
To: Communities, Housing and Planning Policy Board

On: 15 January 2019

Report by: Director of Communities, Housing and Planning Services

Heading: Regulation of Social Housing – Response to Consultation by the Scottish Housing Regulator

1. Summary

- 1.1 The Scottish Housing Regulator (SHR) is reviewing its framework for regulation of social housing in Scotland. Following discussions with social landlords and stakeholders in early 2018, the SHR published consultation papers in October 2018 with a response date of Friday 14 December 2018.
 - 1.2 This report provides a summary of the draft new framework for regulation. A copy of Renfrewshire Council's response is attached as Appendix 1 for formal approval and noting. This was submitted to the Scottish Housing Regulator by the due date of 14 December 2018.
 - 1.3 Papers relating to the consultation are available on the Scottish Housing Regulator's website at <https://www.scottishhousingregulator.gov.uk>
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2. Recommendations

- 2.1 It is recommended that the Policy Board:
 - (i) formally approves and notes the consultation response from Renfrewshire Council which is attached at Appendix 1.
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3. Background

3.1 The Scottish Housing Regulator has powers under the Housing (Scotland) Act 2010 to regulate social housing in Scotland. The framework for regulation applies to all social landlords and it sets out how the SHR will regulate Registered Social Landlords (RSLs) and the housing and homeless services provided by local authorities. For both RSLs and local authorities, the SHR's role is to monitor, assess, report, and intervene (as appropriate) on performance with respect to services delivered to tenants, people who are homeless and other service users. For RSLs, the SHR's role extends to governance and financial wellbeing as well as housing activities.

3.2 The SHR has published a suite of papers relating to this consultation. The main consultation paper, 'Our Regulation of Social Housing – A Consultation' includes the 23 consultation questions which are included in Appendix 1.

- The **Regulatory Framework** (section 4) sets out
 - **How the SHR will regulate:** effective landlord self-assurance; empowering tenants, people who are homeless and other service users; a risk-based and proportionate approach which safeguards the interests of tenants and other service users; promote equality and human rights. *[consultation question 1]*
 - **Regulatory requirements** which each landlord must comply with: assurance and notification; Scottish Social Housing Charter performance; tenants and service users redress; whistleblowing; equality and human rights; standards for governance and financial management (RSLs only). *[consultation questions 2-16]*
- Draft **Statutory Guidance** (section 5):
 - Annual Assurance Statements
 - Notifiable events
 - Charter Indicators
 - Group structures
 - Other guidance *[consultation questions 17-22]*
- **Impact Assessments** (section 6) *[consultation question 23]*

3.3 The consultation proposals include a reduction in the number of performance Charter indicators (from 37 to 32) and contextual Charter indicators (from 32 to 12). Changes to the wording of some Charter indicators is also proposed by the SHR. The new Charter indicators would be reported by all local authorities and RSLs from March 2020.

3.4 The other main change is the requirement for all local authorities and RSLs to prepare and submit an Annual Assurance Statement which confirms that the organisation is compliant with the relevant requirements of the Regulatory Framework. This means that landlords must ensure that they meet all of their legal duties and responsibilities and that they comply with relevant guidance and the requirements of other regulators. For local authorities, this includes statutory duties to prevent and alleviate homelessness. The draft statutory guidance indicates that it will be for individual landlords to determine the most appropriate and effective way to get the necessary assurance on compliance, based on an objective and evidence-based approach.

Implications of the Report

1. **Financial** - *none*.
2. **HR & Organisational Development** - *none*.
3. **Community/Council Planning** – *none*.
4. **Legal** - *none*.
5. **Property/Assets** – *none*.
6. **Information Technology** – *none*.
7. **Equality & Human Rights** – The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only.
8. **Health & Safety** – *none*.
9. **Procurement** – *none*.
10. **Risk** – *none*
11. **Privacy Impact** – *none*
12. **COSLA Policy Position** – *N/A.*

List of Background Papers - *none*

FC/LM
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Our regulation of social housing in Scotland

Consultation questions

We welcome your general feedback on our proposals as well as answers to the specific questions we have raised. You can read our consultation paper on our website at www.scottishhousingregulator.gov.uk. Please do not feel you have to answer every question unless you wish to do so.

Send your completed questionnaire to us by **14 December 2018**.

By email @ consultation@scottishhousingregulator.gsi.gov.uk



Or post to: Scottish Housing Regulator
Buchanan House
58 Port Dundas Road, Glasgow, G4 0HF



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How you would like your response to be handled

To help make this a transparent process we intend to publish on our website the responses we receive, as we receive them. Please let us know how you would like us to handle your response. If you are responding as an individual, we will not publish your contact details.

Are you happy for your response to be published on our website?

Yes ☐ ✓ No ☐

If you are responding as an individual ...

Please tell us how you would like your response to be published.

Pick 1

Publish my full response, including my name

☐

Please publish my response, but not my name

☐

1. Is our overall approach, set out in Chapter 2 of the Framework, right? Do you have any other comments?

We agree with the approach set out in Chapter 2 and welcome the SHR's commitment to work with partner scrutiny bodies (para 2.11) as part of the risk assessment process.

2. Do the proposed regulatory requirements cover the right things, and are they framed in the right way?

We are happy with the regulatory requirements as set out in Chapter 3.

3. Is there anything missing? Or any other comments?

The distinction between statutory guidance (which landlords must comply with) and advisory guidance (which landlords should have regard to) is helpful. (para 4.12)

As acknowledged in para 3.2, local authorities have a very wide range of duties, obligations and responsibilities. We would welcome supporting materials which councils can use to assess compliance and note the commitment at para 4.13 on this.

We note that local authorities and RSLs will be required to submit their first Annual Assurance Statements by the end of October 2019. Given that these will need to be prepared and presented to policy board(s) of the Council ahead of this date, and that tenant and service user feedback needs to be considered, there is not a great deal of time to get ready for the first round of Annual Assurance Statements in 2019. We would therefore welcome some indication of timescales for guidance / a toolkit for landlords.

4. Should we add to, amend, or remove anything from the proposed Standards?

We note that the Standards of Governance and Financial Management apply only to RSLs and not to local authorities. We agree with the Standards set out in Chapter 3.

5. Is the new Standard 7 useful, and is it framed in the right way?

We agree with the new Standard 7 and note that this applies only to RSLs.

6. Would you like to make any other comments about the Standards?

No

7. Is the approach we have set out in Chapter 4 right? Any other comments?

The approach set out in Chapter 4 for gathering and publishing data is reasonable.

8. Are our proposals for the Annual Assurance Statement right?

We agree in principle with the preparation of Annual Assurance Statements. There is no explanation given for the requirement for the Statement to be signed by the Chair/ Convener of the relevant Board and why this requirement should apply to local authorities.

Within Renfrewshire Council, reports on performance are regularly presented to the relevant policy board on housing and related services and we would propose to report on the new requirements in the same way.

If the Scottish Housing Regulator wishes the Annual Assurance Statement to be signed by the policy board chair/ convener, we would suggest that it could also be jointly signed by the most senior housing official.

9. Is our approach to risk assessment right?

Yes, the approach to risk assessment is reasonable.

10. Should we publish a regulatory status for each RSL as we propose?

Yes.

11. Is it right that we publish an Engagement Plan for every landlord?

Yes, we agree that there should be a clear plan for engaging with each landlord.

Under current arrangements, plans for engagement with local authorities and RSLs fall into three categories - 'scrutiny', 'ongoing monitoring' and 'no scrutiny'. Is it the SHR's intention that landlords will continue to be categorised in a similar way? And if so, we assume that under the new Framework, some Engagement Plans would indicate that no further scrutiny is planned. Clarification on this would be helpful.

12. Would you like to make any other comments or suggestions about our approach to getting assurance?

No.

13. Is the approach set out in Chapter 6 right? Any other comments?

Chapter 6 of the draft Framework explains the SHR's approach in using its powers of intervention. We note that this does not differ greatly from current arrangements and think the approach is reasonable.

14. Is the approach set out in Chapter 7 right? Any other comments?

We welcome the continuing commitment to carry out thematic work.

15. Is the approach set out in Chapter 8 right? Any other comments?

We note that no major change is proposed in the use of powers to collect information and make inquiries. The approach set out in Chapter 8 reasonable.

16. Are these registration and de-registration criteria the right ones? Any other comments?

We agree with the proposed registration and de-registration criteria for RSLs.

17. Do you have any feedback on the draft Assurance Statement guidance?

We have no comments on the draft guidance but would refer to the point made above (in response to question 3) requesting further supporting materials which landlords can use in preparing the Annual Assurance Statement and the timescales for this.

18. Do you have any feedback on the draft notifiable events guidance?

No, we have no comments on the draft notifiable events guidance that applies to RSLs.

19. Should we add to, delete or amend anything in the list of proposed indicators? Any other comments?

We are happy in principle with the proposed changes to the Charter Indicators.

We would welcome early sight of the draft technical guidance for new and amended indicators and the opportunity to comment on this. It is SHR's intention that data would be submitted for the new Charter Indicators from May 2020. This means that revised data collection arrangements need to be in place for the full financial year April 2019 to March 2020 and landlords will need to have sufficient time to ensure appropriate data collection arrangements are in place for 2019/20.

We have comments on two of the new indicators:

- Percentage of tenants satisfied with the neighbourhood they live in (Indicator 13)**
 Tenants' views on 'the neighbourhood' will be influenced by a number of factors (eg tenure mix, socio economic factors, local services and facilities, environmental issues etc) and it should be borne in mind that some of these are outwith the control of the landlord.

- **Number of households currently waiting for adaptations to home (new)**
Clarification is required on the start point at which households are considered to be waiting for an adaptation- is it the point of application or referral ?

20: Do you have any feedback on the draft group structures guidance?

No, we have no comments on the draft group structures guidance that relates to RSLs.

21: Do you have any feedback on this guidance?

We have no comments on the other guidance included in the consultation package.

22. Would you like to give feedback on any other aspect of the proposals set out in the draft Framework and guidance?

We have no further comments.

23. Would you like to give feedback on any aspect of these impact assessments? Are there other potential impacts that we should consider?

We have no comments on the impact assessments.

Thank you for taking the time to give us your feedback!