

**REGULATION BOARD
MINUTES OF MEETING**

Room 7, Highlander House, Glasgow

10:30 Friday 8 May 2009

Present:

Karen Watt	Chief Executive (Chair)
Iain Muirhead	Head of Policy & Corporate Services
Christine MacLeod	Head of Support & Intervention
Michael Cameron	Head of Inspection
Mairi Keddie	Non Executive Board Member
Alex Condie	Non Executive Board Member

Observing:

Ray Macfarlane	Future Non Executive Board Member
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In attendance:

Roisin Harris	Secretariat
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**Agenda
Item**

Karen Watt welcomed Ray MacFarlane as an observer, who will be joining the Regulation Board as a Non Executive Board member shortly.

1(a) Apologies were received from Ian Brennan, Head of Business Analysis.

1(b) Minutes
The minutes of the Regulation Board held on 31 March 09 were approved. The Board noted the approved Audit Committee minutes from 19 March 09.

1(c) Matters Arising
The Board noted that matters arising from the previous meeting were completed with the exception of development of a stakeholder management strategy. This will be carried forward as part of the 2009/10 Business Plan. Karen updated the Board on the position with Dunfermline Building Society.

Strategic Management

2. Social Housing Bill consultation update
Iain Muirhead presented a paper on the Draft Housing Bill consultation and related timetable. The Board discussed the draft Bill and the next steps for the agency.

The SHR has several conference presentations over the next few weeks. The Board agreed that SHR should generally welcome the key drivers for reform: the review of the inspection process; a separation of standard setting from assessment; and the review of intervention powers. The Board agreed SHR should highlight areas that might require further development.

The Board also agreed that SHR should have early discussions with the Scottish Government to plan for a smooth transition if the consultation suggests support for the proposals.

Action **Iain Muirhead to update the Board on responses to the draft Housing Bill consultation, through liaison with the Scottish Government.**

3. Risk Register

Iain Muirhead presented the risk register for discussion. The Board discussed the risks identified and agreed the following amendments.

Risk 2: Balance of workforce skills and ability to recruit.
Update to better reflect work for 2009/10 and the related Business Plan tasks.

Risk 3: RSL in financial difficulty and SHR fails to manage the situation.
Consider broadening this to encompass our analysis of other risks in the sector and to better reflect our work in early 2009 around reviewing RSLs' business plans.

Risk 5: Appropriate budget settlement, under/over estimated resource needs.
Consider updating the wording of the risk to incorporate managing the impact of changes in budget. Add budget scenario planning as part of the mitigating activities.

Risk 7: The Housing (Scotland) Act 2001 hinders regulatory impact or ability to introduce new approaches.
Reduce the likelihood to low because of the proposals in the consultation on a new bill.

Action **Iain Muirhead to amend risk register as agreed by the Board and consider all risks in the context of 2009/10 Business Plan activities.**

4. Performance Report

Iain Muirhead presented a report on SHR's year end Business Plan review for 2008/09. The Board noted the progress made and the tasks to be rolled forward to the 2009/10 Business Plan.

Karen Watt told the Board that the annual monitoring report for the SHQS had now been completed. It had been sent to Ministers and would be published shortly.

Iain Muirhead outlined the timetable for the production and sign off of the annual report and accounts.

Action Iain Muirhead to circulate the draft annual report and accounts to the Board for comment.

5. Budget Report

Iain Muirhead presented a budget report reviewing SHR spend against forecasted budget to 31 March 2009 (not full year end). Iain confirmed there would be an under spend of around 15% against the original budget, which has been reallocated within the Housing and Regeneration portfolio. The Board noted the contents of the report and that details of full expenditure for 2008/09 will be available to them in SHR's annual accounts.

Karen Watt told the Board that the SHR should plan for possible budget constraints as a result of wider Scottish Government, and scrutiny, reviews.

6. Equalities Strategy

Iain Muirhead presented a paper proposing SHR's Single Equalities Statement and Action Plan for approval by the Board. The Board discussed the statement and action plan. The Board agreed amendments to include:

- an explanation of SHR's duties in relation to the Scottish Government's statutory schemes;
- the possible changes envisaged in the Scottish Government's consultation on reforming regulation;
- structuring the action plan into the themes set out in the draft statement;
- more information about equalities impact assessments in the statement; and
- information on duties to report to the Scottish Government and in SHR's annual report.

The Board agreed that the amended statement and action plan should be brought to EMT for final approval before publication.

Action Iain to amend statement and action plan for EMT approval and organise web publication.

Regulation Management

7. Risk engagement activities

Christine Macleod and Michael Cameron presented an update report on the Registered Social Landlords that SHR has had more than routine engagement with.

Christine told the Board more about the impact of intervention with Moray Housing Partnership and Cumbernauld Housing Partnership.

Michael confirmed that the published local authority inspection programme is fully resourced for 2009/10. It may be subject to change, depending on the outcome of SHR's work with Audit Scotland on shared risk assessments for Local Authorities.

The Board noted the contents of the report and agreed it was useful to receive this information every six months.

9. AOB

Review meetings with non-executive board members would be set up over the next few weeks.

DONM

- Thursday 16 July 2009, Rm 3 Highlander House, Glasgow