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Convener
Local Government, Housing and Planning Committee
The Scottish Parliament
Edinburgh
EH99 1SP

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Dear Ariane

Re: Scottish Housing Regulator – Urgent Need for Independent Investigation and Ongoing Scrutiny

Thank you for the Committee's letter to the Scottish Housing Regulator (SHR) dated 18 March 2025 and for its support for the establishment of an independent appeals mechanism. I am now writing to urge the Committee to go further, to ensure that this Parliament can be satisfied that the SHR is carrying out its functions in line with its statutory powers, and to begin building trust within the housing sector.

In recent years, we have seen too many examples of concerns about powerful public bodies being dismissed until it was too late to ensure accountability or learn meaningful lessons. In this case, individuals accused of breaching key rules remain in post, and the regulatory framework remains unchanged. While I welcome the Committee's support for an appeals mechanism, which may help address some of the excesses observed, that alone is not sufficient.

As set out in my letter of 29 June 2023, I urge the Committee to initiate an independent investigation into the SHR's actions at Dalmuir Housing Association and at other associations where serious and unresolved allegations have been raised.

Key Concerns Requiring Investigation at Dalmuir Park HA

1. Bullying and Intimidation

SHR-appointed interim managers and staff have been accused of bullying and intimidating employees, governing body members, and my constituent. These allegations must be taken seriously.

2. Acting Beyond Statutory Powers

There is prima facie evidence that the SHR acted beyond its statutory remit under the Housing (Scotland) Act 2010, **before** its formal intervention. Examples include:

- Forcing the Chair of Dalmuir Housing Association to step down;
- Instructing the governing body to appoint investigators;
- Appointing a co-optee who, according to the minutes of a meeting attended by SHR, immediately declared an intention to remove the Director, without due process.

Despite persistent efforts since I was elected, the SHR has refused to initiate any form of investigation and has blocked the release of relevant documents under FOI. I am sure the Committee will also have noted that the SHR continues to minimise or dismiss legitimate

complaints as vague or based on perception. George Walker's repeated downplaying of bullying concerns, including his remark that "one person's bullying is another person's strong intervention", points to a deeper cultural issue within the organisation. These issues must not be ignored.

Concerns about the SHR's accountability date back to the 2014 Infrastructure and Capital Investment Committee report, and have been raised almost annually since. Small, community-based housing associations in particular describe a climate of fear and mistrust. Without meaningful, independent scrutiny, these patterns will continue unchecked. There is no guarantee that a future Parliament will prioritise these concerns.

Recommendations for Action

1. Independent Investigation into Events at Dalmuir Park Housing Association

I urge the Committee to immediately commission a focused inquiry into the SHR's conduct at Dalmuir and any other relevant cases. This should include interviews with affected individuals and access to key documentation. The investigation need not be lengthy and could be remitted, for example, to a solicitor from the First-tier Tribunal (General Regulatory Chamber), given their experience in charity law and public interest regulation.

2. Strengthen Ongoing Parliamentary Scrutiny

The current level of scrutiny is insufficient for such a complex area. I propose a more structured and informed process, whereby:

- The SHR is instructed by this Committee to engage with all relevant stakeholders, including tenant groups and representative bodies, and produce a comprehensive, unredacted annual report.
- This report would form the basis of future evidence sessions, with the first report submitted no later than November 2025.

While the scope of the report should ultimately be shaped by stakeholder input, I suggest the following areas be included:

- Compliance with the Scottish Regulators' Strategic Code of Practice;
- Use of statutory functions under the Housing (Scotland) Act 2010;
- Use of informal interventions, including their legal basis and compliance with statutory requirements;
- Financial impact of interventions on tenants, broken down by landlord. This should include: compensation to staff, consultant fees, interim management costs, training, equality impact assessment and value-for-money analysis.
- Appointment of co-optees, consultants, or interim managers, including selection processes, terms of reference, independence, and cost;
- SHR's role in facilitating or encouraging mergers within the housing association sector;
- Allegations of bullying, harassment, or discrimination by SHR staff, co-optees, or appointees, and the SHR's response;
- Outcomes of any appeals submitted to the proposed new tribunal mechanism.

Conclusion

Since its creation, the SHR has operated without sufficient Parliamentary scrutiny. Serious allegations of bullying and a culture of fear within the housing profession have been consistently raised, only to be dismissed by the SHR. This has had damaging consequences for a sector that we urgently need to empower in order to tackle Scotland's housing emergency.

It is no exaggeration to say that tenants have paid millions of pounds to consultants, often engaged at the informal direction of the SHR, with no clear statutory basis and little or no knowledge of Scotland's legal framework or community-based housing models. These

consultants can earn up to £1,000 per day, and their work is rarely subject to effective scrutiny.

This Committee and this Parliament are to be congratulated for taking the first meaningful steps towards SHR accountability. However, without further action, a critical opportunity for reform will be lost. The next Parliament will have other priorities and may not return to this issue with the same momentum.

I would welcome the opportunity to speak directly to the Committee on these matters. In the meantime, I urge you to act now to restore transparency, ensure accountability, and secure proper governance of housing regulation in Scotland by implementing the above recommendations without delay.

Yours sincerely,

Evelyn Tweed MSP
cc. Paul Sweeney MSP