

SCOTTISH HOUSING REGULATOR BOARD

Board Meeting 29 October 2019

Present

George Walker (GW)	SHR Chair
Anne Jarvie (AJ)	SHR Deputy Chair
Andrew Watson (AW)	SHR Board member
Bob Gill (BG)	SHR Board member
Helen Trouten Torres (HTT)	SHR Board member
Colin Stewart (CS)	SHR Board member
Ewan Fraser (EF)	SHR Board member

In attendance

Michael Cameron (MC)	Chief Executive
Iain Muirhead (IM)	Director of Digital & Business Support (items 1-12)
Ian Brennan (IB)	Director of Regulation (items 1-12)
Roisin Harris (RH)	Corporate Governance Manager (items 1-12)
Clare Nicolson (CN)	Business Manager (item 4)
Helen Shaw (HS)	Assistant Director (item 5)

Observing items 1 – 12

Murray Smith (MS)	Regulation Manager (Finance)
Kevin Gavigan (KG)	Reporting Analyst

1. Apologies and declarations of interest

GW welcomed all present.

SHR Board members, Siobhan White (SW) and Mike Dailly (MD) submitted apologies. The Board noted they both provided comments on the Board pack to the Chair.

There were no declarations of interest.

2. Consent agenda items

The Board considered the consent agenda items.

The Board agreed to note and approve the consent items including the:

- matters arising update;
- minutes from the 6 August 2019 and a note of the recent Board workshop;
- Chair's report & member activity; and
- the ARAC update.

3. Chief Executive's report

MC presented his report on issues and developments of significance in regulated bodies, the wider housing environment, and SHR.

He updated the Board on the project to integrate the Directory of Social Landlords with SHR's website and set out spend proposals. The Board considered the proposals for spend and discussed:

- timescales, noting SHR is aiming for the end of March 2020;
- SHR's comparison tool that is part of the Directory, noting user testing will be important to inform next steps for the tool which is over 5 years old. The Board agreed that some of the language within the tool was not as accessible as it could be.

- the digital assistant. MC explained this is a separate project and that the recent final check gate meeting was positive so it has moved to internal testing. The Board also noted the digital assistant is designed to learn what users mean when asking questions.

The Board approved spend up to a maximum of £90,000 noting this included some contingency allowance to allow SHR to respond to the findings of user testing. It asked MC to ensure accessibility of language is covered in the project.

MC highlighted a proposal from CIH for SHR's participation at the 2020 Housing Festival in March. The Board welcomed and agreed to the proposal.

The Board discussed tenant engagement. It welcomed that SHR has committed to programme of speaking opportunities at existing tenant events and that it would consider if something additional was needed when the outcome of the 2019/20 risk assessments have been published. MC also explained the nature of the forthcoming Assurance Statement visits.

IM explained the Scottish Government is consulting on the role of public bodies in tackling climate change. He reported that the target for zero emissions is by 2045 and the challenges around being able to report against this. IM also explained:

- a proposal to streamline the annual climate change information return, which SHR completes; and
- SHR's capacity to contribute is influenced by its small size, range of activities, absence of a vehicle fleet or estate, and office accommodation arrangements,.

He proposed key messages that SHR could include in its response. The Board agreed with key messages and asked IM to respond to the consultation.

MC updated the Board on annual assurance statements submissions and reported that SHR sent a reminder to all landlords on 28 October 2019.

The Board noted the Chief Executive's report.

Actions:

- **SHR has approval to spend up to £90,000 aligning the Directory to the website and include a review of language accessibility.**
- **MC to accept CIH's proposal for the SHR's participation in the Housing Festival.**
- **IM to respond to Scottish Government's consultation on climate change and the role of public bodies.**

4. Mid-Year Budget Review

CN presented SHR's budget to the end of September and proposals for re-stated revenue budget headings at mid-year. She highlighted:

- the additional funding SHR received from Scottish Government to part-fund increased pension costs in 2019/20 and the impact on the budget;
- that the recruitment programme is near completion and anything further would relate to turnover; and
- that the funding to SFHA was incorporated in the budget.

CN explained the proposed revisions the budget headings. She reported that these resulted in a small projected overspend, but that SHR will be able to accommodate this through its contingency budget. CN also reported that no changes are proposed for the 2019/20 capital budget.

MC confirmed that Scottish Government has not confirmed if it will continue to contribute to the additional pension costs in future years and this will feature in SHR's forthcoming spending review dialogue with the Scottish Government.

The Board noted the expenditure to date and approved the re-stated budget for 2019/20.

MC presented an update to the Board on the spending review. He explained the uncertainties around the timetable for the spending review in the context of Brexit and Westminster politics. He reported that the review is likely to result in a one year budget and that he has inputted to discussions with Scottish Government officials. MC explained the request SHR has made and illustrated this to the Board. MC set out the assumptions that underpin the request and the Board noted that 82% of SHR's costs are for staff.

The Board discussed the assumptions and the importance of SHR's work in terms of protecting the interests of tenants and others and that it inputs to many Government priorities. It asked the Chair to write to the Minister to highlight SHR's work and financial position. The Board asked MC to flag this to Scottish Government colleagues in advance.

Action: GW to write to the Minister for Housing, Local Government and Planning.

5. 2019/20 Landlord Risk Assessment Methodology

HS presented to SHR's approach to the risk assessment for 2019/20. She highlighted:

- how the regulatory priorities set out in SHR's corporate plan have shaped the methodology;
- that this will be the first time SHR will also be able to use annual assurance statements and assurance statement visits to inform the risk assessment;
- that the outcome will include for the first time a regulatory status for all RSLs; and
- some of key indicators.

HS explained SHR will publish a summary of the risk focus in November 2019 and the engagement plans at the end of March 2020. She highlighted the uncertainties around Brexit and reported that SHR will monitor this closely and adjust the risk assessment if required.

The Board considered the approach and discussed:

- the outcome of the HARSAG recommendations and timeframe for new temporary accommodation standards;
- Rapid Rehousing Transition Plans; and
- how SHR uses a range of indicators to ask highlight areas that it may require further assurance on.

The Board also discussed:

- internal audit;
- importance of effective asset management;
- value for money, debt service recovery ratio and universal credit; and
- the role of regional tenant networks.

The Board thanked HS and approved the approach to the risk assessment for 2019/20 and asked HS to arrange a follow up information session with any member who wishes to have more background on indicators.

Action: HS to offer a session for board members on indicators.

6. Gender equality on public boards

RH presented outreach and promotion plans to help SHR attract more female applicants to future Board vacancies and contribute to the Scottish Government's policy objective for gender equality on public boards.

The Board welcomed the plans. It discussed:

- potential networks, and members agreed to share these with RH;
- how members are appointed by the Minister;
- arrangements that may act as barriers, noting Board members are entitled to reasonable expenses, but as they are not employees are not entitled to maternity pay;
- that SHR's main contribution is around promoting vacancies and in doing so influencing the pool of potential candidates;
- the variety of skills sought to make up a Board and how this can influence the type of people who apply, noting the level of women involved in social housing;
- cooption to committees, noting while this may be possible for only some public bodies;
- positive discrimination and how this was discussed when Scottish Government was consulting on the 2018 legislation.

The Board welcomed and approved the proposals, agreeing to support and help promote the policy objective.

7. Staff survey

RH explained that the bespoke questions about SHR's Board normally covered in the Civil Service People Survey have not have not been included for 2019. She presented options for the Board to gather this information.

The Board discussed:

- the value in this information, welcoming the opportunity for more feedback from staff;
- that although there is no obligation, SHR's Board has collected this information via the Civil Service people survey for many years and it has informed its approaches;
- the importance of routes for staff to whistle blow and complain;
- the importance of SHR's Board in having a feel for the opinions for staff and noting the forthcoming series of informal meetings with SHR Chair and members planned for 2019/20; and
- the usefulness of staff observers at board meetings.

The Board agreed to carry out a stand-alone survey replicating the information gathered previously and to also provide staff with open questions to expand on responses. It agreed to publish a summary of the outcome on SHR's website.

Action: RH to carry out a survey of all staff for SHR Board and provide summary feedback in December 2019.

8. Social media guidance

IM presented guidance to assist the Board when using social media. He highlighted that the high level guidance complements the Board's code of conduct and guidance provided by the Standards Commission as well as echoing guidance SHR has for its staff. IM explained how the line between private and public use of social media can be blurred. The Board discussed:

- private use of social media;

- how giving opinion on social housing even in a private or personal capacity risks that opinion or endorsement being interpreted as SHR policy because the public and stakeholders will always regard members as SHR Board members;
- public bodies member meetings and induction training, noting social media is on the agenda; and
- the importance of SHR's social media monitoring and back up policies.

The Board agreed to adopt the guidance and noted that it can consult staff for additional advice if members have any queries.

9. Quarter Two Corporate Performance Report

MC presented the corporate performance report for quarter two. He highlighted that although the number of statutory cases are decreasing, SHR has a significant level of intensive casework.

The Board considered the report and discussed:

- the level of notifiable events and how this has increased since consents were removed and that SHR may expect a further uplift in relation to annual assurance statements;
- plans during quarter four to develop some videos for SHR's website and to use at events; and
- whistleblowing casework, asking MC to include some trend information in future reports.

The Board thanked the staff team and noted the corporate performance for quarter two.

10. Any other business

MS and KG thanked the Board and welcomed the opportunity to observe the meeting.

11. Effectiveness of meetings and papers

The Board discussed the format of board papers and welcomed circulation of both hard and electronic versions. It noted challenges for some around timing and that the Chair will consider this further.

12. DONM & 2020 dates

The Board will next meet on 10 December 2019. The Board considered its agenda planner and approved a programme of future meeting and workshop dates for 2020.

13. Private session

The Board held a private session with the Chief Executive.