

# Case Study

DTP

## Empower Housing Association

### Regulatory recovery

Empower Housing Association specialises in providing housing for adults with disabilities enabling them to live within their community independently in England and Scotland.

#### Objective

In 2021, the Association received a regulatory notice from the Regulator of Social Housing which determined that Empower was not compliant with the governance elements of the Governance and Financial Viability Standard and the Rent Standard. The regulatory notice identified that Empower had failed to:

- a) Ensure that it has effective governance arrangements in place that deliver its aims, objectives and intended outcomes for tenants in an effective, transparent, and accountable manner.
- b) Demonstrate that it has an appropriate, robust, and prudent business planning and risk and control framework in place and was managing its affairs with an appropriate degree of skill, independence, diligence, effectiveness, prudence and foresight.
- c) Provide adequate assurance that the accommodation it provides meets the Government's definition of Specialised Supported Housing, and so being excepted from the requirements of the Rent Standard.

#### What we did

We worked with Empower to appoint a new board of skilled and experienced non-executive members, who then agreed an action plan to address all areas of non-compliance, focusing primarily on financial planning; compliance with the Rent Standard and relevant exemptions; and

to develop a robust risk and control framework. DTP supported this work plan, providing external validation and expertise through bespoke consultancy, and also providing strategic leadership to the organisation through an Interim Chief Executive.

#### What we achieved

- Development of a robust governance framework and associated reporting based on compliance assurance.
- Agreement of a viable business plan with appropriate stress testing and mitigation planning.
- A compliant rent policy and associated assurance in relation to compliance with the Rent Standard and relevant exemptions.
- Support to the Empower teams to continue to deliver effective, high quality services to the Association's residents throughout the period of significant change.
- Empower appointed a permanent Chief Executive in November 2022.
- The Regulatory Notice was withdrawn on 26 April 2023 on the basis that the regulatory issues had been resolved.



*DTP were knowledgeable, experienced and very responsive in gaining an understanding of the issues and providing comprehensive guidance and support to the Board and management team. This involved assisting the Board in developing a clear action plan to address the various areas of concern. They took time to explain complex subject areas, including areas of regulation, and supported Empower in the development of policies, business planning and stress testing, which provided assurance around Empower's long term viability. The support DTP provided enabled Empower to achieve full regulatory compliance in a relatively short timeframe, resulting in the withdrawal of the regulatory notice.*

*Sara Sharrock, Chief Executive*

A different perspective