



**Scottish Housing
Regulator**

How we regulate

A guide for tenants
and service users



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Key points

Summary of document

- » As a regulator, we were set up to protect the interests of people who use the services of social landlords; tenants are the biggest group of service users.
- » We involve tenants and other service users in our work.
- » We take a 'risk-based' approach to regulating. That means we regulate as much as we believe it is necessary to achieve our aims.
- » While we do not deal with individual complaints about a landlord, tenants can approach us directly if they believe there is a 'significant performance failure' – that is, a serious problem which could have an impact on all the landlord's tenants.
- » We keep a register of social landlords which is available for everyone to look at. We also publish reports and regulation plans so you can find out about your landlord.
- » Your landlord should involve you to make sure that it is meeting the needs and priorities of tenants and other service users.
- » It is important that landlords are managed well (well-governed) and that they are financially stable.
- » We have the powers to take steps to ensure that landlords are doing a good job. That includes the power to get information, to inspect landlords, and to take action (intervene) where we feel it is needed.



1. The Scottish Housing Regulator

Who we are, what we do and how we do it

Who we are

We were set up to protect the interests of people who use the services of social landlords. That includes tenants of social landlords, and those who might become tenants in the future. It also includes people who are homeless, or who might become homeless, and other people who use the services of registered social landlords and local authorities (councils). We are an independent body – we are not part of the government.

You can find more detail on the issues covered in this document in the *Regulation of Social Housing in Scotland – Our Framework*, and on our website

www.scottishhousingregulator.gov.uk

The term 'social landlords' means registered social landlords and local authorities (or councils) which provide housing services.

Registered social landlords are independent, not-for-profit organisations, including housing associations and co-operatives. They are also known as RSLs. We use the term RSL in this document.

What we do

We protect the interests of tenants, and we want social landlords to give tenants and others the best homes and services they can. We monitor all social landlords and we report on how they are doing in terms of the housing services they provide. We also monitor, assess and report regularly on the financial health of RSLs, and on their standards of governance – i.e. how well they run themselves. The law gives us certain powers to step in where we need to (see more about this in the 'intervention' section on page 17).

We also keep a register of social landlords which is available for anyone to see.

Why we do it

We regulate to protect the interests of tenants and other people who use services provided by social landlords. We believe that the interests of tenants, and others, are best served by social landlords delivering good services and safe, warm, good quality homes. We also believe that landlords which are well-run and are financially sound are best-placed to deliver good services.

Our powers

We have a number of legal powers.

- » We can get information from landlords so that we can assess how they are doing and so that we can investigate problems if required.
- » We set standards for RSLs for how they manage their finances and how they govern themselves.
- » We can take action (intervene) where there are problems so that landlords will make improvements where required.
- » Social landlords have to ask our permission if they are planning to make certain changes to how they are organised, or if they are planning to sell or otherwise dispose of houses.
- » We can say what landlords must do to be on our register of social landlords.

Facts and figures:

- » Around one in five households in Scotland live in homes owned and managed by social landlords. That's around 600,000 households.
- » Every year around 45,000 people go to local authorities for help because they are homeless, or think they are at risk of becoming homeless.
- » Around 100,000 people who own their homes get services from social landlords.
- » Social landlords provide 32 official sites used by more than 500 Gypsy/Traveller families.
- » There are 32 councils and more than 180 RSLs in Scotland – the smallest has just one house, and the largest has nearly 45,000.



2. How we regulate

Our focus is on making sure social landlords provide a good service. We do this by helping tenants to hold landlords to account and driving improvements in social housing.

Our aim is to make regulation proportionate. That means we regulate as much as we believe is necessary to protect tenants. We will take only the action needed to ensure that landlords perform well and in the best interests of tenants and other service users. This means that we will have a higher level of involvement with some landlords than others.

Risk-based regulation

Our approach is 'risk-based'. That means that we look at how well each landlord is performing over different areas, then decide how much we need to engage with them so that tenants and others get a good service.

To do this we look at a number of factors which might be 'risks'. For example, is the landlord delivering a good service to tenants and other service users; how well is it running the organisation; and are the landlord's finances in good shape. And then we decide how we need to engage with the landlord.

What we look at

All landlords must give us information every year on their performance, which shows us how they are doing. We look at things like:

- » what tenants and other service users say
- » any patterns of serious incidents or significant changes at a landlord
- » patterns of complaints
- » what other scrutiny bodies have said.

For RSLs, we look at the way they are run and how they manage their money.

Once we get all this information, we assess what it tells us about the landlord and what we need to do.

For RSLs, we will decide what level of engagement we will have for each landlord. This will be 'low', 'medium' or 'high'.

Low: We will continue to monitor landlords through our annual information gathering but we will need very little additional contact with them unless something changes or happens during the year.

Medium: We might need to gather more information or have closer contact , and will publish an individual regulation plan for each landlord in this category.

High: This group needs the most intensive or ongoing relationship. We may need to get more involved to help us understand risks to the RSL and how it is managing them. And we might need the organisation to improve its performance. There will also be an individual regulation plan for each landlord in this category.

For local authorities, we work in partnership with other bodies such as Audit Scotland and the bodies that scrutinise services such as education and care. Our assessment feeds into an overall plan that describes the range of scrutiny that will happen in each council.



3. How to find out about your landlord

RSLs

We keep a register of RSLs, which you can access on our website, or, if you don't have access to the internet, you can contact us by telephone or in writing.

We publish a range of information about each landlord and about RSLs together. This includes details on performance and financial information, as well as the results of any inspections and regulation plans.

Local authority landlords

We do not keep a register of local authority landlords, but our website has links to information about all councils, including inspection reports and reports from other scrutiny bodies, such as Audit Scotland.

4. What you can expect from your landlord

The Scottish Social Housing Charter

The Scottish Government has drawn up a Scottish Social Housing Charter. This Charter sets out the standards and results that social landlords should achieve. Our role is to monitor social landlords' performance and report on how they are doing in achieving the standards.

From April 2013, social landlords must collect information that tells us every year how they are achieving, or making progress towards achieving the standards and results set out in the Charter. We will publish this information and make it available for tenants to use.

Landlords also have to report to their tenants (and other service users) about how they are performing. We expect landlords to make sure that they provide this information in a way that is accessible to tenants – so, the language should be plain and should be jargon-free. Tenants should be given the chance to tell their landlords what they think about this information.

Social landlords should involve tenants when preparing the information which they submit to us. We don't tell landlords how they must involve tenants – that's up to the individual landlord. But we do require landlords to agree their approach with tenants, ensure that tenants have a real say, publicise the approach to tenants, and be able to show us that they have involved tenants in the way they have agreed to.

Landlords must also give other groups the opportunity to make their voices heard – such as homeless people, home-owners who get services from social landlords, and Gypsies/ Travellers who use sites provided and managed by RSLs and councils.

What we will tell you about landlords' performance against the Charter

Every year we will publish a range of information so that tenants and other service users can understand and compare their landlord's performance against the Charter's standards and results. This is one of the things we look at when we decide what level of regulation a landlord needs.

5. What to do if you have concerns

We expect landlords to make it easy for tenants and other service users to talk to them and get the information they need about the services provided and decisions made.

Sometimes you might have a problem with a social landlord. We do not have a role in dealing with individual complaints between a landlord and service user. Appendix A gives more information about what to do and what you should expect from your landlord if you have a complaint.

Although we do not get involved in individual complaints, you can come to us if you think your landlord has a significant performance failure. By this, we mean something that your landlord does, or fails to do, that puts the interests of its tenants at risk, and your landlord has not resolved the failure. It could be:

- » consistently not doing repairs when it should;
- » not allowing tenants to apply for another house;
- » putting tenants' safety at risk, for example because it is not doing gas safety checks when it should;
- » not helping tenants to report anti-social behaviour; or
- » not reporting its performance in achieving the outcomes and standards in the Scottish Social Housing Charter to its tenants.

If tenants strongly disagree with what landlords say about their performance, or where tenants believe that landlords have not involved them in the way they have agreed, they can report a 'significant performance failure' directly to us.

Our fact sheet on significant performance failures has more information and explains what you should do and how to raise your concerns with us. You can access it on our website or by contacting us by phone, by email or in writing.



6. How we protect you

Register of Social Landlords

We keep a Register of Social Landlords, which is publicly available, and which provides clear information about RSLs.

To be on the Register of Social Landlords, organisations must meet certain standards and criteria, which you can see in our *Framework for the Regulation of Social Housing in Scotland*.

Monitoring RSLs' finances and how well-run they are

It is important that RSLs run their business well and that their finances are healthy. This makes them best placed to deliver a good service to tenants and other service users.

We have published Regulatory Standards of Governance and Financial Management. You can read these in our *Framework for the Regulation of Social Housing in Scotland*. This also gives guidance for landlords.

What good governance looks like

When we say governance we mean the arrangements that an organisation has for making sure it is well-run. An RSL which has good governance has strong and effective leadership, deals with risk in a sensible way, is open and accountable, and has high ethical standards.

An RSL with poor governance can find it difficult to deliver a good service to tenants and can put the future of the organisation at risk. This can damage confidence in the landlord and in all other social landlords.

We expect RSLs to meet our Regulatory Standards. If they do not meet them, and if we believe there is poor governance, or poor financial management, then we will take action to protect the interests of tenants and other service users. More information on the action we can take is in the 'intervention' section on page 17.

Information gathering and inquiries

We gather information from every landlord every year (detailed in section on 'how we regulate' page 9). We check that this information is accurate in a number of ways, including 'spot checks' where we take a more thorough look at the information provided by selected landlords.

We might want to ask some social landlords for more information on top of the routine requests. This can be because of something we have found out from the annual information gathering, or in response to events.

We will gather this extra information in a number of ways, including asking the landlord for more information, talking to the organisation's staff or governing body, and speaking to other organisations. **We can also ask tenants for their views.**

We will use the information we receive to decide what to do next. If we need to do more scrutiny we will set this out in the regulation plan for RSLs or, for local authorities, in the 'assurance and improvement plan'.

Sometimes we may need to go to a landlord to gather further information or to report publicly on its performance. One way we can do this is by carrying out an inspection. We may ask tenants to give their views as part of an inspection. We always share our findings with landlords and expect them to report findings to tenants and anyone else who is interested.

Intervention

Sometimes we have to intervene, or step in and take action over the performance of a social landlord. We can intervene in the case of all social landlords (RSLs and local authorities) over housing issues. In the case of RSLs we also have the power to intervene because of their financial health and standards of governance.

We have the legal power to step in and require a social landlord to improve or address a problem in their organisation. We do this to protect tenants and others.

We will intervene only if necessary, and to protect the interests of tenants and other users of services. We intervene to make sure that the social landlord takes the action that we believe is needed to improve its performance, governance or financial health and to bring it up to acceptable levels.

What we can do

We can intervene in various ways, and at different levels, depending on how serious or urgent the situation is. For all social landlords, we can:

- » appoint a manager for housing activities
- » serve an enforcement notice.

For RSLs, we can:

- » appoint someone to an RSL's governing body (its board or management committee)
- » appoint someone as a special manager
- » remove a member of the governing body
- » tell an RSL to transfer some or all of its houses to another RSL.

When we intervene

We want to give landlords the chance to resolve problems or make improvements by themselves. So we will intervene only if the landlord's own attempts to sort things out don't work, or if the landlord is unable or unwilling to tackle its problems, or if the problem is so serious that we must act immediately.

How you will know that we are intervening

We will agree with social landlords what they will tell tenants and others about the intervention and what it means for them, and how they will keep tenants and others informed about progress.

We will publish details about our intervention on our website. For RSLs we will set out our concerns and what we are doing about them – including details of any intervention – in a published regulation plan.

Changes that can affect tenants

It is important that social landlords tell us if they want to make changes that may have a significant impact on tenants or other service users. In some cases landlords need to ask for our permission to make changes; in other cases they have to let us know it's happening. We consider requests – for example, to sell houses, or to take out a loan using houses as security – and make a decision about whether to grant permission based on our assessment of whether the request is in the interests of tenants.



7. How we involve tenants and other service users

We are strongly committed to involving tenants. Listening to tenants and other service users, and involving them in our work, helps us to make sure that we're getting our priorities right. We engage with tenants and tenants' organisations in a number of ways. Our National Panel of Tenants and Service Users is one way for us to make sure we understand service users' views in our work. We speak directly to tenants during our scrutiny of individual landlords. We engage with the regional networks of tenant organisations, and we liaise with bodies who work on behalf of service users.

We published our consultation and involvement strategy in summer 2012. You can read it on our website.

Equality

The people whose interests we protect are a diverse group with different needs and priorities. We expect social landlords to comply with equalities legislation and to work to understand the different needs of their service users, and to deliver services which meet these needs

Appendix A

What to do if you have a complaint

If you have a concern about a social landlord, you should first raise it with the landlord and give them reasonable time to consider the issue and to act on it, if appropriate.

Your landlord should make it easy for tenants and others to make complaints and give feedback, and should let people know what they have done in response to complaints and comments.

- » All social landlords should have a complaints procedure explaining what to do and who to contact if you have a complaint.
- » If the complaints procedure comes to an end and you are still not happy that the complaint has been dealt with, you can refer the complaint to the Scottish Public Services Ombudsman (4 Melville Street, Edinburgh, EH3 7NS, 0870 011 5378 or enquiries@scottishombudsman.org.uk) who has the power to investigate complaints.



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