

Our Reference:

## BY EMAIL ONLY

24 April 2015

Dear

## **Request for Information**

Thank you for your email dated 29 March 2015 requesting information on The Priory Pub, Liverpool. For ease we have answered each of your questions separately below.

1. Was any money in the form of a grant made available to Adactus (to include Chorley Community Housing and Beech Housing – or their representatives) in order to demolish the Priory building?

The Homes and Communities Agency (HCA) does not specifically fund demolition. However, Registered Providers (Social Landlords) are required to notify the HCA if a development involves demolition. In general we do not support the demolition of residential dwellings; however, non-residential dwellings are viewed differently meaning that commercial and industrial buildings which are being demolished would not exclude the HCA from funding a development.

In this instance, while the HCA originally supported the bid for this development, Adactus could not meet the timescales for a start on site by March 2015 and therefore re-allocated the funds to an alternative site.

No grant money has been allocated to this scheme and no money had been paid previously to the Registered Provider to fund the demolition of The Priory Pub.

2. Who are Social Landlords answerable to with regard to profit, or to their behaviour towards local communities?

Depending on their organisational structure, a Registered Provider will need to comply with (amongst other things) some or all of the following:

- Charity Law
- Company Law
- Public Law

Homes and Communities Agency Fry Building, 2 Marsham Street, London, SW1P 4DF



- Financial Conduct Authority regulations
- Financial Reporting Council regulations
- Regulatory Framework for Social Housing

As part of the Regulatory Framework requirements Registered Providers are also required to have appropriate mechanisms to allow tenants to be involved in and influence key priorities.

3. What questions are asked of Social Landlords by HCA regarding what they are doing in communities, before a grant is agreed? The demolition of this historic building has ripped the heart out of the community, and destroyed the last chance of any local amenities, already lost through other closures, from being replaced. The HCA are paying for this to happen. Does the HCA ever check what is taking place in their name?

As explained in our response to Q1 above, the HCA did not fund this project.

4. The general public are paying for HCA grants, is there ever any public consultation in advance of work going ahead? Are MPs or local councils informed in advance?

Yes, public consultation is carried out via the planning process. The decision on planning is with the Planning Authority, which in this instance was Sefton Council.

5. What audit checks are imposed on social landlords regarding financial issues? Adactus seemed to have huge financial reserves with which to purchase a building and then demolish it. Social landlords are specified as being "not for profit" - but in this case had enough ready money to close down a pub that was open and trading at the time of sale, and then pay for the demolition.

Each Registered Provider is responsible for its own audit functions and the output of those functions. Each organisation will have different arrangements for ensuring they are accurate. As regulator, the Housing and Regeneration Act 2008 gives us the power to set Standards. It is these standards that Registered Providers must meet. Our economic standards include governance and financial viability, value for money and rents. The regulator's role is in seeking assurance regarding a Registered Providers' compliance with the outcomes required by the Standards, but it is for a Registered Provider to determine the most appropriate route to achieving compliance for their organisation. The Act requires that we carry out our role in a way that is proportionate and minimises interference on those we regulate. Our publication 'Regulating the Standards' sets out our approach to regulating Registered Providers and the assurance we seek with regards to their compliance with the Standards. Any further information you require about specific accounting requirements of organisations would need to be directed at the Registered Provider.



## 6. Is there a complaints procedure that will deal with the behaviour of social landlords?

It depends on the nature of the complaint. The Housing Ombudsman website will assist you in clarifying this. In the first instance complaints should be directed to the Registered Provider themselves, if after the completion of the complaints process internally the complaint still is not resolved then the complainant can refer their complaint to any recognised tenant panel or designated person such as a local councillor or an MP. The tenant panel or designated person will make a decision whether to intervene or to refer the complaint to the housing ombudsman. The complainant is also free to submit their own complaint to the Housing Ombudsman if either the designated person does not refer it themselves or the complainant remains dissatisfied with the outcome at the designated filter stage.

## 7. To whom are local council officials answerable when taking decisions that are against the public interest?

We would advise that you refer to the complaints procedure for the Local Authority if you are concerned with a decision made by any local council officials as it depends on the nature of the decision as to what procedure can be followed to challenge it.

If you have any questions regarding this response or any further queries you can contact us at the following addresses and quote your unique reference number found at the top of this letter:

Email: mail@homesandcommunities.co.uk
Mail: Information Access Officer
Homes and Communities Agency
Fry Building
2 Marsham Street
London
SW1P 4DF

If you are unhappy with the way Homes and Communities Agency has handled your request you may ask for an internal review. You should contact

Head of Legal Services
Homes and Communities Agency
Fry Building
2 Marsham Street
London
SW1P 4DF

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at

Information Commissioner's Office Wycliffe House

Homes and Communities Agency Fry Building, 2 Marsham Street, London, SW1P 4DF



Water Lane Wilmslow Cheshire SK9 5AF

Yours sincerely

Naomi McMaster Information Access Officer Homes and Communities Agency