



### Notifiable Events Policy

<b>Linthouse Housing Association</b>	
<b>Policy Implementation Checklist:</b>	
Policy Guardian:	Chief Executive Officer
Policy Author:	Corporate Services Manager
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## Section 1: Introduction

### 1.1 Notifiable Events

1.1.1 Linthouse Housing Association acknowledges its obligation to notify the Scottish Housing Regulator ('**SHR**') of particular events within the organisation in which the SHR have a regulatory interest and duty.

1.1.2 This Policy outlines our obligation to notify the Scottish Housing Regulator according to the Statutory Guidance issued in 2019, of events that may jeopardise the following:

- 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

1.1.2 LHA will comply with the Statutory Guidance in full, and staff and Management Committee members are encouraged to access the guidance document at <https://www.scottishhousingregulator.gov.uk/for-landlords/statutory-guidance/notifiable-events#>.

1.1.4 The LHA Policy highlights key important issues from the SHR Guidance as well as outlining the scope and particular contexts within which LHA will apply the guidance.

1.1.5 In complying with statutory guidance, we meet our regulatory requirements in Chapter 3 of the Regulatory Framework. Standard 2.5 requires us to inform the SHR of any material, significant or exceptional issue, event, or change within our organisation, and how we intend to deal with such. Where appropriate, we are also required to provide a reasonably detailed explanation as to why a significant change has been implemented.

1.1.6 The Housing (Scotland) Act 2014 also requires us to notify the SHR about particular disposals of land and assets, as well as constitutional and

organisational changes. This is referred to in the SHR's guidance regarding notifiable events.

**1.1.7 Note:** In this Policy, Linthouse Housing Association is referred to as “we”, “us” or “our”. The Scottish Housing Regulator is referred to as the “SHR”, and Registered Social Landlord is referred to as “RSL”.

## 1.2 Scope

1.2.1 This Policy applies to all members of staff, the Senior Management Team and the governing Management Committee.

## 1.3 Equality and Diversity

1.3.1 Equality and diversity reflect the core values of Linthouse Housing Association and we strive to ensure that these core values are embedded throughout all of our services, policies and decision making. We are committed to promoting an inclusive and diverse culture that treats every individual with dignity, respect and fairness. We will actively challenge discrimination and empower people to succeed.

1.3.2 If further information is required, please refer to our Equality and Diversity Policy.

## 1.4 Our Mission

1.4.1 The Notifiable Events Policy forms part of our mission to:

“deliver high quality and cost-effective housing services designed to meet the needs of existing and future customers. To work in partnership with others to create thriving communities that people want to live and work in”.

## 1.5 Our Vision and Values

1.5.1 Our vision is the creation and sustainment of lasting, unique, vibrant homes in stable, popular and ambitious urban communities. Our vision is underpinned

by four core values which we apply to all areas of our business. These are to be:

- i. Customer Driven
- ii. Honest
- iii. Accountable
- iv. Transparent

## 1.6 Our Organisational Culture

1.6.1 Our **C.H.A.T** values as outlined, form the foundation of our **Listen, Hear, Act (L.H.A)** customer excellence and organisational culture programme. All staff receive training at induction on customer service standards and the organisational culture we promote. This includes reference to our Equality and Diversity Policy and a requirement to treat colleagues, tenants, contractors, service users and any other stakeholders with dignity and respect.

1.6.2 The organisational culture we promote is based on finding solutions to suit customer needs regardless of individual differences.

1. **Listen** - We are committed to listening to those we do business with, be that our customers, staff, stakeholders, regulators or funders, to ensure that our responses are reflective of what people are saying to us.
2. **Hear** - Once we listen and understand the need/demand/offer that is presented, we will ensure that we fully understand what is being said.
3. **Act** - Whilst we will think about what we do, we want to be known for acting swiftly to deliver solutions and for always keeping our promises.

1.6.3 Our Customer Service Standards aim is to ensure all of our service users receive an excellent standard of service. The Standards help define what our customers can expect when contacting or engaging with the staff in our office. It is available on our website, direct from the office, or in other formats as required.

## 1.7 Applicable Definitions

### 1.7.1 Notifiable Event

The SHR 2019 Statutory Guidance defines notifiable events as any material, significant or exceptional issue, event, or change within an organisation. The Statutory Guidance also provides a general guideline of what constitutes a notifiable event:

- i. An event that seriously affects the interests and safety of tenants, people who are homeless or other service users;
- ii. An event that threatens the stability, efficient running or viability of service delivery arrangements;
- iii. An event that puts at risk the good governance and financial health of the organisation; and
- iv. An event that brings the RSL into disrepute or raises public or stakeholder concern about the RSL or the social housing sector.

Where an RSL reports any material, significant or exceptional issue, event, or change within its organisation, it is also required to report on how it intends to deal with such or, where appropriate, provide a reasonably detailed explanation as to why a significant change has been implemented.

### 1.7.2 'Material, Significant or Exceptional'

What constitutes material, significant or exceptional is contingent on the nature of the particular event and the individual housing association, such as the size and/or complexity of the RSL.

In deciding whether an event is material, significant or exceptional, the risk and potential impact upon the organisation will be considered.

### 1.7.3 Governance and Organisational Issues, Performance and Service Delivery Issues, and Financial and Funding Issues

The guidance below outlines examples of various events deemed 'notifiable'. It is important to note that the examples are illustrative as opposed to exhaustive in nature.

The Housing (Amendment) Act 2018 also requires RSLs to notify the SHR on the outcome of tenant consultations, certain disposals, and constitutional and organisational changes.

The guidance categorises these events into four categories as follows:

*(1) Governance and Organisational Issues*

- Any material change to the assurances and supplementary information contained in the RSL's Annual Assurance Statement
- The membership calls a special general meeting
- Removal of any governing body members for non-personal reasons
- Resignation of governing body members for non-personal reasons
- The membership of the governing body falls, or is going to fall, to seven members or below
- Serious complaint, allegation, investigation, or disciplinary action about a governing body member
- A breach of the RSL's code of conduct by governing body members
- Resignation or dismissal of the RSL's senior officer
- Severance payment to and/or settlement agreement with a staff member
- Serious complaint, allegation investigation, or disciplinary action about 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
- Major change or restructuring within the current RSL
- Plans to set up a non-registered subsidiary

- 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 which may have significant consequences for the RSL in the event of success
- Serious failure of governance within an RSL's subsidiary
- Serious issue regarding a parent, subsidiary or connect organisation
- A dispute with another member of an alliance, consortium or non-constitutional partnership which may have significant consequences for the RSL
- Breaches of charitable obligations or no longer meeting the charity test
- Whistleblowing allegations

## *(2) 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, or insurance provider, has advised the RSL of concerns, such as the Fire Brigade for example
- Serious accidental injury to, or the death of a tenant in their home or communal areas:
  - Where there has been a service failure by the RSL; or
  - 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 commitment to tenant or of any stock transfer contractual agreement



- Adverse reports by statutory agencies, regulators, inspectorates (or similar) 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, for example, fire, flood or building collapse, which 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

### *(3) 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 concern raised by lenders or auditors
- Serious and imminent potential cash flow issue
- 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/subsidiaries/related companies/connected bodies from pensions' Trustees
- A serious or material reduction in the funding for care and support service, for example for RSLs with significant care elements in their business, where a local authority withdraws funding
- Change of internal or external auditor

## 1.8 Notification of Notifiable Events to Scottish Housing Regulator

- 1.8.1 The guidance clearly outlines the SHR's expectations with regards to how notifications are made.
- 1.8.2 The guidance stipulates the responsibilities in relation to governing bodies and senior managers, and the management systems that we must have in place.
- 1.8.3 The Chair is responsible for reporting notifiable events that concern governance and/or organisational issues to the SHR. As outlined, this can include for example, if the Chief Executive Officer has left or there are concerns about the Chief Executive or governing body. The Chair is also required to notify the SHR of any relevant changes to the Annual Assurance Statement. The Chair has responsibility to report to the Management Committee any notifiable events they report to the SHR.
- 1.8.4 The Chief Executive Officer has the responsibility for notifiable events that concern performance and service delivery issues, or financial or funding issues. Likewise, the Chief Executive Officer is also responsible for ensuring that the Association's Management Committee is made aware of such issues and ensuring that arrangements are put in place for recording and filing purposes with regards to all relevant regulatory correspondence. On a practical level, the Chief Executive Officer will satisfy such tasks in consultation with the Senior Management Team.
- 1.8.5 Both the Chair and Chief Executive Officer must inform the Management Committee of a notifiable event as soon as practically possible, first by email and then formally at the next scheduled meeting. This can include anticipated notifiable events.
- 1.8.6 The details of all notifiable events will be referred to the Audit and Assurance Sub Committee to consider the potential risks or other impacts the situation is likely to have on the association, and to consider any proposed course of action.
- 1.8.7 All notifiable events will be reviewed by the Chief Executive Officer and Management Committee to identify potential changes to policies, procedures

or practices as well as the resources appropriate to address the event. This is to, where possible, avoid a repeat in the circumstances leading to the notifiable event and prevent a similar situation happening again.

1.8.8 The Senior Management Team has the responsibility of notifying the SHR when considering the sale or transfer of property in the following circumstances:

- disposals by way of sale of tenanted social housing dwellings (and ensure that they comply with their legal obligations to consult tenants under sections 115, 115A and 115B of the Housing (Scot) 2010 Act)
- 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 and non-social housing dwellings, land or other (including non-residential) assets over £120,000
- disposals by way of lease of social housing dwelling;
- disposals by way of lease of roof space of residential, tenanted properties for renewable energy sources (for example solar panels) or telecommunications (for example aerials) (and ensure that they comply with their legal obligations to consult tenants under s110 of the 2010 Act)
- 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 which could have significant implications for tenants or other service users.

- 1.8.9 There is no requirement to notify the SHR where the disposal does not fall into one of the categories above but if senior staff are unsure whether notification applies, then advice will be sought from the SHR.
- 1.8.10 In addition, senior staff are responsible for notifying the SHR of any proposal to restructure. SHR consent is not required for restructuring or the sale or transfer of RSL assets, but early notification is required to allow the SHR to safeguard the interests of tenants and stakeholders.
- 1.8.11 Senior staff must also notify the SHR of any tenant consultation and approval processes carried out in relation to the sale or transfer of tenanted houses, a restructure, or any other similar decision which would significantly affect tenants in line with SHR Statutory Guidance. Senior staff must seek approval from the Chief Executive Officer and/or Management Committee prior to notification.

## Section 2: Review of Notifiable Events Policy

- 2.1 This policy will be reviewed every 3 years to ensure that the appropriate amendments are made, or whenever SHR guidance is amended. All staff and relevant third parties will be informed. Continuously subjecting our Policy to review will ensure that its effectiveness is maintained, and that feedback can be acted upon in a reasonable time frame.

## Appendix 1: Equality Impact Assessment

<b>TITLE OF POLICY:</b>	<b>Notifiable Events</b>
Strategic Outcome:	To notify the SHR of particular events within the Association in accordance with the SHR's Statutory Guidance, in order to comply with our regulatory requirements and legal obligations.
What is the purpose of the proposed Policy?	To clearly define what events are notifiable in nature and must therefore be reported to the SHR. The Policy also details how notifications should be made to the SHR, with particular reference to the responsibilities of governing body members and senior managers.
Protected Characteristic Groups affected by the Policy	N/A.
Who is the target audience of this policy or who is intended to benefit from the proposed policy and how? (ie. employees, service users, management committee etc.)	This Policy applies to all members of the Association's Senior Management Team, staff and governing Management Committee.
List any existing documents, evidence, research which have been used to inform the EqIA (this must include relevant data used in this assessment)	N/A.
Has any consultation involvement been undertaken with the Protected Characteristic Groups to inform this assessment? (please provide details of who and how consulted)	No.
What is the actual likely impact?	To clarify the responsibilities of staff and members of the Management Committee in relation to notifiable events, and to help elucidate what events are notifiable in nature.
How have you, or will you, put the Policy into practice, and who is or will be responsible for delivering it?	Head of Business Support is responsible for the introduction of this Policy and arranging relevant training.
How does the Policy fit into our wider or related policy initiatives?	Supports good governance.
Do you have a set budget for this work?	No.