



**Scottish Housing
Regulator**

**Statement of Compliance with the
Public Services Reform (Scotland) Act 2010**

2017-18

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Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 (“the Act”) impose duties on Scottish public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year. We produce this statement to ensure compliance with the requirements of the Act.

As the independent regulator of social landlords, our statutory objective is to safeguard and promote the interests of current and future tenants, people who are homeless and others who use services provided by social landlords. We want to see successful social landlords delivering good outcomes for tenants, people who are homeless and others. This means that:

- landlords achieve the outcomes and standards in the Scottish Social Housing Charter;
- Registered Social Landlords are well-governed and in good financial health; and
- lenders and public funders have confidence to continue to invest in social housing.

We want to be a transparent, responsive, best value organisation. Our annual report and accounts for 2017/18 sets out the impact of our work and the outcomes we achieved, together with our associated costs. This was laid before the Scottish Parliament in September 2018.

Public Relations

We spent £9,000 on public relations in 2017/18. This is 0.26% of our total expenditure in the year. The costs included design of our annual report and accounts for 2016/17 and participation at the Chartered Institute of Housing’s Annual Scottish Conference.

Overseas Travel

We did not incur any costs in relation to overseas travel.

Hospitality and Entertainment

We spent £5,000 on catering costs in 2017/18. This is the equivalent of 0.1% of our total expenditure. No expenditure was incurred on gifts, benefits or sporting or cultural events.

External Consultancy

We spent £92,966 on external consultancy in 2017/18. This equates to 2.45% of our total annual expenditure. We commissioned a range of projects, including expert advice to support our regulatory activities and a programme of work with our National Panel of Tenants.

Payments in Excess of £25,000

Section 31(3) of the Act places a duty on public bodies to publish the amount, date, payee and subject matter of any payment made during the financial year which has a value in excess of £25,000.

Date	Payee	Amount	Subject matter
June 2017	The Maindec Group	£38,701	Business Intelligence Development
September 2017	The Maindec Group	£38,701	Business Intelligence Development
December 2017	The Maindec Group	£38,703	Business Intelligence Development

These payments were all in relation to work to modernise and support our regulatory IT systems.

Members or employees who received remuneration in excess of £150,000

Section 31(4) of the Act places a duty on public bodies to publish the number of individuals who received remuneration in excess of £150,000.

No employee, office holder or other individual involved with SHR received remuneration in excess of £150,000 during 2017/18.

Sustainable Economic Growth

Section 32(1) (a) of the Act places a duty on public bodies to publish a statement of the steps it has taken during the financial year to promote and increase sustainable growth through the exercise of its functions.

In delivering against our published priorities, we contributed to the Scottish Government's overall objectives and National Outcomes.

During 2017/18 our regulation contributed to:

- securing a financially sustainable housing sector that can contribute to growth through house building and maintenance activity;
- the continuing supply of good quality social sector homes and services to help accommodate Scotland's ambitions for population growth, and to make our country a more attractive place to live and work; and
- ensuring that landlords work to prevent people becoming homeless, and so help to protect some of the most vulnerable people in Scotland.

Efficiency, effectiveness and economy

Section 32(1)(b) of the Act requires public bodies to publish a statement of the steps taken to improve efficiency, effectiveness and economy in the exercise of their functions.

Our sole source of income in 2017/18 was a grant from the Scottish Government. We spent £3.73 million of our £3.8 million revenue budget.

We froze recruitment throughout the last two years to respond to funding pressures. We have also made savings in our other administrative costs wherever possible. In 2017/18 around 80% of our revenue costs were staff costs, 12% for IT equipment and support and 1% for accommodation.

For most of 2017/18 we occupied a temporary office space, while work was being carried out to prepare our permanent space. We did not pay rental costs for the temporary space. We moved to our new office in March 2018. This new space is delivering significant annual savings for 2018/19 onwards, around £150,000 less than we spent on our previous larger office in 2015/16.

Our Business Intelligence Systems represent the majority of our IT costs. We re-procured these systems during 2017/18 and have successfully secured contracts which will bring savings in our running costs for 2018/19 onwards.

In the current economic climate, and with reduced resources, we will continue to work with all involved in social housing to ensure effective regulation that protects the interests of tenants, people who are homeless and others who use the services of social landlords. During 2017/18 we began a review of our Regulatory Framework, working closely with all of our stakeholders. A key objective of the review is to ensure that our regulation continues to be both effective and sustainable.