



## An tÚdarás Rialála Comhlachtaí Tithíochta Ceadaithe Approved Housing Bodies Regulatory Authority

# Focus Groups for Draft Standards for AHBs

### Information Slides

August 2021

*General queries* contact  
[info@ahbregulator.ie](mailto:info@ahbregulator.ie)

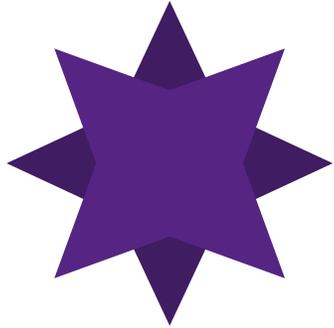
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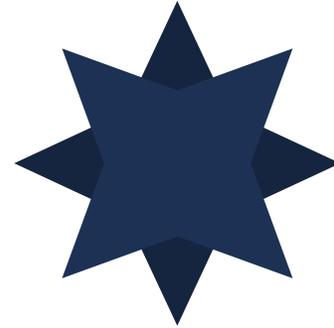
# Objectives of Today's Session

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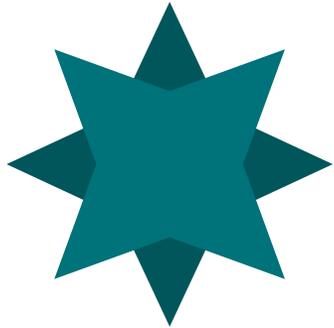
Approved Housing Bodies  
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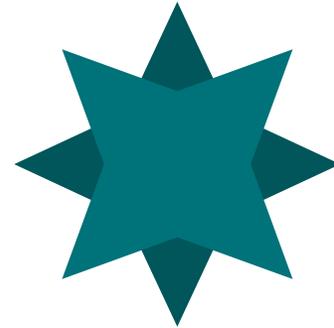
Context and Overview of Sector



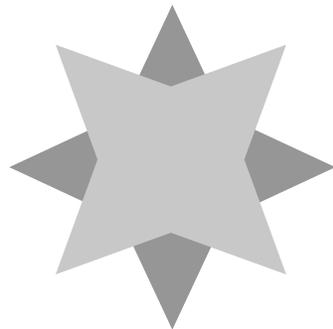
Feedback from AHBs



Legal remit of AHBRA in relation  
to the **Draft Standards for  
AHBs**



AHBRA approach to the drafting  
of **Standards**



Timeline and Representations



## Approved Housing Bodies Regulatory Authority

- ✓ Legislation: Housing (Approved Housing Bodies) Act 2019
- ✓ Approved Housing Bodies Regulatory Authority established 1<sup>st</sup> February 2021
- ✓ Chair & Board Appointed – 11<sup>th</sup> February 2021
- ✓ 1<sup>st</sup> Board Meeting – 25<sup>th</sup> February 2021
- ✓ Powers and functions to be introduced on a phased basis
- ✓ Commencement of Section 37 of the Housing (Regulation of Approved Housing Bodies) Act 2019 – 1<sup>st</sup> July 2021

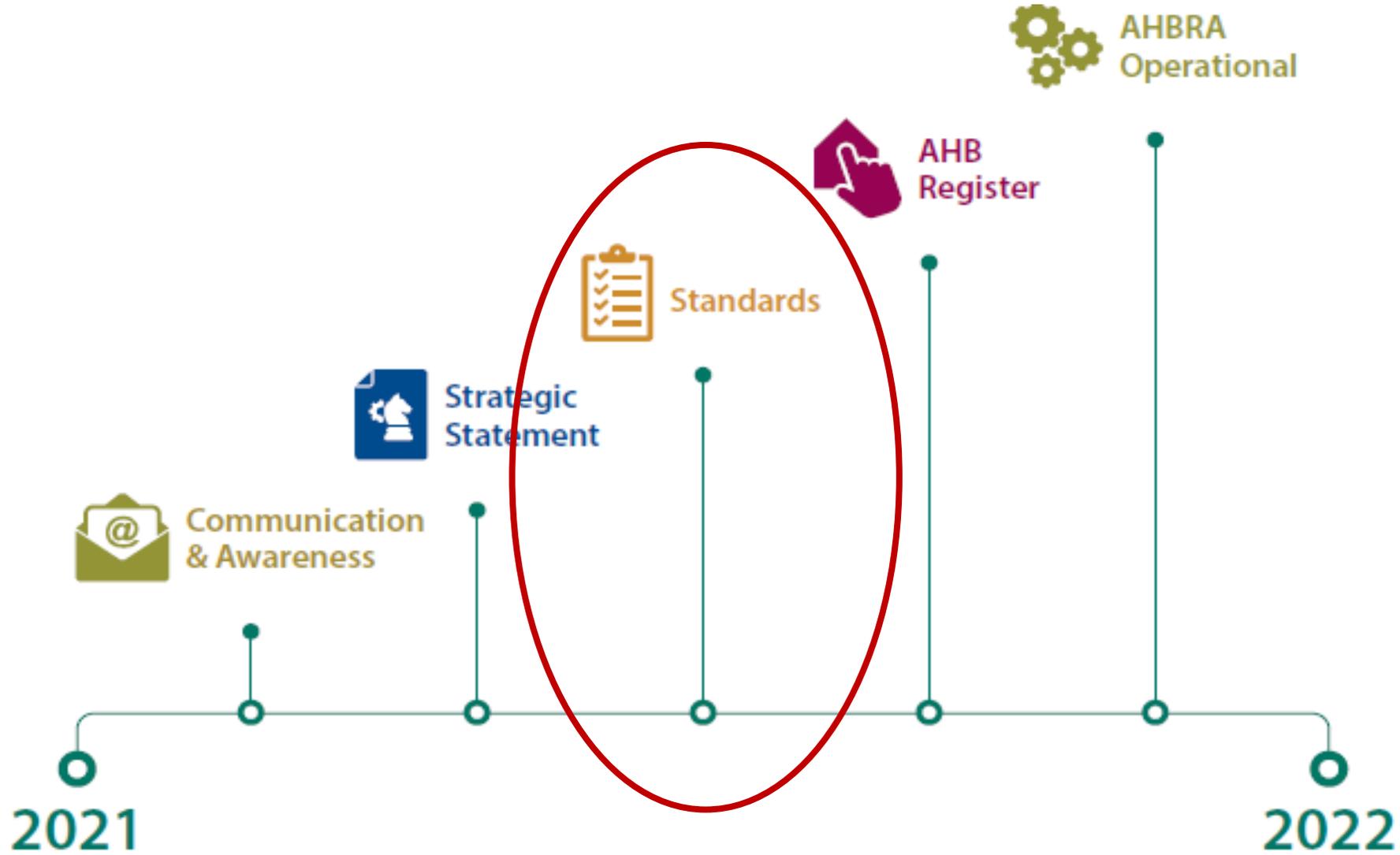
# AHBRA - Legislation



The **Housing (Regulation of Approved Housing Bodies) Act 2019** provides for the regulation of Approved Housing Bodies (AHBs) for the purposes of protecting housing assets provided or managed by such bodies.

It seeks to support stronger governance, financial management and reporting, property and asset management, and tenancy management by AHBs, with a focus on safeguarding investment being made in the delivery of social housing by AHBs. **Central to this**, is the establishment of the Approved Housing Bodies Regulatory Authority.

# Implementation timeline



# Overview of AHB Sector



## AHB Sector



Large & Growth



Care & Support



Homelessness



Small AHBs

## The Sector

- Approx. 470 AHBs on DHLGH register
- Sector diversified & layered
- Historically grant funded, majority AHBs reliant on Government funding
- Concentrated growth
- Independent legal entities, mainly with Charitable status
- Large cohort of community and parish based AHBs
- Changing profile of the sector, delivery and financing

# The Standards



- ❑ The Standards will provide for the governance, financial management and financial reporting and property, asset and tenancy management of AHBs
- ❑ Section 37 of the Housing (Regulation of Approved Housing Bodies) Act 2019 provides for the drafting of standards.
- ❑ It requires that AHBRA submit draft standards to the Minister within **6 months**



## Legislation - Governance of AHBs

- the membership and governance structure and the roles and responsibilities of the board, committee of management or the trustees, as the case may be, of an AHB
- the procedures for decision-making to ensure control and oversight of an AHB
- the management of conflicts of interest including a register of interests of the members of the board or committee of management, or of the trustees, as the case may be, of an AHB, and
- a code of conduct for the board, committee of management or trustees, as the case may be, of an AHB



## Legislation – Financial management & Financial reporting

- the requirements for financial and risk control,
- the procedures for monitoring and assuring the financial viability of the AHB,
- the keeping of proper books of account that—
  - correctly record and explain the transactions of the AHB,
  - enable the financial position of an AHB to be determined with reasonable accuracy at any time, and
  - enable the accounts of the AHB to be readily and properly audited,
- the requirements for internal control and audit,
- the requirements for strategic planning, including the preparation of financial and business plans,
- the procedures for monitoring performance,
- the requirements for the confirmation and verification of compliance with statutory obligations



# Legislation – Property & Asset Management and Tenancy Management

Policies and procedures relating to—

- nominations to dwellings of tenants, and allocations of dwellings to tenants, by AHBs,
- the management of dwellings by AHBs, and
- communication by AHBs with their tenants.

# Proportionality

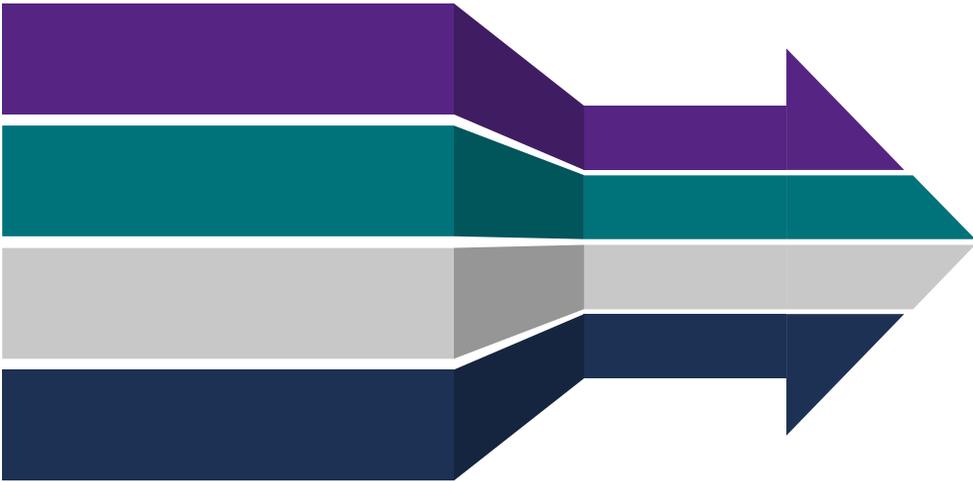


- ❑ the nature, scale and complexity of the activities of each category of AHB including
- ❑ the number of dwellings provided or managed, or both, by each category of AHB
- ❑ the level of borrowings of each category of AHB
- ❑ the level of financial risk associated with each category of AHB

# Approach to the Standards

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## Risk Based

AHBRA will implement risk-based regulation focusing on AHBs who are identified with higher levels of risk. This ensures using our resources appropriately and effectively

## Proportional

One size does not fit all. The sector is diverse, and consideration is required for the nature, scale and complexity of the activities of each category of AHBs.

## Performance Based

AHBRA is proposing adopting performance-based regulation, versus the prescriptive approach adopted under voluntary regulation

Performance based standards focus on the desired, measurable outcomes. The emphasis will be on AHBs providing evidence and assurances, demonstrating how they meet those outcomes.



Performance-based Regulation 'is a regulatory approach that focuses on desired, measurable outcomes, rather than prescriptive processes, techniques, or procedures.

Performance-based regulation leads to defined results without specific direction regarding how those results are to be obtained'



The 2019 Act assigned the AHBRA the following functions:

- ❑ the registration of AHBs
- ❑ setting **standards** for AHBs, subject to the approval of the Minister
- ❑ monitoring and assessing compliance by AHBs with the standards prepared by the Regulator
- ❑ undertaking investigations into AHBs, where necessary
- ❑ Promotion & awareness
- ❑ the cancellation of registration of AHBs, where appropriate
- ❑ the right to seek Court orders to protect the assets of AHBs in certain circumstances

# Regulatory Functions



Standards are **one** part of the overall Regulatory Framework

# Stakeholders & Communications



As part of the Standards drafting process AHBRA is conducting a series of communications to ensure engagement with key stakeholders and the AHB Sector

- ❑ AHB Focus Groups (August)
  - Finance
  - Governance
  - Property & tenancy management
- ❑ Engagement meetings with key stakeholders
  - DHLGH
  - Housing Finance Agency
  - ICSH/Housing Alliance
  - Housing Agency
  - HSE
  - Local Authorities
  - Charities Regulator
- ❑ Educational Webinars (September)
- ❑ Representations (per legislation - October)

# Standards Timeframe



# Contact Details



## Key contact details:

For general queries contact [info@ahbregulator.ie](mailto:info@ahbregulator.ie)

To join our mailing list contact [communications@ahbregulator.ie](mailto:communications@ahbregulator.ie)

Website: [www.ahbregulator.ie](http://www.ahbregulator.ie)

The FAQ page on our website will be updated and published throughout 2021

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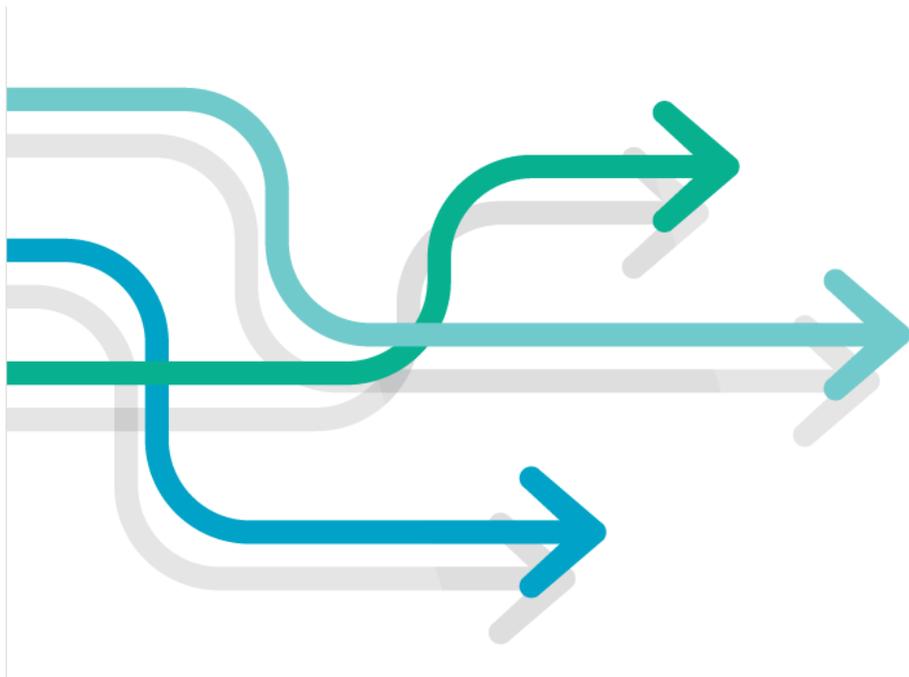


# Appendix

# Statutory Regulation - Responsibilities



‘An Act to provide for the regulation of approved housing bodies for the purposes of protecting certain housing assets provided or managed by such bodies’



‘The Housing (Regulation of Approved Housing Bodies) Bill 2019 provides for the regulation of Approved Housing Bodies (AHBs) for the purposes of supporting stronger governance and the financial viability of that sector, with a particular focus on safeguarding the significant public investment being made in the delivery of social housing by Approved Housing Bodies. Similarly, the Bill will provide stronger assurance to tenants, the public and potential investors that the sector is well regulated’

# Statutory Versus Voluntary



Statutory Functions	AHBRA	Existed under Voluntary
✓ Establish & Maintain a Register	✓	✗
✓ Register persons as AHBs	✓	✗
✓ Prepare Draft Standards for approval by Minister, and publish	✓	✗
✓ Monitor and assess compliance by AHBs	✓	✓
✓ Communications & Facilitation	✓	✓
✓ Carry out Investigations	✓	✗
✓ Enforcement	✓	✗
✓ Promotion and awareness	✓	✓

*Powers to require information and records from AHBs*

# Sections commenced – 1<sup>st</sup> February 2021



Sections & Articles	Heading	Sections & Articles	Heading
<b>S3</b>	Expenses	<b>S14</b> (1)(a)-(d), (2)	Appearance of CE before PAC
<b>S4</b> (1) – (2)	Review of the Act	<b>S15</b> (1)-(4), (5)(a)-(b), (6)-(7), (8)(a)-(b)	Accountability of CE to other Oireachtas Committee
<b>S5</b> (1)(a)-(d) – (3)	Giving of Documents	<b>S16</b>	Consultants and Advisors
<b>S6</b> (1)(a)-(b), (2)(a)-(b) –(6)	Offences & penalties	<b>S17</b> (1)-(7)	Transfer of Employees of Housing Agency to Regulator
<b>S7</b>	Establishment Day	<b>S18</b> (1)-(3)	Staff of Regulator
<b>S8</b> (1)-(3)	Establishment of AHBRA ‘the Regulator’	<b>S19</b> (1)-(10)	Superannuation
<b>The Schedule</b>	<b>Approved Housing Bodies Regulatory Authority</b>	<b>S20</b> (1), (2)(a)-(b), (3)-(5)	Strategy Statement
<b>S9</b> (1)(h), (2)-(5) Only***	Functions of Regulator <i>Excludes S9 (1)(a)-(g) and (i)-(j)</i>	<b>S21</b> (1)(a)-(b), (2)-(4)	Accounts of the Regulator
<b>S10</b>	Grants to Regulator	<b>S22</b> (1)-(3)(a)-b), (4)(a)-(c),(5)-(9)	Reports to the Minister
<b>S11</b> (5)-(11)	Chief Executive <i>Excludes S11 (1)-(4) commenced in June 2020</i>	<b>S23</b> (1)(a)-(c), (2)-(5), (6)(a)-(b), (7)(a)-(g), (8)-(9)	Administration co-operation on Regulatory Matters
<b>S12</b> (1)-(4)	Functions of Chief Executive	<b>S61</b> (1)-(8), (9)(a)-(c), (10)(a)-(g), (11), (12)(a)-(b), (13)-15)	Appeals Panel
<b>S13</b> (1)-(4)	Delegation of functions of Chief Executive	<b>S65</b> (1), (2)(a)-(c), (3), (4)(a)-(f)	Prohibition on unauthorised disclosure of confidential information

# Sections Commenced 1<sup>st</sup> July 2021



Sections & Articles	Heading
<b>S9</b>	<b>Functions of Regulator</b>
<b>S9</b> (1)(a)	Establish and Maintain a Register
<b>S9</b> (1)(b)	Register persons as AHBs
<b>S9</b> (1)(c)	Prepare Draft Standards**
<b>S9</b> (1)(d)	Monitor and assess compliance
<b>S9</b> (1)(e)	Carry out investigations (under part 5)
<b>S9</b> (1)(f)	<i>under Part 6</i> , protect tenants and AHBs and cancel the registration of AHBs
<b>S9</b> (1)(g)	encourage and facilitate the better governance, administration and management
<b>S9</b> (1)(i)	collect such information, as necessary and appropriate for the purposes of the performance its functions
<b>S9</b> (1)(j)	publish such information as appropriate
<b>S24</b> (1)(a)-(b), (2)(a)-(b),(3)-(4), (9)(a)-(g)	Information relating to Offences

Sections & Articles	Heading
<b>S25-35</b>	<b>The Register</b>
<b>S25</b> (1)-(2)(a)-(b), (3)(a)-(c)	<i>Eligibility</i> criteria for application to register as AHB
<b>S26</b> (1)-(2)(a)-(c), (3)	<i>Register</i> of AHBs
<b>S27</b> (1)-(2)(a)-(e), (3)	<i>Application</i> for Registration
<b>S28</b> (1)(a)-(c), (2)(a)-(b)	<i>Grant or Refusal</i> of Registration
<b>S29</b>	<i>Notice of proposed</i> decision to refuse application
<b>S30</b> (1), (2)(a)-(b)	<i>Right to respond</i> to notice of proposed decision
<b>S31</b> (1)(a)-(b), (2)(a)-(b)	<i>Notice of Decision</i>
<b>S32</b> (1)(a)-(b), (2)	<i>Correction</i> of Register
<b>S33</b> (1)-(3)	Evidential value of entries in register
<b>S34</b> (1)-(4), (5)(a)-(i), (6)(a)-(d), (7), (8)(a)-(b), (9)(a)-(b), (10)(a)-(b)	Certain persons <b>deemed</b> to be registered as AHBs
<b>S35</b> (1), (2)(a)-(b), (3)	Prohibited conduct in relation to registration

# Sections Commenced 1<sup>st</sup> July 2021



Sections & Articles	Heading
<b>S36</b> (1)(a)-(b), (2)-(7)	Power of Regulator to require information and records
<b>S37</b> (1)(a)-(d), (2)(a)-(c), (3)(a)-(d), (4)(a)-(c), (5)-(8), (9)(a)-(b), 10	<b>Standards for AHBs*</b> <ul style="list-style-type: none"> <li>• Governance</li> <li>• Financial Management &amp; Reporting</li> <li>• Property &amp; Asset Management</li> <li>• Tenancy Management</li> </ul>
<b>S38</b> (1)	<b>Making a standards assessment</b>
<b>S38</b> (2)-(4)	Notice re Assessment, Specified information, format and compliance
<b>S38</b> (5)-(7)	Draft Report (in writing), findings and recommendations, Representations, Final Report
<b>S38</b> (8)-(9)	Extension, misleading information
<b>S39-43</b>	<b>Compliance &amp; Compliance Plans</b>
<b>S39</b> (1)-(4), (5)(a)-(b), (6)(a)-(b), (7)(a)-(b), (8)	<i>Compliance Plan</i>
<b>S40</b> (1)(a)-(b), (2)-(3), (4)(a)-(b), (5), (6)(a)-(b)	<i>Notice of Non-compliance Plan</i>

Sections & Articles	Heading
<b>S41</b> (1)(a)-(b)	<i>Notice of implementation of Compliance Plan</i>
<b>S42</b> (1)(a)-(d), (2), (3)(a)-(e), (4)-(7), (8)(a)-(b)	<i>Failure to implement Compliance Plan</i>
<b>S43</b> (1)-(2), (3)(a)-(b)	<i>Entry on register of particulars of notice of non-implementation</i>
<b>S44-52</b>	<b>Investigations</b>
<b>S44</b> (1)-(2)	Definitions
<b>S45</b> (1)(a)-(b), (2), (3)(a)-(c), (4)-(5), (6)(a)-(b)	Appointment of Inspectors
<b>S46</b> (1)-(3)	Investigation into affairs of AHB
<b>S47</b> (1)-(2), (3)(a)-(c), (4)	Investigation Reports
<b>S48</b> (1)(a)-(c), (2)(a)-(b), (3)(a)-(b), (4)-(5)	Production of documents and evidence on investigation
<b>S49</b> (1)(a)-(k), (2), (3)(a)-(b), (4)(a)-(b)	Power of Inspectors
<b>S50</b> (1)(a)-(b)	Investigation report to be evidence
<b>S51</b> (1)(a)-(c)	Offence
<b>S52</b> (1)-(3)	Saving for privileged information