

9 August 2012

Dear Chairperson & Chief Executive

Regulatory Advice Note: Payments and benefits

Some RSLs have asked us how they should deal with payments and benefits now that Schedule 7 of the Housing (Scotland) Act 2001 has been repealed. We have issued this regulatory advice note to clarify our regulatory expectations. We have discussed the content of this advice note with the Scottish Federation of Housing Associations (SFHA) and the Glasgow and West of Scotland Forum of Housing Associations.

The Housing (Scotland) Act 2010 does not prohibit or restrict payments and benefits to governing body members and employees. It is now for each RSL to decide how it manages payments and benefits to its staff.

Our Regulatory Standard 5.4 states that "Governing body members and staff declare and manage openly any conflicts of interest and ensure they do not benefit improperly from their position." To do this, each RSL should have a clear policy and procedures in place which make sure it acts with transparency, honesty and propriety and avoids any public perception of improper conduct.

We have advised RSLs that they should retain and continue to apply their existing policies and procedures to manage payments and benefits until they have put in place a suitable alternative policy.

The SFHA is developing a model payment and benefits policy and we will feed into the SFHA's work to ensure its model accommodates our regulatory requirements. We understand the SFHA intends to have its model policy completed by the end of September 2012.

Please ensure your governing body and staff are aware of this advice note. If you would like to talk to us about the issues raised in this note please contact Janice Young on 0141 305 4121.

Yours sincerely



Christine Macleod
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