On average, Tier 3 AHBs have provided €2,753 per unit in a maintenance or sinking fund.

Government Capital Investment

Tier 3 AHBs have social housing property assets of €1.8bn of which the state has invested €1.7bn in capital funding.

Expanding the Sector

Tier 3 AHBs have borrowed €46m to finance investment in social housing. Tier 3 AHBs have debt per unit of under €3k indicating further capacity for debt financing to facilitate further availability of social housing.

Key Employer

Tier 3 AHBs are a key employer, employing 625 people directly in relation to social housing provision.



1. Per unit figures are based on Tier 3 total units at time of assessment of 17,789.

2. Operating margin calculated as surplus divided by income where income is calculated before depreciation and amortisation of grants.

3. Current Ratio = Current Assets divided by Current Liabilities.



Emerging Issues and Priorities

Emerging Issues and Priorities for the AHB Sector

Emerging from the first assessments of AHBs, we have identified a number of priority areas for the AHB sector. We intend to work closely with the sector to raise awareness of these priorities and to facilitate AHBs in addressing these areas.

The emerging issues and priorities include the following:

■ **Improvement of Sinking Fund Provision and Methodology** Improving sinking fund provision and methodology, in order to safeguard social housing assets into the future. We need to ensure that all AHBs have a sinking fund to cover long term capital repairs into the future, and that the level of provision is appropriate and adequate.

■ **Appropriate Risk Management** The Regulation Office expects all AHBs to conduct a meaningful assessment of their risks including assessing the probability of risks occurring and to take steps to mitigate these risks where possible. This does not mean that risk should be avoided, indeed the Regulator acknowledges that risk is an inherent part of any business, and particularly so in the case of AHBs undertaking commercial loan finance to develop social housing. We are conscious that the sector can further deploy its assets for maximum results. Any regulatory concerns are in relation to AHBs undertaking excessive risk or the inappropriate management of risk.

■ Good Governance

Good governance is critical, and key issues include ensuring that there is a clear division of responsibilities between executive and non-executive members, and that appropriate Board policies are in place to protect the integrity and good reputation of the sector. The most common policies that are not currently in place are a Conflict of Interest and Register of Interests. The Regulation Office will work on developing awareness of the importance of these policies, to support good governance. Additionally, the data we have collated and examined shows that 20% of Board members have been in situ for 16 years or more. This indicates that we need to focus on encouraging succession planning and Board renewal. This is important to ensure that Boards work as effectively as possible, and have the appropriate balance of both established directors and new directors. It is generally accepted that new members can be more prepared to challenge the status quo. New members also minimise the risk of standard “groupthink”, resulting in a more robust Board, which is a necessary element of good governance.

■ Recording Performance Management

The main area that AHBs need to work on are repairs data and implementing a system to accurately monitor repair requests and response times. In addition, the sector needs to be cognisant of the extent of void properties and take steps to address this issue so that maximum use is made of existing stock and that homes are available for those who need them.

Emerging Issues and Priorities for the AHB Sector



■ **Greater Focus on Financial Viability**

We see that AHBs who are accessing loan finance for the first time will have to adapt to take account of the additional responsibilities that this brings including greater focus on financial viability into the future.

■ **Certainty of Funding for Support Services**

We are aware that some AHBs undertake support services to assist their residents and tenants. In many cases these AHBs have experienced significant cuts to the funding of their support services which is placing pressure on their financial resources and in some cases the social housing element of their business is subsidising other activities. This is not a situation which can continue into the long term and will have to be further considered by the sector.

■ **Governance Arrangements for Group Structures**

Just over one third of the Tier 3 AHBs were part of larger group structures or operated subsidiary companies. The Regulator supports these types of arrangements, as long as there are governance arrangements in place ensuring that the interests of the AHB are considered separately to the interests of the group. Clear arrangements and assurances must be provided in relation to intercompany transactions, exposures and dependencies between the companies and inter-reliance on the parent group. Clear decision-making processes and governance arrangements must be in place. Structures to support the monitoring and management of any service level agreement between the parent and subsidiary must also be in place.

Priorities for the Regulation Office

The Regulation Office have our own challenges to face, including:

- Advising on and supporting the development of legislation to place regulation on a statutory footing which will further strengthen the regulatory process
- Ensuring that we have sufficient funding to adequately resource the Regulation Office at the level appropriate for it to effectively perform its functions
- Ensuring the continuation of effective implementation by the sector of the principles of regulation, and ensuring that compliance levels with the Code are further improved
- Reviewing our processes and ensuring that assessment and reporting is fit for purpose
- Implementing the Financial Standard with a Pilot Group of AHBs and addressing any issues arising
- Creating awareness of the importance of regulation throughout the AHB sector and amongst stakeholders
- Ensuring we have the best possible knowledge of AHB's individual businesses to enhance our regulatory judgement capabilities. This requires us to visit AHBs and encourage open, facilitative dialogue even before regulatory issues arise.

We are committed to the ongoing improvement and development of the sector and playing our role in ensuring that further social housing can be made available for those that need it.

Glossary

AHB

Approved Housing Bodies (AHBs) provide and manage social rented housing. They are also known as Housing Associations and include Co-operatives.

They are not for profit organisations formed for the purpose of managing and providing homes for those in housing need. Tenants are mainly sourced from the Record of Qualified Households (the social housing waiting list) which is managed by housing authorities.

Under Section 6 of the Housing (Miscellaneous Provisions) Act, 1992, bodies must obtain 'approved status' from the Department of Environment, Community and Local Government. Homes are provided at affordable rents to tenants.

Tier Classification

Regulatory standards apply to all AHBs, but vary depending on the size, scale and the level of financial risk associated with development plans of an individual AHB. A classification system has been designed to reflect this.

AHB Tier Classification

Tier 1	0-50 units with no development plans or development plans that keep the total under 50 units.
Tier 2	50-300 units or development plans that keep the total under 300 units, or the use of loan finance for development.
Tier 3	>300 units or sizeable development plans, including the use of loan finance for development.

CAS Funding

Capital Assistance Scheme provides up to 100% capital grant funding to AHBs for provision of housing for people with specific categories of need. It is provided by way of mortgage and is only repayable if conditions of the grant provision are not adhered to.

CLSS Funding

Capital Loan and Subsidy Scheme provided 100% capital grant funding to AHBs to enable them to provide for general needs social housing for eligible families (this funding is no longer available.) It was provided by way of mortgage and is repayable if conditions of the grant provision are not adhered to.

DECLG

Department of Environment, Community and Local Government

The Code

Regulation of the sector is based on the Voluntary Regulatory Code for Approved Housing Bodies – *'Building for the Future'*, launched in July 2013. It forms the foundation of the Regulatory Framework for AHBs and sets out the key principles that will apply to all AHBs depending on the size, scope and risk level of AHBs.

Regulator

The regulatory structure was established in February 2014. The Housing Agency has been given responsibility, on an interim basis, for regulating Approved Housing Bodies (AHBs).

The Housing Agency has established a Regulation Office to manage regulation. The Office reports to an interim Regulatory Committee appointed by the Minister.

Sinking Funds

Designated reserves or other funds indicated on the balance sheet as set aside for longer term systematic repairs and refurbishment of housing stock e.g. roof replacement.

Voids

A void is determined as a property available for letting but not tenanted. A void period is defined from when the property is available for letting to the time a new tenancy commences and should be measured in weeks.

Appendix 1

The Regulated Sector

List of AHBs assessed in relation to the 2013 Year and additional AHBs that subsequently signed up to regulation

142 AHBs assessed in relation to the 2013 Year

Tier 3

Circle Voluntary Housing Association
Clanmil Housing Association (Ireland) Ltd.
Clúid Housing Association
Focus Ireland
Fold Housing Association Ireland Ltd.
Housing Association for Integrated Living Ltd. (HAIL)
Iveagh Trust, The
National Association of Building Co-Operatives (NABCO)
North and East Housing Association
Oaklee Housing Trust Ltd.
Respond! Housing Association
Society of Saint Vincent de Paul
Sophia Housing Association
Túath Housing

Tier 2

Ability West
Alone Charity
Anvers Housing Association
Ark Housing Association
Arlington Novas Ireland
Banner Housing Association
Camphill Communities of Ireland
Carlow Voluntary Housing Association Ltd. T/A Tintéan
Cill Dara Housing Company Ltd.
Cope Galway

Cork Mental Health Housing Association Ltd.
Cuan Mhuire Teoranta
Dublin Central Mission Ltd.
Galway Co-Operative Housing Development Society Ltd.
Good Shepherd Services
Habinteg Housing Association (Ireland) Ltd.
Hearth and Mind (*formerly Dublin Housing Mental Health Association*)
KARE, Promoting Inclusion for People with Intellectual Disability
Kerry Mental Health Association
Kilkee Housing Association
Muiriosa Foundation
Muiriosa Housing Association
Newgrove Housing Association
Oakdene House
Peter McVerry Trust, The
Peter Triest Housing Association, The
Roscara Housing Association Ltd., The
Royal Hospital Donnybrook, The
S.T.E.E.R. Housing Association Ltd.
Simon Community: Cork Simon
Simon Community: Dublin Simon
Simon Community: North West Simon
Sonas Domestic Violence Charity Ltd. (*formerly Sonas Housing Association Ltd.*)
Thomond Housing Association

Tier 1

Abbeyview Housing Association Ltd.
Adapt Kerry Ltd.
Aghamore Voluntary Housing Association Ltd.
AIDS Fund, The
Áras Mhuire Housing Association Ltd
Ardagh Voluntary Housing Association Ltd.
Athea Voluntary Housing Association
Bandon Geriatric and Community Council
Bantry Care for the Aged
Beam Housing Association Ltd.
Bishopstown Senior Citizens Housing Association Ltd.
Brabazon Trust, The
Broadford Voluntary Housing Association and
Community Childcare Facility
Caherciveen Social Services (Housing) Ltd.
Caislean Nua Voluntary Housing Association
Carbery Housing Association
Carracastle Voluntary Housing Association
Carraig Dubh Housing Association
Castlecomer Housing Association
Cena-Culturally Appropriate Homes Ltd.
Charleville and District Community Enterprise
Charleville Care Project (*formerly Sheltered
Housing Services*)
Clannway (Meath) Voluntary Housing Association Ltd.
Claregalway & District Day Care Centre
Colliery Christians Voluntary Housing Association
Conna Community Council Housing for the Elderly
Corran-Deel Voluntary Housing Association
County Donegal Parents and Friends Housing
Association Ltd.
Croom Voluntary Housing Association
Cross Kilbaha Community Housing
Daisyhouse Housing Association
Doorway to Life Ltd.
Douglas Housing Association Ltd.
Drogheda Homeless Aid Association Ltd.
Drombanna Housing Association Ltd.
Dromin/ Athlacca Housing Project Ltd.
Embury Close Sheltered Housing Company Ltd.
Enniscorthy Community Housing Ltd.
Fergus Housing
Fermoy Geriatrics Association Ltd.
Glin Homes for the Elderly
Good Shepherd Centre Kilkenny, The
Gowran Community Housing for the Elderly Association
Grantstown Voluntary Housing
Home Again
Homes for Dunmore
Hospital Voluntary Housing Association
Hugh Gore Institute
Inis Housing Association Ltd.
Interaid
Kathleen and Michael Connolly Foundation Ltd.
Kerry Emigrant Support Housing Association
Kilcorney Community Development Association Ltd.
Kildorrery Voluntary Housing Association
Kilmihil Community Housing Ltd.
Kilnaleck Sheltered Homes
Kilteely Dromkeen Social Housing
Knocklong Glenbrohane Elton Voluntary Housing
Association
Macroom Senior Citizens Housing Development Ltd.
Mayo Mental Health Association
Methodist Widows Homes
Mid Offaly Housing Association
Mountbellew Voluntary Homes Association Ltd.
Mount Carmel Community Trust Ltd.
Pace Housing Association Ltd.
Peacehaven Trust Ltd.
Phibsboro Aid
Rathangan Senior Citizens Housing Association
Rights for the Elderly Voluntary Housing Association
Rosscarbery Social Housing Association
Rosedale (Kilmacow) Voluntary Housing Association Ltd.
Simon Community: Dundalk Simon
Simon Community: South East Simon
Skibbereen Geriatric Society, The
Slí Eile Housing Association
Slieverue Community Housing Association
Sophie Barat Residence Ltd.
St. Christopher's Housing Association (Longford) Ltd.
St. Dominic's Mullingar Community Council
St. Ita's Voluntary Housing & Day Care Centre Ltd.
St. John's Parish Homes for the Elderly
St. Killian's Housing Association Ltd.
Tabor House
Tarbert Community Service Ltd.
Tearmann Eanna Teoranta
Tearmann Uí Cheallaigh Rath Chairn
Thomastown Voluntary Housing Association
Thurles Lions Trust Housing Association
Tipperary Voluntary Housing Association
Tramore Voluntary Housing Association Ltd.
Upton Cork Housing Association
Villiers Housing Association
Westgate Foundation
Wexford Mental Health

52 additional AHBs that subsequently signed-up to Regulation

Tier 3

St. John of Gods Housing Association Ltd.

Tier 2

Alexandra Guild Housing Association

Apex Housing Association (Ireland) Ltd.

Belmont Park Housing Association

Cluanin Voluntary Housing Ltd.

Cope Foundation

Foscadh Housing Association

Irish Wheelchair Association Ltd.

Praxis Housing Association

Simon Community: Galway Simon

Sue Ryder Foundation

Walkinstown Housing Association (WALK)

Tier 1

Athlone and District Housing Association Ltd.

Ballyhooly Sheltered Housing Association

Ballymacarbry Elders Housing Association

Belcarra Community Co-Operative Society Limited

Care Bright

Carriglea Cairde Services

Charabanc Housing Association

Clare Haven Services

Claremorris & District Integrated Resource Development Co. Ltd. (Clár I.R.D.)

Claremorris Irish Centre for Housing (Clár I.C.H.)

Coiste Tithe Uibh Laoire Teoranta

Cuan Saor Women's Refuge

Doon Community Housing Ltd.

Dromcollogher Community Housing Association Ltd.

Dromcollogher Voluntary Family Housing Association Ltd.

Dundalk Voluntary Housing Association

FHIST Voluntary Housing Association Ltd.

Galtan Limited

Glenamoy Housing Association Ltd.

Inagh Housing Association

Kilanerin Sheltered Housing Association

Kingdom Voluntary Housing Association

Mayo Living Housing Association Ltd.

Moore Haven Centre

Muff Sheltered Housing Association

Mulranny Daycentre Housing Ltd.

Murroe Community Housing

New Hope Residential Centre

Oasis Housing Association Ltd.

O'Cualann Co-Housing Alliance

Senior Citizens Concern Ltd.

Simon Community: Midlands Simon

Simon Community: Mid-West Simon

St. Mary's Voluntary Housing Association (Kilkenny)

St. Patrick's Dwellings for the Elderly Ltd. (S.P.A.D.E.)

Stepping Stone

Switsir Trust Ltd., The

Tullamore Housing Association

Western Care Association

Youth for Peace Ltd.







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