

21/22

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Governance Self-Evaluation



Creating
better
Living Solutions

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A photograph of a woman with dark hair tied back, wearing a black sleeveless top and blue jeans, sitting on a grey sofa. She is smiling and hugging a young child who is wearing a pink long-sleeved shirt and a tan jacket. The background is a plain, light-colored wall.

OUR COMMITMENT TO YOU...

We will always aim to deliver...

the right outcomes as effectively as we can for the people and communities of West Wales

Purpose of this Governance evaluation

The Welsh Government updated its Regulatory Framework in January 2022. The Framework operates on a co-regulation basis and focuses on nine performance standards. During 2022 the Welsh Government carried out a Transitional Regulatory Review of our compliance against the nine standards with the following outcome:

- **Governance** (including tenant services): Compliant - Green
- **Financial Viability:** Compliant - Green

The full judgement is available on our website www.atebgroup.co.uk

The nine Regulatory Standards are as follows:

- **RS1** - The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives
- **RS2** - Robust risk management and assurance arrangements are in place
- **RS3** - High quality services are delivered to tenants
- **RS4** - Tenants are empowered and supported to influence the design and delivery of services
- **RS5** - Rents and service charges are affordable for current and future tenants
- **RS6** - The organisation has a strategic approach to value for money which informs all its plans and activities
- **RS7** - Financial planning and management is robust and effective
- **RS8** - Assets and liabilities are well managed
- **RS9** - The organisation provides high quality accommodation

This review evaluates the quality of our organisation's governance by giving an overview of our governance arrangements and changes made throughout the year, as well as demonstrating how well we are delivering on the following Welsh Regulatory Standards:

- **RS1** - The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives.
- **RS2** - Robust risk management and assurance arrangements are in place.

The governance evaluation forms part of the following suite of self-evaluation documents which each cover a few of the standards and collectively detail how we meet the Regulatory Standards:

- **Governance** - RS1, RS2
- **Performance** - RS3, RS4, RS5 and RS9
- **Financial** - RS6, RS7 and RS8
- **Improvement Plan**



The above documents will provide an evaluation of our organisation's governance by demonstrating how...

- the Board knows the organisation complies with each regulatory standard, including reference to key performance data and sources of assurance
- we comply with the Code of Governance that the organisation has adopted
- we have used the principal evidence which has been relied upon in conducting the evaluation
- the process of evaluation has been robust
- the needs and views of tenants have been understood and considered as part of the self-evaluation
- we have identified our key strategic risks and associated controls, or signposted to other documentation where the key risks are articulated
- our continuous improvement plan identifies any gaps or areas for improvement, and shows how these will be addressed (this replaces the Regulatory Assurance Plan)



A Board overview of 21/22

The continuation of Covid disruptions from the previous year frustrated our operational delivery in terms of what we aspired to achieve. Through the year, we went from masks and the 2-metre rule to something that better resembled normality by March 22. On top of the above, issues relating to global supply chains and Brexit drove our material and contracting/maintenance costs to higher levels. These global issues also slowed down our development projects, delaying the handover of new homes in both ateb and MBH.

Like others, ateb and its supply chains all experienced recruitment issues due to skills shortages and changing working expectations more generally. Towards the end of the financial year, global events continued to raise concern with the outbreak of war in Ukraine signalling additional concerns for global community security and supply chain/economic market uncertainty.

Against this backdrop, we can report that the ateb Group remained corporately strong. Our governance systems continued throughout the year with no interruptions to Board activity other than the lack of face-to-face interaction. We received a positive Interim Regulatory judgement from the Welsh Government that looked at governance and financial effectiveness.

During the year, we launched our Assure Framework. The framework uses our risk appetite and ateb vision document to set sixteen strategic risks that our Assurance Committee and Boards monitor. Each of these risks have a series of controls (policies, strategies, systems etc) that we then test to ensure they are indeed controlling our strategic risks. The framework will continue to evolve to help us be assured that what we think is happening, is happening.

Performance was positive across the Group, West Wales Care & Repair (WWCR) received additional in year funds to deliver more of its critical services that keep people independent in their homes. Mill Bay Homes (MBH) returned a near £2m gift aid in the year based on sales at its two latest sites. ateb had positive feedback on its services throughout the year, with our rent arrears and inhouse repairs satisfaction continuing to produce high industry standard results.

In terms of our Boards, Elaine took over as Chair of WWCR from Simon, who had come to the end of his 9-year term, Michelle stood down as a WWCR Board member and we welcomed Avril and Luke to the same Board. Our Chief Executive also became a Co-opted member of the ateb Group Board in the year to further enhance our collective decision-making responsibility with the executive team.

Financially, the year showed positive financial metrics across the Group that in part were due to the inability to deliver all the ateb investment we had hoped, which was due to Covid disruptions. It is important that we remain financially strong to meet the continuing external economic challenges, and therefore protect our customers.

Thank you to all our ateb Group Boards, teams and partners for their continued effort in these difficult times; we know there are still challenges to face in 22/23 but by pulling together and trusting our Vision, we will get more great things done.

David Birch

Chair of ateb Group Limited



RS1

The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives

ateb Group has developed the ateb Vision that guides our approach to being as good as we can be. The Vision has the following sections:

ateb Vision

- **#1 Purpose**
Creating better living solutions
- **#2 DNA (Our values)**
Trust; Togetherness; Empowerment...
'Get things done'
- **#3 Strategic Aims**
Improve Customer Service; Serve More Customers; Increase Business Effectiveness
- **#4 Deliver**
(Operational Delivery framework)
The right customer outcomes as effectively as we can
- **#5 Assurance Framework**
Understand Risks; Manage with controls; Test the controls are working
- **#6 Improve**
Improvement is the day job



Group Structure

ateb Group Limited is the parent organisation and the affordable and social housing business.

Mill Bay Homes Limited (MBH) is the property development business, building new homes for sale. West Wales Care and Repair (WWCR) provides support services to older clients, enabling them to continue living in their own homes. The remaining entity in the Group structure is a dormant company – Effective Building Solutions Limited (EBS).



West Wales Care and Repair
Gofal a Thrwsio Gorllewin Cymru

Board Structure

The Boards have a responsibility to ensure that the Vision objectives are the focus of our work. Our Boards consisted of the following Board Members and Directors at the end of FY 21/22:

ateb Group Limited Board of Management



The Group Board can comprise of up to fifteen members, which includes the option to have a maximum of three co-opted members. Board members are drawn from a wide background bringing together a diverse skillset. The primary role of the Board is to focus on strategic direction, growth, investment and risk.

The Board meets formally ten times a year for regular business, and at other times to discuss strategic issues.

- **David Birch (Chair)**
Property & Facilities Management
In both public and private sectors
- **Hugh Watchman**
Procurement & Supply Chain Management - In the domestic electricals industry currently running a local leisure related business
- **Hannah Belton**
Legal Services - Currently a Director and Solicitor with a local law partnership with a specialism in employment law
- **Owen Jones**
Planning
A chartered town and county planning consultant
- **Sharron Lusher**
Further Education
Former Principal of Pembrokeshire College
- **Jackie Leonard**
Housing & Maintenance
Housing professional
- **Jade Francis**
Independent Mortgage Broker/Manager
Willcox Financial Limited
- **Anthony James**
Finance
Commercial sector financial controller
- **Nick Hampshire**
Chief Executive
Co-opted member

Mill Bay Homes (MBH) Limited Board of Directors



MBH's Directors are registered directors at Companies House. The Chair is independent of the main Board due to Welsh Government regulations; members are recruited for their skills and experience relating to for sale housing development. The primary role of the Board is to focus on strategic direction, growth, investment and risk. The Board meets formally four times a year for regular business, and at other times to discuss strategic issues.

- **Mike Westerman**
(Independent Chair)
- Marketing - Consultant in fundraising specialising in the not-for-profit sector
- **Jim Leighton**
(Independent Director)
Cost Consultancy - Former Chartered Quantity Surveyor
- **Nick Hampshire**
Chief Executive
ateb Group Limited
- **Alex Jenkins**
Executive Director for Finance
ateb Group Limited

West Wales Care & Repair (WWCR) Limited Board of Management



West Wales Care and Repair
Gofal a Thrwsio Gorllewin Cymru

The WWCR Board can comprise of up to fifteen members. Board members are drawn primarily from community, health, local enterprise development and the third sector. The primary role of the Board is to focus on strategic direction, growth, investment and risk. The Board meets formally four times a year for regular business, and at other times to discuss strategic issues.

- **Elaine Lorton**
Health (Chair) - Director
at Hywel Dda Local Health Board
- **Hugh Watchman**
Parent Board Appointee
- **Cllr Lyndon Frayling Local Councillor**
Pembrokeshire County Council
- **Cllr Dafydd Edwards Local Councillor**
Ceredigion County Council
- **Avril Wilson**
Former Executive Director for Health and Social Care in West Sussex
- **Luke Lenton**
Complaints Manager at
Hywel Dda Health Board

The Group Board is supported by two committees with specific responsibilities; we have combined our People and Remuneration Committee into one and refocused our Assurance Committee on assurance, whilst retaining audit responsibilities as follows:

People and Remuneration Committee

Ad hoc committee responsible for policy on remuneration and terms and conditions of employment, as well as matters relating to grievances and related appeals.

The members are:

- **Hannah Belton** (Chair)
- **Hugh Watchman**
- **Sharron Lusher**

Assurance Committee

Responsible for setting and reviewing the assurance framework including appointment of internal auditors, internal audit plan and external audit services. The Committee meets four times a year to review and test whether we can be assured we are meeting our ateb Vision. The framework consists of the risks that will prevent us from achieving our Vision, the controls that manage or mitigate those risks and the tests we will apply to those controls to make sure the controls are doing what they should.

The Assurance Committee reports to the parent Board and consists of the following members:

- **Hugh Watchman** (Chair)
- **Owen Jones**
- **Mike Westerman**
- **Sharron Lusher**
- **Anthony James**

Changes to the Boards in FY 21/22

The following changes were made to the Boards in the last FY:

RETIREMENTS	RECRUITMENT
West Wales Care and Repair	West Wales Care and Repair
<ul style="list-style-type: none"> ■ Cllr Simon Hancock - 9-year rule ■ Michelle Smith - Personal reasons 	<ul style="list-style-type: none"> ■ Avril Wilson - Joined in March 2022 ■ Luke Lenton - Joined in March 2022

Board Remuneration

The Group Board has taken the principal decision to remunerate ateb Group and MBH Board Members and Directors. WWCR are not receiving remuneration due to the nature of their business and funding/grants they receive.

Remuneration of Boards in 2020/21 was as follows:

ateb Group Limited	Time Commitment (Hrs)	Remuneration
Board Member	92.5	£2,960
Additional allowances		
Chair of Board	20	£640
People & Remuneration Member	6	£192
Assurance Committee Member	24	£768
MBH Limited		
Board Member	27	£2,000
Chair of Board	34	£2,500

All remunerated Board Members/Directors enter a Deed of Agreement for Services that details their obligations in return for payment for their time.

We remain committed to improving our gender, diversity and age balance on our Boards, but recognise that skills and competencies must always be the first requirement.



Executive Team from left to right: Nick, Will, Alex and Mark

Executive Team

The EMT is supported by a Managers' Group

- **Nick Hampshire**
Chief Executive
(2017)
- **Mark Lewis**
Executive Director for Customer
(2018)
- **Alex Jenkins**
Executive Director for Finance
(2020)
- **Will Lloyd Davies**
Executive Director for Development
(2020)

Company Secretary

To all Boards:

- **Ceri Morgan**
Company Secretary
- **Alex Jenkins**
Deputy Company Secretary

Legal Status & Governance Framework Changes

Here is a summary of the key changes in FY 20/21:

- No significant changes to report

Constitutional Framework

ateb Group has a constitutional framework. Each entity has its own terms of reference and other control documents to ensure that our governance remains effective, apart from the Boards and Committees detailed above; the framework has the following:

Corporate Group	Executive and senior members that meet monthly to review strategic, leadership and government issues, reporting to the Boards
Assure Team	Senior managers chaired by the Head of Corporate Services that meet quarterly to review the Group's sixteen strategic risks and related operational risks. Reports to Corporate Group and Assurance Committee
Safety Team	Team members meet monthly to review our safety performance and improvement plans. Chaired by the Head of Corporate Services and reports to Corporate Group and all Boards and Committees
Customer Forum	A customer representative group that meets monthly to review governance issues, performance and e2i activity
Engage 2 Improve (e2i)	Customer led improvement priorities. Meet around 10 times a year to set, monitor and review customer improvement needs
Involve 2 Improve (i2i)	Team forum meeting with senior managers around 6 times a year to understand, monitor and review team improvement needs
Directorate Team Meetings	A range of management, delivery and service area team meetings across the 4 directorates to ensure 2-way communication between strategic direction and customer demand/satisfaction

Strategic Planning

We have come to the end of our interim 2-year plan covering the last 2 years of Covid disruptions. Our separate report Strategy Review 20/21 looks at how we did against our objectives. This is our executive summary of the strategy outturn:

As we complete our 2 year 'short' strategy, we can reflect on what has been a very difficult period of time for our customers, communities and partners. Our team has also been impacted over the last 2 years but as the above hopefully shows, they have still achieved a lot of what we set out 2 years ago in terms of our strategic objectives.

Of the 24 objectives, 14 have been deemed to have met our success criteria; 9 have met our criteria in part and 1 has not met our criteria set out. The 1 that didn't meet our criteria related to creating wider employment and training opportunities within our supply chain; we still see this as important for the future but due to the other pressures on us and the supply chain over the last 2 years, this will move into our new strategy commencing next financial year. The objectives met 'in part' will all be reviewed and, where applicable, will be continued.

In terms of our 3 strategic aims, and in consideration of the disruptions we were dealing with, we have concluded that we have added to our aims over the last year.

New 3-year strategy

From FY 22/23 we will be launching a new strategy based on the strategic aims of:

- Improve Customer Service
- Serve More People
- Increase Business Effectiveness

Given that we are likely to be in a sustained period of recovery, the new strategy will focus our improvement efforts of the following objectives:

- New regulations
- Affordability
- Decarbonisation
- Collaboration
- Slicker systems

Each of our 9 management team areas will establish a future state guide to visualise service improvement within the scope of the above 5 objectives. The guides will then inform annual Directorate plans detailing the improvement actions required for the year. Our Directorate plans are as follows:

Directorate plans	Covering the following Areas
DR/01 - Corporate	MT/01 - Corporate Services MT/02 - People & Communications
DR/02 - Customer	MT/03 - Customer Services MT/04 - Property Services MT/05 - WWCR
DR/03 - Development	MT/06 - Development MT/07 - MBH
DR/04 - Finance	MT/08 - Finance MT/09 - Digital Systems

Customer Governance Engagement

The Board reviews customer facing performance data at every Board meeting. e2i provides improvement areas throughout the year based on their priorities following customer interaction. In the last year, the following e2i activities have been undertaken:

- Customer Engagement 2021: is it working for you?
- Customer Contact: how do you want to get in touch with us in the future?
- Individual Experience



Equality, Diversity, and Inclusion (ED&I)

The Board reviews ED&I data twice a year to establish areas where access to our services or employment could be improved.

Our ateb Board has the following compositions:

- Of the 9 members, 5 are male and 4 are female. All identify as white British with 7 of our members falling between the ages of 30 - 64 and 2 members over 65. One member is a fluent Welsh speaker.

The Boards have adopted the TPAS 'Deeds Not Words' pledge and undertake regular ED&I learning and development.

The pledge commits us to:

- Mitigate the impact of Covid-19 on Black, Asian and other minority ethnic staff and communities
- Improve the ethnic diversity of Board and staff at all levels
- Communicate and engage
- Develop an inclusive culture

Our 'Togetherness' DNA promotes the need for ateb Group to be fully open and inclusive to all.

Code of Governance

The Group uses the following codes of governance:

ateb Group Limited – CHC Code of Governance 2018

Mill Bay Homes – CHC Code of Governance 2018

West Wales Care & Repair – CHC Code of Governance 2018

Effective Strategic Leadership Assessment

We believe the above demonstrates that we do have effective strategic leadership and governance across the Group.

Please note the following:

ateb Group Board meetings	10
Mill Bay Homes meetings	4
West Wales Care & Repair meetings	4
Assurance Committee meetings	4
Planning days	2
AGM/SGM/EGM (across Group)	2
Board training events	0
Meetings that were deemed non quorate	0

All Board meetings consider:

- Performance data
- H&S issues
- Subsidiary framework reports – subsidiary boards
- Customer forum / e2i feedback where available

Periodically, Board considers:

- Financial progress
- Strategy/improvement progress
- Risk
- Policy reviews
- Board decision items

Code of Governance Pillars

We comply with the Code of Governance that each organisation has adopted. Our codes have the following pillars:

1. Organisational Purpose

The Board is clear about the organisation's aims and ensures that these are being delivered effectively and sustainably.

2. Leadership

Every organisation is led by an effective Board that provides strategic leadership in line with the organisation's aims and values.

3. Integrity

The Board acts with integrity, adopting values and creating a culture which helps achieve the organisation's purposes. The Board is aware of the importance of the public's confidence and trust and Board members undertake their duties accordingly.

4. Decision-Making, Risk & Control

The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control, risk assessment and management systems are set up and monitored.

5. Board Effectiveness

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

6. Diversity

The Board's approach to diversity supports its effectiveness, leadership and decision-making.

7. Openness & Accountability

The Board leads the organisation in being transparent and accountable. The organisation is open in its work, unless there is good reason for it not to be.

The code is embedded into our Board Members' Deed of Agreement for Services and is reviewed as part of our Board appraisal process. Our ateb Vision captures the essence of the code and enshrines its principles in our strategic and operational planning.

Robust Self-Evaluation process

The Assurance Committee will review the Regulatory Standards at each meeting reporting their findings to the Boards, who in turn will assess progress. The leadership groups will additionally assess progress through the year through Directorate reporting and improvement planning. The Boards and Assurance Committee have full access to internal audit and over validation processes, to test whether regulatory standards are being met.

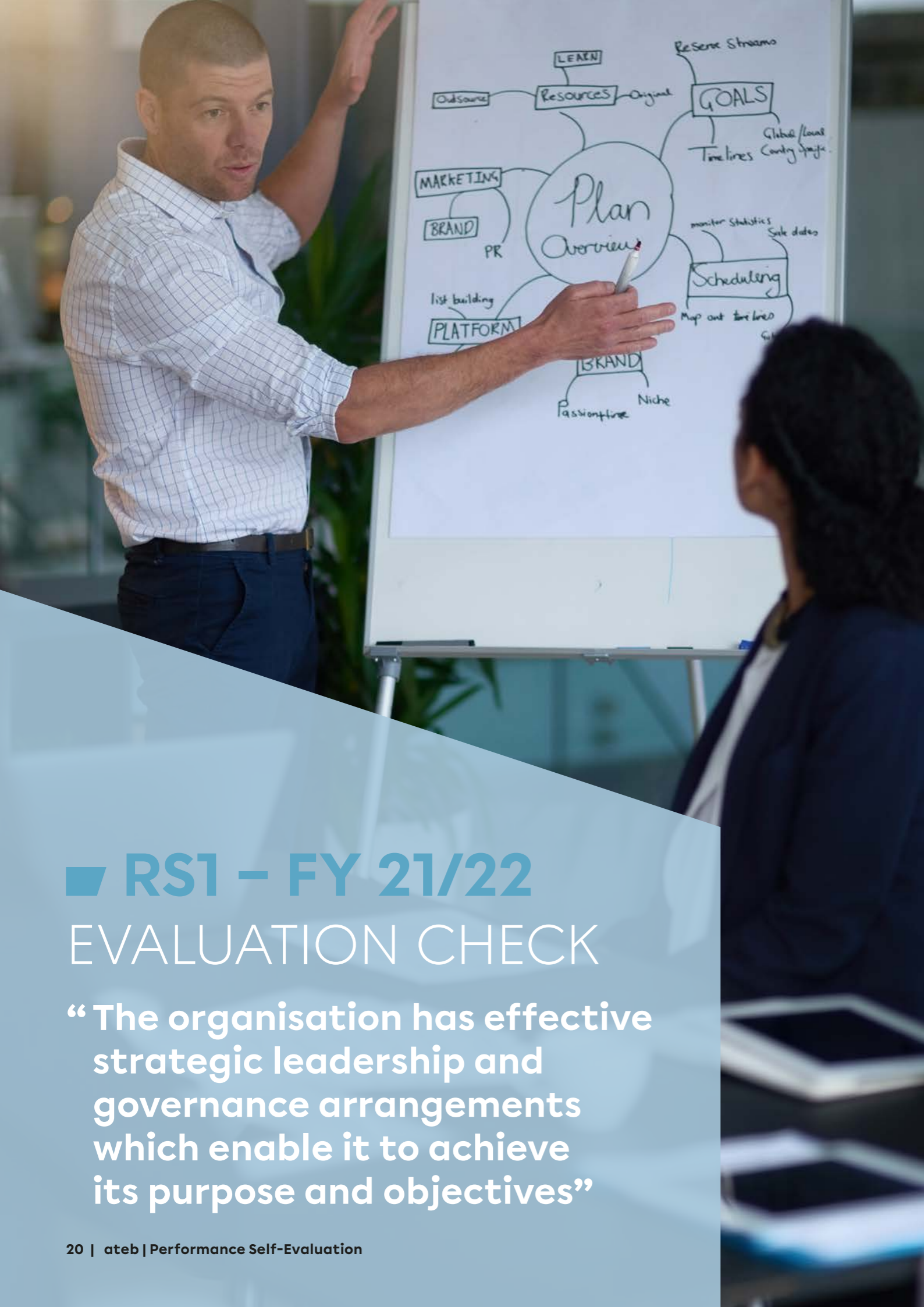
In relation to each of the standards reviewed in our self-evaluation process:

1. The Board knows the organisation complies with each regulatory standard, including reference to key performance data and sources of assurance	The Board looks at the data and information relating to each standard to assess whether the Group meets the standard.
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2. We comply with the Code of Governance that the organisation has adopted	The approved Code of Governance is enshrined in our Board Deed of Agreement for Services and appraisal process. The code was used to inform the ateb Vision that provides the framework for the strategic and operational planning and delivery of the Group. Our constitutional and policy framework enforce the code across the Group. This self-evaluation demonstrates this requirement.
3. We have used the principal evidence which has been relied upon in conducting the evaluation	The Group has developed a comprehensive set of controls, documents, monitoring, reporting and evidence to allow us to make the conclusions we have within our self-evaluation returns. Please see Governance, Performance and Financial self-evaluations to demonstrate this requirement.
4. The process of evaluation has been robust	We believe we have demonstrated a multi-layered assessment of the regulatory standards using several data sources from different perspectives to robustly draw our conclusions from across the year and across our 4 Directorates. Please see Governance, Performance and Financial self-evaluations to demonstrate this requirement.
5. The needs and views of tenants have been understood and considered as part of the self-evaluation	As shown in our self-evaluations, we have sought, understood and used customer views, feedback and prioritisation of improvement to guide the direction of our Group and our services development. Please specifically see Governance and Performance self-evaluations to demonstrate this requirement.
6. Key strategic risks and associated controls, or signpost to other documentation where the key risks are articulated	Our Assurance Committee and Assure team monitor and report to Board on strategic and operational risks, from across the Group throughout the year using the Board's risk appetite framework. We use this process to confirm that we have been robust in evaluating the standards. This self-evaluation demonstrates this requirement.
7. A continuous improvement plan which identifies any gaps or areas for improvement and shows how these will be addressed (this replaces the Regulatory Assurance Plan	#6 Improve forms part of our ateb Vision. The process calls for each directorate to use their customer data to form a future service guide (FSG) that visualises what good looks like in the future. From this guide, an annual directorate improvement plan is agreed to show what we are seeking to improve in each directorate across the coming year. These plans are then monitored by all, including the Boards, to assess improvement progress. Please see #6 Improve FY 22/23.

Summary

The ateb Boards believe they do have an appropriate framework for effective strategic leadership and governance, and our self-evaluations demonstrate its effectiveness. We believe our self-evaluations have been undertaken in accordance with the Regulator's requirements and showcase how we meet the 9 regulatory standards and the 7 requirements that demonstrate a robust self-evaluation has taken place



RS1 – FY 21/22 EVALUATION CHECK

“The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives”

We have made the following evaluation:

Our Board has reviewed our analysis and evidence and consider we are compliant with this performance standard.

Evaluation Check

Does the Board know it meets this standard

The Board has:

Concluded that with our ateb Group Vision and its 6 core supporting documents, we have developed a comprehensive strategic framework centred on what good looks like for the ateb Group (ateb, MBH, WWCR). At its centre we have the purpose of creating better living solutions for the people and communities of West Wales, by ensuring we deliver the right customer outcomes as effectively as we can. We then link our strategic intent to our operational delivery by employing customer outcome management principles to our 37 internal and external service areas. We use our Assure framework to establish whether we are controlling our strategic risks effectively. Annually, we aim to Improve Customer Service; Serve More People and Increase Business Effectiveness.

Does the Group comply with its code of governance

The Board has:

Demonstrated our compliance with this self assessment. Our code is embedded throughout our governance framework and is annually used to appraise our Board performance and effectiveness. We undertake a 3 yearly external review of our code through a governance review exercise.

What was the principal evidence used to evaluate this standard

The Board has:

Considered the following key evidence for this standard:

- ateb Vision – Purpose; DNA; Plan; Deliver; Assure; Improve
- Board skills assessment
- Deed of Service agreements
- Board appraisal process
- Board recruitment process
- Constitutional framework
- Board/Committee papers and related governance processes
- Regulator Update Notices
- Policy Framework – particularly ED&I; Customer feedback; Board membership
- Internal Audit programme and annual opinion
- WG survey returns – diversity; performance
- Performance Data and Information
- DNA and Wellbeing surveys

Has the evaluation been robust?

The Board has:

Sought to ensure that it has been robust in establishing our evaluation assessment. We have a range of mechanisms throughout the year that we use to establish whether we are robustly challenging our delivery of the standards, and identifying the right improvement actions.

Were the needs & views of tenants considered?

The Board has:

- The Board exists to create better living solutions for our customers, it is essential that our evaluation puts their needs & views first. We have created a range of opportunities for our customers to lead the improvement agenda of the Group to ensure we remain customer outcome focused at all times.

Were the strategic risks understood?

The Board has:

- Yes. We believe this governance self-evaluation review demonstrates our compliance. Our Assure framework sets the appropriate template for the business to appraise, understand and manage its risks strategically and operationally. Our framework is aligned to our ateb Vision that sets out what good looks like for ateb and our risks ensure we safeguard against those events that could impact us achieving our vision.

Is the improvement planning in place?

The Board has:

- Agreed our Improvement Plan that includes the following improvement actions for FY 22/23:

- **IP/01** - Plan A - Save costs by lowering carbon in our operations. We will review our operations and identify the areas we can reduce carbon over the next 5 - 10 years. (Corporate)
- **IP/23** - Develop a Hate Crime Policy and deliver training to all customer facing teams. (Customer)
- **IP/30** - Launch our new 3-Year strategy, self-evaluation, Improvement Plan and updated Vision documents. (Corporate)
- **IP/31** - Increase our commitment to Deeds Not Words in respect to ED&I. (Corporate)
- **IP/32** - Continue to Develop our Boards' governance systems and resources including adoption of the 2021 Code of Governance and increased ED&I governance integration. (Corporate)
- **IP/33** - Review/update our financial regulations, schedule of delegated authority and Constitutional framework. (Corporate)
- **IP/34** - Continue our working @ ateb improvement programme by embedding Achieve and the new reward framework. (Corporate)
- **IP/35** - Implement our communications strategy to ensure we engage with our customers and raise awareness of the services/support we offer. (Corporate)
- **IP/37** - Further develop our H&S communication, awareness and monitoring programmes. (Corporate)



RS2

Robust risk management and assurance arrangements are in place

Section 5 of our ateb Vision details our assurance framework called 'Assure'. Using our risk appetite, our Boards manage our strategic risks through a series of controls with our delivery teams using the same controls to manage operational risks across their service areas.

The Group has adopted the following risk appetite:

Compliance	We have no appetite for knowingly breaking any rules or regulations whilst going about our business
Financial	We will accept financial risk dependent on the rewards of taking the decision being commensurate with our purpose/aims, that there are clear controls/plans in place to manage/mitigate ongoing financial risk and the decision does not breach the safety margins agreed by Board in respect to financial decision making, nor have an adverse effect to the agreed business plan and budget
Reputational	We will accept an impact to our reputation on the basis that the impact is time limited, managed, marginal or generally commensurate to the rewards of taking the decision
Performance	We will accept an impact to our performance on the basis that the impact is time limited, managed, marginal or generally commensurate to the rewards of taking the decision and that no other agreed or planned proposal will be unknowingly affected as a consequence



Strategic Risks and Controls

The Board and Assurance Committee work with the Group to monitor and control the following 16 strategic risks:



1	Doesn't relate to our customers' expectations
2	Is a bad employer or partner
3	Makes the wrong investment decisions
4	Fails to manage our financials and funding
5	Fails to manage operational costs
6	Fails to manage our income effectively
7	Fails to deal with customer and community issues
8	Delivers poor levels of service or product quality
9	Fails to meet our H&S obligations
10	Fails to meet landlord and employer's legislation
11	Fails to operate within our regulatory framework
12	Fails to meet lenders covenants
13	Fails to deliver contractual obligations
14	Delivers poor governance & decision making
15	Doesn't understand our current performance
16	Fails to deliver the right improvement

Our strategic control framework centres on the following:

- Law
- Regulations
- Company/Governance rules
- Key Contractual arrangements
- Strategic Documents
- Strategic Plans
- Policies
- Terms of Reference

Operational Risks

Linked to the strategic risks, our delivery teams manage and report on operational risk identification and management against each of our 37 service areas. Our operational control framework centres on whether the following day to day issues are impacting our strategic risks:

- **People** – e.g. resourcing levels, skills gaps etc.
- **Processes** – e.g. something is going wrong or is not understood
- **Systems** – e.g. something is not right with the infrastructure supporting our service delivery
- **External** – e.g. something outside our Group impacting services that we may or may not be able to influence or control

Risk Management – ateb Group Assure framework

In line with the Welsh Government regulatory framework and their supporting 'The Right Stuff' publication, ateb Group has developed an approach to assurance management called **Assure**.

Assure makes sure that we are delivering the ateb Vision i.e., we are achieving our purpose; have the right DNA; have the right long-term plan; our services deliver the right customer outcomes as effectively as we can; we operate within our required boundaries, and we are improving.

- **Step 1** – What strategic risks will stop us achieving our Vision?
- **Step 2** – What strategic controls will help us control, influence or minimise those risks?
- **Step 3** – What tests do we need to undertake to know the risks are being controlled?
- **Step 4** – Evidencing that we have undertaken the tests and responded to their results

The Assurance Committee will set the risk, controls and tests required to deliver the six sections of the Vision and then receive quarterly reports to monitor our progress.

Internal Audit

As part of our Assure framework, and to meet regulatory standards, we undertake an annual internal audit programme.

Mazars Internal Audit Services were appointed to undertake our internal audit programme for FY 21/22. Mazars have been appointed as our Internal Auditors for FY 22/23

The following is the executive summary of their internal audit opinion for FY 21/22:

On the basis of our audit work, our opinion on the framework of governance, risk management and control is Moderate in its overall adequacy and effectiveness. We noted some areas in which the control environment could be improved. In particular, we awarded an assurance grading of 'needs improvement' during our review of anti-social behaviour and a number of other areas received 'adequate' gradings. These matters have been discussed with management, to whom we have made several recommendations. All of these have been, or are in the process of being, addressed as detailed in our individual reports.



Effective Risk Management and Assurance Assessment

The Group has undertaken the following risk and assurance activities in the year:

- Governance Team 121 meetings – Quarterly 121 meetings with HOS to review operational risks and impacts to assure framework ahead of each assure report to assurance committee
- Assure team – 4 meetings reviewing 16 strategic risks
- Corporate Group – review of assure team reports
- Assurance Committee – Quarterly review of assure framework and proposal of any actions
- Each Board receives the quarterly assure reports
- The 16 strategic risks, their controls and the tests we undertake to ensure they are working are recorded and updated in individual registers within a dedicated MS Teams environment
- We look at specific risk events and their impacts on the Group through the year
- We have a Business Continuity plan with action templates for particular events
- We have a financial recovery plan that is updated annually

The Assurance Committee has considered the 16 strategic risks at their meetings as follows:

Strategic Risks		Q1	Q2	Q3	Q4
Compliance (12 Reviews)	R5/01 - We fail to meet H&S legislation and regulatory requirements	✓	✓	✓	✓
	R5/02 - We fail to comply with employer and landlord legislation	✓		✓	
	R5/03 - We fail to operate within our regulatory framework		✓		✓
	R5/04 - We fail to meet our lenders covenants	✓		✓	
	R5/05 - We fail to deliver our contractual requirements		✓		
	R5/06 - Poor governance systems and decision making			✓	
Financial (5 Reviews)	R3/01 - We fail to make the right investments e.g. new property developments or strategic asset management			✓	
	R3/02 - We fail to manage our funding requirements effectively	✓			
	R4/01 - We do not manage our operational costs effectively	✓		✓	
	R4/02 - We don't manage our income streams effectively				✓
Reputational (5 Reviews)	R1/01 - We don't relate to our customers' expectations		✓		
	R2/01 - Bad employer or partner		✓		
	R4/03 - Failure to deal with customer and community issues effectively		✓		
	R4/04 - Poor levels of service or product quality	✓			✓
Performance (2 Reviews)	R6/01 - We do not understand how our services are performing				✓
	R6/02 - Lack of improvement planning and delivery				✓



The Committee receives the following information at each Committee meeting:

- Summary and risk status of each strategic risk under review
- Details of third-party tests undertaken on the strategic risks under review
- Additional risks identified that quarter
- Detailed assessment of each strategic risk under review

On an annual basis the Assurance Committee proposes to the Boards:

- The control framework needs for the Group
- The tests required to be undertaken to establish whether we can be assured we are managing our risks
- The internal audit opinion for the Group

Summary

A comprehensive approach has been taken to identifying and managing our strategic and operational risks across the Group. We have also sought to test those controls to establish where we can improve our approach.



■ RS2 – FY 21/22 EVALUATION CHECK

“Robust risk management and assurance arrangements are in place”

We have made the following evaluation:

Our Board has reviewed our analysis and evidence and consider we are compliant with this performance standard.

Evaluation Check

Does the Board know it meets this standard

The Board has:

- Concluded that the Group Assurance Framework, #5 Assure, tests whether we are achieving the principles detailed in our Vision and identifies the strategic risks that will prevent us from achieving our Vision and what good looks like for ateb. Under our framework, we have identified 16 Group strategic risks relating to compliance, finance, performance and reputation, and throughout the year carry out reviews of these risks, which include testing of the controls, discussing external and internal issues, to include any heightened operational risks and any new mitigation measures needed, to provide assurance to our Group Assurance Committee and Boards that the strategic risks are being managed effectively.

What was the principal evidence used to evaluate this standard

The Board has:

- Considered the following key evidence for this standard:

- | | |
|---|---|
| ■ Assure Framework | ■ Performance data and information |
| ■ Assure quarterly reports | ■ Policy framework – particularly H&S; data protection and landlord related policy controls |
| ■ Internal Audit & other specialist quality/audit reports | ■ Business Continuity plan |
| ■ Internal Audit Opinion | ■ Financial recovery plan |
| ■ Sector risk analysis 2022 – mapped to Assure framework | ■ Risk mitigation triggers |

Is there Improvement planning in place

The Board has:

- Agreed our improvement plan that includes the following improvement actions for FY 22/23:
- IP/39 - Review our Business Continuity Planning approach post Covid experience. (Corporate)

Governance Self Evaluation Summary FY 21/22

Having evaluated the Group's response to regulatory standards RS1 & RS2 throughout the year, we believe we remain compliant with these standards. However, we recognise that there is always room for improvement and evolution of our governance and risk systems.

During the year, we have had the ongoing issues of Covid which have meant remote working and changes to our previous modes of operation. Consequently, our governance, strategic planning and risk frameworks have had to adjust and will probably continue to do so for several years to come.

Within our new 3-year strategy we are planning a number of improvement actions, including the introduction of the Renting Homes Wales Act 2016. We are also in the process of recruiting to our Boards to ensure succession planning over future years.

With the cost-of-living squeeze and economic uncertainty, we will remain vigilant to emerging risks and the need to adjust our planning and governance accordingly.

Please contact us if you would like more information on the detail raised in this evaluation

Nick Hampshire
Chief Executive



ateb

Board Members / Director Bios

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David Birch

David has vast experience in both the private and public sectors. David started his career as an Electrical Engineer Draughtsman and then moved to become a Facilities Manager with BT, and gained a post-graduate Management Studies qualification. David joined the NHS in 1994 as the Director of Facilities in Gwent, moving to a role as Head of Contract Services a few years later. In 2004, David became the Director of Support Services for Powys Teaching Health Board and retired in 2010. David has experience in the housing sector having served as a Vice-Chair and then Chair of a Housing Association in Cardiff for 6 years prior to joining ateb.



Hugh Watchman

Hugh is an experienced Board level Manager working at a strategic level on an international basis with major blue chip FTSE 100 companies in the key areas of Sales, Marketing, IT, Procurement and Logistics. Hugh is educated to post graduate level and was a Commissioned Army officer having served in both the Australian and British Army.



Sharron Lusher

Sharron has vast experience of working at a strategic level for Pembrokeshire’s largest provider of post-16 education. Sharron was Principal of Pembrokeshire College from 2012 to 2018. Since her retirement, she has remained actively involved in education and training in Wales, and currently chairs the Independent Welsh Pay Review Body, and the Vocational Review of Qualifications in Wales.



Jackie Leonard

Jackie is a consultant and has worked within the housing sector for over 20 years at a Director level. Jackie’s expertise and skills have been used in various service roles across the sector with a focus on planning, budgetary management, contract management and service delivery.



Owen Jones

Owen is a director of an independent town planning consultancy that operates within England and Wales. Owen has extensive experience of planning and development and is a Chartered Town Planner and a Member of the Royal Town Planning Institute. Owen’s current work comprises of working with private developers and landowners on a range of strategic development schemes which includes major mixed use development sites, development plan promotion, planning applications, EIA and public enquires. Owen is educated to Masters Level and holds an MSc in Residential Development. Owen is also a Practitioner Member of the Institute of Environmental Management and Assessment.



Jade Francis

Jade is the Independent Mortgage Broker/Manager at Willcox Financial Limited and has worked at a senior level within the banking sector for the majority of her career. Jade has extensive experience in providing financial advice to clients and has a Diploma in Retail Banking Conduct of Business.



Anthony James

Anthony James is Financial Controller within the metallurgical and alloy powders industry. He has over 15 years financial experience, having held positions within the construction industry and prior to this practice experience of corporate, audit, sole traders, partnerships, business development and tax. Anthony is a Fellow of the Association of Chartered and Certified Accountants.



Hannah Belton

Hannah is a Director of Employment Law based in Carmarthen. She holds a Masters in Employment Law and a Post Graduate Diploma in Human Resource Management. Hannah is an Associate Member of the Chartered Institute of Personnel and Development and a mentor with Business Wales. Hannah lives in Pembrokeshire with her young family.



Nick Hampshire

Nick has worked for housing associations for over 25 years in property development and investment roles in Wales and England before taking on this role. Nick aspires to improve and grow ateb's services to customers through the empowerment and development of great teams supported by strong collaborations with its customers, partners and the wider communities ateb serves.



Board Members / Director Bios



West Wales Care and Repair
Gofal a Thrwsio Gorllewin Cymru

Board Members / Director Bios

Mike Westerman

Mike is an experienced Chair, with a proven track record of achievement, having operated with success at Board level in the public, private and voluntary sectors. Mike has a particular interest in housing and has mentored and advised Shelter, Cardinal Hume Centre, and CHAS. He has helped create the international charity ActionAid, and continues to act as consultant to both the voluntary and business sectors. Mike holds the following qualifications MinstF, Fellow IDM, ISP Mem Dip.



Jim Leighton

Jim is a retired Chartered Quantity Surveyor with extensive experience in the Construction Industry, whose speciality is providing early strategic advice for potential projects such as, The College of Music and Drama in Cardiff, new football stadium for Cardiff City FC, The Atrium for the University of South Wales in Cardiff and currently developments for Glamorgan Cricket Club and Wales Millennium Centre. Jim was recently a Director at Blake Morgan and Aecom. He was previously an Equity Partner for both Davis Langdon and Symonds. Jim also has experience of working in London, Europe, Canada, Jamaica and the Middle East.



Alex Jenkins

Alex is a Fellow of the Institute of Chartered Accountants in England and Wales. He has a first-class BSc in Maths from Bristol University. Prior to joining ateb, Alex held a number of senior Finance positions and has worked in a variety of sectors, such as Construction and Food manufacture. His training and early career was carried out at Arthur Anderson, an international audit and advisory consultancy, where he gained his professional qualification and audit experience.



Nick Hampshire

Nick is Chief Executive of the ateb Group, Board member of ateb Group Limited and Director of EBS (Dormant Group entity). Please see ateb Group Board members for full bio.





West Wales Care and Repair
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Dr Cllr Simon Hancock

Simon is a County Councillor with Pembrokeshire County Council and is the Older Person's and Learning Disability Champion. Simon is also the Chair of Pembrokeshire County History Trust.



Elaine Lorton

Elaine is County Director for Pembrokeshire in the Hywel Dda Health Board and has over 20 years' experience in the health, social and not-for-profit sector. Elaine has a passion for staff, stakeholder and public engagement to empower and develop sustainable and continuous improvement in quality and productivity.



Dafydd Edwards

Dafydd is a County Councillor for Ceredigion County Council with responsibility for Highways & Environmental Services, Housing & Contact and is a council appointed representative.



Lyndon Frayling

Lyndon is a County Councillor for Pembrokeshire County Council and is a council appointed representative.



Luke Lenton

Luke is the regional Health Board's Complaints Manager and has worked in Housing, Social Care and Health for the past 18 years, gaining expertise in customer service, business management and complaints resolution. Luke has a post graduate qualification in management and as a qualified coach, continues to help develop other managers within public sector services.



West Wales Care and Repair
Gofal a Thrwsio Gorllewin Cymru



Avril Wilson

Avril has worked in the private, public and voluntary sectors. She trained as a lawyer before entering local government as a Housing Manager. More latterly, she has worked as an Executive Director in both adult and children's services, with an emphasis on systems change.



Jackie Leonard

Jackie is on both ateb Group and West Wales Care and Repair Boards. Please see ateb Group Board members for full bio.



Hugh Watchman

Hugh is on both ateb Group and West Wales Care and Repair Boards. Please see ateb Group Board members for full bio.

Assurance Committee

- Hugh Watchman
- Sharron Lusher
- Mike Westerman
- Anthony James
- Owen Jones

People & Remuneration Committee

- Hannah Belton
- Hugh Watchman
- Sharron Lusher

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