



GROUP NOTIFIABLE EVENTS POLICY

POLICY IMPLEMENTATION CHECKLIST	
Policy Guardian:	Chief Executive
Author:	Director of Finance 7 Governance
Version number:	2.1
Approved by Chief Executive on:	March 2016
Governing Body Approved:	April 2016
Effective from:	April 2016
Date of Last Review:	May 2019
Date of Next Review:	May 2022
Diversity compliant:	Yes
Equality Impact Assessment required:	No
Data Protection compliant:	Yes
Health & Safety compliant:	Yes
Procedure implemented:	Yes
QL system changes made:	N/A
KPIs / reporting arrangements implemented:	Yes
Training Completed:	N/A
Posted on intranet:	Yes
Posted on website:	Yes
Publicity material issued:	N/A

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1 Introduction

1.1 The Group, comprising Caledonia Housing Association and its' constitutional partner Cordale Housing Association, acknowledges the regulatory role performed by the Scottish Housing Regulator (SHR); and in this context its interest in preserving:

- the interests or safety of tenants, people who are homeless and other service users;
- the financial health of RSLs (Registered Social Landlord), public investment in the RSL or the confidence of private lenders; and
- the good governance and reputation of individual RSLs and the RSL sector.

The Housing (Scotland) Act 2010 also requires that RSLs notify SHR about certain disposals of land and assets, and constitutional and organisational changes.

1.2 We understand and recognise the associated regulatory expectation that SHR should be informed about certain exceptional events, which potentially put fulfilment of these tenets at risk.

2 Definition

2.1 The SHR Statutory Guidance on Notifiable Events, defines notifiable events as "...serious events that may seriously affect the interests and safety of tenants, people who are homeless or other service users; threaten the stability, efficient running or viability of service delivery arrangements; ; put at risk the good governance and financial health of the organisation or that would potentially bring the RSL into disrepute or which would raise public or stakeholder concern about the RSL or the social housing sector."

2.2 To this end, it confirms that SHR expects an RSL to report "...any material, significant or exceptional issue, event, or change within its organisation and how it intends to deal with it or, where appropriate provide a reasonably detailed explanation as to why a significant change has been implemented"

2.3 The Guidance formally sets out the types of event that are likely to be deemed 'notifiable,' categorising these into Governance and Organisational Issues; Performance and Service Delivery Issues; and Financial and Funding Issues. There are further requirements also detailed for systemically important RSLs. It also clarifies the type of information SHR will require, and the way this should be reported. The types of Notifiable Event are listed below as follows:

2.4 *Governance and Organisational Issues*

- Any material change to the assurances and supplementary information contained in the RSL's Annual Assurance Statement
- Resignation of governing body members for non-personal reasons
- The membership of the governing body falls, or is going to fall, to seven or below
- The membership calls a special general meeting
- Resignation or dismissal of the RSL senior officer;
- Serious complaints, allegations, investigations, or disciplinary action relating to a governing body member or the senior officer
- The senior officer is absent or partially absent for an extended period of time

- Receipt of intimation that a claim has been submitted to an employment tribunal
- Severance payment to and/or settlement agreement with a staff member
- Breach of the Regulatory Standards
- A breach of the RSL's Code of Conduct by governing body members
- Major change or restructuring within the current RSL or Group
- Potentially serious breaches of statutory or common law duties by the RSL, including equalities and human rights duties, whether or not these have resulted in the submission of a claim or a legal challenge
- Any legal proceedings taken against the RSL that may have significant consequences for the RSL in the event of success
- Serious failure of governance within an RSL's subsidiary
- Serious issues regarding a parent, subsidiary or connected organisation
- Plans to set up a non-registered subsidiary
- Serious dispute with another member of an alliance, consortium or non-constitutional partnership that may have significant consequences for the RSL
- Breaches of charitable obligations or no longer meeting the charity test
- Whistleblowing allegations

2.5 *Performance and Service Delivery Issues*

- Any incident involving the Health & Safety Executive or a serious threat to tenant safety or where a regulatory or statutory authority, for example the fire brigade, or insurance provider has notified its concerns
- Serious accidental injury or death of a tenant in their home or in communal areas where there has been a service failure by the RSL; where there has been a failure, or perceived failure, in how the RSL has assessed and managed risk; or which could potentially affect other tenants' confidence in the RSL or the RSL's reputation
- Major failure of key service delivery arrangements (for example, repairs cannot be carried out because a contractor goes into liquidation)
- Breaches of ballot commitments to tenants or stock-transfer contractual agreements
- Adverse reports by statutory agencies, regulators, inspectorates, etc., about the RSL (for example a Care Inspectorate report with a "weak" or "unsatisfactory" grade or an upheld Care Inspectorate complaint)
- Any significant natural disaster e.g. fire, flood, building collapse, etc., that affects the RSL's normal business

- Serious or significant adverse media reports or social media interaction, which could potentially affect tenants' confidence in the RSL or that is damaging to the reputation of the RSL

2.6 *Financial and funding Issues*

- Fraud or the investigation of fraud either internally, by the Police or by an external agency or organisation
- Breach or potential breach) of any banking covenants
- Serious financial loss; actual or potential
- Default or financial difficulties of major suppliers or service providers
- Any material reduction in stock or asset values; actual or potential
- Serious concerns raised by lenders or auditors
- Serious and imminent potential cash flow issues
- Proposed assignation or transfer of the existing lender's security to another lender
- Notification of the outcome of an adverse financial assessment of the RSL or its parent / related companies / connected bodies from Pensions Trustees
- Change of internal or external auditor
- A serious or material reduction in the funding for care and support services, for example, for RSLs with significant care elements in their business where there is a withdrawal of funding from the local authority.

2.7 *Additional issues that systemically important RSLs have to provide notification of*

- Any change in senior staff
- Any material change in the business plan or strategic direction of the organisation
- Any problems in relationships with key stakeholders for example local authorities or funders

2.8 *Tenant Consultation*

- The results of tenant consultation such as the outcome of a ballot or written agreement.

2.9 *Disposal of Land and Assets*

- Disposals by way of sale of tenanted social housing dwellings.
- Disposals by way of granting security over social and non-social housing dwellings, land or other assets.
- Disposals by way of sale or excambion of untenanted social or non-social housing dwellings, land or other (including non-residential) assets over £120,000.

- Disposal by way of lease of social housing dwelling.
- Disposal by way of lease of roof space of residential, tenanted properties for renewable energy sources (for example solar panels) or telecommunications (for example aerials).
- Disposals by way of lease of residential property to an RSL, group subsidiary or any other body for market or mid-market rent or other non-social housing purposes (except where property is leased to a local authority for temporary accommodation for people who are homeless).
- Any other disposals not listed above that could have significant implications for tenants or other service users.

2.10 *Constitutional and Organisational Changes*

- Change of name, office or constitution.
- Restructuring a society or company.
- Voluntary winding up or dissolution of a society.
- Converting a company into a registered society.
- Entering into a company voluntary arrangement.
- Voluntary winding up of a company.
- Becoming a subsidiary of another body.

3 Notification of Notifiable Events to Scottish Housing Regulator

- 3.1 The SHR guidance contains clear expectations relating to the way in which notifications are made.
- 3.2 These dictate the roles and responsibilities of both the Group's Governing Bodies and senior managers; and the management systems that we need to have in place.
- 3.3 In particular, the Chair of each of the governing bodies in the Group retains responsibility for reporting notifiable events that relate to governance or organisational issues; and for raising awareness of these amongst their fellow Governing Body members. The Chair must also notify SHR of any changes relating to the Annual Assurance Statement.
- 3.4 Similarly, the Group Chief Executive is responsible for reporting notifiable events relating to performance and service delivery issues or financial and funding issues; and again, for ensuring that Caledonia's Management Board, and as appropriate Cordale's Management Committee, is made aware of these. The Group Chief Executive is also responsible for ensuring arrangements are made for the proper recording and filing of all relevant regulatory correspondence. In practice, the Group Chief Executive will fulfil these tasks in consultation with other Group senior staff members.