5. Accountability report

Corporate Governance Report

Directors' Report

Introduction
We have prepared these accounts for the financial year 2024-25 in accordance with the Accounts Direction given by Scottish Ministers and section 19(4) of the Public Finance and Accountability (Scotland) Act 2000.

Statutory Background
The Scottish Housing Regulator (SHR) was established on 1 April 2011 under the Housing (Scotland) Act 2010. We are a Non-Ministerial Department (NMD), part of the Scottish Administration and directly accountable to the Scottish Parliament. We commenced our full regulatory powers, duties and corporate responsibilities under the 2010 Act in April 2012.

Our relationship with Scottish Ministers is set out in a published **Framework Agreement**, available on our website https://www.housingregulator.gov.scot

Our Board
Our organisation is led by a Board of non-executive members, appointed by Scottish Ministers following an open public appointments process. The Board sets our strategic direction and is responsible for oversight of our aims, objectives and performance.

Membership of the Board during the reporting period April 2024 to March 2025 is provided below:

- George Walker, Chair. Continues as Chair until retirement in June 2025
- Andrew Watson, Deputy Chair. Stepped down as Deputy Chair in March 2025, continues as a member until retirement in June 2025
- Ewan Fraser, Deputy Chair from April 2025 and Audit and Risk Assurance Committee (ARAC) Chair from January 2025
- Siobhan White, ARAC Chair. Stepped down as ARAC Chair in December 2024, continues as a member until retirement in June 2025
- Abhishek Agarwal. Appointed in October 2024
- Marieke Dwarshuis
- Lindsay Paterson
- Colin Stewart
- Helen Trouten Torres

Details of our governance framework for Board appointments, appraisal and reviewing the Board’s effectiveness are described in the Governance Statement of this report.

Our Executive Team
Our Executive Team is made up of our Chief Executive and Directors and is responsible for providing strategic management and leadership.

Our Executive Team is:

- Michael Cameron, Chief Executive
- Iain Muirhead, Director of Digital and Business Support
- Helen Shaw, Director of Regulation

Each member of the Executive Team has confirmed that so far as they are aware, there is no relevant audit information of which the auditor is unaware.

Details of Executive Team remuneration can be found in the Remuneration Report.

Register of interests
Our Board members and Executive Team have to complete a declaration of interests. No significant company directorships or other interests were held which may have conflicted with their management responsibilities, and there were no related party interests.

Our Board members’ declarations of interest are published on our website.

Our resources
Our budget as set out in the Budget (Scotland) Act for 2024/25 was £5.307 million, comprising £0.100 million capital and £5.207 million revenue, and representing a decrease of £0.300 million in our capital funding and £0.111 million in our revenue funding from 2023-24 (£0.400 million capital and £5.318 million revenue). In the context of reduced budgets, we had forecast an overspend at the beginning of the year. In August 2024 the Scottish Government announced Emergency Spending Controls and we implemented an interim approval framework to manage expenditure which was agreed by the Board at its September 2024 meeting. We undertook our mid-year budget review in the context of the spending controls, we revised our capital budget and were able to return £0.050 million at the mid-year review point. During the year we made savings due to staff movements, reductions in accommodation and office costs following relocation to our new office and through applying our interim framework for spending implemented in response to the Emergency Spending Controls. We spent £5.147 million (2023-24, £5.000 million) and the remaining budget was returned to the Scottish Government. Our non-cash budget was £0.300 million (2023-24, £0.236 million) of which we spent £0.145 million (2023-24, £0.093 million). Non-cash budget is only drawn down when required.

Around 87% of our revenue costs were staff costs, 5% were IT equipment and support and less than 1% were accommodation. In July 2024 we moved from our temporary office to our new office within the Glasgow office of Social Security Scotland, where we are sharing space and services. Both our previous and current space allow for effective home and office-based working and contribute to Best Value and Public Service Reform agendas.

Our Business Intelligence System represents the majority of our IT costs. This system supports our regulatory data collection, data analysis and our engagement with the bodies we regulate.

Our revenue budget for 2025-26 is £5.343 million. This is a cash increase of £0.136 million from 2024-25, however this is in the context of our 2024-25 budget having decreased £0.111 million from the year before and before taking account of the impact of inflation on staff salaries and other costs.

Reporting of personal data related incidents
During 2024-25 there were no incidences of data loss which required to be reported to the Information Commissioner.

Appointment of auditors
Audit Scotland have been appointed to audit our annual accounts. A notional audit fee of £26,010 is shown at note 10. Audit Scotland supplied no other services to us during the year. The Scottish Government Internal Audit and Assurance Directorate provided internal audit services.

Contingent liabilities
We have no contingent liabilities.

Post-balance sheet events
In August 2025, Garry Coutts was appointed as the new Chair of the Scottish Housing Regulator. This follows the retirement of our previous Chair at the end of his term of office in June 2025.

Supplier payment policy
Our policy is to pay all invoices not in dispute within 10 days of receipt. We aim to pay 100% of invoices on time under these terms. This includes disputed invoices once the dispute has been settled. We process invoices on the Scottish Government's Accounting System, prior to October 2024 this was SEAS, in October 2024 existing procurement, accounting and HR systems were replaced with the Oracle system by Scottish Government. We are reliant upon the financial information and management system provided by the Scottish Government for all our financial functions.

For the year ended 31 March 2025, we paid 96% of all invoices received within the terms of our payment policy.

Statement of Accountable Officer’s Responsibilities

In accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, Scottish Ministers have directed the SHR to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction at the end of these financial statements.

We prepare the accounts on an accruals basis and they give a true and fair view of our state of affairs at the year end, and of our operating costs, recognised gains and losses, and cash flows for the financial year.

The Permanent Secretary of the Scottish Administration has appointed me, the Chief Executive, as the Accountable Officer for SHR.

In preparing the accounts, I am required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the accounts on a going-concern basis.

The responsibilities of the Accountable Officer, including responsibility for the propriety and regularity of the public finances for which I am answerable, for keeping proper records and for safeguarding SHR’s assets, are set out in the Accountable Officer’s Memorandum issued by Scottish Ministers.

As Accountable Officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that our auditors are also aware of this information.

I confirm that the annual report and accounts as a whole are fair, balanced and understandable. I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

Governance Statement

Scope of responsibility
As Accountable Officer, I am responsible for sound governance and internal controls that help us to achieve our statutory objective. I am also responsible for safeguarding SHR's public funds and assets.

As Accountable Officer, I am responsible for:

- the propriety and regularity of financial transactions which have taken place under my control;
- the economic, efficient and effective use of our resources;
- ensuring that arrangements are made to secure Best Value;
- signing our annual accounts;
- ensuring that effective governance and management systems are in place; and
- ensuring that all risks are identified, assessed and managed appropriately.

Our governance, internal control and Best Value arrangements
Our governance framework is made up of the systems, processes, cultures and values by which we manage and control our organisation. It enables us to monitor progress against our objectives and to ensure that we use our resources efficiently and effectively.

We have a clearly defined governance framework which fits with best practice principles. I am satisfied that this framework works well.

The Board approved SHR's annual report and accounts for 2023-24 for the Chief Executive as Accountable Officer to sign on 20 August 2024. The Chair and Chief Executive presented SHR's Annual Report & Accounts 2023-24 to the Scottish Parliament's Local Government, Housing and Planning Committee on 17 December 2024.

During the year, the Board hosted guest speakers from Scottish Government, Association of Local Authority Chief Housing Officers (ALACHO), Professor Ken Gibb, Tenants Together Scotland, Scottish Human Rights Commission and the Auditor General. The Board also met with the Minister for Housing in November 2024.

The Board monitored work plans and the budget each quarter in the context of managing risks to achieving SHR's objective. The Board also considered Board membership succession planning in preparation for forthcoming appointments during 2024 and 2025.

In March 2024, the Board agreed a new three-year Strategy for 2024-2027, work plans and budget for 2024-25. Our system of internal control is an important part of this framework. We identify, evaluate and manage risk to a reasonable level, rather than attempt to eliminate all risk. Our approach is proportionate and provides reasonable assurance of effectiveness.

Our Board
Our organisation is led by a Board of non-executive members, appointed by Scottish Ministers following an open public appointments process.

Board appointments are made by Scottish Ministers and overseen by the Commissioner for Ethical Standards in Public Life in Scotland. We commenced work to support Scottish Ministers with forthcoming Chair and Member appointments that will take place during 2025-26.

The Board met ten times in 2024-25, including Board workshops. All meetings were quorate. We publish our Board and Audit and Risk Assurance Committee minutes, our Board Code of Conduct and Board members' registers of interest on our website.

The Scottish Government's Director for Housing appraises our Chair's performance annually. Our Chair appraises each Board Member's performance annually. The Chair and Board Members participate in regular training.

Audit and Risk Assurance Committee
Our Audit & Risk Assurance Committee (ARAC) provides assurance to our Board and to me, as Accountable Officer, that appropriate risk, control and governance structures are in place. ARAC met four times in 2024-25. Our ARAC meeting minutes are published on our website alongside information about membership and the terms of reference.

Membership comprised the following members of the Board:
- Siobhan White, Chair. Stepped down as ARAC Chair in December 2024, continues as a member until retirement in June 2025
- Ewan Fraser, Chair from 1 January 2025
- Lindsay Paterson
- Abhishek Agarwal. Appointed in October 2024

I have considered the matters raised and discussed by the Board and ARAC when preparing this statement.

Executive Team and Management Team
I am joined by our Directors to form our Executive Team. We are responsible for providing strategic management and leadership. We have two Groups, each with a Director.

Our Management Team supplements the Executive Team and is responsible for oversight of operational management. Our Management Team comprises the Executive Team along with our four Assistant Directors of Regulation and our Assistant Director of Digital. I chair the Management Team. Throughout 2024-25 our Board, Executive Team and Management Team received regular reports to monitor progress against our statutory objective, the objectives in our strategy and annual operating plan, and to ensure we are managing risk effectively.

Risk framework
Our risk management strategy, along with our risk register, identifies the key risks to the delivery of our statutory, strategic and corporate objectives.

During 2024-25 our Management Team reviewed the risk register regularly and reported to both the ARAC and the Board on a quarterly basis. These reviews enable us to:

- discuss and evaluate key risks that could affect our ability to deliver our statutory objective;
- assess existing controls (i.e. measures in place to reduce or limit risk);
- determine the appropriate response to each risk;
- profile our risks by scoring them in terms of overall risk exposure (in terms of likelihood and impact).

In 2024-25 we had one overarching risk, which is that we do not achieve our statutory objective. Below that we identified the following strategic risks as those potentially having the greatest impact on our activities:

- a significant reduction in quality or change in agreed delivery of shared services from Scottish Government, which impacts on our ability to operate effectively;
- our regulatory framework not working effectively;
- losing stakeholder support;
- suffering a serious business failure;
- suffering a cyber incident;
- failing to comply with the duties and expectations on us as a public body;
- impact of a systemic failure in social landlords
- suffering reputational damage as a result of a development out with our control;
- insufficient resources to deliver effectively.

Our risk register is aligned to the activities in our operating plan. This ensures we are targeting our activities at areas that address the risks we face, so far as this is possible. I am satisfied that our arrangements have enabled us to identify and manage risk effectively during 2024/25.

We reviewed our Risk Management Strategy in 2024 and will review it again in 2027.

For data and information handling risks, I am assisted by our Senior Information Risk Owner and five Information Asset Owners. There were no significant data incidents in 2024-25 that required us to report to the Information Commissioner. We share a Data Protection Officer with Transport Scotland. We provided training and awareness-raising for our staff. Our Data Protection Officer completed a data protection compliance review in early 2025 and reported that we retained a good level of compliance with data protection legislation.

We have fraud, whistleblowing and anti-bribery policies in place, and a fraud response plan, to ensure the effective management of risks associated with these issues.

Review of effectiveness of internal control and risk management
As Accountable Officer, I have responsibility for reviewing the effectiveness of our systems of internal control and risk management arrangements. My review is informed by:

- annual certificates of assurance and internal control checklists from the Director of each of our Groups;
- the work of our internal auditors, who submitted regular reports to our ARAC;
- comments made by our external auditors, Audit Scotland, in their management letters and other reports; and
- quarterly reports to our Board from the Chair of ARAC.

Our systems of internal control have been supported by:

- regular Board meetings and workshops;
- meetings of our Executive and Management Teams; and
- regular monitoring and reporting of performance against our operating plan and other areas of corporate performance, including finance and risk management.

We use and rely on the core financial management systems of the Scottish Government to carry out accounting and payment functions. I have received assurances from the Scottish Government that reliance can be placed on the central systems they provided in 2024-25.

The implementation of the Oracle Cloud platform is one of the largest transformation projects the Scottish Government has undertaken in years. It has brought our HR, Finance and Procurement data into one integrated solution.

The platform was implemented in the Scottish Government and 32 public sector organisations in October 2024. The platform was implemented in response to the recognition that the previous Finance and People platforms, SEAS and e-HR respectively, were approaching the end of their useful lives and had not kept pace with the scale or functions of the organisation.

We are committed to a process of continuous improvement and we develop our systems in response to any relevant reviews and advancements in best practice. In the period covering the year to 31 March 2025 and up to the signing of the accounts, we liaised with Scottish Government Internal Audit and Assurance Directorate, Audit Scotland and Scottish Government Finance colleagues to ensure that our internal control procedures were fit for purpose and compliant.

During 2024-25, our internal auditors completed their risk-based internal audit plan with specific assurance work on the processes for securing of our new office accommodation and on Notifiable Events. Internal Audit and Assurance Directorate has provided substantial assurance in relation to both of these reviews. Overall, we received a rating of substantial assurance from Internal Audit and Assurance Directorate.

I am satisfied that no significant control weaknesses or issues have arisen during 2024-25. There have been no significant failures in expected standards for good governance, risk management and control.

Remuneration and Staff Report

Remuneration policy (unaudited)
Our staff are civil servants and our Chief Executive is a senior civil servant.

The remuneration of senior civil servants is set in accordance with the Civil Service Management Code (available at www.civilservice.gov.uk) and with independent advice from the Senior Salaries Review Body (SSRB). Information about the work of the SSRB can be found at www.ome.uk.com. Within the Scottish Government, the Top Level Pay Committee ensures that the Pay and Performance Management System (PPMS) policy falls within the parameters set by the SSRB and Cabinet Office.

Remuneration (audited)

Single total figure of remuneration:

	Salary (£000)		Bonus payments (£000)		Benefits-in-kind (£000)		Pension benefits (£000)		Total (£000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Officials										
Chief Executive										
Michael Cameron	90 - 95	85 - 90	-	-	-	-	65 - 70	25 - 30	160 - 165	110 - 115
Executive Team										
Iain Muirhead	85 - 90	80 - 85	-	-	-	-	60 - 65	0 - 5	145 - 150	85 - 90
Helen Shaw	85 - 90	85 - 90	-	-	-	-	75 - 80	-	165 - 170	85 - 90
Board Members Fees										
Abhishek Agarwal (appointed Oct 2024)	5 - 10	-	-	-	-	-	-	-	5 - 10	-
Marieke	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10
Ewan Fraser	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10

Lindsay Paterson	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10
Colin Stewart	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10
Helen Trouten Torres	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10
George Walker (Chair)	20 - 25	20 - 25	-	-	-	-	-	-	20 - 25	20 - 25
Andrew Watson (Deputy Chair)	10 - 15	10 - 15	-	-	-	-	-	-	10 - 15	10 - 15
Siobhan White	10 - 15	5 - 10	-	-	-	-	-	-	10 - 15	5 - 10

During 2024-25, total expenses paid to members was £2.2k. Members do not receive pension payments as part of their role.

Annualised salaries

There were no changes to the Executive Team during the year and the annualised salaries are as per the table above.

One new member, Abhishek Agarwal, joined the Board during 2024-25, and the banded full time equivalent salary in 2024-25 was £10,000 - £15,000 (2023/24, nil). No members retired during 2024-25.

Pensions

	Accrued pension (P) and lump sum (LS) at pension age as at 31/03/25 £000 Band	Real increase in pension (P) and lump sum (LS) at pension age £000 Band	CETV at 31/03/25 £000	CETV at 31/03/24 £000	Real increase in CETV £000
Michael Cameron Chief Executive	45 - 50 (P) 125 - 130 (LS)	2.5 - 5 (P) 2.5 - 5 (LS)	1,195	1,087	62
Iain Muirhead Director of Digital and Business Support	30 - 35 (P) 80 - 85 (LS)	2.5 - 5 (P) 2.5 - 5 (LS)	749	664	53
Helen Shaw Director of Regulation	40 - 45 (P) 105 - 110 (LS)	2.5 - 5 (P) 5 – 7.5 (LS)	1,005	890	75

Salary
Salary includes gross salary, overtime and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by SHR and recorded in these accounts.

The Cash Equivalent Transfer Value (CETV)
A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

The real increase/(decrease) in the value of the CETV
This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation,

contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pay multiples
The banded remuneration of our highest-paid director in 2024-25 was £90,000 - £95,000 (2023-24, £85,000 - £90,000). This was 1.70 times (2023-24, 1.62) the median remuneration of the workforce, which was £54,419 (2023-24, £54,162). The banded mid-point of our highest paid director in 2024-25 was £92,500 (2023-24, £87,500) which represented an increase of 5.7% on the previous year (2023-24, 0%). Although staff continued to move up the respective salary scales and the annual pay award was applied, a movement in the banded mid-point of our highest paid director meant a drop in the ratio to all staff FTE pay and benefits and a change from the recent trend. The median pay ratio reflects the pay, rewards and progression policy for employees as a whole.

A summary of the pay multiples for 2024-25 and the prior year comparative figures is provided in the table below.

	2024-25 25th %	2023-24 25th %	2024-25 50th %	2023-24 50th %	2024-25 75th %	2023-24 75th %
Highest paid director (band mid-point) (£)	92,500	87,500	92,500	87,500	92,500	87,500
All staff FTE pay and benefits (£)	46,773	44,557	54,419	54,162	71,243	69,846
Ratio	1.98	1.96	1.70	1.62	1.30	1.25

The average annualised FTE salary for all employees (excluding the highest paid director) in 2024-25 was £58,291 (2023-24, £56,673), which represented an increase of 2.8% on the previous year (2023-24, 3.1%).

In 2024-25, no employees (2023-24, 0) received remuneration in excess of the highest-paid director. Annualised remuneration ranged from £29,957 - £94,383 (2023-24, £27,513 - £89,887).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Employment contracts
Staff covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk.

Staff Report

Employee engagement, learning and development
We ensure that our staff are kept informed and engaged in our work through a range of activities. These include staff briefing sessions, regular meetings, intranet updates and a range of other internal and external events.

Each of our Groups focuses on contributing to the delivery of our corporate strategic objectives. To support this, our performance management system ensures that all staff agree annual objectives with their line manager which are closely linked to our Strategy and annual operating plan.

We are committed to investing in our staff, using our resources as effectively as possible to achieve our objectives and maximising value for money. In 2023-24 we completed an organisation-wide skills audit, reviewed our Learning and Development Strategy and started a programme of corporate learning. In 2024-25 we refreshed our Learning and Development Strategy and re-established our staff Learning and Development Group which meets quarterly and informs our annual Corporate Learning Plan. Our staff have also completed mandatory training covering topics such as cyber security, fraud and bribery, information security and data protection.

We participated in the 2024 Civil Service People Survey. The level of positive feedback across all survey themes remained high. The overall SHR employee engagement index increased to 80% from 77% in the 2023 survey, and our engagement index is again the joint highest of all participating organisations and departments across the UK Civil Service. The headline results also improved in eight of the survey's nine key themes, with one remaining the same.

Trade unions
We are party to the Scottish Government's Partnership Agreement with trade unions recognised by the Scottish Government. Our staff are part of Scottish Government Main for the purposes of pay, terms and conditions. None of our staff have spent any part of their working week on trade union duties.

Employee recruitment
We carry out our recruitment and promotion activities on the basis of fair and open competition, selection on merit and in accordance with Scottish Government guidance.

Equal opportunities and diversity
We treat all staff equally. We are committed to increasing the diversity of staff within the organisation to reflect the people of Scotland, and to valuing positively the different perspectives and skills of all staff and making full use of these in our work.

Health & safety
We aim to provide a safe and healthy working environment for all staff. We act in accordance with our Health & Safety Policy Statement and have policies on particular matters available to support managers and staff. We offer a place on our staff Health & Safety Committee to a Trade

Union Health & Safety Representative.

Staff Costs (audited)

	Permanently Employed Staff £000	Others £000	2024-25 Total £000	2023-24 Total £000
Wages and salaries	3,279	-	3,279	3,075
Social security costs	382	-	382	358
Other pension costs	932	-	932	859
Inward secondments	-	-	-	-
Temporary staff	-	-	-	-
Movement in short term employee benefits	25	-	25	24
Total net costs	4,618	-	4,618	4,316

Pension benefits are provided through the Civil Service pension arrangements. The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. SHR is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2020. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation https://www.civilservicepensionscheme.org.uk/knowledge-centre/resources/resource-accounts/.

During the year ended 31 March 2025, employers' contributions of £0.932 million (2023-24, £0.859 million) were payable to the PCSPS at 28.97 per cent of pensionable pay. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Average number of persons employed

	Permanently employed staff	Others	2024-25 Total	2023-24 Total
Directly employed	55.5	0	55.5	53.28
Other	-	-	-	-
Total	55.5	0	55.5	53.28

Number of Senior civil service staff employed

Band	2024-25 Total	2023-24 Total
SCS - Deputy Director 1	1	1

Gender Balance

At the end of the 2024-25 financial year, the number of persons of each sex who were Board Members, Senior Managers and employees was as follows:

	Female	Male
Board Members	4	5
Employees: Executive Team (including Chief Executive)	1	2
All Employees (including Executive Team)	37	18

Sickness absence data
The average total number of sick days per full time employee in 2024-25 was 9.5 days (2023-24, 11.1 days).

Employment of disabled people
We adhere to Scottish Government recruitment policies which ensure that all disabled applicants who meet the minimum advertised criteria for a job vacancy will be invited to interview. Disabled candidates are guaranteed the chance to be judged along with everyone else on their abilities.

Reporting of Civil Service and other compensation schemes – exit packages (audited)
None of our staff received exit packages in 2024-25 (2023-24, none).

Expenditure on consultancy
We incurred expenditure of £42.6k on external consultancy in 2024-25 (2023-24, £84.7k). This equates to 0.8% of our total revenue expenditure (2023-24, 1.7%). This includes our legal advice costs, a programme of work with our National Panel of Tenants and support for procurement of our legal services and web hosting and support contracts.

Parliamentary Accountability & Audit Report

SHR is a Non-Ministerial Department (NMD) and part of the Scottish Administration, with direct accountability to the Scottish Parliament. Whilst our accounts are not consolidated with those of the Scottish Government, we liaise with Scottish Government Finance colleagues on a regular basis to provide them with information relating to our expenditure and anticipated outturn. Our Framework Agreement sets out our relationship with Scottish Ministers.

Statement of Losses and Special Payments
No losses or special payments were incurred by SHR during the year ended 31 March 2025.

These accounts were authorised for issue on 07 October 2025.

Michael Cameron

Michael Cameron
Chief Executive

07 October 2025

6. Independent auditor's report to Scottish Housing Regulator, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Housing Regulator for the year ended 31 March 2025 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 2 December 2022. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body’s current or future financial sustainability. However, I report on the body’s arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer’s Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body’s operations.

Auditor’s responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body’s policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body’s controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor’s responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor’s report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or

- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Louisa Yule

Louisa Yule CPFA
Audit Scotland
8 Nelson Mandela Place
Glasgow
G2 1BT

07 October 2025

7. Financial Statements

For the year end 31 March 2025

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2025

The Scottish Housing Regulator (SHR) has made no gains or losses during the period, other than as reported above.

The results for the year ended 31 March 2025 derive from the ordinary activities of the SHR, all of which are continuing.

	Note	2024-25 £000	2023-24 £000
Administration costs:			
Staff costs	2	4,618	4,316
Purchase of goods and services	2	532	682
Depreciation and impairment charges	2	145	93
Other operating expenditure	2	-	-
		-------	-------
Total		5,295	5,091
		-------	-------
		-------	-------
Net operating expenditure		5,295	5,091
		====	====

The notes on pages 62 to 65 form part of the financial statements.

Statement of Financial Position
As at 31 March 2025

	Note	2024-25 £000	2023-24 £000
Non-current assets:			
Property, plant and equipment	3	119	33
Intangible assets	4	195	298
		-------	-------
Total non-current assets		314	331
		-------	-------
Current assets:			
Trade and other receivables	6	14	1
Cash and cash equivalents	7	0	0
		-------	-------
Total current assets		14	1
		-------	-------
Total assets		328	332

Continued overleaf

The notes on pages 62 to 65 form part of the financial statements.

Statement of Financial Position Cont'd…

As at 31 March 2025

Michael Cameron

Michael Cameron
Chief Executive

07 October 2025

The financial statements have been authorised for approval on 07 October 2025

	Note	2024-25 £000	2023-24 £000
Current liabilities:			
Trade and other payables	8	(616)	(545)
		-------	-------
Total current liabilities		(616)	(545)
		-------	-------
Total assets less current liabilities		(288)	(213)
		-------	-------
Non-current liabilities:			
Other creditors > 1 year		(162)	(106)
		-------	-------
		(162)	(106)
Net assets		(450)	(319)
		====	====
Taxpayers' equity:			
General Fund		(450)	(319)
		-------	-------
Total taxpayers' equity		(450)	(319)
		====	====

Statement of Cash Flows
For the year ended 31 March 2025

The notes on pages 62 to 65 form part of the financial statements.

	Note	2024-25 £000	2023-24 £000
Cash flows from operating activities			
Net operating expenditure		(5,295)	(5,091)
Adjustments for non-cash transactions:			
Depreciation and amortisation	3,4	145	93
Auditor's remuneration	10	26	26
Movement in working capital:			
(Increase)/decrease in trade and other receivables	6	(13)	(1)
Increase/(decrease) in trade and other payables	8,9	128	197
		-------	-------
Net cash outflow from operating activities		(5,009)	(4,776)
		-------	-------
Cash flows from investing activities			
Purchase of net current assets		(129)	-
Purchase of intangible assets		-	(180)
		-------	-------
Net cash outflow from investing activities		(129)	(180)
		-------	-------
Cash flows from financing activities			
Scottish Government funding		5,138	4,956
		-------	-------
Net financing		5,138	4,956
		-------	-------
Net increase/(decrease) in cash and cash equivalents		-	-
		====	====

Cash and cash equivalents at beginning of period	7	-	-
Cash and cash equivalents at end of period	7	-	-

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2025

The notes on pages 62 to 65 form part of the financial statements.

	Note	General Fund £000	Total Reserves £000
Balance at 31 March 2023		(210)	(210)
Net financing		4,956	4,956
Non-cash charges – auditor's remuneration	10	26	26
Comprehensive net expenditure for the year		(5,091)	(5,091)
		-------	-------
Balance at 31 March 2024		(319)	(319)
		-------	-------
Net funding		5,138	5,138
Non-cash charges – auditor's remuneration	10	26	26
Comprehensive net expenditure for the year		(5,295)	(5,295)
		-------	-------
Balance at 31 March 2025		(450)	(450)
		====	====

Notes to the Accounts

1. Accounting Policies

The financial statements have been prepared in accordance with the 2024-25 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SHR for the purposes of giving a true and fair view has been chosen. The particular policies adopted by the SHR are described below and have been applied consistently in dealing with items considered material to the accounts.

1.1 Accounting Convention

These financial statements have been prepared under the historical cost convention, modified to account for the revaluation of intangible assets where material, at their value to the organisation by reference to their current costs.

1.2 Going Concern

The financial statements for the year ended 31 March 2025 show a deficit on the general fund of £0.450m (23-24 –£0.319m). This has arisen as a result of the requirement to account for the activities of the SHR on an accruals basis, whilst recording the receipt of Scottish Government funding on a cash basis. Net liabilities will be funded by the Scottish Government as they arise. As a consequence, these financial statements have been prepared on a going concern basis.

1.3 Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme expenditure. The classification of expenditure as administration or programme follows the definition of administration costs set out in Consolidated Budgeting Guidance 2024-25 by H M Treasury.

1.4 Non-Current Assets

1.4.1 Property, Plant and Equipment

The minimum level for capitalisation of non-current assets is £7,500. Where multiples are purchased together, and individual values are less than £7,500, they are capitalised if their collective value exceeds £7,500.

Non-current assets are depreciated on a straight line basis at rates sufficient to write off their cost over their estimated useful lives, which are considered to be:

ICT equipment	4 years
Bespoke ICT equipment	7 years
Fixtures & fittings	4 years

ICT assets are carried at valuation in existing use. Depreciated historical cost has been used as a proxy for valuation in existing use for ICT equipment as it is not practicable to obtain valuations due to the low values and high volumes of this class of asset.

1.4.2 Intangible Assets

The minimum level for capitalisation of intangible assets is £7,500. Where multiples are purchased together, and individual values are less than £7,500, they are capitalised if their collective value exceeds £7,500.

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended. Subsequently, they are measured at amortised replacement cost, a proxy for fair value.

Software licences are disclosed separately as intangible assets in accordance with the FReM. However, the SHR only hold the Business Intelligence System as an intangible asset.

Intangible assets are amortised on a straight line basis at rates sufficient to write off their cost over their estimated useful lives, which are considered to be:

Internally developed software	5 years
Software licences	3 years, or life of licence if shorter

The Business Intelligence System will be fully amortised by 31 March 2026.

1.5 Right of use assets

Scope

In accordance with IFRS 16, contracts, or parts of a contract that convey the right to use an asset in exchange for consideration are accounted for as leases. The FReM expands the scope of IFRS 16 to include arrangements with nil consideration. The standard also applies to arrangements with other public sector organisations which share accommodation, often through Memorandum of Terms of Occupation (MOTO) agreements.

Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, as represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use. In such cases, the relevant part is treated as a lease. Contracts for low-value items, in line with the capitalisation levels for PPE noted above in note 1.4.1, and contracts with a term shorter than twelve months, are excluded.

Initial recognition

At the commencement of a lease, a right-of-use asset and a lease liability are recognised. The lease liability is measured at the present value of the payments for the remaining lease term, net of irrecoverable VAT, discounted either by the rate implicit in the lease, or, where this cannot be determined, the rate advised by HM Treasury for that calendar year. The liability includes payments that are fixed, or in-substance fixed, excluding, for example, changes arising from future rent reviews or changes in an index. The right-of-use asset is measured at the value of the liability, adjusted for any payments made or amounts accrued before the commencement date, lease incentives received, incremental costs of obtaining the lease and any costs related to restoration at the end of the lease.

Lease expenditure

Expenditure includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rental payments for leases of low-value items or with a term shorter than twelve months are expensed.

1.6 Provisions

Provisions are made to the extent that the SHR meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The SHR provides for this in full when the early retirement programme becomes binding by establishing a provision for the estimated future years’ payments.

1.7 Trade Payables

The SHR's policy is to pay all invoices not in dispute within 10 days of receipt. The SHR aims to pay 100% of invoices, including any disputed invoices, once any dispute has been resolved, on time in these terms.

1.8 Value Added Tax

Operating costs are stated net of Value Added Tax (VAT) where VAT is recoverable by the SHR.

The SHR is registered for VAT as part of the Scottish Government, which is responsible for recovering VAT from HM Revenue & Customs.

1.9 Pensions

Present and past employees are covered by the provisions of the PCSPS. The defined benefit scheme is unfunded and is non-contributory except in respect of dependants' benefits. The SHR is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2020. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (https://www.civilservicepensionscheme.org.uk/knowledge-centre/resources/resource-accounts/).

The SHR recognises the expected cost of these elements on a systematic and rational basis, over the period during which it benefits from employees' services, by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution scheme, the SHR recognises the contributions payable for the year.

1.10 Income

The SHR does not undertake any income generating activities.

1.11 Cash and Cash Equivalents

Banking arrangements are undertaken by the Scottish Government on behalf of the SHR. As a result, cash and cash equivalents are £nil at the year end.

1.12 Short Term Employee Benefits

A liability and an expense are recognised for annual leave, holiday pay, bonuses and other short-term benefits when the employees render service that increases their entitlement to these benefits. As a result, accruals have been charged for annual leave and flexi time earned but not taken at the year end.

1.13 Critical Accounting Estimates

Accounting estimates are used to determine the valuation of property, plant and equipment, intangible assets and provisions. Details of the estimates are included in notes 1.4 and 1.6.

1.14 Post Balance Sheet Events

In August 2025, Garry Coutts was appointed as the new Chair of the Scottish Housing Regulator. This follows the retirement of our previous Chair at the end of his term of office in June 2025.

1.15 Impact of new accounting standards issued but not yet in effect

International Accounting Standard (IAS) 8 requires the disclosure of information on the expected impact of applying new accounting standards issued but not yet in effect.

The only new standard that has been issued that effects the SHR is IFRS 18 Presentation and Disclosure in Financial Statements. The effective date for IFRS 18 is 1 January 2027 and is likely to impact some of the disclosures in the financial statements. This will be reflected in the updated FreM at that time.

2. Administration Costs

Auditor's remuneration relates to a charge notified by Audit Scotland in respect of external audit work carried out during 2024-25. No other services were supplied by Audit Scotland during 2024-25.

	2024-25 £000	2023-24 £000
Wages and salaries	3,279	3,075
Social security costs	382	358
Other pension costs	932	859
Movement in short term employee benefits	25	24
Depreciation and amortisation	145	93
IT costs	256	269
Accommodation expenses	45	48
Non-executive board members fees and expenses	101	93
Support and consultancy	43	85
Office expenses	21	51
Auditors remuneration (notional charge - note 10)	26	26
Conferences training and seminars	12	37
Professional fees and subscriptions	6	8
Stakeholder engagement	10	23
Travel and subsistence	9	16
HR and marketing	0	13
Catering	3	13
	5,295	5,091

3. Property, Plant and Equipment

	Buildings - Leased £000	Information Technology £000	Furniture & Fittings £000	2024-25 Total £000
Cost				
At 1 April 2024	-	54	9	63
Additions	129	-	-	129
Disposals	-	(28)	(9)	(37)
	-------	-------	-------	-------
At 31 March 2025	129	26	-	155
	-------	-------	-------	-------
Depreciation				
At 1 April 2024	-	26	4	30
Charged in year	16	22	5	43
Disposals	-	(28)	(9)	(37)
	-------	-------	-------	-------
At 31 March 2025	16	20	-	36
	-------	-------	-------	-------
Carrying value at 31 March 2025	113	6	-	119
	-------	-------	-------	-------
Carrying value at 31 March 2024	-	28	5	33
	====	====	====	====
Asset financing:				
Owned	-	6	-	6
Leased	113	-	-	113
Carrying value at 31 March 2025	-------	-------	-------	-------
	113	6	-	119
	====	====	====	====

3. Property, Plant and Equipment *cont'd*

	Buildings-Leased £000	Information Technology £000	Furniture & Fittings £000	2023-24 Total £000
Cost				
At 1 April 2023	-	54	9	63
Additions	-	-	-	-
Disposals	-	-	-	-
	-------	-------	-------	-------
At 31 March 2024	-	54	9	63
	-------	-------	-------	-------
Depreciation				
At 1 April 2023	-	16	2	18
Charged in year	-	10	2	12
Disposals	-	-	-	-
	-------	-------	-------	-------
At 31 March 2024	-	26	4	30
	-------	-------	-------	-------
Carrying value at 31 March 2024	-	28	5	33
	-------	-------	-------	-------
Carrying value at 31 March 2023	-	38	7	45
	====	====	====	====
Asset financing:				
Owned	-	28	5	33
	-------	-------	-------	-------
Carrying value at 31 March 2024	-	28	5	33
	====	====	====	====

4. Intangible Assets

	Information Technology £000	Software Licences £000	2024-25 Total £000
Cost			
At 1 April 2024	332	180	512
Additions	-	-	-
Disposals	-	-	-
	-------	-------	-------
At 31 March 2025	332	180	512
	-------	-------	-------
Amortisation			
At 1 April 2024	199	15	214
Charged in year	66	36	102
Disposals	-	-	-
	-------	-------	-------
At 31 March 2025	265	51	316
	-------	-------	-------
Carrying value at 31 March 2025	66	129	195
	-------	-------	-------
Carrying value at 31 March 2024	133	165	298
	====	====	====
Asset financing:			
Owned	66	129	195
	-------	-------	-------
Carrying value at 31 March 2025	66	129	195
	====	====	====

Continued overleaf

4. Intangible Assets
Cont'd

	Information Technology £000	Software Licences £000	2023-24	Total £000
Cost				
At 1 April 2023	332	-		332
Additions	-	180		180
Disposals	-	-		-
	-------	-------		-------
At 31 March 2024	332	180		512
	-------	-------		-------
Amortisation				
At 1 April 2023	133	-		133
Charged in year	66	15		81
Disposals	-	-		-
	-------	-------		-------
At 31 March 2024	199	15		214
	-------	-------		-------
Carrying value at 31 March 2024	133	165		298
	-------	-------		-------
Carrying value at 31 March 2023	199	-		199
	====	====		====
Asset financing:				
Owned	133	165		298
	-------	-------		-------
Carrying value at 31 March 2024	133	165		298
	====	====		====

5. Financial Instruments

IFRS 7, Financial Instruments: Disclosures, requires disclosure of information about the significance of financial instruments held by the entity over the year and the nature and extent of risks arising from those financial instruments. The SHR is not exposed to the same degree of financial risk faced by many other business entities because of the non-trading nature of its activities and the way in which it is funded. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. Financial assets and liabilities are generated by day to day operational activities and are not held to change the risks facing the entity in undertaking its activities.

Liquidity Risk

The Scottish Parliament makes provision for the use of resources by the SHR in a Budget Act for each financial year. Cash authorisation is provided by the Scottish Government to the extent that expenditure is covered by budget authority. The SHR is therefore not exposed to liquidity risks.

Fair Values

Assets and liabilities are carried at fair value in the Statement of Financial Position. The SHR's financial assets comprise trade receivables, financial and other assets (Note 6) and cash and cash equivalents (Note 7). The financial liabilities comprise trade payables, accruals and other current liabilities (Note 8) and non-current liabilities (Note 9).

6. Trade Receivables, Financial and Other Assets

	2024-25 £000	2023-24 £000
Amounts falling due within one year:		
Prepayments	-	-
Other receivables	14	1
	-------	-------
	14	1
	====	====

Intra-government balances		
Balances with other central government bodies	-	-
Balances with bodies external to government	14	1
	-------	-------
	14	1
	====	====

7. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April 2024	-	-
Net change in cash and cash equivalent balances	-	-
	-------	-------
Balance at 31 March 2025	-	-
	====	====

The following balances were held at 31 March 2025:

Commercial banks and cash in hand	-	-
	-------	-------
Balance at 31 March 2025	-	-
	====	====
	-------	-------
Balance at 31 March 2024	-	-
	====	====

8. Trade Payables and other current liabilities

	2024-25 £000	2023-24 £000
Trade payables	23	79
Accruals	328	233
Other payables	265	233
	-------	-------
Balance at 31 March	616	545
	====	====

Intra-government balances		
Balances with other central government bodies	22	-
Balances with bodies external to government	594	545
	-------	-------
	616	545
	====	====

9. Non-current liabilities

	2024-25 £000	2023-24 £000
Provisions	-	-
Other creditors > 1 year	162	106
	-------	-------
Balance at 31 March	162	106
	====	====
Intra-government balances		
Balances with other central government bodies	92	-
Balances with bodies external to government	70	106
	-------	-------
	162	106
	====	====

10. Notional Charges

The following notional charge has been included in the accounts:

	2024-25 £000	2023-24 £000
Auditor's remuneration	26	26
	-------	-------
	26	26
	====	====

11. Related Party Transactions

The SHR is a Non-Ministerial Department within the Scottish Administration. The Scottish Government is regarded as a related party. During the year, the SHR had various material transactions with the Scottish Government, and with other entities, for which the Scottish Government is regarded as a parent body.

The SHR also had a small number of material transactions with other government departments, central government bodies, local government, non-departmental public bodies and similar organisations.

During the year, apart from their service contracts, no Board member, key manager or related party has undertaken any material transactions with the SHR. In addition, no Board member, key manager or related party received any benefits in kind. Further details are set out in the Remuneration and Staff Report that accompanies these financial statements.

12. Capital Commitments & Contingent Liabilities

No contracted capital commitments or contingent liabilities existed at 31 March 2025 (2024, none).

13. Leasing Commitments

The SHR shares office space with Social Security Scotland under the basis of a Memorandum of Understanding. The arrangement is for a five year fixed term until November 2029, is treated as a lease and has been capitalised in line with IFRS 16. At 31 March 2025, the total of future minimum lease payments under non-cancellable leases for each of the following periods was as noted.

2023/24 reflected the early termination of the SHR's previous lease arrangements for Buchanan House.

	2024-25 £000	2023-24 £000
Obligations under leases for the following periods comprise:		
Buildings		
Not later than one year	28	-
Later than one year and not later than five years	102	-
Later than five years	-	-
	-------	-------
	130	-
	====	====
Other		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	-------	-------
	-	-
	====	====

14. Other Financial Commitments

The SHR has entered into contracts (which are not leases) for the provision of support services for the Business Intelligence System. The contracts are for an initial fixed term, with the option to add additional years. The total future payments for which the SHR is budgeting are as shown:

	2024-25 £000	2023-24 £000
Not later than one year	121	117
Later than one year and not later than five years	346	16
Later than five years	-	-
	-------	-------
	467	133
	====	====

The Scottish Government
Riaghaltas na h-Alba

SCOTTISH HOUSING REGULATOR

DIRECTION BY THE SCOTTISH MINISTERS
in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

1. The statement of accounts for the financial year ended 31 March 2009 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

2. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses, and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

3. This direction shall be reproduced as an appendix to the statement of accounts.

A. J. Stafford

Signed by the authority of the Scottish Ministers

Dated 11 March 2009

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