

The road to C1



Citizen case study

An interview with Katie Finch, Director of Assurance and Business Services at Citizen Housing



Katie Finch: We went through an inspection process with the regulator last year [2025]. It commenced around about March time and concluded in the August with our [judgement](#), where we got a C1, G1, V2 outcome.

My role specifically within that process was as sort of director. I have under my responsibility governance and regulation. So, I was effectively the lead officer responsible for liaising with the lead inspector and acting as the conduit between the [board] members and the executive team. I oversaw the pulling together of all the information and meeting the deadlines, and effectively led the inspection process. I had a team under me to help.

A lot of my role was dealing with quick queries and questions and supporting the execs, members and officers that were involved to make sure that we presented ourselves in the best possible light.

How did Citizen approach the inspection process once you got the call from the regulator?

KF: We adopted a very similar process to what we used for the IDA [In-depth assessment]. So, it wasn't brand new to us. Obviously, the difference is that an inspection is much wider and far reaching. The distinguishing difference, I would say, is that the regulator is a lot more hands-on with inspection.

Whether explicitly or implicitly, there was a line of responsibilities for where things sat and who did things.

Like I said, my head of service and I were the main conduits responsible for the flow of information. Any information that went to the regulator was filtered through the exec team. Over 300 documents went to the regulator by the end of the process. And we read every single one of those, I can confidently say. And that's documents, not pages, by the way!

We'd set up either meetings or have a shared space where they would see things and would be responsible for signing them off. So that worked really well. Towards the end it got quite draining - how many iterations of documents can you see before you go a little bit blind?

But it was about that continuous triangulation of information process. They might ask you something about your repairs performance, but you might have previously made a statement about the same thing, and you need to make sure that the information doesn't contradict itself.

So, my role was very much about picking through the detail and alerting teams and execs to any issues or if something didn't quite tally. The execs owned what was going to the regulator as well, so that was really good. We would meet as a team and they all had a say on things before we submitted everything. We often did it in person because it worked slightly better, if I'm totally honest.

In terms of the wider directors, again, they were involved quite a lot. They were the ones responsible on the ground for delivering a lot of the work and executing the consumer standards, so to speak, so they had a key role to play in providing evidence. They were involved in the interviews and the field work as it's known so we helped prepare them for the type of questions that might be asked and to build that narrative.

"The reason why we felt like we were a C1 rather than a C2 was that we had a lot of plans in place to improve us. So, we identified where things might not be perfect or 100% and we were putting things in place quite early where we were trying to remedy those things"

It was the same with the board members, and the understanding of how they gained assurance for things. What worked well was everybody sort of implicitly knew their role and where they fitted into things. And, dare I say it, if you're clear in terms of who's leading the process and who the 'go-to person' is, it helps with the overview of the process and next steps.

You need really good organisation as well, I would say. You cannot afford to be a bit flippant or laissez-faire about things. You've got really clear deadlines that are set by the regulator, and you absolutely must meet those. I liken the process to a big sausage machine – everything gets fed into it. It was huge, you know, trying to get hundreds of documents read, understood, signed off and then over to the regulator – it's quite a feat in itself, especially doing that on a rinse and repeat for six months.

What grading did you expect to get at the outset? Did you have a feel for where you were with the consumer standards?

KF: The C rating is an interesting one because you just don't know really. It was new – unlike governance and viability where we sort of knew where we stood. And I think what probably happened is that we wanted to be a C1, we felt we were a really good organisation, and we wanted that to be recognised.

The reason why we felt like we were a C1 rather than a C2 was that we had a lot of plans in place to improve us. So, we identified where things might not be perfect or 100% and we were putting things in place quite early where we were trying to remedy those things.

And it wasn't just 'we're going to do that in six months because the regulator's on our back'. We've been consistently doing that type of performance improvement process anyway.

An example would be repairs. I mean our repairs performance is pretty good when you benchmark it, but we had a massive live file on the back of the Covid pandemic and we had

a lot of catching up to do on that. So, we'd been doing a recovery plan for a couple of years off the back of that to really drive performance. It's not something we just picked up three months before the regulator came in. So, the work and the evidence was already there, I think it's probably fair to say.

The area that I was probably a bit wobbly about was our TSMs [Tenant Satisfaction Measures]. They weren't particularly high and they're still not particularly high. In our defence, we use a method which we know tends to generate a lower satisfaction rate – online rather than over the telephone. So, that made us a bit cautious, especially given the number of inspections the regulator had already done by the time they'd got to us where organisations hadn't got C1s, partly due to lower TSMs.

“As we went through the inspection process, we found that queries kept coming about the same thing. And you start thinking, they're really itching a scratch here – and does that mean that they have concerns or are on the fence about something?”

Overall, we were pretty confident, but as we went through the inspection process we found that queries kept coming about the same thing. And you start thinking, they're really itching a scratch here – and does that mean that they have concerns or are on the fence about something?

For example, they asked quite a lot about our complaints information. They were pretty relentless when asking about our engagement practices. And there were quite a few queries about our methodology and approach to TSMs.

When they start to go down a bit of a rabbit hole you do start to wonder whether there's an issue, because you don't really know what they're thinking. You don't know whether they're trying to validate and say, 'yeah, they're on it, they know what they're doing and that means it's a C1' or whether they think, 'we haven't got enough evidence to substantiate that they are a C1 and should really be a C2'.

Obviously, we were delighted that we were a C1. I'd be foolish if I sat here and didn't think, oh yeah, we absolutely had that in the bag. It was more, thank goodness for that!

We're not an arrogant organisation. We don't blow our own trumpet unnecessarily. We know we're good but we know we don't get everything perfect. So, as much as we really wanted a C1 and we felt that we were doing all the right things, until we were tested, you're never quite sure where you sit.

For those areas that you weren't quite sure about, by the time the inspection comes around, is there anything you can actually do to address them or is it really difficult?

KF: Not really, and I think that's what I'm saying about the lead up. The preparation has to start way before you get the call otherwise it's too late. You can't be taking a heap load of strategies or improvement plans to a board meeting the regulator is observing. It would look very obvious.

At Citizen, we were very cognisant of the consumer changes right from the start, so we were

already preparing from that point. We'd already done a self-assessment, I think, in 2024 to benchmark where we were and identify some of the areas where we needed to start improving.

What we were also trying to do, which is really critical and something that some organisations maybe struggle with, is that everything has to be evidence-based. It's all well and good saying we've done this and we've done that but if you can't pull a piece of paper out to evidence it, it's not really worth anything. It became a kind of motto: If it's not written down, we haven't done it.

We had to work hard to get people to understand what the evidence looks like. And the other thing, which can be a bit painful at times, is ensuring the quality of that evidence. An example I used at a conference was the time I was sent pictures of smoke detectors on ceilings, which was meant to be us demonstrating compliance. But there's no way I'm sending those to the regulator, because it doesn't tell me anything. It could be a picture of my ceiling for all they know.

"It's all well and good saying we've done this and we've done that but if you can't pull a piece of paper out to evidence it, it's not really worth anything"

Can you talk through those areas that were singled out for praise by the regulator in the inspection report?

KF: Yes, so we were given quite a bit of praise on our approach to risk, which I have to say is pretty comprehensive. We do the nuts and bolts of risk management well. From a consumer point of view, where we got high praise, which was really good to receive and great to feedback to other colleagues, was around our approach to ASB and domestic violence. We were doing much more than the bare minimum in those areas, particularly with ASB where we've got a 24-hour hotline. It means customers who need it can call us and we have trained staff on the other end to deal with the problem.

They were also very interested in our complaints process. We've got an approach where we've built in quality assurance for stage 2 complaints where directors and heads of service sign off letters and are involved in understanding how complaints have reached that stage. Again, the inspectors found that was pretty good practice.

Safety and quality is generally regarded as being the absolute top priority when it comes to consumer standards. You've got to nail that. Did you find that was the case?

KF: We're a complex organisation due to the fact that we've got 37 tower blocks. So, we already knew that would get a lot of interest and they did ask a lot of questions. But don't expect praise from the regulator where safety and quality is concerned – it's about ensuring you're meeting fundamental requirements. If you don't get any criticism or pulled up on anything, you're most likely doing something right. We've got our house in order, so to speak, on our compliance responsibilities but I'm sure we can always improve.

Another area I will highlight, because I think it's particularly relevant for all organisations, is the quality of data and the fact this runs through everything.

How are you building on the C1 success and what areas are you currently focused on?

KF: We're still doing a lot of work on improving our TSMs. We're pleased that they're continuing to improve year on year but there is more to do. The improvement plans we put in place are having a positive impact on our TSM scores. We're continuing to work a lot on repairs to ensure that we maintain our strong performance and complaints are another area where we're always looking to improve.

We've got a whole, I don't want to say change programme, but an improvement programme called 'Putting Our Citizens First', which is about driving organisational change. That was already underway before the inspection but it remains a key focus with lots of involvement from the board and the execs.

This has helped to inform our new business strategy, which we launched last April, and covers the four years from 2026 to 2030. A lot of this is to do with building on the C1 success, as well as the previous strategy. As an organisation, we don't want to be only focused on regulation as the driver of performance. Obviously, this is hugely important, but we want to provide better services anyway.

So the key priorities, I'd probably say, are providing a good repairs service, which our customers really value. We also know from the TSM scores that shared ownership is an area we need to focus on, making sure we don't forget that cohort of customers and work with them to improve their satisfaction levels.

As part of the inspection process, you did seek external support at various points. Why did you do that?

KF: It's like preparing for any kind of external validation process which has got high stakes. Whether it's your driving test or an exam, it's important to prepare and you do mocks, don't you? You do run-throughs and it's the same principle.

We were asked "why are you spending money on a mock inspection?" when I did a presentation to our scrutiny group. And the way I answered that was that it'd be a bit arrogant to go into such a big process thinking that we didn't need any preparation or support to guide us through it.

"The preparation has to start way before you get the call otherwise it's too late. You can't be taking a heap load of strategies or improvement plans to a board meeting the regulator is observing. It would look very obvious"

We'd been through an IDA, so we largely knew what to expect and you can attend various different conferences and seminars to gauge things, but you need to be tested because every organisation is unique and the inspection will reflect that because of the type of information you're sharing with the regulator.

It gave us two things, really: it identified areas that we knew we'd need to focus on when we

were in the process but also assurance about those areas that we could be quietly confident about.

It also provided a bit of a sanity check for me and some of the team that were involved in the process as we'd gone from the regulator's call straight into the preparation process. The whole thing was like a bit of a blur and one continuous cycle of providing evidence and information. So, it was good to get that breathing space and opportunity to check that we were on the right track.

I'd say the thing we found most useful was working with HQN on the field interviews, where they really replicated what those interviews were likely to be like. It was particularly helpful for the board members. While some of the officers might have been through various inspections or similar processes, the board members hadn't done that with Citizen and I think it gave them confidence about how they could answer questions.

What I'd also say about the inspection interviews and observations and something that needs to be put on record, is that it's not a memory test. They want to get a feel for you as an organisation. But what the mock enables you to do is to replicate that process even down to the emotional reaction you have in that situation. This might sound quite silly but it's quite unnerving to go into a process and sit there and be asked questions and present because the stakes are high and you want to perform to the best of your ability. The mocks really helped with that. So, I'd say it's a really valuable process to go through. And I think any organisation, however good you are, should invest in that.

What are your top tips for anyone going into the inspection process who might be reading this and are trying to get a feel for top priorities?

KF: Well, I think you need to be well resourced for a start. Don't just think that you can give responsibility to one or two people. You need everyone on board and you need to be really clear on who's picking up what role, right down to who's uploading documents to NROSH [the regulator's system]. So, there was a clear line of delegation of who was doing what.

It's also a question of capacity. I'm not an auditor but we created a reference for every single document we submitted. That might sound insignificant, but it saves a huge amount of time when somebody asks for a specific document. And you can provide the reference number as well as the date and time it was submitted. That would be my second top tip. The number of times that people have asked us to retrieve a document or briefing note! We can track it so quickly because there's a paper trail for everything. It just helps you be organised because you can get overwhelmed very quickly with all the questions that are being asked and pieces of information they want.

My third top tip would be to invest in some support in advance, whether that's a self-assessment preparation or a mock process. I think that would really benefit an organisation in the lead up to an inspection.