Financial Viability of Registered Social Landlords

Statutory Guidance

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Contents

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 must provide both a signed and a redacted set of 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 material change to borrowing , lending or security arrangements.

2.5 When submitting their annual financial statements, RSLs must also submit a copy of the Auditor's ~~Management Letter and the report~~ Report to those ~~charged~~ Charged with ~~governance~~Governance, along with the RSL's response to ~~them~~this. 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.housingregulator.gov.scot