



What you need to know about the Review of the Regulatory Framework

Background

The Scottish Housing Regulator's (SHR's) [current regulatory framework](#) has been in place since 2012. The SHR is now reviewing the framework and has invited comments on its initial proposals for how the new framework might operate.

Feedback from this discussion will inform more detailed proposals for formal consultation later this year before the new regulatory framework is published in 2019.

The [discussion paper](#) acknowledges that the environment for social landlords has changed significantly in the last five years, citing welfare reform, delivery of new affordable homes and the Grenfell fire. There will also be some changes to the SHR's powers as a result of the Housing (Scotland) (Amendment) Bill which aims to reverse the decision made by the Office for National Statistics (ONS) to reclassify RSLs as public bodies. This will remove the requirement for RSLs to obtain consent before disposing of land or assets or making constitutional changes.

The SHR also highlights that while tenant satisfaction remains high, they are engaging with more RSLs about serious governance issues than in the past.

What is the SHR proposing?

The discussion paper proposes three priorities for the SHR:

- Tenant and Resident Safety.
- Homelessness.
- Governance and financial management in RSLs.

It also proposes developing work within four broad themes which will all contribute to the three priorities above. The themes are:

- Empowering tenants and others by gathering and publishing data in useful, accessible ways.
- Getting assurance.
- Responding where things go wrong.
- Thematic work.

The SHR also makes a number of specific suggestions for new requirements or revisions to existing requirements including:

- Introducing a new **Annual Assurance Statement** which would be approved by

the RSL's governing body or local authority committee and signed off by the chair. This would be submitted to the SHR for consideration as part of their risk assessment.

- **Mandatory internal audit** for all RSLs, not just those deemed to be systematically important (as is currently the case).
- Introducing **new guidance** on what RSL governing bodies should take into account when making decisions on disposals or constitutional changes.
- **Focusing more on whistleblowing**, ensuring that staff are able to and feel comfortable giving feedback within their own organisation.
- Exploring options for transparency in performance reporting including the option of **introducing a rating system for social landlords**.

What does this mean for the housing sector?

The SHR's core activities will remain largely unchanged and they will continue to monitor performance and intervene as necessary to ensure that the interest of tenants, other customers and homeless households are protected.

However, some proposals could change the way that social landlords need to report on their performance and the review presents an opportunity to explore new ways to support RSL boards and help to improve governance. For example, by introducing a requirement for training or providing guidance to help boards recruit members with the skills they need.

How can you take part in the discussion?

The consultation is open until 30 March and the full discussion paper is available [here](#). You can respond directly to the SHR by emailing discussion@scottishhousingregulator.gsi.gov.uk

CIH Scotland will be responding to the discussion paper. If you would like to contribute to our response, please fill in our short [Survey Monkey](#) before 16th of March. Or you can get in touch with us directly by emailing Susanne Flynn, Policy and Practice Officer susanne.flynn@cih.org