

Local Government, Housing and Planning Committee
Tuesday 9 December 2025
32nd Meeting, 2025 (Session 6)

Scrutiny of the Scottish Housing Regulator (SHR)

Introduction

1. At this meeting the Committee will scrutinise the performance of the Scottish Housing Regulator (SHR) over the past year and its [annual report](#). More detail on the annual report is provided at Annexe A.

Previous Committee scrutiny of the SHR

2. During its scrutiny of the SHR during 2024, the Committee undertook a more detailed inquiry than previously carried out. This was in response to hearing concerns about the culture within the SHR, which led to it [writing to the SHR in March 2025](#) outlining a number of issues and recommendations. The SHR [responded in June 2025](#).
3. This year's evidence session with the SHR will take those issues into account, in particular what progress has been made in the intervening period. The Committee [wrote to the SHR](#) in October asking for an update on some aspects of its previous inquiry, and the SHR's response is attached at Annexe B.
4. The Committee [also wrote to](#) the Scottish Federation of Housing Associations, ALACHO, Share Ltd, the Glasgow and West of Scotland Forum of Housing Associations seeking their views, and their responses are attached at Annexe C.
5. Queries were also [posed to the Scottish Public Services Ombudsman](#) which were [answered on 15 October](#).
6. The Committee [wrote to the Cabinet Secretary for Housing in November](#) to inquire about the Scottish Regulators' Strategic Code of Practice. The Cabinet Secretary [responded on 4 December](#), stating that the Scottish Regulators Forum will review the code.
7. Other actions connected to last year's scrutiny include:
 - Evelyn Tweed MSP also [wrote to the Committee](#) on 23 May on the work of the SHR (prior to joining the Committee).
 - The Committee [wrote to the Public Audit Committee](#) to suggest the Auditor General consider the work of the SHR in his forthcoming work programme. A [response was received](#) in July outlining that over the next year the auditor will review reports to the Board outlining progress against the actions set out in the Committee's letter to the SHR.

About the SHR

8. The SHR is the independent regulator of Registered Social Landlords (RSLs) and local authority housing services in Scotland, and was established under the [Housing \(Scotland\) Act 2010](#) ('the Act'). Its statutory objective is to safeguard and promote the interests of:
 - around 600,000 tenants who live in homes provided by social landlords;
 - over 120,000 owners who received services from social landlords;
 - around 40,000 people and their families who experience homelessness and seek help from local authorities; and
 - around 335 Gypsy/Traveller families who can use official sites provided by social landlords.
9. Although operationally independent from the Scottish Government, the SHR is fully funded by it. The SHR is a body corporate under the 2010 Act, and is part of the Scottish Administration, classified as a Non-Ministerial Office (NMO). [A Framework Agreement](#) is in place between Scottish Ministers and the SHR, which sets out that Ministers determine its budget and appoint the Chair and Board Members, but do not oversee the performance of the SHR.
10. Audit Scotland prepares an annual audit of SHR's annual report and accounts, and reports on the Regulator's financial sustainability.
11. The Chair and Board Members are accountable to the Scottish Parliament for the actions and decisions of the SHR. They approve the annual report and accounts and ensure these are laid before the Scottish Parliament.
12. The [Housing \(Scotland\) Act 2025](#) introduces an independent appeals process. This will allow decisions of the SHR to be appealed to the First-tier Tribunal instead of the Court of Session.
13. A new Chair of the SHR, Gary Coutts, was [appointed on 1 August](#).

Clerks to the Committee
December 2025

ANNEXE A



Introduction

This paper provides background for the Committee's evidence session with the Scottish Housing Regulator (SHR) on 9 December 2025.

Local Government, Housing and Planning Committee previous scrutiny

The Local Government, Housing and Planning Committee holds an annual evidence session with the SHR on its annual report. In 2024, the Committee undertook more detailed scrutiny, to gain insight in the extent to which the SHR was performing its statutory remit effectively, its use of statutory intervention powers and attitude towards community-based housing associations.

The Committee issued a call for views on 9 September 2024 to which 40 responses were received ([a summary of these responses was also published](#)). At the [Committee meeting of 3 December 2024, the Committee took evidence from two panels of witnesses](#).

Following the evidence sessions, the [Committee wrote to the SHR in March 2025](#) with its recommendations in the following areas:

- SHR's remit and regulatory function
- SHR's engagement with housing providers
- Self-assessment by housing providers
- Use of statutory intervention powers
- Appeals process
- Concerns about community-based housing associations
- Engagement with tenants
- Housing conditions.

The [Chair of the SHR responded to the Committee on 3 June 2025](#) outlining the action it was taking in response to the recommendations and committed to:

“...continue engaging transparently and positively with all our stakeholders, and we will look for new ways to enhance our working relationships with all of our stakeholders building on our current approach. “

In October 2025, the [Committee agreed to seek further information from the SHR](#) on various questions to which it [responded on 24 November 2025](#). A summary of the questions asked, and the response is provided below.

- **Details of internal processes for ensuring compliance with the Scottish Regulators Code of Practice.**

The SHR states that it is committed to the Code of Practice principles - it is at the fore of its Regulatory framework. It has a risk-based approach to regulation which reflects the Code. Where there is a serious risk to tenants, senior staff initiate a case conference, this allows a high degree of challenge and ensures judgement is exercised appropriately, evidence based, and the proposed action is proportionate.

It has had positive outcomes from its internal auditor's programme of reviews of regulatory activities and functions – the highest level of assurance (substantial assurance) was achieved.

The Directorate for Business and Better Regulation in the Scottish Government has advised that it is formally inviting regulators to participate in a reconvened Scottish Regulators Forum, which will focus on reviewing and updating the Scottish Regulators' Strategic Code of Practice with the intention to present the revised code in spring 2026.

- **Information on the appointment of any co-optees, consultants or interim managers in the reporting year 2024-2025.**

The SHR has not used any statutory powers to make any governing body or management appointments to social landlords during 2024-25. These powers were last used these in 2020.

Where a landlord asks for advice on appointments the SHR may refer them to SFHA or GWSF for recommendations.

- **An outline of the various types of informal engagement that take place with RSLs, and how these are monitored and recorded.**

The SHR provides examples of individual meetings with some RSLs and meetings with each council around regulatory engagement.

A range of other engagement is set out including meetings with landlord groups, meeting with representative bodies and other stakeholders. It has written to five RSLs that are co-operatives for a roundtable discussion. It is also currently reviewing its communication strategy.

- **Any trends that have been identified during 2024-2025 in common failures across landlords, and what lessons the SHR might learn from those which could lead to changes in policy or practice.**

The SHR refers to demands on the homelessness system. The SHR states that over the long term there is a need to prevent homelessness and more immediately this is about "...increasing the supply of homes, ensuring the right levels of support are

available, and in the short to medium term providing more, better quality temporary accommodation.”

The SHR also refers to some incidences of serious building maintenance or construction defects (including issues relating to fire safety and defective cladding) that put at risk tenant and resident safety. The SHR has promoted the importance of landlords having effective oversight of building standards during construction of new homes and of having comprehensive, good quality and up to date information on the construction, components and condition of all the homes they provide to their tenants. It is also promoting the importance that landlords have effective ways for tenants to report concerns about the quality of their homes, and for landlords to listen and respond to those concerns speedily and effectively.

Each year it publishes an annual report on [Notifiable Events](#) detailing the type of events RSLs reported to it and how they were dealt with the.

In the last year it has published the findings from two thematic reviews – [Tenant & Gypsy/Traveller Participation in Scottish Social Housing](#) and [The provision of British Sign Language services by social landlords in Scotland](#) – both of which include a range of practice recommendations for landlords.

Updates from stakeholders

In October 2025, the Committee also agreed to write to key stakeholders seeking an update in advance of the annual session with the SHR. The [letter to stakeholders sought views on what progress the SHR has made on those issues which it had raised](#), in particular its relations with landlords, and the treatment of community-based housing associations. The letter asked specific questions but gave organisations the chance to comment more broadly.

Responses were received from [GWSF](#), [SFHA](#), [Share](#) and [ALACHO](#). The following summarises the responses grouped under key themes.

SHR relationships and communication with stakeholders

SHARE had not observed any noticeable animosity to the SHR through its hosting of events and conferences throughout the year. From interviews with governing bodies it also not identified any major concerns. It refers to an event it facilitated in collaboration with the SHR. Post event feedback from participants was very positive.

GWSF had not raised specific concerns about relationship issues - the majority of its members say that they maintain a good relationship with their Regulation Manager. The GSWF itself thinks that it has an ‘open line’ to the SHR allowing it to communicate freely.

SFHA noted that since the SHR’s response to the Committee in June there, “has not really been much time since their response to notice any meaningful changes.” It referred to its Regulatory Framework in Practice research published in June 2023 and it continues to liaise with the SHR regarding these recommendations. The SHR has made several amendments to its approach since, for example, the SHR will

shortly be consulting RSLs on changes to its landlord groups – with a view to increasing membership.

SFHA welcomes that the SHR now produces an annual report on notifiable events, stating that “this has been really helpful and welcomed by our members.” It is also continuing to liaise with the SHR to identify additional methods of further developing the mutual understanding between the sector and the SHR.

SFHA also welcomes the changes in the Housing (Scotland) Act 2025 creating an appeals mechanism for certain SHR decisions to be considered by the First-Tier Tribunal (Housing and Property Chamber).

ALACHO noted that for the most part local authorities have enjoyed a positive relationship with the SHR though some degree of disagreement is to be expected given the nature of the regulatory function.

It is not aware of any recent specific concerns being expressed by RSLs and that:

“Our view is that the level of concern raised previously is entirely consistent with a normal and properly functioning relationship between the SHR and the sector and to a significant degree, many of the sharper criticisms that the Committee heard were driven by special pleading on behalf of organisations that had failed to meet regulatory standards. They would have served tenants better by looking to themselves rather than complaining about the SHR.”

ALACHO acknowledges the SHR's comments about some areas of council performance particularly in relation to services to homeless people, “But they have always been delivered appropriately. None of our members have raised concerns about the approachability of the regulator or how they communicate with the sector.”

In terms of relationships with tenants, ALACHO commented that the SHR:

“...has always put significant effort into engaging with tenants though the effectiveness of this is limited by the need to function at a Scotland wide level and the often patch nature of tenant engagement at all levels. It is one of the features of the current housing emergency that the voice of social housing tenants has been relatively muted. That said, much of the focus of the current discussion has been around homelessness rather than any failure in the delivery of day-to-day housing management services. On issues like affordability or damp and mould more could be done to ensure that the voices of tenants are heard more clearly but the primary responsibility for that rests with landlords working with tenants and the organisations that seek to represent them.”

Approach to community-based housing associations

GWSF has discussed with the SHR how community interests' can best be addressed and, wherever possible protected, during a Transfer of Engagement (ToE) process. The statutory Code of Practice for Scottish regulators has a requirement to take account of 'relevant community interests' in the exercising of their functions.

GWSF points out that:

“One reality of current SHR engagements with associations facing difficulties is that none involve statutory measures such as SHR making appointments to the association’s governing body or senior staff.

This means that the ToE process is being managed by the association itself, not by SHR, although we have suggested to SHR that it still retains some considerable influence over the association’s actions, on which it always expects to be closely updated.”

It hopes that the SHR will “play an important secondary role in using its influence to remind associations of the importance of being open and transparent about the extent to which, in a ToE process, community factors – including local decision making, and retention of assets in and for that community – will or won’t be protected in a takeover by another association, particularly where that association is not local.”

But it recognises that unless there are statutory intervention measures in place, the primary role in protecting community interests lies directly with the disposing association. Therefore, the guidance it is producing on this is aimed mainly at its own members.

The Forum is confident that SHR does understand its desire to see ToEs happen only where they are unavoidable and that neighbouring community based housing associations are encouraged to submit bids.

It also welcomes the SHR’s greater clarity around requiring associations which have received stock through a ToE to report specifically to it, in the years following the takeover, on the delivery of undertakings made to tenants during the ToE process.

SHR Annual Report and Accounts 2024-25

The [SHR’s Annual Report and Accounts was published in October 2025](#). As it covers the year 2024-2025 some of the issues might already have been the subject of discussion with the SHR when it previously appeared before the Committee.

The introduction to the report notes some of the challenges facing social landlords, their tenants and service users including:

- continuing financial difficulties that many tenants are experiencing;
- the range of financial pressures on landlords as they seek to deal with rising costs, higher interest rates, the investment required to maintain their homes, and meet net zero and the associated supply chain challenges;
- systemic failure is continuing to impact the delivery of homelessness services in some areas in Scotland. This requires a systemic intervention. Over the longer term this is about preventing homelessness and increasing the capacity by building new homes. However, many landlords are scaling back on plans to build new homes due to limited funding, supply chain issues, higher costs and labour shortages;
- Some landlords continue to face challenges around tenant and resident safety e.g. electrical and fire safety obligations; and

- The SHR monitors reports on social landlords' achievement of Scottish Government's minimum site standards for Gypsy/Travellers sites. It has published a thematic into landlords' approaches to involving Gypsy/Travellers and also published the outcome of three serious concerns investigations involving Gypsy/Travellers sites. Gypsy/Travellers will remain key areas during 2025/26.

The report provides further details on:

- **An overview of the work of the SHR**

This section provides a summary of the work it has done during 2024/25 under each of the four priorities set out in its [2024 – 2027 Strategy](#).

1. "To deliver our statutory functions
 - a. monitoring, assessing and reporting regularly on the performance of social landlords and the governance and financial health of RSLs
 - b. making regulatory interventions where appropriate
 - c. maintaining a register of social landlords
2. To listen to tenants and service users, use their feedback to inform effective regulation, and empower them by publishing useful performance information about their landlord
3. To work closely with, and listen to, all our stakeholders, to help us understand the challenges they face, and to promote a wider understanding of the current and emerging risks that may impact on social housing
4. To be an effective, efficient and open public body and contribute constructively to the Scottish Government's public service reform agenda"

- **A view of performance against its priorities during 2024/25.**

This section gives a more detailed outline of its performance against its priorities during 2024/25.

- **Accountability report and Annual statements**

The SHR budget 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 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, it had forecast an overspend at the beginning of the year. In August 2024, the Scottish Government announced Emergency Spending Controls and we implemented it interim approval framework to manage expenditure which was agreed by the Board agreed an interim framework to manage expenditure at its September 2024 meeting.

It spent £5.147 million (2023- 24, £5.000 million) and the remaining budget was returned to the Scottish Government. This was achieved by savings due to staff movements, reductions in accommodation and office costs following relocation to a new office (within the Glasgow office of Social Security Scotland where it can share

space and services), and through applying it interim framework for spending implemented in response to the Emergency Spending Controls.

Around 87% of revenue costs are staff costs, 5% are IT equipment and support and less than 1% were accommodation. The 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.

Its 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 the 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

Overall, it has received a rating of substantial assurance from Internal Audit and Assurance Directorate. The Chief Executive states, "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."

Kate Berry, Senior Researcher, SPICe

Date: 02/12/2025

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Annexe B - Response from Scottish Housing Regulator – 24 November 2025

Dear Ariane,

Thank you for your letter of 23 October 2025.

We welcome this further opportunity to engage with the Committee around its constructive scrutiny of our delivery of our role, and we also welcome that you have sought views from stakeholders about our work.

In Annex A, we set out our response to the Committee's most recent questions. I trust that the information and evidence we provide assure the Committee about our commitment to being a transparent and effective regulator.

We look forward to meeting with the Committee in December, and please do let me know if you need any further information ahead of that meeting.

Yours sincerely

Garry Coutts
Chair, Scottish Housing Regulator

Annexe to SHR Letter

Details of internal processes for ensuring compliance with the Scottish Regulators' Code of Practice

We are committed to the better regulation principles enshrined in the [Scottish Regulators' Strategic Code of Practice](#).

The Regulatory Reform (Scotland) Act 2014 requires regulators to have regard to the Scottish Regulators' Strategic Code of Practice in determining their general regulatory policy or principles and in exercising their regulatory functions. Every five years we conduct a full review of our Regulatory Framework, and when we do so we consider the Framework against those principles. In our most recent review in 2023/24, we undertook a full public consultation and received responses from 52 individuals and organisations and we commissioned an [independent analysis](#) of these responses. The final [Regulatory Framework](#) puts our commitment to the Scottish Regulators' Strategic Code of Practice to the fore:

"2.1 We are committed to the better regulation principles enshrined in the Scottish Regulators' Strategic Code of Practice. This Code also reflects our obligations under section 3 of the 2010 Act. Our regulation is:

- proportionate
- consistent
- accountable
- Transparent
- targeted only where needed."

We restate our commitment to the Code in our published [Strategy](#).

Our new Regulatory Framework promotes a culture of self-assurance, openness and transparency aimed at supporting landlords to avoid the need for regulatory intervention. Each year we undertake a comprehensive assessment of risk for each landlord based on [the risks we identify](#), we then determine proportionate engagement with each landlord which we publish in an [engagement plan](#) for the landlord. In this way, our approach reflects the terms of the Code.

Where there is a serious risk to the interests of tenants and service users our senior staff initiate a case conference where staff with the relevant expertise consider all the evidence. This allows a high degree of internal challenge, including around the principles from the Code, to help staff to find the most proportionate and effective response to protect the interests of tenants and others who use social landlords' services. Our Director of Regulation uses case conferences to be assured that:

- any decision or recommendation is consistent with our Regulatory Framework, policies and guidelines;
- judgement is exercised appropriately, is evidence based and the proposed action is proportionate; and
- all relevant officers from across SHR are involved in the decision.

We also publish a series of [How We Work](#) guides to provide social landlords with more information and examples of our approach to regulation.

We have had positive outcomes from our internal auditor's programme of reviews of our regulatory activities and functions; for all of these we have received "substantial assurance" from the auditor, which is the highest level of assurance. The programme of reviews have included:

- Our management of Notifiable Events
- How we manage deregistration of Registered Social Landlords (RSLs)
- How we handled our review of the Regulatory Framework

The Directorate for Business and Better Regulation in the Scottish Government wrote to us to advise that it is formally inviting regulators to participate in a reconvened Scottish Regulators Forum, which will focus on reviewing and updating the Scottish Regulators' Strategic Code of Practice, with the intention to present the revised Code to Ministers in spring 2026. We will actively engage in the Scottish Regulators Forum and contribute to the review of the Code.

The Code includes the provision that regulators should, "in pursuing their core regulatory remit be alive to other interests, including relevant community and business interests; taking business factors appropriately and proportionately into account in their decision making processes; and protecting public health and safety." The Code is deliberately set at the strategic level, and so does not define community interests, or comment on how these should relate to a regulator's statutory objective, or set out how regulators should be alive to those. We believe that by working to achieve our statutory objective to safeguard the interests of tenants, people who are

homeless, factored owners and Gypsy/Travellers, we will also safeguard the interests of local communities; those interests will almost always be aligned. We welcome the review of the Code as an opportunity to strengthen and clarify its terms and the expectations on regulators, including those relating to community interests and, in particular, how these should relate to a regulator's statutory objective.

Over the last few months we have had dialogue with Glasgow & West of Scotland Forum of Housing Associations on their development of guidance for their members on how both transferring and receiving landlords manage transfers, which includes their consideration of community interests in their decision-making around transfers.

Information on the appointment of any co-optees, consultants or interim managers in the reporting year 2024-2025

We have not used our statutory powers to make any governing body or management appointments to social landlords during 2024-25. We last used these powers in 2020.

An RSL may ask us to recommend suitable people for it to co-opt to its governing body or appoint to interim manager roles. We refer the landlord to the Scottish Federation of Housing Associations and the Glasgow & West of Scotland Forum of Housing Associations for them to recommend suitable people, and we are able to make additional recommendations if the landlord asks us to. It is for the landlord to decide whether or not to appoint the recommended people.

An outline of the various types of informal engagement that take place with RSLs, and how these are monitored and recorded

Since January this year we have met individually with 78 RSLs, and some more than once, and each year we meet with each of the 32 local authorities. While these meetings are principally about regulatory engagement, this does mean that we have met individually over 60% of all social landlords in the last 10 months or so.

We have a range of ways in which we have more informal engagement with social landlords and their representatives, which including regular and recurring meetings with groups of landlords and representative bodies and attendance at conferences and events;

Examples of our engagement with social landlords and their representatives since April include:

- our [Rural & Islands Landlord Group](#) (with 8 RSL members, mostly smaller, local RSLs) meeting in May and December;
- our [Urban Landlord Group](#) (with 13 RSL members of a range of sizes) meeting in June 2025 with a second meeting in planning;
- our [Systemically Important Landlord Forum](#) (with 24 RSL members) meeting in June and October 2025;
- our Chief executive met with the Chief Executive of SFHA on seven occasions, as part of our regular series of Chief Executive catch ups;
- our Chair and Chief Executive attended the SFHA's Board meeting in May 2025;

- quarterly meeting between with the Chair and Chief Executives of SHR and the SFHA;
- the SFHA's Chair and Chief Executive attended our Board meeting in September;
- meeting with the Highlands and Islands Chair and Governance Officers group in September 2025;
- meeting with the Druncog group (4 housing associations / cooperatives in the Drumchapel area of Glasgow) in October 2025; and,
- we met with SFHA, GWSF and ALACHO in July to gather feedback on our thematic study of landlords' annual assurance statements.

We worked with SHARE to develop an event for RSL governing body members to meet a range of our staff and to hear more about our work. The event took place on 24 September and around 80 people attended the event, a mix of RSL staff and governing body members. The feedback on the event has been very positive. We are actively discussing with SHARE proposals to hold further such events.

[Share hosts successful event with Scottish Housing Regulator | Scottish Housing News](#)

Other conferences and events we have attended and spoke at since April 2025 include:

- the SFHA development conference in June 2025;
- the SFHA annual conference in June 2025;
- the Housing Leaders Forum in August 2025
- the Housemark Leadership Conference in October 2025;
- EVH Health and Safety conference in October 2025;
- Scottish Social Housing Safety Network in November 2025;
- SFHA Finance Forums; and
- the SFHA Finance conference in November 2025.

We have a range of engagement with other important stakeholders:

- quarterly meetings with the Tenants Together (Scotland) SHR Liaison Group hosted by our Board members;
- twice a year meetings with our homelessness & advice agencies forum hosted by one of our Board members;
- our Chief Executive met on a number of occasions with the Director of Shelter Scotland, as part of our regular series of chief executive catch ups;
- our Chief Executive met with the Chief Executive of the Tenants Information Service in October 2025 as part of our regular series of chief executive catch ups;
- regular meetings with the Chartered Institute of Housing Education Group;
- annual meetings with the UK Finance Scotland Committee;
- annual meeting with our Lenders & Investors Forum; and
- annual meeting with auditors to the sector.

We set out our planned engagement with stakeholders, including with landlords and their representative bodies, in our annual operating plan. Our management team reviews the performance against the plan every month, and we report on this performance to our Board each quarter.

When we met with you in October, we had a useful discussion around the role of housing cooperatives and the challenges they can face. Following on from that, we plan to write to the five housing cooperatives that are RSLs to invite them to a roundtable discussion of these challenges. We would be happy to extend that invitation to you.

We are currently conducting a major review of our communications strategy, and have commissioned independent researchers to survey our stakeholders for their views on how we should communicate and engage with them. We will publish the findings from the research.

Any trends that have been identified during 2024-2025 in common failures across landlords, and what lessons the SHR might learn from those which could lead to changes in policy or practice

We have reported that in many areas of Scotland the demands in the homelessness system – the number of people who are homeless, and the level of need they have – exceed the capacity in the system to respond. For some councils, the increase in capacity that is needed goes beyond that which they can deliver alone. That is what we mean when we describe some councils as being impacted by systemic failure.

The most acute impact of this is where a council does not have suitable temporary accommodation available when a person needs it, and so the council breaches its statutory duties by either having to place the person in unsuitable temporary accommodation or in more extreme situation, cannot meet its duty to provide temporary accommodation because it does not have any temporary accommodation available. There is a real risk of statutory failures becoming endemic in some council areas in Scotland.

Systemic failure requires a systemic intervention. Over the longer term this is about reducing the demands on the system by preventing homelessness. More immediately, this is about building the capacity in the system to meet the current level of need by increasing the supply of homes, ensuring the right levels of support are available, and in the short to medium term providing more, better quality temporary accommodation.. We have continued to work with Scottish Government, landlords and stakeholders to address these acute issues, including by participating in the Housing to 2040 Strategy Board chaired by the Cabinet Secretary for Housing.

We have seen recent examples of serious building maintenance or construction defects that put at risk tenant and resident safety. These have included issues related to fire safety, including defective cladding. We have promoted, and will continue to promote, the importance of landlords having effective oversight of building standards during construction of new homes and of having comprehensive, good quality and up to date information on the construction, components and condition of all of the homes they provide to their tenants. That information should then underpin effective investment and asset management strategies. We are also

promoting the importance that landlords have effective ways for tenants to report concerns about the quality of their homes, and for landlords to listen and respond to those concerns speedily and effectively.

Each year we published an annual report on [Notifiable Events](#) detailing the type of events RSLs reported to us and how we dealt with them. In the last year we have published the findings from two thematic reviews – [Tenant & Gypsy/Traveller Participation in Scottish Social Housing](#) and [The provision of British Sign Language services by social landlords in Scotland](#) – both of which include a range of practice recommendations for landlords.

In the coming year, we will keep our focus on the big challenges facing tenants and social landlords. These include

- the cost of living crisis and rent affordability;
- the acute problems around homelessness and the number of people in temporary accommodation;
- financial viability of landlords;
- tenant and resident safety, including damp and mould, RAAC and cladding
- risks around the development of new homes; and,
- promoting the tenant voice and participation.

Annexe C – Responses from other organisations

Response from Share – 7 November 2025

Thank you for your letter dated 9th October 2025.

While I am unable to comment on all aspects outlined within your correspondence, I would like to share some observations from the past year based on our engagement across the sector.

Throughout the year, Share has hosted numerous events and conferences, all of which have been well attended by representatives from across the housing sector. At these events, I have not observed or heard any noticeable animosity towards the Scottish Housing Regulator (SHR).

In addition, over the past year, Share has undertaken a significant number of committee and board appraisals of Registered Social Landlords. From interviews conducted with more than 100 Governing Body members, we have not identified any major concerns or recurring issues relating to the SHR's conduct or its relationships with RSL's.

In September, in collaboration with the SHR, Share facilitated a half-day conference in Glasgow, an event which was open to all and provided an opportunity for attendees to hear directly from the Regulator team. Four members of the Regulation Team, Helen Shaw, Director of Regulation; Dean Reynolds and Stephen Lalley, Regulation Managers; and Margaret Sharkey, Assistant Director of Regulation delivered presentations and made themselves available for discussion. Other members of the team were also in attendance and were introduced to delegates.

The event was fully booked more than three weeks in advance, which evidenced the willingness for those operating in the housing sector to engage directly with the regulation team. I am also pleased to say the post event feedback from participants was very positive. There was little, if any, indication of tension or hostility towards the SHR. The team engaged constructively and professionally with those who approached them individually.

The success of this event has encouraged us to plan a similar conference next year, aimed at engaging stakeholders on the east coast of Scotland, planning for this is already underway.

I trust these observations are helpful to the Committee in its ongoing scrutiny of the SHR's performance. Should I be of any further assistance, please do not hesitate to contact me.

Yours sincerely

Daryl McIntosh
Chief Executive Officer

Response from Glasgow and West of Scotland Forum of Housing Associations (GWSF) – 13 November 2025

Thank you for your letter of 9 October on the Committee's behalf. We have focused below on three specific aspects of the issues covered in the original evidence giving process and as outlined in your letter.

1. General relationships between SHR and our member associations

GWSF did not raise specific concerns about relationship issues when we gave evidence, and we have not had feedback from members in the past year which gives us any real cause for concern on this. The great majority of our members tell us that they maintain a good relationship with their Regulation Manager.

As part of our ongoing monitoring of members' experiences of working with SHR, we are always keen to collect feedback about both routine engagement with SHR and in relation to situations where there is engagement on specific issues and improvement plans etc.

In relation to the latter, one issue which historically has tended to arise now and again, and which we will shortly be discussing with SHR, is how, when an association is engaging closely with SHR, the list of improvement areas/actions can sometimes include issues on which the association is doing things no differently from the majority of other associations, but because SHR is engaging with the association on a specific issue or issues, the association finds that this additional factor must be addressed before the engagement can be 'closed'. A recent example relates to associations' approach to the collection of equalities data, when the impression we have is that the associations in question are not veering from what appears to be general practice across the sector.

We are not raising this as a major concern, more as an example of the sort of issue we can discuss constructively with SHR in our regular liaison meetings.

We would add that as a membership body, our own relationship with SHR is such that we feel we have an 'open line' and can discuss any issue which our members may have raised with us. We value this ability to communicate freely with SHR, not least as this is something that is often much easier for a membership body to do collectively than it is for an individual association.

2. SHR's approach to community based housing associations

As we would have expected, the Committee is particularly looking to GWSF to comment on SHR's approach to community based housing associations (CBHAs).

The Committee will know that the context in which this issue is most likely to be raised is around the process by which a CBHA is starting to consider a potential Transfer of Engagements (ToE) to another housing association – or indeed is at the stage of progressing specific plans to effect the transfer.

Specifically we have discussed with SHR how 'community interests' can best be addressed and, wherever possible protected, during a ToE process. The reference to community interests originates from the requirement – in the statutory code of

practice for all Scottish regulators – to take account of ‘relevant community interests’ in the exercising of their functions.

One reality of current SHR engagements with associations facing difficulties is that none involve statutory measures such as SHR making appointments to the association’s governing body or senior staff. This means that the ToE process is being managed by the association itself, not by SHR, although we have suggested to SHR that it still retains some considerable influence over the association’s actions, on which it always expects to be closely updated.

In that respect we retain the hope that SHR will play an important secondary role in using its influence to remind associations of the importance of being open and transparent about the extent to which, in a ToE process, community factors – including local decision making, and retention of assets in and for that community – will or won’t be protected in a takeover by another association, particularly where that association is not local.

But we recognise that unless there are statutory intervention measures in place, the primary role in considering and, as far as possible, protecting community interests lies directly with the disposing association, both before it has made a decision to seek a ToE and during the process of seeking and then working with a ‘preferred bidder’ association. Hence the guidance we are producing on this is aimed mainly at our own members, lest they may one day be in the position of either seeking a transfer partner or being that transfer partner.

The Forum is confident that SHR does understand our desire (a) to see ToEs happen only where they are unavoidable and (b) that neighbouring community based housing associations are encouraged to submit bids. In commenting this month on our current draft guidance on ToEs, SHR made the following comment, which we very much welcome:

‘We agree that disposing RSLs should encourage expressions of interest and bids from as many potential bidders as possible, including encouraging neighbouring RSLs to engage in the process. We also agree that neighbouring community based RSLs should not be excluded from bidding on the basis of their size and constitutional form, and indeed, would suggest that such practice would be inappropriate.’

A further development we again very much welcome is SHR’s greater clarity around requiring associations which have received stock through a ToE to report specifically to it, in the years following the takeover, on the delivery of undertakings made to tenants during the ToE process. Until relatively recently this was not a requirement: whilst it is still not a published requirement our understanding, both from SHR and relevant member associations, is that this does now happen.

We welcome too that a particular approach adopted by SHR in recent years has now become firmly embedded in practice. In its engagement with associations facing serious difficulties, other than in highly exceptional circumstances SHR will encourage the association to contact its membership bodies to see what support may be available to help address its issues. GWSF has been able to offer support in a number of such cases, including in the last few weeks when we have been able to

quickly identify a number of experienced people to help an association with a pressing need to bolster its governing body.

3. Role of the 'preferred bidder' before the transfer takes place

The Committee's letter refers to references made, in the evidence provided to it, to the need for sector guidance on the role of the preferred bidder organisation from the point at which it is selected to the conclusion of the second (shareholding membership) ballot.

Our sense is that SHR feels that any such guidance should come from the sector itself rather than from the Regulator, partly because its consent powers in transfer cases were reduced by legislation some years ago. GWSF feels that realistically, such guidance may be difficult to agree across the entire sector: in many previous cases of transfer or proposed transfer, the bidding association has been a larger, national association which is not Forum member, and so we cannot expect to necessarily reach out to such bodies.

At this stage, therefore, we intend to provide advice on this directly to GWSF members: if any become involved in future transfers as the disposing association it is they who can heavily influence the role of the preferred bidder. And some may become involved as the preferred bidder itself, most likely in cases where one community based association has an interest in taking over a neighbouring one - a scenario which GWSF is likely to welcome where transfer cannot be avoided.

Our draft guidance on ToEs, currently under preparation, includes the following text on the role of the preferred bidder:

'It would be challenging for GWSF or any other body to try to set down a prescriptive position on what the role of a preferred bidder should entail and – perhaps more pertinently – what it should not, as each scenario will have unique circumstances, so we would want to tread carefully here.

A particularly challenging set of issues arises where the disposing association is looking for urgent assistance (for example with day to day repairs and/or housing management services) and feels it cannot wait for the transfer to be completed to receive that assistance.

There is a legitimate question mark over whether it is appropriate at all for the preferred bidder to have any role in assisting with day to day service provision during this period: any proactive role in assisting with service provision ahead of the ballots could be perceived as a conflict of interest and an effort to make the ballot process more of a 'fait accompli'. But GWSF recognises that a range of scenarios need to be allowed for, and that a disposing association will only ask for such support if this is needed to ensure that tenants' interests in the immediate future are satisfactorily met.

What is not in question is the need for transparency in such situations, especially for the tenants. We believe that, normally, any supply of services ahead of the actual transfer should be through a service level agreement with

the disposing association, which is then clearly communicated to tenants (and owners as appropriate).

There may also be a serious conflict of interest where the preferred bidder, in supplying housing management or maintenance services ahead of the ballots, uses that contact with tenants to promote the transfer. Disposing associations should ensure that any contact information or other information on tenants which is shared with the preferred bidder is done so in accordance with data protection laws.

There is also a question mark over whether it is appropriate for the preferred bidder to be entering into any other financial arrangements with the disposing association or with, for example, other local organisations ahead of the ballots. This happened in a recent case, when the preferred bidder appointed a local voluntary body to provide a specific community service. The financial commitment was not fulfilled after the transfer did not progress, but the 'deal' with the local organisation could not be undone and subsequently has been the subject of huge challenges for the incumbent housing association.'

We are currently discussing the draft with SHR, and have also shared a copy with our colleagues at the Scottish Federation of Housing Associations.

I hope this update is helpful to you and the Committee, but please don't hesitate to ask for further information on any aspect of this issue.

With thanks and best wishes,

David Bookbinder
Director, GWSF

Response from Scottish Federation of Housing Associations (SFHA) – 14 November 2025

Many thanks for your letter of 9 October 2025, and we welcome the opportunity to provide further comment.

SFHA continues to recognise the crucial role that regulation plays within the sector, providing vital assurances to tenants, service users and lenders. As such, our regular dialogue with the SHR is crucial to ensure we can feedback the views of our members in a constructive way.

You had asked SFHA three questions regarding the SHR, following up from our evidence to the committee last year and the [committee's letter to the SHR in March](#). The SHR subsequently [responded to the Committee in June](#), so it is important to note that there has not really been much time since their response to notice any meaningful changes. In terms of each of your questions:

1. SHR's relationship with RSLs

As we highlighted in our evidence last year, the 20 recommendations from the SFHA's Regulatory Framework in Practice research published in June 2023 centred around further enhancing the SHR's relationship with the sector, particularly in terms

of approachability, consistency of approach and communication. SFHA continues to liaise with the SHR regarding these recommendations, and the SHR has made a number of amendments to its approach since.

For instance, the SHR will shortly be consulting RSLs on changes to its landlord groups – with a view to increasing membership. For many years, the only Landlord Group that the SHR operated was one for those it defines as “Systemic” RSLs – which are predominantly the larger RSLs. We had called for all RSLs to have a similar opportunity to engage with the SHR, which led to the formation of two additional landlord groups – “urban” and “Rural”. Membership to these groups is currently restricted to a maximum amount of 9 in the rural group and 13 in the urban group. We would like to see this membership expanded and more organisations given the opportunity to join. We have encouraged the SHR to find ways to accommodate all those who express an interest.

2. Consistency and approachability of SHR

In addition to the landlord groups, the SHR now produces an annual report on Notifiable Events it has received - providing examples of how it has responded in certain circumstances and explaining its reasoning. This has been really helpful and welcomed by our members. We are continuing to liaise with the SHR to identify additional methods of further developing the mutual understanding between the sector and the SHR.

Since the beginnings of the SHR in 2011, SFHA has asked that a truly independent appeals process for regulatory decisions be implemented – and this was also included as part of our evidence to the Committee last year. We were therefore delighted that the upcoming Housing Act will create such a mechanism and look forward to engaging further with the Committee and SHR as this develops.

3. Relationship and engagement with tenants

SFHA has no further comment relating to the SHR’s relationship with tenants, although we would certainly recommend organisations such as the Tenant Participation Advisory Service (TPAS) and the Tenants Information Service (TIS) to provide their thoughts on this point.

Please get in touch if you have any further queries, and thanks again for the opportunity to comment further.

Yours sincerely

Richard Meade
Chief Executive, Scottish Federation of Housing Associations

Response from Association of Local Authority Chief Housing Officers (ALACHO) – 27 November 2025

- The Committee heard conflicting views on the treatment of RSLs by the SHR, and whilst it was not able to determine the causes of those, nonetheless asked the SHR to take steps to improve relationships. In your view, have there been improvements in the Regulator’s relationships with RSLs?

For the most part local authorities have enjoyed a positive relationship with the SHR though it is in the nature of the regulatory function that some degree of disagreement is to be expected. In fact, if there were no tension in the relationship, the committee would be entitled to ask if the regulator is being sufficiently diligent in its oversight of the sector. We do speak to colleagues in the RSL sector regularly and I'm not aware of any specific concerns being expressed recently. Our view is that the level of concern raised previously is entirely consistent with a normal and properly functioning relationship between the SHR and the sector and to a significant degree, many of the sharper criticisms that the Committee heard were driven by special pleading on behalf of organisations that had failed to meet regulatory standards. They would have served tenants better by looking to themselves rather than complaining about the SHR.

- The Committee's inquiry noted that stakeholders have concerns around approachability, consistency in attitude towards RSLs, and communication with the SHR. In your view, has the SHR made improvements in each of those areas?

As I think we said at the time, we were not previously aware of these problems, and our members have not raised them with us. The SHR has, as the committee will be aware, been critical of councils in relation to a number of areas of performance particularly in relation to services to homeless people. These criticisms have been clearly based on evidence and on the whole properly set in the operational context (a highly dysfunctional housing system and significant funding challenges). But they have always been delivered appropriately. None of our members have raised concerns about the approachability of the regulator or how they communicate with the sector.

- The Committee noted the importance of SHR's relationships and engagement with tenants. Do you have any views on whether their communications with tenants have further developed?

The SHR has always put significant effort into engaging with tenants though the effectiveness of this is limited by the need to function at a Scotland wide level and the often patchy nature of tenant engagement at all levels. It is one of the features of the current housing emergency that the voice of social housing tenants has been relatively muted. That said, much of the focus of the current discussion has been around homelessness rather than any failure in the delivery of day-to-day housing management services. On issues like affordability or damp and mould more could be done to ensure that the voices of tenants are heard more clearly but the primary responsibility for that rests with landlords working with tenants and the organisations that seek to represent them.

Tony Cain
Policy Manager, ALACHO