

Social landlord self-assurance

A toolkit for maintaining strong governance and meeting regulatory requirements

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Glasgow and West of Scotland
Forum of Housing Associations



**Scottish Housing
Regulator**

ALACHO
ASSOCIATION OF LOCAL AUTHORITY CHIEF HOUSING OFFICERS

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Foreword

The Scottish Federation of Housing Associations (SFHA) Self-Assurance Toolkit has been developed in conjunction with the Scottish Housing Regulator (SHR), the Glasgow and West of Scotland Forum of Housing Associations (GWSF) and the Association of Local Authority Chief Housing Officers (ALACHO). When originally published in July 2019, to accompany the publication of the first Regulatory Framework, we explained that the toolkit would be an ongoing project, forming a central hub of guidance for the sector – available not just to SFHA members but to all RSLs and local authorities.

The toolkit focusses on the types of question that governing bodies/committees should be asking themselves relating to regulatory requirements and standards, in order to gain the level of assurance required that compliance is being achieved. Equally, if not more importantly, it provides social landlords with guidance on gathering evidence to support and demonstrate this compliance – in order to feed into their existing self-assurance processes.

The guidance provides some additional suggestions around potential processes that could be undertaken when producing an Annual Assurance Statement (AAS), and the format that these might take (in order to augment the existing [SHR Guidance](#) and [Frequently Asked Questions](#)), but it is important to note that the Toolkit is not intended to be a definitive guide on how to produce your Annual Assurance Statement. This edition of the Toolkit has been revised and reviewed to take account of the revised Regulatory Framework published by the SHR in February 2024. Since the introduction of the AAS requirement in 2019, individual organisations have established their own systems and processes to support ongoing compliance monitoring and assurance maintenance – and these continue to evolve as experience develops¹: the Toolkit is intended to support individual approaches: it should not be regarded as being prescriptive.

The toolkit is not intended to be prescriptive. Our intention is for the toolkit to help social landlords to continue to develop and refine their self-assurance processes. There is no expectation for the toolkit to be used as a rigid checklist. It is crucial that landlords retain discretion to consider what extent and depth of self-assurance is appropriate and proportionate for their organisation, and to decide over what period to develop and review these processes.

The Annual Assurance Statement, or self-assurance process undertaken, is not intended to demonstrate that the governing body/committee guarantee everything is

¹ Preparing Annual Assurance Statements – a thematic review: SHR (July 2023)

perfect. Instead, the aim is that governing bodies are confident that appropriate systems, evidence, relationships and channels of communication are in place. In addition, producing the AAS should ensure governing bodies/committees are as well informed as they can be about how the organisation is performing, how compliance is being achieved and maintained, and, consequently, provide assurance that, if a significant problem were to arise, it would be identified swiftly and addressed.

The toolkit is aimed at two main audiences within landlords. Whilst the primary audience is governing body/committee members, we appreciate that it is likely to be senior staff who have responsibility for co-ordinating the gathering and maintenance of necessary evidence to support the governing body/committee to make the Annual Assurance Statement. This is reflected in the guidance provided.

The development of self-assurance processes, the submission of Annual Assurance Statements and SHR's consideration of the statements continue to be a learning process for all parties. It is recognised there are challenges for landlords, most notably in deciding whether any areas of non-compliance are 'material'. Examples of material non-compliance taken from engagement plans from April 2024 are included at [Appendix A](#).

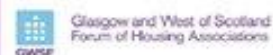
The 2024 Toolkit retains self-assessment factors to support RSLs in gaining and maintaining assurance in the context of the current, very challenging, operating and policy environments. These include the ongoing impact of the pandemic and its aftermath, domestic economic and political pressures and supply chain uncertainty.

We will review the toolkit every two years, with the next review beginning in January 2026 (with a view to publishing an updated version in April 2026).



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Annual Assurance Statements

The Regulatory Framework² requires all social landlords to submit an Annual Assurance Statement to the SHR by the end of October each year. The statement must either confirm that the governing body/committee is assured that the landlord is complying with all relevant regulatory requirements and standards, or highlight any **material** areas of non-compliance and how the landlord will address these. Any RSL identifying an area of material non-compliance must submit a Notifiable Event to the SHR, promptly.

The ongoing process for gathering and/or maintaining evidence to ensure the governing body or committee has the necessary level of assurance it needs to complete the statement, is in many ways more important than the statement itself. Your self-assurance process is crucial to ensuring strong governance within your organisation, with regulatory compliance the side-effect of a robust process. It is this process that is the focus of this toolkit.

The preparation of the Annual Assurance Statement – and gathering/maintenance of the evidence on which this is based – should not be a one-off large exercise on an annual basis. That said, there are a series of steps that will go into putting together your statement each year, and we have provided an example of a process that could be followed at Appendix B: it is intended to be illustrative rather than prescriptive. The governing body is responsible for the process, but staff will be closely involved in the presenting, gathering/maintenance and distribution of evidence as part of the process – which is reflected in Appendix B.

Whilst this toolkit is not a guide on how to complete your Annual Assurance Statement, we have outlined some further considerations to take into account once you have reviewed your evidence and come to agree your statement as outlined below:

- Format - the SHR has not provided any template wording for the AAS, to allow each organisation some flexibility in how they wish to present their AAS. The style and content of the published AAS³ show considerable variation, albeit with consistent elements. SFHA has published sample clauses for its members to consider for inclusion in the statements⁴. A number of landlords include information about the process that they have undertaken, additional sources of assurance that they have relied upon, and some include additional caveats to add context to the AAS, such as “*to the best of our knowledge.*”

² Scottish Housing Regulator (February 2024) Regulatory Framework, available [here](#)

³ Annual Assurance Statements published 31 March 2024

⁴ Available annually to SFHA Members from April

- Length – there is no requirement to submit a lengthy statement. The majority of Statements submitted were no more than two pages of A4 and many were one sheet of A4, particularly those confirming compliance.
- Materiality – the processes we have identified in this guidance and through the toolkit are likely to mean you will identify areas for improvement: these should form the basis of an action plan. Often the actions identified will be intended to enhance and strengthen existing practices rather than to address weaknesses or failings. It is only where a material failure to achieve compliance is identified that remedial action must be prioritised, notification made to the SHR and disclosure included in the AAS. It is important to note that the most crucial aspect of self-assurance is recognising areas for improvement and how they can be achieved – irrespective of which of these (if any) you are required to notify to the SHR. In 2023, 43% (72) landlords identified material non-compliance in their AAS⁵. Recent examples of material non-compliance are provided at Appendix A.
- Improvement Focus – As recommended in the Toolkit, the majority of landlords adopt an improvement focus throughout their process of self-assurance and compliance. Feedback suggests that landlords found their processes useful in identifying aspects of their governance which could be improved or developed. Some described their processes as having been helpful in making assurance more systematic and in prompting innovation. Many of the Annual Assurance Statements refer to the development of action plans to deliver improvement: such Action Plans do not require to be submitted to the SHR and, in the few instances where they accompanied the Statement, they were not published.
- Tenant involvement – it is important to note that there is no expectation for tenants to be involved in the consideration of the entire evidence bank you have gathered to demonstrate compliance. It is however essential that a key component of the evidence bank you gather will be sourcing tenant views about aspects of services. As such, many of the self-assurance factors noted within the Toolkit, directly relate to tenant feedback and input.

The above should be considered in conjunction with the [SHR's Statutory Guidance](#) and [FAQs](#) on Annual Assurance Statements, published in February 2024.

⁵ Based on a review of all AAS submitted in 2023; the majority of references to material non-compliance related to electrical/gas safety and (in the case of local authorities) homelessness

How to use the toolkit

Regulatory Requirements/Standards within the SHR's Regulatory Framework fall into one of three categories:

- Requirements for all social landlords (i.e. both RSLs and local authorities)
- Requirements for RSLs only
- Regulatory Standards of Governance and Financial Management (which also only apply to RSLs)

For RSLs, compliance with the Regulatory Standards of Governance and Financial Management will support them in demonstrating compliance with other elements of the Regulatory Framework. Appendix C cross-references these elements to help RSLs as part of the self-assurance process, in order to avoid duplication.

For each of the requirements/standards the toolkit at Appendix D identifies:

- Core evidence that is likely to be relevant
- A number of points to think about, under the heading "Self-Assurance Factors"
- Other Regulatory Standards that directly link to that requirement/standard, that should also be considered
- Key links to existing guidance

We suggest that the toolkit is used to inform discussions - which might involve different people at different times - which will lead to the governing body/committee forming an assessment of your compliance. It is recommended that your self-assurance process involves both senior staff and governing body/committee members. Inevitably, much of the work in gathering/maintaining evidence will fall to officers – but it should be a question of pulling things together/identifying where records are and maintaining systems and processes. However, it must be the governing body/committee who lead and drive the assurance process, as it is, ultimately, they who must be assured the organisation is achieving compliance. It is for individual landlords to decide what approach is appropriate for them.

In the toolkit at Appendix D, each element of the regulatory framework is supported by a range of specific self-assurance factors which landlords can consider. We recognise that the toolkit could make the process look daunting, as there is a lot to think about when considering how well you comply with the requirements/standards. We also recognise that, since the introduction of the AAS requirement in 2018, many landlords have developed and embedded systems and practice, often based on the toolkit approach, to support their maintenance of assurance and annual preparation of the AAS. If the toolkit is used to inform your assessment, supplement what you already do and build on what you have already developed - not as a checklist - we

believe the process of gaining, maintaining and demonstrating assurance should not be onerous.

Whilst the toolkit looks at the specific detail of each requirement/standard, in thinking about self-assurance more generally, the governing body/committee may want to think about the following factors as prompts:

- How do we know we are complying?
- Are we confident that we receive good quality performance information that enables us to understand how effectively we are achieving our objectives?
- Are we confident about the information we receive/are there gaps?
- Is our approach consistent with our obligations/requirements? How do we know?
- Do we benchmark our performance with other social landlords?
- On what issues have we had complaints from tenants/services users? Are there any significant trends? Are we satisfied that we are responding appropriately to tenants' concerns?
- How do we use internal audit to support us? How do we decide which areas internal audit should focus on?
- How do we decide if any further external assurance or analysis is required?
- Are there any factors on which we are required to provide specific assurance in the current year?⁶

⁶ The revised Regulatory Framework (2024) and Annual Assurance Statements Statutory Guidance confirmed that the SHR may, from time to time, ask for assurance on specific areas or issues. Any 'specific assurance requirements' are intended to be for one year only, unless there is a good reason to maintain for longer; additional requirements will be communicated to landlords by the end of March and not later than the end of April

Appendix A

Examples of material non-compliance

Examples of Material Non-Compliance/Additional Assurance Required⁷

The Engagement Plans published by SHR on 2 April 2024 identify 95% of all RSLs are compliant with the Regulatory Standards of Governance and Financial Management and the requirements of the Regulatory Framework.

The SHR has highlighted the impact of systemic failure in the delivery of local services to homeless people in some areas and intends to engage with 25 councils about their services. The SHR has highlighted the challenges experienced by all social landlords in maintaining rent affordability at a time of high inflation and has noted 'heightened risks' relating to development of new homes and maintenance of existing homes.

The Engagement Plans confirm that most RSLs are 'Compliant' – 129 in total (95%), although the compliant status of three is 'under review'.

In summary:

- There are no current statutory interventions.
- Seven RSLs are identified as being 'Not Compliant - Working Towards Compliance'.
- Three RSLs are identified as being 'Compliant Under Review'.
- 28 RSLs are identified as being Systemically Important: of these, 10 are part of a group structure
- 51% of RSLs (70) are not required to provide any additional information to the SHR, beyond the 'standard' reporting and returns
- The SHR is engaging with around 43% of compliant RSLs to seek additional information/assurance

Based on an analysis of the Annual Assurance Statements and Engagement Plans, there are a number of reasons for engagement with the regulator and the following areas are referred to. Not all of these mean that an RSL is assessed as 'not compliant – working towards compliance' or 'compliant under review'. For example, when there is significant organisational change such as a transfer of engagements, the SHR will have increased engagement with the organisations involved to seek further assurance on this but this on its own does not mean that the organisation is non-compliant.

⁷ These examples are taken from a review of the SHR's 2024 Engagement Plans which identify areas of material non-compliance (7 RSLs) and aspects where the SHR has identified specific assurance that it is seeking to support its review of regulatory status (3), together with the relevant Annual Assurance Statements

| |
|---|
| Governance |
| <ul style="list-style-type: none"> • Legal and Regulatory compliance • Constitutional Compliance (Rules) • Quality of information provided to GB • Governance and assurance processes • GB capacity/capability/recruitment/appraisals/succession planning • Business/strategic planning & control • Risk Management • Internal Audit • Organisational structure/organisational change • Quality/reliability of data (ARC) |
| Financial Management/Health |
| <ul style="list-style-type: none"> • Financial management • Financial health/sustainability • Rent setting & affordability |
| Safety |
| <ul style="list-style-type: none"> • Approach to tenant and resident safety (including quality of information, internal policies & processes; oversight by GB) • Stock condition • Lift inspections |
| Stock Quality/Development |
| <ul style="list-style-type: none"> • Asset management strategy • Stock condition; quality of stock condition information • Quality reliability of data (EESSH; SHQS) • Development plans |

Appendix B

Template process when developing annual assurance statement

When this template was originally developed in 2019, it was anticipated that organisations would adopt a modified process for subsequent AAS preparation following the Year 1 approach. The first year was always likely to involve the most work and involve a full-scale review to support the development of a comprehensive evidence bank (or equivalent). Since then, landlords have developed systems to evidence compliance and support assurance which vary between organisations: - the template process below reflects this and can be used to both support an annual review process as well as a more comprehensive 'one-off', targeted or periodic assessment.

| Task | Who | Time Frame |
|---|--------------------------|------------|
| Agree/confirm process; identify responsibilities; appoint short-life working group (SLWG) or equivalent and agree remit/reporting requirements - (if required) | GB | |
| Review Action Plan(s) from previous assurance reviews to identify any outstanding compliance actions and/or remaining/ongoing priorities; review GB reports on implementation to assess effectiveness/success of improvements | GB | |
| Review any ongoing Notifiable Events to identify potential impact on assurance/compliance | GB | |
| Agree the scope for the review: targeted/specific/comprehensive/ongoing | GB | |
| Review the Regulatory Requirements (including statutory guidance and any specific assurance requirements for the year, taking account of recommended practice) | GB/SLWG and senior staff | |
| Review the evidence required to assess compliance (e.g. for targeted areas/ specific standards) | Staff | |
| Consider/review evidence to assess/confirm how the evidence supports and demonstrates compliance | Staff and SLWG/GB | |
| Consider how feedback from tenants and service users contributes to the evidence that | Staff and SLWG/GB | |

| Task | Who | Time Frame |
|---|-------------------|------------|
| supports assurance and demonstrates compliance | | |
| Complete initial assessment of compliance and identify actions for compliance and actions for improvement | SLWG/GB | |
| Develop and implement compliance action plan (if required) | SLWG/GB and Staff | |
| Develop improvement action plan and implementation map | SLWG/GB | |
| Review evidence and assess compliance | SLWG/GB | |
| Identify any remaining areas of non-compliance | SLWG/GB | |
| Assess materiality of identified areas of non-compliance Ensure any material non-compliance is notified to the SHR | SLWG/GB | |
| Consider Draft Annual Assurance Statement | SLWG/GB | |
| Agree Annual Assurance Statement | GB | |
| Submit Annual Assurance Statement to SHR by 31 October | GB | |
| Publish Annual Assurance Statement on website and notify tenants of assurance/compliance levels | Staff | |
| Monitor implementation of action plans | GB | |
| Report any changes to assurance/compliance to SHR if/when identified during the subsequent year | GB | |

Appendix C

How regulatory requirements link to regulatory standards

| Ref | Requirements | Relevant Regulatory Standards (RS) |
|-----|--|--|
| AN1 | Prepare and submit Annual Assurance Statement (AAS) by 31 October | No Standard refers directly to the ASS but RS 1.3, 2.2 and 2.5 are relevant |
| AN2 | Notify SHR of any material changes during the year | RS 2.2 and 2.5 |
| AN3 | Have assurance and evidence of meeting legal obligations relating to: <ul style="list-style-type: none"> • Housing and homelessness services • Equality and human rights • Tenant and resident safety | RS 1.3 (in general terms) RS 4.1 |
| AN4 | Notify SHR of any tenant or resident safety matters reported to or being investigated by the Health and Safety Executive (HSE) | RS 2.5 |
| AN4 | Notify the SHR of any reports from statutory or regulatory authorities or insurance providers relating to safety concerns | RS 2.5 |
| AN5 | Make the Engagement Plan available and accessible to tenants and service users, including online | Standard 2 RS 2.1 |
| CH1 | Annually submit an Annual Return on the Charter in accordance with published guidance | RS 1.3 |
| CH2 | Involve tenants and other relevant service users in the preparation and scrutiny of performance information: <ul style="list-style-type: none"> • Agree approach with tenants • Ensure the approach gives tenants a real and demonstrable say in performance assessment • Publicise the approach to scrutiny to tenants • Ensure the approach can be verified and demonstrate that it has happened | Standard 2 RS 2.1, 2.2, 2.4, 4.2 |

| Ref | Requirements | Relevant Regulatory Standards (RS) |
|-----|--|---|
| | Involve other service users appropriately having asked and taken account of their needs and wishes | |
| CH3 | Report performance in achieving/progressing towards Charter outcomes and standards to tenants and other service users by October each year | Standard 2 RS 2.1 and 2.4 RS 1.3 |
| CH3 | Agree the format of reporting with tenants and other service users; ensure it is accessible and that language is plain and jargon free | RS 1.3 and 2.4 |
| CH4 | Report annually on performance to tenants and other service users and include: <ul style="list-style-type: none"> • Assessment of performance against each relevant Charter outcome • Relevant comparisons including with previous years, other landlords and national performance • Plans for delivering improvement • Methods for tenants and service users to comment on the style of reporting | RS 1.3 Standard 2 |
| CH5 | Make SHR's Landlord Report easily accessible to tenants, including online | Standard 2 |
| WB1 | Have a whistleblowing policy and effective arrangements for governing body members (GBMs) and staff which is easily available and promoted | Standard 5 RS 5.2 and 5.6 |
| EH1 | Be assured and have evidence that equality and human rights issues are considered properly in: <ul style="list-style-type: none"> • decision-making • the design and review of internal and external policies • day-to-day service delivery | All Standards RS 1.3 RS 4.1 RS 5.3 |

| Ref | Requirements | Relevant Regulatory Standards (RS) |
|-----|--|--|
| EH2 | Collect data relating to each of the protected characteristics for existing and new tenants; people on waiting lists; GBMs and staff | RS 1.3 (in general terms) |
| LR1 | Provide tenants, residents, service users with easy and effective ways to provide feedback and raise concerns; ensure that such information is considered and provide quick and effective response | Standards 1, 2, 4 2.1, 2.2, 2.4, 4.2 |
| LR2 | Make information available to tenants on raising serious concerns ⁸ with the SHR, including access to SHR's leaflet, | RS 1.3 and 2.2 |
| LR3 | Provide tenants and other service users with information needed to complain and seek redress and respond to tenants within agreed timescales, in accordance with SPSO guidance | RS 2.2 RS 2.4 |
| LR4 | Ensure that effective arrangements are in place to learn from complaints and other tenant feedback, in accordance with Scottish Public Services Ombudsman guidance | RS 2.4 RS 4.2 |
| SG1 | Comply with and submit information to the SHR in accordance with guidance on Notifiable Events (NEs) | RS 1.3 RS 2.5 Standard 7 (where applicable) |
| SG2 | Comply with and submit information to the SHR in accordance with guidance on Group Structures | RS 4.4 Standard 7 (RS 7.1- RS 7.6) |
| SG3 | Comply with and submit information to the SHR in accordance with guidance on consulting tenants where tenant consent is required | RS 7.1, 7.3 and 7.8 |

⁸ Tenants may take serious concerns to the SHR which affect a group of, or all tenants – defined as Serious Performance Failures (Housing (Scotland) Act 2010); Regulatory Framework (2024): 6.10

| Ref | Requirements | Relevant Regulatory Standards (RS) |
|-----|--|---|
| SG4 | Comply with and submit information to the SHR in accordance with guidance on financial viability of RSLs: information requirements | RS 1.3 RS 1.7 |
| SG5 | Comply with and submit information to the SHR in accordance with guidance on determination of accounting requirements | RS 1.3 RS 3.7 CS3 |
| SG6 | Comply with and submit information to the SHR in accordance with guidance on preparation of financial statements | RS 1.3 RS 3.7 CS3 |
| OC1 | Make publicly available, including online, up-to-date details of: <ul style="list-style-type: none"> • Who is on its governing body (GB) • The date when they first became a member/office-holder • How to become a member of the RSL and of the GB • Minutes of GB meetings | RS 1.3 RS 2.1 RS 6.4 CS 27 |
| OC2 | Keep up-to-date organisational details in the Register of Social Landlords by maintaining information via the Landlord Portal | RS 1.3 RS 2.5 |
| OC3 | The constitution of the RSL must comply with all legislative requirements under the 2010 Act and the SHR Constitutional Standards | RS 1.3 |
| GF1 | Comply with the Regulatory Standards of Governance and Financial Management | RS 1.3 RS 2.5 |

Appendix D

Self-assurance toolkit

Requirements for all social landlords

Assurance and Notification (AN)

SHR Requirements relating to Annual Assurance Statements and legal obligations

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 2, 3 & 4 (for RSLs only)

Links to Relevant Documents and Guidance

Scottish Housing Regulator

- [SHR Assurance Statement Statutory Guidance Feb 2024](#)
- [SHR Annual Assurance Statement FAQs](#)
- [SHR Engagement Plans](#)
- [SHR lessons learned from compliance reviews \(July 2022\)](#)
- [SHR Annual Assurance Statements thematic study \(July 2023\)](#)

Housing

- [Model Tenancy Agreements](#)
- [Scottish Government \(Feb 2019\) Social Housing Allocations in Scotland Practice Guidance](#)
- For LAs Only- [Scottish Government \(2014\) - Guidance on the operation of Local Authority Housing Revenue Accounts 2014](#)

Homelessness

- [SFHA Rapid Rehousing Briefing](#)
- For LAs only:
 - [Scottish Government Code of Guidance on Homelessness](#)
 - [Scottish Government - Housing Options Protocol for Care Leavers \(esp para 11. 1 and 13\)](#)

Equality and Human Rights

- [National Guidance on Equalities Data Collection and FAQs](#)
- [Equality and Human Rights Commission](#)

Tenant and Resident Safety

- [Scottish Government Tolerable Standard Guidance - Fire and Carbon Monoxide detection](#)
- [SHR Notifiable Events Guidance](#)
- [Health and Safety Executive](#)
- [Putting safety first: governing body member assurance \(May 23\)](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| AN1 | Prepare an Annual Assurance Statement in accordance with SHR published guidance, submit it to us (SHR) between April and the end of October each year, and make it available to tenants and other service users. | <p>Previous Annual Assurance Statement (AAS) and action plan relating to improvements</p> <p>Self-assurance assessment/ evidence bank/supporting narrative and documentation</p> <p>Notes of working group/sub-committee meetings/governing body/committee discussion</p> <p>Action plans to support preparation of current AAS</p> <p>Notes of discussions/ consultation with tenants</p> <p>Record of governing body/committee consideration of compliance and approval of AAS</p> | <p>Prior to submission:</p> <p>Has the governing body/committee been involved effectively in assessing compliance with the Regulatory Framework?</p> <p>Have we gathered and reviewed sufficient evidence to provide us with appropriate assurance of the landlord's compliance prior to signing off our assurance statement?</p> <p>Have we gathered and reviewed sufficient evidence to enable us to confirm, if required, specific assurance in any areas identified by the SHR?</p> <p>Have we considered the SHR guidance on Annual Assurance Statements?</p> <p>Have we identified any areas of material non-compliance? If so, have we agreed a realistic and deliverable compliance plan? Have we agreed how implementation will be monitored? Have we notified the SHR?</p> <p>Have we identified any areas of non-compliance that are not material? How have we satisfied ourselves the failure is not material? Have we obtained assurance about how the weakness will be resolved? How will that be monitored?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|---|
| | | <p>Post-Submission</p> <p>Annual Assurance Statement/ report to tenants</p> | <p>Have we identified improvement actions? Are we clear about the intended benefits/outcomes from improvement? Have we agreed how delivery will be monitored, measured and reported?</p> <p>Post submission:</p> <p>Is our Annual Assurance Statement available to tenants and other service users? Is it published on our website?</p> <p>Have we communicated with tenants about the content of the AAS?</p> <p>Do we have effective arrangements for monitoring the implementation of compliance and improvement actions? Do we refer to these when reporting to tenants and when starting to prepare the subsequent AAS?</p> |
| AN2 | Notify us (SHR) during the year of any material changes to the assurance in its Annual Assurance Statement. | Most recent Annual Assurance Statement | <p>How do we monitor ongoing compliance with the requirements of the Regulatory Framework?</p> <p>Do we have systems/processes in place to identify any material change? How do we test these systems?</p> <p>Are we assured that any changes in compliance will be communicated to the SHR (and other regulators as required), relevant stakeholders, including lenders and tenants?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|--|
| | | | <p>Post submission</p> <p>Have there been any material changes since we last submitted the Annual Assurance Statement?</p> <p>Have we notified the SHR?</p> |
| AN3 | Each landlord must have assurance and evidence that it is meeting all of its legal obligations associated with housing and homelessness services, equality and human rights, and tenant and resident safety. | <p>Reports to GB/Committee</p> <p>Internal audit reports</p> <p>Reports from specialist advisers</p> <p>External validation assessments</p> | <p>Are we confident that we have an appropriate understanding of the legal requirements associated with our duties as a social landlord?</p> <p>Do we have effective arrangements to ensure that our knowledge is kept up-to-date effectively? What systems do we have in place to ensure we are aware of changes in legislation?</p> <p>Do our policies refer to relevant legislation and the associated requirements?</p> <p>Do we consider legal implications under each governing body/committee report?</p> <p>Do we consider equality and human rights impacts under each relevant GB/committee report?</p> <p>Have we implemented a 'lessons learned' approach to monitoring our performance?</p> <p>How are we maintaining assurance that our contractors and agents are implementing safe working practices</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|-------------------------------------|---|--|
| | | <p>Allocations: policy; local lettings initiatives; nominations agreements; Common Housing Register agreement(s); consultation reports; monitoring reports</p> | <p>when acting on our behalf (e.g., construction sites, repairs visits, estate maintenance, use of vehicles)</p> <p>How do we test the validity of our information relating to tenant and resident safety?</p> <p>Does the GB/committee receive reports of the types of complaints/concerns raised by tenants and service users and resulting action?</p> <p>How do we assure ourselves that our allocations policy and practice are compliant with the law and good practice? How do we gain assurance about the effective implementation of the allocations policy?</p> <p>How do we ensure that we take account of the views of current and future tenants?</p> <p>How do we gain assurance that our housing stock is being used to meet housing need effectively?</p> <p>How do we gain assurance that our housing stock is being managed effectively?</p> <p>How do we gain assurance that our housing stock is being maintained in accordance with safety standards?</p> <p>Are we developing processes to ensure that our allocations policy is informed by the data we collect about equalities?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|-------------------------------------|--|--|
| | | <p>Anti-Social Behaviour: policy; monitoring reports; complaints reports</p> <p>Evictions: policy; monitoring reports</p> <p>Abandonment: policy; monitoring reports</p> <p>Tenancy Agreements</p> <p>Homelessness: performance reports</p> | <p>How do we assure ourselves that ASB is being tackled effectively and that our legal responsibilities are being met?</p> <p>How are we assured that we always act within the law? Do we make appropriate use of specialist legal advice?</p> <p>How do we gain assurance that our abandonment policy is compliant with the law? How do we oversee its effective implementation?</p> <p>How do we maintain assurance that our tenancy agreements comply with legislative requirements?</p> <p>All Landlords: How do we assure ourselves that we are meeting our legal obligations to people who are homeless?</p> <p>Local Authorities (LAs): Do we receive information about any breaches of the 2017 Order in respect of our use of unsuitable temporary accommodation?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|-------------------------------------|--|--|
| | | <p>Equality and Human Rights: Data gathering systems; GB reports; Equality Strategy; Diversity and Inclusion Strategy</p> | <p>Do we use that information effectively to improve service delivery?</p> <p>Are we assured that we meet our legal duties to assess the need for and ensure the provision of support to homeless people effectively? How do we gain that assurance? Are we assured that we are meeting our public sector equality duty in discharging our duties to people who are homeless?</p> <p>Do we have ongoing engagement to help influence the implementation of Rapid Re-housing Plans in our area(s) of operation?</p> <p>How do we assure ourselves that the required statistical returns are made on time to the Scottish Government?</p> <p>Have we developed an appropriate strategic/policy framework to meet our responsibilities?</p> <p>Do our governing body/committee reports include consideration of equality? Do we carry out Equality Impact Assessments on all plans, policies and proposals?</p> <p>Is equality at the heart of our service delivery, allocations and recruitment practices?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|-------------------------------------|-----------------------------------|--|
| | | Tenant and Resident Safety | <p>How do we gain assurance that the roles and responsibilities of health and safety – related duty holders are clearly defined and understood? How do we assure ourselves that these responsibilities are being fulfilled effectively?</p> <p>How do we assure ourselves that our legal responsibilities are met for fire safety? Do we receive information relating to the renewal of fire safety certificates in residential buildings which require them? How do we gain assurance that the necessary tests are carried out (evacuation; alarms)? Are we satisfied that we are meeting our obligations?</p> <p>Are we assured that we are compliant with the 2018 fire safety regulations and that there is an effective system for monitoring and component renewal, where required?</p> <p>Are we ensuring that the staff handling calls/reports from tenants are adequately trained to assess and manage the risks associated with gas safety?</p> <p>Are we assured that there are no outstanding gas safety requirements?</p> <p>How do we gain assurance that residential buildings meet other relevant safety standards (e.g. electrical safety; legionella; lift maintenance; asbestos removal)?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|---|
| | | | <p>How do we gain assurance that contractors working on our behalf comply with safety legislation?</p> <p>How do we gain assurance that plans and designs for construction and for major repairs projects are compliant with all relevant safety legislation and good practice advice? How are we taking account of recent amendments to the law relating to construction?</p> <p>Do our processes for the recruitment and appointment of consultants ensure that we are appointing appropriately qualified and experienced specialists?</p> <p>How do we gain assurance that we are complying with our obligations in respect of data protection and Freedom of Information?</p> <p>Do we use internal audit effectively to provide assurance?</p> |
| AN4 | Notify us (SHR) of any tenant and resident safety matters which have been reported to, or are being investigated by the Health and Safety Executive, or reports from regulatory or statutory authorities, or insurance providers, relating to safety concerns. | Stock condition survey Asset Management Strategy | <p>Have we successfully restored full compliance relating to tenant and resident safety? Are we monitoring progress/performance effectively?</p> <p>Are we satisfied that we are adopting a risk-based approach to resolving identified areas of non-compliance (e.g. EICRs) and that risks are being monitored and managed effectively?</p> <p>How are we notified about any investigations being carried out by the Health and Safety Executive (HSE)?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|-------------------------------------|--------------------|--|
| | | | <p>Are there any cases being investigated currently by the HSE relating to the safety of our tenants and/or residents?</p> <p>If there are (or have been during the last year), how are we assured that we are co-operating with the HSE? What evidence do we have that we are engaging effectively with affected tenants/residents (and their families if relevant)? Have we notified the SHR? How will/did we consider the report from the investigation?</p> <p>Have we considered any reports by any regulatory or statutory authorities or insurance provider relating to safety concerns in or around any of our properties in the last year? How are we notified about any such reports/ investigations? How are we assured that any recommendations are/have been implemented effectively?</p> <p>Are we assured that there is an effective approach to assessing and reporting on the safety of our properties?</p> <p>How are we assured that the frequency of these assessments is adequate?</p> <p>Are we assured that all necessary actions from these assessments are implemented effectively?</p> <p>Are there any necessary actions outstanding that result (or could result) in a property being unsafe? How would such a situation be managed?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|-------------------------|---|
| | | | Are there any assessments or investigations relating to tenant and resident safety planned to be undertaken in the current year (e.g. asset management; stock condition; internal audit)? |
| AN5 | Each landlord must make its Engagement Plan easily available and accessible to its tenants and service users, including online. | Current Engagement Plan | Is our Engagement Plan easily accessible via our website? How do we know? Have we promoted our Engagement Plan in our newsletter? |

Scottish Social Housing Charter Performance

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 1.3, 2.1, 2.2 and 2.4 (For RSLs)

Links to Relevant Documents and Guidance:

- [Scottish Social Housing Charter November 2022](#)
- [SHR Charter Technical Guidance March 2023](#)
- [TIS Tenant Scrutiny Accreditation](#)
- [TPAS Tenant Involvement Accreditation](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|--|
| CH1 | Submit an Annual Return on the Charter (ARC) to us (SHR) each year in accordance with our published guidance. | ARC submission External validation (not a requirement) Charter performance reports to governing body/committee | <p>Did we submit our Annual Return on the Charter by the end of May this year?</p> <p>How are we assured that our systems and processes ensure the reliability of the data collected and submitted?</p> <p>Did the governing body/appropriate committee review the ARC data effectively in advance of it being submitted?</p> <p>Does the governing body/committee get regular reports on our performance against the Charter?</p> <p>Do we undertake benchmarking to compare our performance with other landlords and with national averages? How do we use the results of such comparisons to influence service delivery?</p> <p>How do we consult/engage with tenants about assessing our performance? Are we assured that we make effective use of engagement/consultation to drive service improvement?</p> <p>Are we assured that we are fully compliant with the requirements of the Charter? If not, is an effective Action Plan being implemented successfully and are we engaging with our tenants about this?</p> |
| CH2 | Each landlord must involve tenants, and where relevant, other service users, in the preparation and scrutiny of performance information. It must: | Tenant scrutiny reports and action plans Minutes from governing body/committee meetings where | <p>Are we assured that tenants have had opportunities to contribute to how performance is monitored?</p> <p>How did we agree our approach to tenant scrutiny with tenants?</p> <p>Do tenants determine the scrutiny priorities?</p> <p>Are we assured that tenants and service users are actively and meaningfully involved in providing feedback on performance and/or scrutinising it through tenant panels or</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|-----------------------------|--|
| | <ul style="list-style-type: none"> agree its approach with tenants ensure that it is effective and meaningful – that the chosen approach gives tenants a real and demonstrable say in the assessment of performance publicise the approach to tenants ensure that it can be verified and be able to show the agreed approach to involving tenants has happened involve other service users in an appropriate way, having asked and had regard to their needs and wishes. | scrutiny reports considered | <p>scrutiny groups etc? Do we receive reports on the results from tenant scrutiny exercises?</p> <p>Are we confident that our engagement activities provide us with access to a representative range of tenant opinions?</p> <p>How do we gain assurance that tenant views inform and influence our delivery of services?</p> <p>How have tenants influenced our performance? How are tenants involved in monitoring our performance?</p> <p>Have we sought (or considered seeking) specialist support in developing our engagement and consultation with tenants and/or in assessing its effectiveness?</p> <p>Are we confident that we provide appropriate support to tenants to enable them to exercise their scrutiny role effectively?</p> <p>Do we include information about how tenants can become involved in helping to assess our performance on our website, social media platforms and in our publications?</p> <p>Do we publish tenant scrutiny reports and our responses?</p> <p>Do we use our equality data to inform our engagement with tenants? Are we assured that there are effective arrangements to support tenants with specific needs to participate in our scrutiny and engagement activities?</p> <p>Do we have effective arrangements for engaging with other service users (e.g. owners who purchase factoring services; tenants of other landlords who use our support services; family members of tenants and residents in our supported accommodation)?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|---|--|
| | | | How have we taken account of the views of tenants and service users about our performance in the preparation of the AAS? |
| CH3 | Each landlord must report its performance in achieving or progressing towards the Charter outcomes and standards to its tenants and other service users (no later than October each year). It must agree the format of performance reporting with tenants, ensuring that it is accessible for tenants and other service users, with plain and jargon-free language. | Annual charter report to tenants Feedback on Charter report Record of consideration of SHR landlord report by governing body/committee and any agreed action plan | How regularly do we consult with tenants and service users about the format of our annual Charter Report? Are we assured that the views of tenants and service users have influenced the format of our annual report? How did we gain that assurance? Have we acted on feedback from tenants and service users to revise the format of the report? Did we publish our annual Charter report by October in the period covered by this Annual Assurance Statement? How did we make the report available to our tenants and service users? |
| CH4 | When reporting its performance to tenants and other service users each landlord must: <ul style="list-style-type: none"> provide them with an assessment of performance in delivering each of the Charter outcomes and standards which are | Annual Charter report to tenants Feedback on Charter report | Are we assured that our annual report includes comparisons with an appropriate range of other landlords as well as the national average? Have we included comparisons between our current performance and our performance in previous years? Have we agreed with tenants and service users how these comparisons should be presented and explained? Does our report explain clearly any factors that have influenced our performance (positively and/or negatively)? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--------------------|---|
| | <p>relevant to the landlord</p> <ul style="list-style-type: none"> include relevant comparisons – these should include comparisons with previous years, with other landlords and with national performance set out how and when the landlord intends to address areas for improvement give tenants and other service users a way to feed back their views on the style and form of the reporting. | | <p>Does our report explain clearly how we will address any areas for improvement? Are we assured that areas for improvement and appropriate actions have been discussed with our tenant scrutineers?</p> <p>Does our report explain why specific Charter outcomes do not apply to us?</p> <p>How have we responded to the performance report? Are we assured that we have effective ways of ensuring that intended improvements are delivered and that commitments to tenants and service users are met?</p> <p>Are we assured that tenants and service users are able to comment on our report easily?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| CH5 | Each landlord must make the SHR report on its performance easily available to its tenants, including online. | Charter report to tenants Website | How have we made our report available to tenants and other service users? Is our report easily accessible from our website? Have we promoted our report on our social media platforms and in our newsletter? Are we assured that our tenants have been consulted about the format in which our report is published? How have we gained that assurance? |

Listening and responding to tenants and service users

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 1.3, 2.2 and 2.4 (for RSLs)

Links to Relevant Documents and Guidance

- [Raising Serious Concerns about a Landlord with SHR Leaflet \(April 2024\)](#)
- [Scottish Housing Regulator - Complaints Handling By Social Landlords in Scotland - a Thematic Inquiry](#)
- [SHR For Tenants Webpage](#)
- [SPSO Model Complaints Handling Procedures](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|---|--|--|
| LR1 | Each landlord must provide tenants, residents and service users with easy and effective ways to provide feedback and raise concerns and ensure that it considers such information and provides a quick response | <p>Website</p> <p>Social media platforms</p> <p>Leaflets/posters displayed in office</p> <p>Information in newsletters</p> | <p>How do we encourage feedback from tenants, service users and other customers?</p> <p>Have our arrangements been developed in consultation with them? Have we conducted an Equality Impact Assessment on our arrangements?</p> <p>How do we gain assurance that these methods are effective?</p> <p>Do we include periodic reminders in our newsletters and other communications?</p> <p>How do we gain assurance that responses are delivered quickly?</p> <p>How regularly does the GB/committee receive reports about the feedback received and the actions prompted?</p> |
| LR2 | Each landlord must make information on reporting significant performance failures, including SHR leaflet, available to its tenants. | <p>Website</p> <p>Social media platforms</p> <p>Leaflets displayed in offices</p> <p>Information in newsletters</p> | <p>How do we make the SHR's leaflet on reporting significant performance failures available to our tenants?</p> <p>Is it easy for tenants to access the leaflet?</p> <p>Do we include periodic reminders about the leaflet in our newsletters and other communications with tenants?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|--|---|---|
| LR3 | Provide tenants and other service users with the information they need to exercise their right to complain and seek redress, and respond to tenants within the timescales outlined in its service standards, in accordance with guidance from the Scottish Public Services Ombudsman (SPSO). | Complaints reports to governing body/ committee Charter statistics Internal audit | <p>How do we gain assurance that our tenants know how to complain about our services and how we deliver them? Are we confident that we provide information to tenants and other service users in ways that enable them to complain? Have we carried out an Equality Impact Assessment on our complaints handling policy/ process?</p> <p>How are we assured that we respond to complaints within agreed timescales? How do we gain assurance that we are following SPSO guidance in our handling of complaints?</p> <p>Are we confident that we receive reports that give us sufficient information about complaints received to enable us to monitor our performance in terms of both process and service delivery? Do we receive such reports at the right frequency?</p> <p>How have we used information from complaints to inform our delivery of services and/or change our practices? Have we reported to tenants on how we have used complaints information in this way?</p> <p>Do we compare our performance in handling complaints with that of other landlords? Are we assured that our performance meets our expectations and published standards?</p> <p>Has complaints handling been included in a recent internal audit programme? Are we assured that any recommendations have been implemented effectively?</p> |
| LR4 | Each landlord must ensure it has effective arrangements to learn from complaints and from other tenant and service user feedback, in accordance with SPSO guidance | Complaints reports to governing body/ committee Tenant scrutiny Reports | <p>How do we use the information that we receive about complaints and other feedback about the services we provide?</p> <p>Are we assured that we respond effectively to complaints and feedback and that we learn from them? Do we report annually on complaints performance?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|-------------------------------------|---|---|
| | | Annual Complaints Report | <p>How have our services and/or processes been changed because of feedback from complaints?</p> <p>Where you have a Tenant Scrutiny Panel:</p> <p>Does our Tenant Scrutiny Panel have a role in monitoring our response to complaints?</p> <p>Have we sought feedback on our handling of complaints from the scrutiny panel?</p> |

Whistleblowing

Other Regulatory Requirements/Standards to Consider:

Regulatory Standard 5.2 and 5.6 (for RSLs)

Links to Relevant Documents and Guidance

- [SHR information for potential whistleblowers](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|---|--|---|
| WB1 | Each landlord must have effective arrangements and a policy for whistleblowing by staff and governing body/committee members which it makes easily available and which it promotes. | <p>Whistleblowing policy</p> <p>Reports relating to any whistleblowing cases that have taken place</p> | <p>How have we made staff and governing body/committee members aware of our policy on whistleblowing and the process to be followed where concerns exist?</p> <p>How are we assured that staff and GBMs are aware of the policy and process?</p> <p>Do we promote the whistleblowing policy regularly?</p> <p>Have we ensured the Whistleblowing Policy applies and is promoted throughout our group structure?</p> <p>Have we provided any training to staff and governing body/committee members on whistleblowing?</p> |

Equality and Human Rights

Other Regulatory Requirements/Standards to Consider

Regulatory Requirement: AN3

Regulatory Standards: All Standards; especially 1.3 and 5.3 (for RSLs)

Links to Other Relevant Documents and Guidance

The publication of a Human Rights Bill for consideration by the Scottish Parliament is anticipated, and guidance to support landlords in adopting a human rights approach is also awaited. Until further information and guidance become available, landlords can refer to the following resources:

- [National Guidance on Collecting Equality Information and FAQs](#)
- [SHR Thematic Study - Use of Equalities Data by Social Landlords](#)
- [Equality and Human Rights Commission](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-assurance Factors |
|-----|--|---|--|
| EH1 | Each landlord must have assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of internal and external policies, and in its day-to-day service delivery. | <p>Equality and diversity policy</p> <p>Aids and adaptations policy</p> <p>Recruitment policy</p> <p>ASB policy</p> <p>Provision of policies and information in alternative formats and languages</p> <p>Availability of interpreting services</p> <p>Accessible offices/venues</p> | <p>Do our policies consider and take account of equality and human rights implications? Do we carry out Equality Impact Assessments when reviewing and developing policies?</p> <p>How are we assured that our policies and practices do not discriminate unlawfully or unfairly?</p> <p>How are we assured that our policies and practices do not allow harassment or victimisation? How confident are we that any instances will be identified or reported and addressed quickly and effectively?</p> <p>Do the reports that we consider include reference/links to equality and human rights implications?</p> <p>Do we carry out equality impact assessments on any proposals relating to service delivery? How do we use these assessments to support our decision-making?</p> <p>How do we monitor our performance in promoting equality and human rights?</p> |
| EH2 | To comply with these duties, landlords must collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting | Protected Characteristics Data Monitoring Reports | <p>Have we established systems and processes for collecting, storing and monitoring equality data? Have we taken account of good practice advice in respect of complying with regulatory requirements? Are we assured that our processes comply with GDPR?</p> <p>Do we carry out – and take account of - Equality Impact Assessments on all plans, policies and proposals?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-assurance Factors |
|-----|--|---|------------------------|
| | lists, governing body members and staff. Local authorities must also collect data on protected characteristics for people who apply to them as homeless. Landlords who provide gypsy/traveller sites must collect data on protected characteristics for these service users. | | |

Requirements for registered social landlords only

Statutory Guidance

Other Regulatory Requirements/Standards to Consider

Regulatory Standards 1.3, 2.5, 3.7, 4.5, 7 (where applicable)

Links to Relevant Documents and Guidance

- [SHR Statutory Guidance: Notifiable Events](#)
- [SHR Statutory Guidance: Group Structures](#)
- [SHR Statutory Guidance: Consulting Tenants where Tenant Consent is Required](#)
- [SHR Statutory Guidance: Financial Viability of RSLs: Information Requirements](#)
- [SHR Statutory Guidance: Determination of Accounting Requirements](#)
- [SHR Statutory Guidance: Preparation of Financial Statements.](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|---|--|---|
| SG1 | Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>notifiable events (NE)</u> | <p>Notifiable events policy</p> <p>Notifiable events register (or equivalent)</p> <p>Reports to GB</p> <p>Scheme of delegation</p> | <p>Are we satisfied that the requirements of the NE guidance are well understood by staff and GB members? Have we reviewed our policies and updated practices to reflect the 2024 statutory guidance?</p> <p>Are we satisfied that relevant policies and processes highlight the potential for NE to arise? Do we include consideration of NE on governing body agendas?</p> <p>Does our scheme of delegation specify where responsibility lies for submitting NE to the SHR?</p> <p>Do we have a reliable system for recording, monitoring and reporting notifiable events? Does the governing body review the notifiable events register (or equivalent) annually? How do we gain assurance that we have dealt with NEs effectively?</p> <p>Are we satisfied that all required notifications have been made during the last year? How have we gained this assurance?</p> <p>Are we satisfied that, where a notifiable event arises, all other notifications are/have been made (e.g., to funders and/or other regulators?) How do we gain that assurance?</p> |
| SG2 | <p>Comply with, and submit information to us (SHR) in accordance with our guidance on <u>group structures</u></p> <p>This only applies to RSLs which are members of a</p> | <p>Rules/Articles of Association</p> <p>Intra-group agreement</p> <p>Service level agreement</p> | <p>Are we assured that the constitutions of all members of the group comply with legal and regulatory requirements? How do we gain this assurance?</p> <p>Are we assured that the governance and activities of charitable members of the group comply with charity legislation? How do we gain this assurance?</p> <p>Where a subsidiary is an RSL, are we assured that there are sufficient members of the subsidiary GB to form a quorum who are independent of the parent?</p> |

⁹ The various policies, registers and other evidence suggested in the Toolkit are primarily guides and indicators; although some are essential, NOT ALL are requirements. RSLs are likely to have additional and alternative sources of evidence which contribute to the GB's assurance and demonstrate compliance

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|-------------------------------------|--|--|
| | group structure | <p>Intra-group loan Agreement(s) Other intra-group agreements</p> <p>Specialist advice</p> <p>Group accounts</p> <p>Asset register(s)</p> <p>Risk register(s)</p> <p>Loans register</p> <p>Schedule/Register of Covenants</p> <p>GB reports</p> <p>Financial projections and budgets</p> <p>Standing Orders</p> <p>GBM profile and recruitment policy</p> <p>Code of Conduct</p> | <p>Where a subsidiary is not registered, are we assured that there are some GBMs who are not also members of another group GB?</p> <p>Are we assured that each member of the Group has a different Chair? How do we gain this assurance?</p> <p>Are we assured that there are formal and comprehensive agreements in place between members of the group to support e.g. service delivery, performance & compliance monitoring, financial arrangements and governance (intra-group agreements (IGAs))?</p> <p>How do we gain assurance that the terms of intra-group agreements comply with legal, constitutional and regulatory requirements and conditions?</p> <p>How do we monitor the operation of the intra-group agreement(s)?</p> <p>Are we assured that up to date and comprehensive registers are maintained covering all intra-group lending and covenants? Are we assured that any lending involving members of the group with charitable status is compliant with the charitable objects of the parties?</p> <p>How do we monitor intra-group loan agreements and ensure they are compliant with regulatory requirements (Statutory Guidance 2024: Group Structures)?</p> <p>Are we assured that accurate and comprehensive asset registers are maintained for each member of the group?</p> <p>How do we monitor the performance delivered via Service Level Agreements (SLAs)? How do we review the terms of SLAs?</p> <p>How are we assured that our intra-group service delivery arrangements comply with procurement legislation?</p> <p>Do we receive periodic reports on the activities of the other group members?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|-------------------------------------|--|---|
| | | <p>Policy on entitlements payments and benefits</p> <p>Whistleblowing policy</p> | <p>How are we assured that the GBs within the group have the necessary skills and knowledge to fulfil their roles?</p> <p>Are all GBMs within the group subject to an annual review of the effectiveness of their contribution?</p> <p>Do our GBM role descriptions set out the responsibilities that GBMs who are members of more than one organisation in the group have?</p> <p>Do all GBMs within the Group subscribe to the same Code of Conduct?</p> <p>Do our group policies establish a consistent framework to ensure that we conduct our affairs with honesty and integrity?</p> <p>Does our policy on declaring interests and identifying and managing conflicts reflect our group structure?</p> <p>Are any payments that are made to GBMs of group members provided for by a suitable group policy?</p> <p>Do the chairs of the group GBs meet periodically?</p> <p>Are all members of the group involved in formulating and reviewing the business and financial plans?</p> <p>How do we gain assurance that the group's activities are subject to effective scrutiny in respect of audit, risk and performance?</p> <p>Are we assured that the group's financial statements (individually and collectively) comply with current accounting requirements?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|--|--|---|
| | | | <p>Have we taken legal advice about the need to prepare consolidated accounts?</p> <p>How are we assured that the activities of any subsidiary complement the objectives of the parent and do not put the interests of tenants at risk?</p> <p>For a parent RSL: How do we monitor the affairs of our subsidiaries to ensure that we are able to take appropriate action in the event of a failure or breach that requires step-in action? How do we monitor the operation of the contractual terms of any guarantees that the parent has provided to support a subsidiary? Are we assured that the interests of tenants are protected and that the terms of guarantees do not jeopardise the parent or tenants?</p> <p>Does our website and the information that we make available describe the activities of group members and the relationships between group members clearly?</p> |
| SG3 | <p>Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>consulting tenants where tenant consent is required</u></p> <p><i>This applies only where a RSL is intending to either: dispose of tenanted properties by sale or transfer; or become a subsidiary of another organisation; or is intending to convert from being a company to become a registered</i></p> | <p>Notifiable events register</p> <p>Tenant consultation plans</p> <p>Rules</p> <p>Legal advice</p> <p>Independent adviser feedback and verification</p> <p>GB reports and minutes</p> | <p>Have we notified the SHR of our intentions?</p> <p>What arrangements have we made to ensure that any additional regulatory requirements/expectations are fulfilled?</p> <p>How have we assured ourselves that our transfer/disposal/restructuring plans are in accordance with our business plan and are in the best interests of our tenants?</p> <p>How have we gained assurance that our plans have the support of our funders?</p> <p>How have we gained assurance that our plans/proposals meet legal and regulatory requirements?</p> <p>Have we considered and made adequate arrangements for effective consultation with tenants in our plans for disposal/transfer/restructuring?</p> <p>Have we engaged independent, free advice and support for tenants?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|--|---|---|
| | <i>society; or is likely to be restructured as a result of the actions of creditors; or intends to be dissolved or wound up voluntarily</i> | <p>Records and copies of notifications to the Office of the Scottish Charity Regulator (OSCR) and Financial Conduct Authority (FCA)</p> <p>Notices and minutes of Special General Meetings (SGMs)</p> | <p>Have we consulted the SHR about our consultation plans?</p> <p>Are we satisfied that all notices have been served on tenants in accordance with legal requirements?</p> <p>Have we taken account of tenant feedback and have our proposals changed as a result?</p> <p>Have we notified the SHR about the outcome of the consultation and how our proposals have been affected?</p> <p>How are we satisfied that the necessary consents (e.g. from OSCR) were / will be secured within the required timescales?</p> <p>How are we satisfied that the ballot is/was/will be conducted in accordance with legal and regulatory requirements and good practice?</p> <p>How are we satisfied that the meetings of shareholding members have been/will be called and conducted in accordance with constitutional requirements?</p> <p>How will/have we gain(ed) assurance that the necessary notifications have been made to OSCR, the FCA and the SHR?</p> |
| SG4 | Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>financial viability of RSLs: information requirements</u> | <p>Five Year Financial Projections (FYFP)</p> <p>Audited accounts</p> <p>Auditor's Management Letter,</p> | <p>Are we assured that all financial returns are submitted to the SHR on time? How do we gain that assurance?</p> <p>Are we aware of any significant additional information requirements that the SHR has specified and how these are met?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|---|---|---|
| | | GB report and response to auditor Audited financial statement return Loan Portfolio Return (and in-year updates/amendments) Financial statements for related organisations within a formal or informal group structure Consolidated group accounts (if produced) Register of returns | |
| SG5 | Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>determination of accounting requirements</u> | Financial statements Audited accounts Auditor's management letter GB and/or Audit Committee reports | How are we assured that financial statements and reports comply with legal and regulatory requirements? Has the GB given due consideration to the financial statements before approving them for presentation to the membership? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence ⁹ | Self-Assurance Factors |
|-----|---|---|---|
| | | Minutes of GB and/or Audit Committee meeting(s) | |
| SG6 | Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>preparation of financial statements.</u> | Notifiable events policy and register GB/Audit Committee reports and minutes Auditor's report | How are we assured that the preparation of financial statements accords with current statutory, regulatory and accounting practice? How have we gained assurance that the RSL remains a 'going concern'? |

ORGANISATIONAL DETAILS AND CONSTITUTION

Other Regulatory Requirements/Standards to Consider

Regulatory Standard 1.3, 2.1, 2.5 and 6.4

Links to Other Relevant Documents and Guidance

- [Register of Social Landlords](#)
- [SFHA Model Rules 2020](#)
- [Accompanying Guidance to SFHA Model Rules 2020](#)
- [SFHA model scheme of delegated authority \(Dec 2022\)](#)
- [SFHA Guidance: Points to consider when drafting Standing Orders \(December 2023\)](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/ | Self-Assurance Factors |
|-----|--|--|--|
| OC1 | <p>Make publicly available, including online, up-to-date details of:</p> <ul style="list-style-type: none"> – who is on its governing body – the date when they first became a member/office holder – how to become a member of the RSL and of the governing body, and – minutes of governing body meetings. | <p>Website</p> <p>Newsletters</p> <p>Annual report(s)</p> | <p>Do we have the names of our current governing body members on our website, along with the date they first became a governing body member?</p> <p>Have we published on our website and in relevant publications the names of our office bearers and the date they became an office bearer?</p> <p>Is the information about our GBMs and office-bearers easily accessed via our website? Is the information up to date?</p> <p>Are there details on our website of how to become a governing body member?</p> <p>Do we publish information about joining the GB, including the specific skills and knowledge we have identified we need, in advance of our Annual General Meeting (AGM)?</p> <p>Is our process for recruiting GBMs clear and transparent?</p> <p>Are the minutes of GB meetings available on our website?</p> |
| OC2 | <p>Keep up-to-date organisational details in the Register of Social Landlords, by maintaining the information provided through the Landlord Portal.</p> | <p>Scheme of Delegation</p> <p>Staff role descriptions</p> | <p>Do we regularly review and, where necessary, update our entry on the Register of Social Landlords as and when required?</p> <p>Where is responsibility for updating our entry on the register located?</p> |
| OC3 | <p>The constitution of the RSL must comply with all</p> | <p>Rules/Articles</p> | <p>Are our rules based on the most recent SFHA model or an alternative?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/ | Self-Assurance Factors |
|-----|--|--------------------------------|--|
| | legislative requirements under the 2010 Act and the SHR Constitutional Standards | Legal advice GB minutes | <p>Are we satisfied that any amendments to the model comply with the Constitutional Standards?</p> <p>Are we satisfied that the composition and operation of our GB and any sub-committees are consistent with our constitution?</p> <p>Are we satisfied that our GB is kept up to date about the requirements contained in our Rules?</p> <p>How have we gained this assurance?</p> |

Regulatory standards of governance and financial management

www.sfha.co.uk

sfha
Scottish Federation of
Housing Associations

We are housing Scotland

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Questions for Governing Body Members to ask/Self-Assessment Factors |
|-----|--|---|--|
| GF1 | Comply with the Standards of Governance and Financial Management and associated guidance | <p>Evidence bank</p> <p>Records of assessment process</p> <p>Action plan(s)</p> | <p>Are we satisfied that we have assessed our compliance with the regulatory standards effectively?</p> <p>Are we assured/satisfied that effective mechanisms are in operation to ensure ongoing compliance between periodic reviews?</p> <p>Have we considered the materiality of any areas of non-compliance and are our conclusions supported by the evidence we have reviewed?</p> <p>Have we accurately disclosed any areas of material non-compliance and are we satisfied that there is a deliverable action plan in place to address these areas?</p> <p>Do we have an effective framework for monitoring achievement and for notifying the SHR when complete?</p> |

Regulatory Standard 1

The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users

Other Regulatory Requirements/Standards to Consider

Regulatory Standards 2, 3 and 4

Links to Other Relevant Documents and Guidance

SFHA Guidance

- [SFHA Internal Audit Guidance](#)
- [SFHA Model Role Descriptions for Governing Body Members and Office Bearers \(Feb 2021\)](#)
- [SFHA Model Rules 2020](#)
- [SFHA Accompanying Guidance to SFHA Model Rules 2020](#)
- [SFHA Governing Body Member Annual Review Guidance](#)
- [SFHA Model Entitlements Payments and Benefits Policy](#)
- [SFHA Model Code of Conduct for Governing Body Members](#)
- [Getting the balance right: operational and strategic responsibility \(April 2023\)](#)
- [Points to consider when drafting Standing Orders \(SFHA December 2023\)](#)
- [SFHA model scheme of delegated authority \(Dec 2022\)](#)

SHR Guidance

- [SHR Regulatory Framework](#)
- [SHR Notifiable Events guidance](#)
- [SHR Recommended Practice: Business Planning Dec 2015](#)
- [SHR Lessons learned on effective recording of decisions and discussions by governing-bodies of RSLs \(May 2023\)](#)

Other

- [OSCR Guidance and Good Practice for Charity Trustees](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|--|
| 1.1 | The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's business plan to achieve its purpose and intended outcomes for its tenants and other service users. | <p>Strategic planning process (notes of away days, governing body reports etc.)</p> <p>Strategic Plan/Strategy</p> <p>Risk Register</p> <p>Financial planning process (notes and records)</p> <p>Risk assessment and mapping</p> <p>Tenant engagement activities and reporting</p> | <p>How does the GB participate in and contribute to strategic planning?</p> <p>How and at what stage are GBM ideas and opinions gathered (at the start? when a draft is presented?)</p> <p>Where do the ideas come from (staff, GBMs, both)?</p> <p>Are there opportunities for the GB to engage in 'blue sky thinking' or 'kite-flying' – to identify ideas rather than consider whether a proposal should be approved?</p> <p>How involved is the GB in scenario planning; sensitivity analysis; risk analysis; success measures and contingency planning?</p> <p>How are the views of tenants gathered?</p> <p>How are tenants involved in and consulted about the organisation's strategy and plans for the future?</p> <p>Are we assured that we have access to – and make effective use of robust, up to date information about the impact of the current economic, political, policy and operating environments on our tenants and other service users and on our organisation to inform our strategic planning and decision-making?</p> <p>How far ahead does the GB look when planning for the future? (Think about whether the period is long enough/too short or too far ahead to support realistic planning)</p> <p>How often does the GB review the strategic objectives?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|--|
| | | | <p>How do you think your organisation appears externally (forward looking/traditional/risk-taking/leader/follower)? Does this 'fit' with your agreed future strategy?</p> <p>How does strategic planning 'fit' with financial planning? Does one come before the other (finance leading strategy or strategy leading finance)?</p> <p>How does the GB contribute to the longer-term financial planning of the organisation (think about the processes for annual budget preparation and the assessment of financial resource requirements over the longer term)?</p> <p>How does the GB participate in identifying 'optional' spend (i.e. the financial requirements associated with strategic ideas)?</p> |
| 1.2 | The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL. | <p>GBM role descriptions and person specifications (or equivalent e.g. committee profile)</p> <p>Role descriptions for office-bearers</p> <p>Role/job descriptions for senior officer and senior staff</p> <p>Scheme of Delegation</p> | <p>Are there up-to-date role descriptions for governing body members and senior staff?</p> <p>How does the GB monitor the appropriateness and effectiveness of these documents?</p> <p>How is performance assessed and reported? (e.g. GBM annual reviews, staff appraisals)</p> <p>Are the Codes of Conduct for GBMs and staff actively promoted and upheld? (Think about how prominent/central the codes and their values/expectations are within the organisation; how any failings are managed and/ or alleged breaches investigated).</p> <p>Have the Codes of Conduct been reviewed since the SFHA's publication of the 2021 Models?</p> <p>Is there a comprehensive Scheme of Delegated Authority? How is it monitored?</p> <p>Is there an appropriate division between strategic and operational responsibility for the GB and senior staff?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| | | Internal Audit reports GBM appraisal feedback | Is the GB focussed on strategy, performance monitoring, compliance, finance etc? Is the reporting structure effective (think about what is reported and when, frequency, style, flexibility, review, action planning, link with budget and financial reporting)? Is the governance structure effective and appropriate (think about the role and operation of sub-committees, effectiveness of delegation; risk of duplication between sub-committees and with the GB; where responsibility is focussed (GB or sub-committee)? |
| 1.3 | The governing body ensures the RSL complies with its constitution and its legal obligations. Its constitution adheres to these Standards and the constitutional requirements set out below ¹⁰ . | Rules Legal and contractual obligations Legal advice Internal and External Audit Standing Orders Scheme of Delegation Training records Report templates | Is the RSL appropriately constituted (i.e. are the rules/articles consistent with statutory and regulatory requirements – SHR constitutional requirements; OSCR requirements)? Does the GB's composition comply with its Rules/Articles and constitutional requirements (membership/co-options/attendance/application of nine-year rule/Chair's term of office, etc)? How is constitutional compliance ensured (e.g. do reports consider any constitutional implications in respect of specific decisions such as amount or type of borrowing, how new proposals/activities 'fit' with the RSL's constitutional purpose as set out in the rules/articles or with other contractual obligations such as covenants)? How does the GB gain and maintain assurance about the RSL's compliance with legal obligations relating to tenant and resident safety, housing and homelessness, equality and human rights? How is legal and constitutional compliance ensured? |

¹⁰ Constitutional Standards are set out in Part 3 of the SHR's Regulatory Framework (2024)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| | | | <p>How well informed is the GB about our constitutional requirements? Is there confidence that the GB would identify if something was 'wrong'?</p> <p>Do the Standing Orders set out effective decision-making processes (consider where decision making responsibility lies; at what level decisions can be taken; how authority is granted; how much responsibility is delegated to the senior officer/retained by the GB)?</p> <p>Is the exercise of delegated authority reported effectively (when and how; emergency arrangements)?</p> <p>Has the RSL obtained constitutional or specialist advice about any proposed new activities?</p> <p>How do you ensure that you are well-informed about changes that might affect what the organisation can do?</p> <p>What training is provided to GBMs and staff about the organisation's constitution and permitted activities? How do GBMs and staff keep their knowledge up-to-date?</p> |
| 1.4 | All governing body members accept collective responsibility for their decisions. | <p>GB minutes</p> <p>GBM training records</p> <p>GBM annual review templates</p> | <p>How is collective responsibility demonstrated?</p> <p>Have there been any alleged breaches and, if so, how have these been dealt with?</p> <p>How is the distinction made between being able to disagree with and argue against a proposal, but abiding by the subsequent decision?</p> <p>How do minutes record debates and 'disagreements'? Is this style compatible with the publication of minutes?</p> <p>What training is provided to GBMs – and how frequently is this refreshed?</p> <p>Do the annual GBM reviews consider collective responsibility and decision-making?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|---|
| 1.5 | All governing body members and senior officers understand their respective roles, and working relationships are constructive, professional and effective. | <p>GBM role descriptions</p> <p>GB recruitment, selection and induction processes and records</p> <p>GBM annual review process</p> <p>Senior officer appraisal process</p> | <p>See also factors for Standard 1.2</p> <p>How comprehensive/accurate are the role descriptions for GBMs?</p> <p>What information is provided to prospective candidates who are interested in joining the GBM? Is this information available from our website?</p> <p>How is the induction training for new GBMs planned and delivered? Is there an approved policy in place? Are other members of the GBM involved in the recruitment and induction process? How effectively has induction training / support been delivered during the last year?</p> <p>How is the effectiveness of induction reviewed and monitored? Is our process in line with good practice?</p> <p>Are GBMs invited to comment on the effectiveness of working relationships between the GB and senior officers as part of their annual review? If so, how is the feedback used?</p> <p>How would you describe the relationship between the GB and senior staff? How would any issues be addressed?</p> <p>Is responsibility for leading the GB's relationship with the senior staff identified in the Chair's role description? How is the effectiveness of the Chair in fulfilling this role monitored?</p> <p>How effectively do GBMs challenge senior staff and how do officers respond (consider the range and depth of questioning as well as the tone)?</p> <p>How effective is the process for reviewing, appraising and reporting on the senior officer's performance? Are the outcomes reported to the GB?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|--|
| 1.6 | Each governing body member always acts in the best interests of the RSL and its tenants and service users, and does not place any personal or other interest ahead of their primary duty to the RSL. | <p>Code of Conduct</p> <p>GB recruitment and selection process</p> <p>GBM training programme</p> <p>Register of Interests</p> <p>Policy on declaring and managing interests</p> <p>Report template</p> | <p>Do the GBM induction and training programmes consider the distinction between bringing a perspective and representing an interest (think about how the issues about which 'hats' GBMs wear is addressed and the importance of ensuring that there are a variety of interests, but that 'constituencies' are not being represented)?</p> <p>Are scenarios used as part of the induction and ongoing training to explain the principles of the Code of Conduct?</p> <p>Is there a policy on declaring interests and managing conflicts of interest? Is it consistent with the constitution?¹¹</p> <p>Are the objectives of proposals clearly linked to their purpose/benefit/impact on tenants and service users?</p> <p>Is there an up-to-date Register of Interests? Do GBMs and staff accept responsibility for ensuring that the Register is always up-to-date? How is this monitored?</p> <p>Does the GB always consider whether there are any relevant interests to be declared before considering the business? Are GBMs clear about the difference between declaring an interest and managing a conflict of interests?</p> <p>Are interests openly declared and, if they present a conflict, effectively managed?</p> <p>Are a majority of GBMs elected by the shareholding membership? Are the restrictions on the number and rights of co-opted members understood and observed?</p> <p>Are GBM candidates invited to describe why they are interested in joining the GB and is background information about candidates provided as part of the AGM documentation?</p> |

¹¹ 'constitution' should be interpreted as either the Rules or the Articles or other governing instrument for the RSL

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|---|
| 1.7 | The RSL maintains its independence by conducting its affairs without control, undue reference to or influence by any other body (unless it is constituted as the subsidiary of another body). | <p>Code of Conduct</p> <p>Recruitment policy</p> <p>Induction policy</p> <p>GBM annual review</p> <p>Independence/ intra-group agreement</p> | <p>The following factors which are described at 1.6 are relevant to this standard: Do the GBM Induction and training programmes consider the distinction between bringing a perspective and representing an interest (think about how the issues about which 'hats' GBMs wear is addressed and the importance of ensuring that there are a variety of interests but that 'constituencies' are not being represented)?</p> <p>Does the GB always consider whether there are any relevant interests to be declared before considering the business? Are interests openly declared and, if they present a conflict, effectively managed?</p> <p>Are GBM candidates invited to describe why they are interested in joining the GB and is background information about candidates provided as part of the AGM documentation?</p> |

Regulatory Standard 2:

The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 1, 4 & 5

Other Relevant Documents and Guidance

- [SFHA/GWSF Open All Hours - A Template Guide to Information](#)
- [SFHA/GWSF Template FOI Documentation and Guidance Notes](#)
- [SHR Notifiable Events Guidance](#)
- [Openness and Accessibility in Scottish Social Housing: A Thematic Inquiry \(Scottish Housing Regulator\)](#)
- [How Social Landlords Consult Tenants About Rent Increases - A Thematic Inquiry \(Scottish Housing Regulator\)](#)
- Charter Outcomes 2 (Communication) and 3 (Participation) [Scottish Social Housing Charter](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|--|---|---|
| 2.1 | The RSL gives tenants, service users and other stakeholders information that meets their needs about the RSL, its services, its performance and its future plans | <p>Tenant engagement strategy</p> <p>PR /communications strategy</p> <p>Customer satisfaction survey reports</p> <p>Consultation reports</p> <p>Newsletters</p> <p>Annual performance report to tenants</p> <p>GB report template</p> <p>Website analysis</p> | <p>How well informed is the GB about the range of methods used and their success/ effectiveness? Have we carried out an Equality Impact Assessment on the way we engage and communicate with tenants and other service users? Do we tailor our communications to meet the needs, expectations, preferences of specific groups of tenants (e.g younger/older tenants; tenants affected by specific proposals)?</p> <p>Is the GB satisfied that a range of methods is used to communicate with tenants and service users? Do these methods accommodate different needs and preferences and ensure accessibility?</p> <p>Do we make it easy for tenants and service users to communicate with us?</p> <p>Do we know what tenants want to hear from us about?</p> <p>How has the transition to digital communication methods impacted tenant engagement and communication?</p> <p>Do we ask tenants and service users about their preferred communication method(s) and act on the outcome(s)?</p> <p>How do we monitor what tenants and service users think about our communication? How frequently do we review our communication methods?</p> <p>How accessible/useful is our website?</p> <p>Do we produce information for specific audiences or are our communications ‘multi-purpose’?</p> <p>How do we ensure that tenant and customer interests are ‘championed’ within our organisation?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|--|--|---|
| 2.2 | The governing body recognises it is accountable to its tenants, and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages its accountabilities | Implementation of Model Publication Scheme Complaints reporting Annual Landlord Report | How informative is our website? Are tenants involved in deciding how our performance against the Charter is reported? How involved are tenants in setting and monitoring performance standards for service delivery? Do we adopt a 'you said: we did' reporting format? Do we publish information about how the RSL spends its money? Do we encourage tenants and service users to give feedback on our performance? How do we use feedback? Do we use it as effectively as we could? How are complaints reported to the GB? (Think about what is reported and when; is information provided about any changes which have been made to practices or processes). Do we publish feedback from complaints? Do we explain to customers how complaints influence future service delivery? |
| 2.3 | The governing body is open and transparent about what it does, publishes information about its activities and, wherever possible, agrees to requests for information about the work of the governing body and the RSL. | Guide To Information Charging Policy for Information Requests Annual performance report to tenants | Does our website include a Guide to Information that reflects the Model Publication Scheme published by the Scottish Information Commissioner (SIC)? Does our website contain the information required by the SIC Model Publication Scheme and recommended by SFHA/GWSF's updated Open All Hours Guidance? Does our website provide information about the membership of the governing body including when members and office bearers were elected? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|---|--|--|
| | | | <p>Is the information that we are required to publish easily accessible from our website? Do we know how well our website is used?</p> <p>Does our website include information about how to join the GB?</p> <p>Are the minutes of GB meetings over the last 2 years published on our website?</p> <p>How up to date is the information on our website?</p> |
| 2.4 | The RSL actively seeks out the needs, priorities, views, concerns and aspirations of tenants, service users and stakeholders. The governing body listens to its tenants and service users and takes account of this information in its strategies, plans and decisions. | <p>Tenant engagement strategy</p> <p>Tenant satisfaction survey results</p> <p>Tenant and stakeholder consultations and reporting</p> <p>Strategic Plan</p> <p>GB report template</p> <p>Rent consultation</p> | <p>Do we have an effective Tenant Engagement Strategy and is the GB involved in monitoring its implementation to deliver intended outcomes? Is the strategy informed by our Equality Strategy?</p> <p>Do we ask tenants and service users for their views about our plans and services? Do we reflect their feedback in our business plan priorities? How do we demonstrate that we have taken account of feedback?</p> <p>Have we carried out a Tenant Satisfaction Survey (TSS) in the last 3 years in accordance with the requirements of the Scottish Social Housing Charter?</p> <p>Does feedback from tenants and service users influence the design/conduct of surveys and consultations?</p> <p>Are more frequent customer feedback exercises carried out (e.g. repairs monitoring?)</p> <p>Have effective arrangements been made to seek out and act on customer feedback during the last year?</p> <p>How do we use the feedback that tenants give us? How is feedback reported to the GB? How do we report to tenants about our actions in response to feedback? Does the</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|-------------------------------------|---|---|
| | | | <p>feedback from tenants and service users form part of the evidence that supports our assurance – and the preparation of the AAS?</p> <p>How have the findings from the TSS and other customer feedback influenced service delivery and performance over the last year?</p> <p>Do we have a Registered Tenant Organisation (RTO) (or equivalent); tenant scrutiny panel; focus group(s); armchair critics; tenants' conference?</p> <p>Does the GB feel well-informed about the views of tenants and service users?</p> <p>Are there opportunities for GBMs to engage directly with tenants and service users?</p> <p>Do we offer a variety of opportunities for tenants and service users to comment on service delivery (electronic; face-to-face; written; immediate e.g. following a repair; periodic e.g. satisfaction surveys; general e.g. about everything; specific e.g. rents or repairs or a specific proposal)? How do we encourage tenants and service users to tell us what they think of our plans and service delivery?</p> <p>Do we assess the merits of providing options for tenants to consider as part of the annual rent consultation? Do we explain how the proposals for the annual rent increase have been calculated? Have we discussed our approach to rent setting with tenants?</p> <p>How do we feed back to tenants about the outcome of consultation exercises?</p> <p>What information is provided to tenants about the association's activities, plans and proposals and how is it provided?</p> <p>How does the GB ensure that it knows what tenants and service users think of what the organisation is planning to do? How can/do tenants and service users contribute to/influence strategic planning? How is this reported?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|---|---|---|
| | | | <p>How are tenant and service user views reported to the GB and how does the GB take account of their views? (Consider 'auditing' recent decisions to assess how effectively the views of tenants and service users were incorporated)</p> <p>How do we review the effectiveness of our engagement activities?</p> <p>Who, apart from tenants and service users, are our organisation's key stakeholders? How do we engage with them? How do we know if we are effective?</p> |
| 2.5 | The RSL is open, cooperative, and engages effectively with all its regulators and funders, notifying them of anything that may affect its ability to fulfil its obligations. It informs the Scottish Housing Regulator about any significant events such as a major issue, event or change as set out and required in notifiable events guidance. | <p>Notifiable events policy/procedure</p> <p>Internal Audit reports</p> <p>GB agendas, minutes and reports</p> <p>Scheme of Delegation</p> <p>GBM and senior staff training records</p> <p>Schedule(s)/Register of Returns/Notifications made</p> <p>Internal Audit reports/programme</p> | <p>How do we ensure that the GB and senior staff have an up-to-date knowledge of the organisation's obligations to Regulators and funders?</p> <p>Is the GB confident that there are robust processes in place to ensure issues are identified at an early stage? (Consider carrying out periodic reviews against the relevant guidance to ensure that nothing has been missed)</p> <p>Is there a process for identifying, recording and reporting Notifiable Events? Is there clarity about who is responsible for reporting (especially whether Chair or senior officer)?</p> <p>Do relevant policies contain references to Notifiable Events (e.g. risk management, confidentiality, procurement, financial regulations, Scheme of Delegation, data protection, health and safety, whistleblowing etc.)?</p> <p>Are GBMs and senior staff familiar with the notifiable events requirements of SHR and OSCR? How do they keep up-to-date? Has information/training been provided to ensure that the revisions to the Regulatory Framework and statutory guidance introduced in April 2024 have been effectively communicated to the GB and senior staff?</p> <p>Are the arrangements for advising the GB about Notifiable Events effective and appropriate? Is there a standing item on GB agendas for Notifiable Events?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence/Sources of Assurance | Self-Assurance Factors |
|-----|-------------------------------------|---|---|
| | | | <p>Does the internal audit programme include consideration of how effectively regulatory and funding obligations are met?</p> <p>Does the GB receive regular information about covenant compliance as part of both financial and compliance reporting?</p> <p>Does the GB have an opportunity to meet with lender representatives to discuss the association's financial position and potential alternative arrangements if required? Is the organisation pro-active in communicating with regulators, funders and partners?</p> <p>How does the GB monitor compliance with statutory and regulatory obligations (e.g. is there a calendar of returns that is presented periodically to provide assurance?)</p> |

Regulatory Standard 3:

The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.

Other Regulatory Requirements/Standards to Consider

This standard is central to compliance with every Regulatory Standard.

Links to Relevant SFHA Guidance

- [SFHA Internal Audit Guidance](#)
- [SFHA Model Entitlements Payments and Benefits Policy](#)
- [SFHA and Housemark Rent Setting Tool](#)
- [Putting safety first: governing body member assurance \(May 2023\)](#)

Links to Relevant SHR Guidance

- [SHR Guidance on Business Planning Dec 2015](#)
- [Supplemental Covid-19 Business Planning Guidance](#)
- [How Social Landlords Consult Tenants About Rent Increases - A Thematic Inquiry \(Scottish Housing Regulator\)](#)
- [SHR Statutory Guidance: Financial Viability of RSLs: Information Requirements](#)
- [SHR Statutory Guidance: Determination of Accounting Requirements](#)
- [SHR Statutory Guidance: Preparation of Financial Statements](#)
- [Internal Financial Controls and Regulatory Standards](#)
- [Asset management recommended practice](#)

Scottish Social Housing Charter Outcomes on Rents & Service Charges (14) and Value For Money (13) [Scottish Social Housing Charter](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|--|
| 3.1 | The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times. | <p>Financial plans and projections</p> <p>Treasury management policy</p> <p>Asset Management Strategy</p> <p>GB reports</p> <p>Feedback from tenant consultations</p> <p>Tenant newsletters and publications</p> <p>Annual Reports</p> <p>Statements on value for money and affordability</p> <p>Internal Audit reports and action plans</p> <p>External Audit Annual Report</p> | <p>What principles underpin financial planning? Are the impacts of the current economic and political climates on our financial planning being assessed realistically and monitored effectively?</p> <p>How are budgets prepared and monitored? Is there an annual budget preparation process and plan? Is the budgeting process inclusive across the organisation? Is there a formal mid-year review which allows for material changes to be accommodated?</p> <p>How are the views and preferences of tenants and service users taken account of? How influential are customer views in financial planning?</p> <p>How is the annual consultation on rents carried out? Did we discuss our consultation plans with tenants (e.g. via a tenants' panel or scrutiny group) in advance? Can we demonstrate that our decision-making on the rent increase took account of tenant views? Did we explain to tenants how their views influenced our decision?</p> <p>How is affordability assessed? Does the organisation have a definition/understanding of affordability based on realistic tenant profiles?</p> <p>Does the annual report explain/describe how rents are spent and what the organisation's key costs are?</p> <p>Does the organisation have an agreed statement or description of how value for money is assessed, or has it considered the merits of developing one? What input did tenants and service users have in agreeing the definition or statement? What factors informed the preparation of the statement and how was the level of detail determined? What is the review process and how regularly is it carried out?</p> <p>How regularly are financial processes audited? How is the audit plan prepared and who is involved? How are the audit results/outcomes taken forward? Are there opportunities for the audit committee to meet the Auditor without staff present?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | <p>External Audit management letter</p> <p>Scheme of Delegation</p> | <p>Are financial plans subject to external scrutiny? If so, by whom and how often? How does the GB gain assurance that projections and assumptions are reasonable/realistic?</p> <p>Do GB reports make explicit links to impact/effect on e.g. covenant compliance, affordability, value for money, tenant consultation?</p> <p>How does the association decide what its liquidity requirements are? How are these requirements reported to/considered/monitored by the GB? Have these requirements been reviewed to take account of the current economic and operating climates?</p> <p>Is there adequate delegated authority to support efficient financial management (i.e. in terms of authorisation)?</p> <p>Does the association have an ethical investment policy? Is this communicated to tenants and service users? How is it monitored/reviewed?</p> |
| 3.2 | The governing body fully understands the implications of the treasury management strategy it adopts, ensures this is in the best interests of the RSL and that it understands the associated risks. | <p>Treasury management policy</p> <p>Risk Strategy</p> <p>Records of/reports about external/ specialist advice</p> <p>GB training records</p> <p>GB reports</p> | <p>What is the GB's role in agreeing the treasury management policy and monitoring its implementation? How are the risks associated with the policy assessed, managed and monitored? Does the policy take account of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code on treasury management?</p> <p>How is the GB assured that its treasury management policy and practice complies with constitutional, regulatory and ethical requirements?</p> <p>How is the treasury management function undertaken?</p> <p>When is specialist investment/treasury management advice/support obtained and how are suitable advisers identified? How is that advice presented/reported to the governing body?</p> <p>How is the performance of treasury advisers monitored?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | Scheme of Delegation | <p>What arrangements are in place to ensure that funds are invested in accordance with the association's constitution?</p> <p>How does the organisation know that investments are performing well? How are decisions taken about the level of funds to be invested?</p> <p>How is investment performance reported to the GB?</p> <p>Is there an appropriate level of delegated authority to ensure that the treasury management policy is operated effectively?</p> <p>What training is provided to the GB on investments and associated risks?</p> |
| 3.3 | The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively. The RSL considers sufficiently the financial implications of risks to the delivery of plans. | <p>Records of planning events and/or away days</p> <p>Risk Strategy and Risk Register</p> <p>Asset Management Strategy</p> <p>Benchmarking (or equivalent) reports</p> <p>Key Performance Indicators (KPIs)</p> | <p>How is the business plan developed? Who is involved? Does the current business plan reflect the SHR's recommended practice advice? Is the business plan reviewed regularly?</p> <p>Is the business planning process well-enough informed about the costs of service delivery models?</p> <p>What is the GB's role in setting and monitoring performance targets and outcomes? What account is taken of tenant and service user feedback in monitoring performance? How often is progress reported to the GB?</p> <p>How are performance targets set? Are external comparisons made (e.g. benchmarking, peer comparison, national averages)? Are you confident the KPIs are (and remain) appropriate? Is monitoring focussed on the right areas?</p> <p>How is financial risk assessed, monitored and reported? What level of sensitivity analysis is carried out and how is its scope determined? Is there clarity about the GB's appetite for/ tolerance of risk?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | <p>Governing body reports</p> <p>Performance reports</p> <p>Risk reports</p> <p>Internal Audit reports</p> <p>Notifiable Events</p> | <p>How does the GB gain assurance that financial risks are being minimised and managed effectively? How does the GB gain assurance that the risks associated with changing economic conditions are being monitored and managed effectively?</p> <p>Do performance reports identify links between financial indicators and service quality/ performance (e.g., connecting maintenance spend to voids; arrears to re-let times etc)? How does performance monitoring drive operational activities? Are trends and projections included in periodic reports?</p> <p>Has the GB been consulted about the format, style and frequency of reporting?</p> <p>What is the GB's role in financial monitoring? Are reports presented in the right format and at the right time?</p> <p>How are budgets monitored and reviewed? Are the commentaries and narrative helpful?</p> <p>How does the GB consider the risks to the association's financial health of poor investment performance?</p> |
| 3.4 | The governing body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what tenants can afford to pay and feedback from consultation with tenants on rent | <p>Governing body reports</p> <p>File notes</p> | <p>How are the assumptions used by the organisation agreed?</p> <p>What sources are used? What specialist advice is sought? How often are assumptions reviewed?</p> <p>How does the GB form a view about the reasonableness of the assumptions being used?</p> <p>Are the five-year financial projections submitted to the SHR in accordance with statutory guidance?</p> <p>Are we assured that appropriate modelling has been undertaken to test a realistic range of scenarios (e.g. increases in arrears; inflation fluctuations; increased component/labour costs; increased borrowing costs; uncertain interest rates; altered liquidity requirements;</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | increases. | | uncertain development plans; increased construction costs; increased insurance costs; uncertain costs of net-zero compliance)? What consideration is being given to maintaining rent affordability in the current economic climate? |
| 3.5 | The RSL monitors, reports on and complies with any covenants it has agreed with funders. The governing body assesses the risks of these not being complied with and takes appropriate action to mitigate and manage them. | GB reports Risk assessments GB training records Notifiable events Register of Returns | How are the terms of proposed covenants and their implications reported and explained to the GB? How are proposed covenants assessed in terms of risk? What arrangements are established to mitigate identified risks? How are these reported to the GB? What role does the GB have in assessing and agreeing the acceptable level of risk and mitigations? How is covenant compliance monitored and reported operationally? How regularly is covenant compliance reported to the GB and to lenders? What training is provided to the GB on covenants and their implications? |
| 3.6 | The governing body ensures that employee salaries, benefits and its pension offerings are at a level that is sufficient to ensure the appropriate quality of staff to run the | Terms and Conditions Sector comparisons/ benchmarking Specialist advice Code of Conduct | How are staff terms and conditions of employment determined and reviewed? How are remuneration levels and reward packages agreed? What comparisons are made with similar organisations within the sector and in related sectors? How are proposals to amend terms and conditions developed? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | organisation successfully, but which is affordable and not more than is necessary for this purpose. | <p>Policy on declaring interests and managing conflicts of interest</p> <p>Declarations of interest</p> | <p>How does the GB ensure that the advice it receives is objective and well-informed? How are personal interests and conflicts managed?</p> <p>How does the GB monitor and take account of sector developments (e.g in respect of pensions or relevant experience)?</p> <p>In what circumstances is external/specialist advice obtained? How is such advice procured?</p> |
| 3.7 | The governing body ensures the RSL provides accurate and timely statutory and regulatory financial returns to the Scottish Housing Regulator. The governing body assures itself that it has evidence the data is accurate before signing it off. | <p>Submissions calendar</p> <p>GB reports</p> <p>Internal Audit</p> | <p>Does the organisation maintain and implement a submissions calendar or equivalent?</p> <p>How does the GB gain assurance that all statutory and regulatory returns have been completed accurately and submitted on time? Is the GB assured that the data submitted is robust/reliable? How does the GB gain that assurance?</p> <p>Where does responsibility lie for submission of returns? Are responsibilities co-ordinated?</p> <p>How are returns approved? What is the role of the GB?</p> |

Regulatory Standard 4:

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

Other Regulatory Requirements/Standards to Consider

This standard is central to compliance with every regulatory standard

Links to Relevant SFHA Guidance

- [SFHA Internal Audit Guidance](#)
- [Putting safety first: governing body member assurance \(May 2023\)](#)
- [Getting the balance right: operational and strategic responsibility \(April 2023\)](#)

Links to Relevant SHR Guidance

- [SHR Statutory Guidance: Notifiable Events](#)
- [SHR Statutory Guidance: Group Structures](#)
- [Development of Affordable Housing in Scotland - A Thematic Inquiry](#)
- [Asset management recommended practice \(Feb 2023\)](#)
- [SHR Lessons learned on effective recording of decisions and discussions by governing bodies of RSLs \(May 2023\)](#)

Other Guidance

- [Financial Reporting Council Guidance on Board Effectiveness](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|---|--|
| 4.1 | The governing body ensures it receives good quality information and advice from staff and, where necessary, expert independent advisers, that is timely and appropriate to its strategic role and decisions. The governing body is able to evidence any of its decisions. | <p>Governing body and sub-committee minutes</p> <p>Governing body papers/reports</p> <p>Remits for GB and sub-committees</p> <p>Scheme of Delegation</p> <p>Notes/records of away days</p> <p>Training records</p> <p>Examples of external advice/consideration of the need for it/records of how advice was used</p> | <p>Reports: Format, preparation and consideration</p> <ul style="list-style-type: none"> Is the report format easy to use (by GBMs and staff)? Do the reports give the GB the information they need? Is the volume of information manageable (both for officers in terms of preparation and for GBMs in terms of reading)? Are papers issued in sufficient time for GBMs to consider the issues adequately? Are decisions, recommendations, risks, tenant and financial impact, safety and compliance considerations and equality impacts highlighted? <p>Are GB agendas manageable – is there enough time to discuss the issues? Are agendas structured to ensure that the GB has sufficient time to consider matters requiring decision?</p> <p>Does delegated authority function effectively? Is the GB dealing with/considering the right issues?</p> <p>Do staff have sufficient and appropriate delegated authority and do they exercise it effectively?</p> <p>Are there opportunities for the GB to consider ‘big’ issues out with formal meetings and before decisions are required (e.g. at briefings or as part of away days)?</p> <p>Does the organisation have an ‘external profile’ – are staff and GBMs out and about (e.g. attending meetings, training and events)?</p> <p>Is external advice procured? How is the need for such advice identified (e.g. by the GB, by officers)? When was such advice last obtained?</p> <p>How is such advice reported to the GB? (e.g. copy of advice provided; advice ‘relayed’ by senior staff)</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | | <p>Are there opportunities for the GB to engage directly with external advisers (e.g. by their attendance at meetings and contribution to discussions; direct contact without staff)?</p> <p>Are minutes clear (are they 'stand-alone' and/or would they only make sense if read by someone who was there or had reference to the papers)?</p> <p>If a decision was to be reviewed by a third party in the future, would they be able to understand why a decision was reached and how it had been informed?</p> |
| 4.2 | The governing body ensures the RSL provides tenants, residents, and service users with easy and effective ways to provide feedback and raise concerns, and ensures that the RSL considers this and provides a quick and effective response | <p>Tenant engagement/ communication tools and activities</p> <p>Website</p> <p>Newsletters</p> <p>Consultation exercises</p> <p>Tenant/ customer satisfaction surveys</p> <p>Complaints process</p> <p>Complaints outcome reporting to GB</p> <p>Consultation and engagement</p> | <p>See also Standard 2.4</p> <p>Do we have an effective Tenant Engagement Strategy? Is the GB involved in monitoring its implementation to deliver intended outcomes? Is the strategy informed by our Equality Strategy?</p> <p>Do we ask tenants and service users for their views about our plans and services? How easy is it for tenants and service users to tell us what they think?</p> <p>Do we carry out frequent customer feedback exercises for key areas of our service delivery (e.g. repairs?) Do we get a good response? How are these exercises reported: to the GB; to tenants and service users?</p> <p>Have effective arrangements been made to seek out and act on customer feedback during the last year? How do we use the feedback that tenants give us? How is feedback reported to the GB? How do we report to tenants about our actions in response to feedback? Does the feedback from tenants and service users form part of the evidence that supports our assurance – and the preparation of the AAS?</p> <p>How do we know that our methods for receiving feedback are effective and encourage tenants and service users to contact us?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | feedback reports to GB | Are we satisfied that our timescales for service delivery and responding to feedback and complaints are realistic and informed by our tenants' and service users' expectations? Do our tenants and service users trust us to listen and to put things right? |
| 4.3 | The governing body challenges and holds the senior officer to account for their performance in achieving the RSL's purpose and objectives. | Governing body reports and minutes Corporate Plan Performance reports Use of benchmarking Appraisal records for senior officer (not scrutinised – just assurance that they exist and are appropriately reported to the governing body) Scheme of Delegation | How are we assured that our governance arrangements enable the GB to exercise effective scrutiny and challenge? How would you describe the relationship between the GB and senior staff? (constructive/positive/adversarial/partnership/professional/confrontational/trusting etc. – think about why you describe the relationship in the way that you do). How is the effectiveness of the relationship reviewed? (Standard 1.5 is also relevant to this standard). How is performance monitored by the GB? (Think about frequency of reporting: frequent reporting risks a 'routine' approach but infrequent isn't good enough; are trends considered or is performance viewed in isolation; is your organisation's performance compared with peers and/or recognised benchmarks?). Is the RSL's performance clearly linked to its strategy and objectives? How are decisions about targets made? How does the GB ensure the director/CEO and senior staff are supported in achieving their objectives? Is the GB confident that work planning throughout the RSL is linked to the corporate plan? How does the GB gain assurance without 'meddling'? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | Internal Audit | <p>What are the arrangements for the senior officer's appraisal and how are these overseen by the GB? Has the senior officer's performance been formally appraised by members of the GB during the last year? Have the outcomes of the appraisal been reported to the GB?</p> <p>Is the Scheme of Delegation (SoDA) between the GB and officers clear? Are the respective roles of the GB and senior staff accurately reflected in the SoDA? Do the reporting arrangements balance effective oversight with operational effectiveness?</p> <p>Is delegation implemented effectively/reported appropriately? How is this monitored?</p> |
| 4.4 | The governing body identifies risks that might prevent it from achieving the RSL's purpose and has effective strategies and systems for risk management and mitigation, internal control and audit. | <p>Risk strategy and policy</p> <p>Risk map (may be integral to the strategy / policy)</p> <p>Internal Audit programme</p> <p>Business continuity/ Disaster recovery strategy</p> <p>Governing body reports and minutes</p> | <p>What is the process for identifying risk?</p> <p>What account is taken of issues that arise elsewhere when identifying potential risks (e.g. use of SHR thematic studies, lessons learned reviews and intervention reports, experience of other landlords in responding to significant events and/or major incidents such as fire, flood, contractor collapse, component failure, significant staff absence or other business disruption)? Do you have assurance that "this couldn't happen here or, if it did, we'd know about it immediately and have arrangements to deal with it"? How do you learn from your organisation's own experience and tenant and service user feedback?</p> <p>Are we satisfied that our stock condition information is sufficiently robust to support realistic risk-assessment associated with the condition of our properties?</p> <p>Are we satisfied that any risks to our tenants related to the physical quality/condition of their homes have been accurately identified? Are we satisfied that any such risks are being managed effectively? Are we satisfied that any necessary remedial measures are being progressed as quickly as they need to be?</p> <p>Are risks identified across the organisation (and involve/take account of subsidiaries, where these exist)?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | <p>Reports from 'tests' (of processes such as business continuity; emergency planning etc)</p> <p>Internal audit/ assurance reports</p> <p>Action plans/ implementation reports</p> <p>Notifiable Events policy/ recent reporting</p> | <p>Are we assured that our financial and other systems are sufficiently robust to support remote access/working associated with hybrid working and service delivery?</p> <p>Are our cyber security measures as strong as they need to be? Have we considered the merits of relevant accreditations to manage and mitigate risks associated with cyber security?</p> <p>Is information on risk shared effectively across the organisation?</p> <p>Is responsibility for risk management/mitigation identified clearly?</p> <p>How involved is the GB in assessing and monitoring key risks?</p> <p>Is external advice obtained? (this doesn't imply that it necessarily should be) Does risk assessment form an effective part of the business planning process? Is the risk map (or equivalent) manageable? Is it reviewed sufficiently regularly?</p> <p>What is the method for reporting on risk management? Is it effective? Why? Are there appropriate processes in place to respond to the materialisation of key risks?</p> <p>Are these processes tested at appropriate intervals? Is there a process to 'learn from experience'?</p> <p>Is there a clear framework for the exercise of responsibility/management/leadership in the event of a significant risk materialising? Are there contingency arrangements?</p> <p>How does the GB gain assurance that internal risk processes are robust?</p> <p>How does the GB influence/set the programme for internal audit?</p> <p>How are internal audit recommendations followed up/monitored/reported to the GB?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | | Is there an effective system for flagging up and acting on Notifiable Events and complying with statutory guidance (from government, regulators and other agencies)? |
| 4.5 | Where the RSL is the parent within a group structure it fulfils its responsibilities as required in our group structures guidance to: <ul style="list-style-type: none"> a) control the activities of, and manage risks arising from, its subsidiaries; b) ensure appropriate use of funds within the group; c) manage and mitigate risk to the core business; and d) uphold strong standards of governance and protect the reputation of the group for investment and other purposes. | <p>Independence Agreement/ Intra-Group Agreement</p> <p>Letters of appointment to governing body members nominated to subsidiary</p> <p>Loan documentation</p> <p>System for monitoring use of staff and other resources for subsidiary activities</p> <p>Governing body reports and minutes</p> <p>Adoption of parent Code of</p> | <p>Is there an Intra-Group Agreement (IGA) that clearly describes the relationship and respective responsibilities between members of the Group?</p> <p>Is there an up-to-date Service Level Agreement (SLA) in place to define the services that are provided to/between members of the group?</p> <p>Are any financial transactions between the parent and subsidiary (e.g., intra-group loans, recharges) adequately documented and effectively monitored?</p> <p>Are such arrangements compliant with the organisation's rules, charitable status, financial covenants etc?</p> <p>How is compliance monitored? How regularly?</p> <p>How does the parent exercise 'control' over a subsidiary?</p> <p>How effective are the reporting arrangements between the parent and subsidiary?</p> <p>Are GBMs who represent the parent on the board of the subsidiary clear about their separate responsibilities to the parent and subsidiary? How is clarity provided?</p> <p>What training is provided to ensure roles are fulfilled effectively?</p> <p>Are potential conflicts of interest identified and managed effectively?</p> <p>Is there an 'early warning' system in place to flag up potential issues that present a risk to the parent?</p> <p>How is the use of staff time accounted for and reported?</p> <p>Does the subsidiary operate to the same governance standards as the parent?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | | <p>Conduct/ policies and practices by subsidiary</p> <p>Training records for subsidiary officers and Board members</p> | <p>How familiar are officers and GBMs with the requirements of SHR statutory guidance on Group Structures and Notifiable Events? How do we gain assurance that the Group operates and is governed in accordance with regulatory and constitutional requirements? What arrangements/processes support our assurance?</p> |
| 4.6 | <p>The RSL has an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. It has arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that it meets its assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where the RSL does not have an audit committee, it has alternative arrangements in place to ensure that the functions normally provided by a committee are discharged.</p> | <p>Internal Audit programme</p> <p>Internal Audit Reports</p> <p>Remit for GB or Audit Committee (or equivalent)</p> | <p>Where is responsibility in the governance structure for overseeing the internal audit function?</p> <p>Does the GB/audit committee have access to an appropriate range of skills, knowledge and experience to support it in its role/remit?</p> <p>Does the relevant remit detail the responsibilities for oversight accurately and comprehensively?</p> <p>How is the internal audit function procured, undertaken and managed?</p> <p>Have you taken account of SFHA's guidance on internal audit in specifying your requirements and procuring the internal audit function and managing its effectiveness?</p> <p>How is the annual internal audit programme planned? Have you reviewed the internal audit plan to reflect current/anticipated priorities (e.g. associated with remote working; digital service delivery; organisational resilience; economic/inflationary pressures; tenant and resident safety;)</p> <p>How are the outcomes of internal audits reported to the GB? Does the GB have the opportunity to engage directly with the internal auditor without staff being present?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| 4.7 | The governing body has formal and transparent arrangements for maintaining an appropriate relationship with the RSL's external auditor and its internal auditor. | <p>Procurement policy</p> <p>Tendering/ procurement records</p> <p>External Audit plan</p> <p>Auditor's management letter</p> <p>Internal Audit programme</p> <p>Remit of GB/ sub-committee</p> <p>Records of meetings between GB and auditors</p> <p>Scheme of Delegation</p> | <p>Are the appointments of the internal and external auditors subject to competitive tender?</p> <p>How are the tender assessment criteria determined?</p> <p>When were these functions last reviewed?</p> <p>How are decisions made about the contracts to be awarded?</p> |

Regulatory Standard 5:
The RSL conducts its affairs with honesty and integrity

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 2, 4 & 6

Links to Relevant SFHA Guidance

- [SFHA Model Code of Conduct for Governing Body Members](#)
- [SFHA/EVH Model Code of Conduct for Staff](#)
- [SFHA Model Entitlements Payments and Benefits Policy](#)
- [SFHA Governing Body Member Annual Review Guidance](#)

Links to Other Relevant Guidance

- [National Guidance on Equality Data Collection and FAQs](#)
- [Thematic Study: Equalities in Practice](#)
- [Whistleblowing Factsheets](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|---|
| 5.1 | The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector. | <p>Codes of Conduct</p> <p>Protocol/process for dealing with alleged breaches</p> <p>Statement of Values</p> <p>GBM/staff appraisal process</p> | <p>Have you adopted a set of values to guide the RSL's activities?</p> <p>Did the GB and senior staff work together to identify and agree the values?</p> <p>How prominently do the values feature in your communications (displayed throughout offices and meeting rooms; incorporated into publications and communications; promoted via the website)?</p> <p>Are the values well understood and embedded throughout the organisation?</p> <p>How significant are the Codes of Conduct in setting standards of behaviour in the organisation? How often is training provided?</p> <p>Are GBMs and senior staff effective leaders within the organisation? Do GBMs and senior staff actively promote and demonstrate commitment to the organisation's values?</p> <p>Are GBMs and senior staff positive ambassadors for the organisation and the sector?</p> <p>Is there a culture within the organisation which supports / enables challenge if the agreed values and/or standards aren't being upheld?</p> <p>Is there an understanding of the constraints associated with being an RSL and (where relevant) a Scottish charity?</p> <p>Is there an awareness of the organisation's role and 'standing' within the community/communities that it serves and of the impact that its actions can have on others?</p> <p>Has consideration been given to relevant external accreditation (such as Living Wage, Disability Friendly, Happy to Translate, Fair Work First) to demonstrate ethical commitment?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| 5.2 | The RSL upholds and promotes the standards of behaviour and conduct it expects of governing body members and staff through an appropriate code of conduct. It manages governing body members' performance, ensures compliance and has a robust system to deal with any breach of the code. | <p>Annual signing of Codes of Conduct</p> <p>Training records for GBMs and staff</p> <p>Annual reviews of GBM contributions</p> <p>Reports to GB on the outcomes of annual reviews; implementation of action points</p> <p>Process for dealing with alleged breaches of the Code of Conduct</p> <p>Scheme of Delegation (responsibility for overseeing investigation)</p> | <p>Is the Code of Conduct based on the current SFHA Model? If not, is it based on an alternative that is consistent with regulatory requirements and sector good practice standards?</p> <p>Is regular training provided for GBMs and staff?</p> <p>Do GBMs sign the Code annually to confirm that their understanding and commitment are up to date?</p> <p>Is there an effective process in place to annually review the contributions that individual GBMs make to the RSL's governance?</p> <p>Are GBMs and staff effective and positive ambassadors for the RSL?</p> <p>Do the organisation's values and the Code of Conduct feature in the annual GBM reviews/staff appraisals?</p> <p>Is there an effective process in place to deal with alleged breaches of the Code of Conduct?</p> <p>Is there an understanding of the arrangements that need to be made to undertake an investigation into an alleged breach and who is responsible for putting them into practice?</p> |
| 5.3 | The RSL pays due regard to the need to eliminate discrimination, | Equality and Diversity Policy and procedures | Does our Equality Strategy take account of the 2021/22 good practice advice on Equalities? Is the GB monitoring its implementation effectively? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
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| | harassment and victimisation, and advance equality and human rights, and fosters good relations across the range of protected characteristics in all areas of its work, including its governance arrangements. | <p>Data gathering records and monitoring reports</p> <p>External accreditations such as 'Happy to Translate'</p> <p>Reasonable adjustments carried out</p> <p>Succession plans</p> | <p>Is the RSL's commitment to equality and human rights reflected in its values?</p> <p>Are all policies assessed (using an Equality Impact Assessment) to ensure that there is no risk of discrimination, harassment or victimisation?</p> <p>Is training provided to staff to ensure awareness of the RSL's culture, values and policies?</p> <p>Are there effective mechanisms in place to prevent and, where necessary, identify instances of harassment or victimisation? Do our policies adequately reflect both our responsibilities as a landlord and as an employer?</p> <p>Are we developing mechanisms to collect equality data as per the SHR requirements (EH2)? Are we satisfied that these arrangements comply with GDPR?</p> <p>Are there effective arrangements in place to ensure that 'reasonable adjustments' can be made in response to the specific needs of a service user, GBM, member of staff or anyone who wants to engage with the organisation?</p> <p>Are practical arrangements (such as interpreting, translation, child care) easily implemented and are the sources of such assistance regularly updated?</p> <p>Where possible, are there practical measures in place to improve accessibility (e.g. ramped access, induction loop, user-friendly print/visual displays and website, times and venues for consultation events etc.)? Has digital accessibility been considered in respect of our equality strategy, tenant engagement and service delivery practices?</p> <p>Is consideration given to equality and human rights issues as part of the organisation's succession planning?</p> |
| 5.4 | Governing body members and staff declare and manage openly and | Entitlements, Payments and Benefits Policy | <p>Are the Registers of Interest up-to-date?</p> <p>Are the entries relevant?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|--|
| | appropriately any conflicts of interest and ensure they do not benefit improperly from their position. | <p>List of Contractors, Suppliers etc</p> <p>Policy on declaring interests and managing conflicts</p> <p>Registers of Interest</p> <p>Training records</p> <p>Agendas and minutes</p> <p>File notes</p> | <p>Are GBMs and staff required to confirm the accuracy of their register entry annually?</p> <p>Does the Chair review the register?</p> <p>Is there a standing item on agendas for interests to be declared?</p> <p>Does induction training for GBMs and staff cover declaring and managing interests? Is periodic refresher training provided? Is specific training provided for line managers and those with responsibility for recording declarations in respect of specific matters?</p> <p>Are GBMs and staff aware of the regulatory and constitutional requirements relating to declaring and managing interests? Do our policies and practice reflect these requirements?</p> <p>Where interests are declared that create a potential conflict in respect of an agenda item or business activity, are there agreed processes to be followed? Are the actions taken recorded (e.g. in minutes where a GBM is involved or file notes where staff are involved)? Do these comply with constitutional and regulatory requirements?</p> <p>Is there an appropriate policy for GBMs and staff that deals with payments, benefits, gifts and hospitality? If the SFHA Model hasn't been adopted, is there confidence that the policy complies with regulatory requirements and good practice expectations?</p> <p>Is information about the RSL's contractors and suppliers easily accessible to GBMs and staff to support compliance?</p> <p>How do you ensure that sector experience informs your practices (e.g. taking account of SHR publications and reports)?</p> |
| 5.5 | The governing body is responsible for the management, support, remuneration and | Appraisal framework for the senior officer | What arrangements are in place to ensure that the senior officer's remuneration is consistent with sector standards? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|--|
| | appraisal of the RSL's senior officer and obtains independent, professional advice on matters where it would be inappropriate for the senior officer to provide advice. | Records of external advice obtained Annual GB Report following the senior officer's appraisal | How is the senior officer managed and supported? Are the arrangements effective? How does the GB ensure that it is fulfilling its employer responsibilities effectively? Is there an effective process in place for the senior officer's annual appraisal? Do the most appropriate GBMs lead the senior officer's appraisal? Are they appropriately trained and resourced for their appraisal role? Are there opportunities for GBMs to comment on the senior officer's performance? How does the GB gather feedback on the effectiveness of the senior officer? Is the GB familiar with the process by which the senior officer's performance is appraised and reviewed? Does the GB receive a report following completion of the annual appraisal? Has the senior officer's appraisal been carried out and reported to the Board in the last year? How does the GB ensure that the senior officer is not responsible for providing advice on matters in which they have a personal interest? |
| 5.6 | There are clear procedures for employees and governing body members to raise concerns or whistleblow if they believe there has been fraud, corruption or other wrongdoing within the RSL. | Anti-Fraud Policy Internal Audit reports on controls Whistleblowing Policy Fraud Register Equality and Human Rights Policy | Are there appropriate measures in place to prevent and detect attempted fraud, corruption and/or wrongdoing? Is there an up-to-date whistleblowing policy that is consistent with regulatory and good practice advice? Are GBMs and staff familiar with the terms of the whistleblowing policy? Has the policy been reviewed to ensure that it covers allegations of bullying, harassment and/or victimisation? Are there procedures in place to support a whistleblower? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| | | <p>Access to external organisations offering advice and support (counselling services, Public Concern at Work)</p> <p>Codes of Conduct</p> | <p>Do staff have access to independent sources of advice and support? Are the services of relevant external agencies promoted?</p> <p>Has appropriate training been provided?</p> <p>Are the annual appraisals and reviews used to remind GBMs and staff of the whistleblowing procedures?</p> <p>Is there a culture of learning rather than blame within the organisation?</p> <p>How are instances of attempted fraud, corruption or wrong-doing reported to the GB?</p> |
| 5.7 | Severance payments are only made in accordance with a clear policy which is approved by the governing body, is consistently applied and is in accordance with contractual obligations. Such payments are monitored by the governing body to ensure the payment represents value for money. The RSL has considered alternatives to severance, including redeployment. | <p>Terms and Conditions of Employment</p> <p>Policy on severance payments</p> <p>Redundancy policy reports to GB</p> <p>Records of external specialist advice</p> <p>Records of staff consultation</p> <p>Notifiable Events record</p> | <p>Is there an approved policy framework within which you make decisions about severance, redundancy and redeployment?</p> <p>Where does responsibility lie for decision-making on employment matters relevant to this standard?</p> <p>How does the GB obtain advice about the options available in situations where a severance agreement may be considered?</p> <p>Do our policies and procedures ensure that any/all severance payments and settlement agreements are reported to SHR as Notifiable Events?</p> |
| 5.8 | Where a severance payment is | Records of specialist legal advice | How is the GB made aware of complaints that are or could constitute whistleblowing? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--------------------|---|
| | accompanied by a settlement agreement the RSL does not use this to limit public accountability or whistleblowing. The RSL has taken professional legal advice before entering into a settlement agreement. | Reports to the GB | <p>How would the GB deal with a situation where a settlement agreement is being proposed relating to an employee who has raised concerns?</p> <p>How are the terms of a settlement agreement determined? Does the GB approve the terms of any settlement agreement?</p> <p>What role does the GB have in influencing/contributing to the drafting of the terms?</p> |

Regulatory Standard 6:

The governing body and senior officers have the skills and knowledge they need to be effective.

Other Regulatory Requirements/Standards to Consider:

Regulatory Standards 3 & 5

Links to Relevant SFHA Guidance

- [SFHA Governing Body Member Annual Review Guidance](#)
- [SFHA Senior Staff Succession Planning Guidance](#)
- [SFHA Governing Body Member Succession Planning and Recruitment Guidance](#)
- [SFHA Model Role Descriptions for Governing Body Members and Office Bearers](#)
- [SFHA Model Rules 2020](#)
- [Accompanying Guidance to the SFHA Model Rules 2020](#)
- [Getting the balance right: operational and strategic responsibility \(April 2023\)](#)

Links to Relevant SHR Guidance

- [Regulatory Framework](#)
- [SHR Constitutional Requirements](#)

Other Guidance

- [Financial Reporting Council Guidance on Board Effectiveness](#)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|--|
| 6.1 | The RSL has a formal, rigorous and transparent process for the election, appointment and recruitment of governing body members. The RSL formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body. | GB profile GBM recruitment policy Nominations pack for candidates GB succession plan | <p>What is the process for recruiting GBMs and how is the GB involved? Is there an agreed GBM role description? How was that developed and how is it updated?</p> <p>How are recruitment priorities identified? Are these priorities informed/influenced by the Equality Strategy? Have we carried out an EIA on our GBM recruitment and succession planning arrangements?</p> <p>How is recruitment carried out? Does the association make use of co-options to access specific expertise?</p> <p>What kind of information is provided to potential candidates as part of the recruitment process? Do we explain the expectations of the role realistically? Are there opportunities to observe meetings before an applicant makes a decision?</p> <p>How are selection decisions made? Do we ask potential candidates (whether recruited or nominated at the AGM) for consistent information about their relevant experience, knowledge etc? Is there an interview process? Are experienced GBMs involved?</p> |
| 6.2 | The governing body annually assesses the skills, knowledge, diversity and objectivity it needs to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, deliver good tenant outcomes, and manage its affairs. It assesses the contribution of continuing governing body members, and what | GB Profile Skills audit/GBM annual reviews Recruitment policy Business plan | <p>Has the GB identified the range of skills, knowledge, experience and diversity it requires to fulfil its responsibilities effectively during the last year?</p> <p>When was the most recent skills assessment carried out?</p> <p>Does the business planning process include consideration of any additional skills or knowledge that the GB might require to support the achievement of strategic priorities?</p> <p>Does the annual GBM review include consideration of the GB's collective effectiveness?</p> <p>How is recruitment informed/influenced by the outcome of the skills assessment/GBM annual reviews?</p> <p>How are recruitment priorities communicated to shareholding members and others?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| | gaps there are that need to be filled. | | |
| 6.3 | The RSL ensures that all governing body members are subject to annual performance reviews to assess their contribution and effectiveness. The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans. The governing body ensures that any non-executive member seeking re-election after nine years' continuous service demonstrates continued effectiveness. | <p>Governing Body Member Annual Review Policy</p> <p>Annual Review feedback to governing body and action plan</p> <p>Governing body member and office bearers' succession plan</p> <p>Governing Body minutes recording nomination endorsements</p> | <p>Is there a formal process to annually review the individual contributions of GBMs? Is feedback from the reviews reported to the GB? Is an action plan produced and implemented?</p> <p>Does the annual GBM review include consideration of the composition and capability of the GB? Does the annual review include consideration of GBM's future intentions to seek re-election?</p> <p>Do the annual reviews include consideration of office-bearing aspirations? Is training and support offered to help GBs develop their skills to take on such roles?</p> <p>Is there a formal/agreed succession plan? Does it include succession for office bearers? Is it annually reviewed and updated?</p> <p>Are there appropriate arrangements in place to ensure that the regulatory and constitutional requirements are met (i.e. that the Chair should not serve for more than five consecutive years)?</p> <p>Does the GB base its decision to allow an experienced GBM (i.e. someone who has gained nine or more years' experience) to seek re-election on the effectiveness of their contribution and their annual review?</p> |
| 6.4 | The RSL encourages as diverse a membership as is compatible with its | Membership policy | <p>Is there an up-to-date membership policy that is consistent with the constitution?</p> <p>How is shareholding membership promoted?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|--|
| | constitution and actively engages its membership in the process for filling vacancies on the governing body. | GBM Recruitment policy AGM notices Newsletters and website | How are members encouraged to consider applying to join the GBM? What training or support are potential GBMs offered before they are elected/appointed/co-opted? |
| 6.5 | The RSL ensures all new governing body members receive an effective induction programme to enable them to fully understand and exercise their governance responsibilities. Existing governing body members are given ongoing support and training to gain, or refresh, skills and expertise and sustain their continued effectiveness. | Induction Policy and programme Evaluation feedback from GBs Training Policy Training records Feedback reports (or equivalent e.g. intranet) Governing body annual reviews | Is there a policy which supports GBM induction and ongoing training? Is there a formal induction process? Is it implemented effectively? Does it involve contributions from a range of staff and GBMs? Are new GBMs offered the support of a buddy or mentor? Is the induction process supplemented by external training? Is there an annual GBM training programme? How is its implementation and effectiveness monitored? Do experienced GBMs undertake ongoing training? How is training delivered? Is there a balance between internal (i.e. delivered by staff) and external training (i.e. delivered by external specialists, although this would include in-house training provided by specialists)? Do GBMs attend or participate in external events (meetings, training conferences)? Do GBMs share feedback about their attendance with colleagues? How is this done? Is there a method for capturing experience from training attended by GBMs in different roles (e.g. a GBM attending a relevant event in the course of their work or in their role with another organisation)? |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|---|---|
| 6.6 | If the governing body decides to pay any of its non-executive members then it has a policy framework to demonstrate clearly how paying its members will enhance decision-making, strengthen accountability and ownership of decisions, improve overall the quality of good governance and financial management and deliver value for money. | <p>Policy on Payment for GBMs</p> <p>GBM Recruitment Policy</p> <p>GBM appraisal framework</p> <p>GB reports and minutes</p> <p>Minutes from Remuneration Committee (or equivalent)</p> | <p><i>This element of the Standard only applies if the RSL decides to pay GBMs, although it would be appropriate to make reference to any discussions about the subject when carrying out self-assurance</i></p> <p>Has consideration been given to whether to pay GBMs? How was a conclusion reached? Were tenants and service users consulted? How was the decision communicated to them?</p> <p>How was the decision reached about the roles to be included and the level of remuneration to be offered? How were the requirements of SHR's Constitutional Standards observed?</p> <p>If the RSL is a Scottish Charity, how were OSCR's requirements in respect of payment for Trustees observed?</p> <p>How is the effectiveness/success of the policy to pay GBMs evaluated?</p> <p>Does the same annual process for GBM reviews apply to all GBMs?</p> |
| 6.7 | The governing body is satisfied that the senior officer has the necessary skills and knowledge to do his/her job. The governing body sets the senior officer's objectives, oversees performance, ensures annual performance appraisal, and requires continuous professional development. | <p>Senior officer role description and person specification</p> <p>Senior officer annual appraisal report to GB</p> <p>Training records</p> | <p>Is there a formal and effective process for the performance of the senior officer to be annually appraised?</p> <p>Is the senior officer's performance appraised against agreed targets and goals and with reference to the role description? Is the appraisal documented/recorded. Is it reported (in summary form) to the GB?</p> <p>Does the appraisal process reflect good practice advice?</p> <p>Does the senior officer undertake regular training and development? How is this reported to the GB?</p> <p>How does the GB support the senior officer during the year?</p> |

Regulatory Standard 7:

Where an RSL is considering organisational or constitutional change, or acquisition or disposal of land or assets:

The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

The provisions of this Standard apply only in specific circumstances. In undertaking a self-assurance exercise and preparing the Annual Assurance Statement, RSLs should consider whether any of the provisions apply based on their activities over the past year and plans for the year ahead. Only those provisions which apply need to be assessed for compliance. If none apply, the evidence bank that supports the Annual Assurance Statement should record that none of these provisions are applicable.

Only evidence for those provisions which do apply should be identified, reviewed and included in the evidence bank.

Standards 7.1 – 7.6 apply to proposed organisational or constitutional change; Standards 7.7 – 7.10 relate to disposals (including the granting of securities and entering into leases of residential properties).

Other Regulatory Requirements/Standards to Consider

Links to all other standards. Different Regulatory Requirements and Standards link to specific standards (identified in the following table)

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|--|---|
| 7.1 | The governing body discusses and scrutinises any proposal for organisational change and ensures that the proposal will benefit current and future tenants. | <p>Business Plan</p> <p>Business case</p> <p>Records of planning events/ away day discussions</p> <p>Records of GB/ committee/working group discussions</p> <p>Specialist advice</p> | <p>If the GB has considered (or been considering) any proposals for organisational change during the last year, is it clear about the objectives of the proposal? What are the implications for current and future tenants? How have these been assessed? Were alternative proposals considered? How was the preferred option selected? Was specialist, independent advice obtained to support consideration of the options and proposals?</p> <p>How will the proposed changes deliver improvement? How will success be measured? How will tenants and service users be involved in assessing success and monitoring performance?</p> <p>How has the GB been involved in developing the proposals? Has there been consultation with tenants? Have tenants had access to independent advice?</p> <p>Were the proposals subject to an Equality Impact Assessment?</p> <p>Were the proposals amended to reflect tenant feedback and/or the EIA?</p> <p>Was the SHR (and any other Regulator) notified in accordance with regulatory requirements?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG1 Standards: 1,2, 3 and 4</p> |
| 7.2 | The RSL ensures that its governance structures are as simple as possible, clear and allow it to meet the | <p>Proposed Governance structures</p> <p>Specialist advice</p> | <p>Has the GB considered how the proposed organisational change will affect the strength and effectiveness of its governance? Will the organisational change alter the status of the RSL (e.g. through merger or by becoming a subsidiary of another RSL)? How will this impact the GB (e.g. if establishing a subsidiary or joining a</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|--|
| | Standards of Governance and Financial Management, Constitutional Requirements, and Group Structures guidance. | | <p>group will there be increased reporting requirements/additional skills/increased time required)?</p> <p>Is the GB satisfied that the proposed governance structure will deliver effective governance? Are remits and reporting and delegation arrangements clear?</p> <p>How will our assurance processes be impacted: what changes will be required?</p> <p>Does the proposed change have implications for shareholding members? Have these been communicated clearly?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG2 and OC3 Standards: 1, 4, 5 and 6</p> |
| 7.3 | The RSL ensures adequate consultation with, and support from, key stakeholders including tenants, members, funders (who may need to give specific approval) and local authorities as well as other regulators. | <p>Minutes and reports from GB/ committee/working group meetings</p> <p>Records of tenant consultation</p> <p>Feedback reports from independent advisers</p> <p>Records of discussions with lenders</p> | <p>Is there a schedule or implementation plan that identifies key milestones; engagement with stakeholders (tenants, regulators, funders, partners, advisers etc) and provides a framework for monitoring? How is oversight of delivery/achievement being exercised?</p> <p>How has the RSL engaged with funders? Are the conditions proposed by funders consistent with the objectives of the proposal?</p> <p>What is the impact of the lender's conditions on the proposal? Has independent advice been procured to support tenants? Were tenants involved in the selection of the adviser?</p> <p>How will/were all necessary approvals secured? How will/was the approval of members be obtained?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|--|---|---|
| | | <p>Approvals from lenders</p> <p>Records of discussions with SHR</p> <p>Minutes of general meetings of shareholders (where required)</p> <p>Approvals from other regulators (e.g. OSCR, FCA) where required</p> | <p><u>Links to Other Regulatory Requirements/Standards</u></p> <p>Requirements: SG3</p> <p>Standards: 1, 2, 3, 4</p> |
| 7.4 | The governing body is satisfied that the new (or changed) organisation will be financially viable, efficient and will provide good outcomes for tenants. | <p>Financial projections</p> <p>Business Plan</p> <p>Business case</p> <p>Budget</p> <p>Specialist advice</p> <p>Minutes and reports from GB/ committee/working group discussions</p> | <p>How has the GB gained assurance that the new/changed organisation will be financially viable?</p> <p>Is the GB satisfied that the assumptions used in the financial planning are realistic and robust? How has this assurance been gained?</p> <p>What will be the benefits for tenants? What will be the impacts on affordability and compliance?</p> <p><u>Links to Other Regulatory Standards</u></p> <p>Standards 1, 2, 3 and 4</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|---|
| | | Tenant consultation feedback | |
| 7.5 | The RSL establishes robust monitoring systems to ensure that delivery of the objective of the change and of commitments made to tenants are achieved (for example in relation to service standards, operating costs and investment levels). | <p>Delivery Plan (or equivalent)</p> <p>Promises to tenants</p> <p>Newsletters and tenant communication</p> | <p>Is the GB clear about the outcomes the change is intended to deliver? Are there effective systems and processes to monitor implementation? How will tenants be involved in monitoring performance?</p> <p>How is progress reported to the GB? Is information provided to tenants on the achievement of key goals?</p> |
| 7.6 | Charitable RSLs seek consent/notify OSCR of changes to their constitution and other changes as appropriate. | <p>Records of OSCR discussions/ engagement/ notifications</p> <p>Application to OSCR</p> <p>OSCR consent</p> | <p>Is/was the GB effectively informed about the implications of the proposals on its charitable status? Was specialist advice obtained and shared with the GB? Is the GB assured that the necessary consent was obtained within the required timescale(s)?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Standards 1, 2</p> |
| 7.7 | The governing body ensures that disposals, acquisitions and investments fit with the RSL's objectives and business plan, and that its strategy is sustainable. It | <p>Business Plan</p> <p>Business case</p> <p>Rules/Articles</p> | <p>Has the governing body considered proposed disposals/acquisitions/investments in the context of the business plan and financial projections?</p> <p>Are we confident that there is a good level of understanding about the implications of any disposals and acquisitions? Are we assured that all of the RSL's investments comply with our strategic objectives and the Treasury Management Strategy?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|--|---|
| | considers these taking account of appropriate professional advice and value for money - whether as part of a broader strategy or on a case-by-case basis. | <p>Treasury Management Policy</p> <p>Budget and financial projections</p> <p>GB reports and minutes</p> <p>Specialist advice</p> | <p>Has specialist advice been considered/obtained?</p> <p>Is the GB satisfied that it has the legal and constitutional capacity to make the disposal/investment?</p> <p>Is the GB satisfied that any acquisition complies with the RSL's constitution?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG1 Standards: 1, 3, 4</p> |
| 7.8 | The RSL complies with regulatory guidance on tenant consultation, ballots and authorisation. | <p>Consultation/ engagement strategy</p> <p>Records of tenant consultation</p> <p>Notices to tenants</p> | <p>How has the GB overseen the process of engaging and consulting with tenants?</p> <p>Has the GB considered and approved the proposals that are/were made to tenants?</p> <p>Were the proposals discussed at an early stage with tenants and how did their views inform the final proposal?</p> <p>Have tenants been provided with independent advice?</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|-----|---|---|---|
| | | <p>Correspondence with SHR; SHR approvals</p> <p>Feedback reports from independent adviser</p> <p>Ballot</p> <p>Documentation</p> <p>Notifiable Events Register</p> | <p>If a ballot was required, are we satisfied that it was conducted in accordance with regulatory requirements?</p> <p>How has the GB gained assurance that all regulatory requirements are/have been observed?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG3</p> |
| 7.9 | The RSL notifies the Regulator of disposals in accordance with regulatory guidance. | <p>GB reports</p> <p>Minutes of GB meetings</p> <p>Notifications to SHR</p> <p>Notifiable Events Register</p> <p>Register of Disposals</p> | <p>Does the RSL have a policy to support disposals and acquisitions?</p> <p>Does the Scheme of Delegation make adequate provision for authorising disposals, (including by way of lease) and acquisitions?</p> <p>Has the GB been notified of any disposals has been completed?</p> <p>How does the GB ensure that regulatory requirements on disposals are well understood throughout the organisation?</p> <p>How has the GB been assured that the organisation is compliant with requirements about disposals?</p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG1 Regulatory Standard 1</p> |

| Ref | SHR Regulatory Requirement/Standard | Suggested Evidence | Self-Assurance Factors |
|------|---|---|---|
| 7.10 | The RSL only agrees fixed or floating charges where the assets are used to support core activities. This should exclude providing security in relation to staff pensions. | <p>Reports to GB</p> <p>Business Plan</p> <p>Loan agreements</p> <p>Loan register</p> <p>Asset register</p> | <p>How is the GB informed about the terms of loans being negotiated?</p> <p>Do reports consider regulatory and constitutional implications to support informed decision-making?</p> |