



Scottish Housing
Regulator

Financial Viability of Registered Social Landlords

Statutory Guidance
February 2019

About us

We are the independent regulator of social landlords in Scotland.

We safeguard and promote the interests of:

Around:

600,000

Tenants who live in homes provided by social landlords

Over:

123,000

Home owners who receive services of social landlords

Over:

45,000

People and their families who may be homeless and seek help from local authorities

Around:

2,000

Gypsy/Travellers who can use official sites provided by social landlords

We regulate:

Around:



Social landlords

Around:

160
32

Registered social landlords

Local authorities

Our equalities commitment

Promoting equalities and human rights is integral to all of our work. We set out how we will meet our equalities duties in our Equalities Statement.

Our role:

To monitor, assess and report on social landlords' performance of housing activities and RSLs' financial wellbeing and standards of governance. We intervene, where we need to, to protect the interests of tenants and service users.

Our Regulatory Framework explains how we regulate social landlords. It is available from: www.scottishhousingregulator.gov.uk



HAPPY TO TRANSLATE

1 Introduction

- 1.1 This guidance sets out the financial information that all Registered Social Landlords (RSLs) must submit to us each year.
- 1.2 In complying with this guidance, (RSLs) will meet the requirement to submit information in chapter 3 of the [Regulatory Framework](#).
- 1.3 If you have any questions, please contact the named SHR contact person in your Engagement Plan.

2 Annual Information Requirements

- 2.1 RSLs must submit to us Five Year Financial Projections.
- 2.2 Section 70 of the Housing (Scotland) Act 2010 requires RSLs to submit financial statements to the Scottish Housing Regulator, within 6 months of the financial year-end. RSLs should provide these statements as PDF files.
- 2.3 RSLs must submit to us specific information from their financial statements into our Audited Financial Statements return.
- 2.4 RSLs must submit to us an annual return on our Loan Portfolio system. RSLs must also promptly submit an in-year return where there is a change to borrowing or lending.
- 2.5 When submitting their annual financial statements, RSLs must also submit a copy of the Auditor's Management Letter and the report to those charged with governance, along with the RSL's response to them. These should be provided as PDF files.

3 Annual Information Requirements – RSLs Operating in Formal or Informal Groups

- 3.1 Where an RSL is part of a formal or informal group, it must also provide financial statements for related organisations that are not registered with the Scottish Housing Regulator. Some examples of this are:
 - The RSL is a subsidiary and the parent organisation is not registered with SHR.
 - The RSL is a parent organisation with a subsidiary that is not registered with SHR.
 - The RSL is part of a Joint Venture with another organisation that is not registered with SHR.
 - The RSL is part of an informal group and shares staff/services/Committee members with another organisation that is not registered with SHR.
- 3.2 We require this information so that we are aware of factors that might have a bearing on the financial health and the overall viability of RSLs.
- 3.3 It should be noted that a related organisation that is also registered with the Scottish Housing Regulator will submit its own financial information.
- 3.4 RSLs which are part of a formal group must also submit consolidated financial statements unless they are exempt from preparing them. RSLs are expected to take appropriate professional advice on their accounting requirements.

4 Additional Information Requirements

4.1 Where we engage with an RSL we may require additional information. Some examples of this additional information may be:

- Long-term projections
- Management accounts
- Information in relation to a particular issue.

This guidance is issued by us under section 36 of the Act. It is intended to clarify what we expect from RSLs when discharging their duty under section 70 of the Act.



**Scottish Housing
Regulator**

www.scottishhousingregulator.gov.uk