



The Scottish Parliament
Pàrlamaid na h-Alba

Local Government, Housing and Planning Committee

Michael Cameron, Chief Executive,
Scottish Housing Regulator

George Walker, Chair,
Scottish Housing Regulator

18 March 2025

Dear Michael and George,

Thank you for attending the Committee's meeting on 17 December 2024, which concluded the Committee's annual examination of the Scottish Housing Regulator's (SHR) performance. As you know, in previous years the Committee has considered the SHR's annual report, but this year we agreed to undertake more detailed scrutiny which included for the first time obtaining evidence from a range of stakeholders. (More details are attached at Annexe B.)

I am writing to provide a summary of the main issues that arose during the course of that scrutiny, and to provide you with the Committee's views on where we believe the SHR should consider taking action to address them. This letter is being copied to the Scottish Government's Minister for Housing and to the Conveners of the Scottish Parliament's Equalities, Human Rights and Civil Justice Committee and Social Justice and Social Security Committee.

As you are aware, the Local Government, Housing and Planning Committee has heard concerns that the SHR may have a culture which favours larger housing associations over small community-based associations. We have also received

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some allegations of bullying or inappropriate conduct during the course of SHR investigations and interventions.

Whilst the Committee's role is not to provide an investigatory function on individual cases, during the course of our recent scrutiny we took the opportunity to seek stakeholders' views on the overarching issues that emerged from individual cases. We have significant concerns about the evidence we received.

Annexe A provides a summary of the evidence we heard on the following issues, and includes the Committee's recommendations for where we consider the SHR should take further action:

- 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; and
- Housing conditions.

Our conclusions are provided in the spirit of providing constructive feedback to help further protect the interests of tenants, and to help improve relations between the regulator and the social housing sector. There are a number of areas where we request the SHR takes action to address the concerns raised with us. The SHR is directly accountable to the Scottish Parliament, and the Committee will continue to monitor progress made in this respect during the rest of Session 6. We will also look to ensure that our successor Committee in Session 7 continues this scrutiny.

Yours sincerely,

Ariane Burgess

Convener, Local Government, Housing and Planning Committee

cc: Minister for Housing

Convener of the Equalities, Human Rights and Civil Justice Committee

Convener of the Social Justice and Social Security Committee.

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Annexe A

Summary of evidence heard, and committee recommendations

1. SHR's remit and regulatory function

- 1.1 Social housing is a core component of Scotland's housing system, and it is important that there is proper oversight of the local authorities and registered social landlords (RSLs) providing it. The [purpose of the SHR](#) is to protect the interests of social tenants – an estimated 600,000 people. In addition, the Regulator must safeguard and promote the interests of gypsy traveller families who use sites provided by social landlords, people experiencing homelessness and seeking help from local authorities, and property owners receiving services from social landlords.
- 1.2 In his oral evidence to the Committee, Alan Stokes from the Scottish Federation of Housing Associations (SFHA) told us about the importance of regulation in the housing sector, saying it "... is critical in giving tenants, service users and lenders confidence in the sector"¹. David Bookbinder from the Glasgow and West of Scotland Forum of Housing Associations (GWSF) similarly said "Robust regulation is really important because it provides credibility for tenants, lenders and politicians."² Lindsay Anderson from the Link Group tenant scrutiny panel told the Committee that the SHR carries out its duties remarkably well, providing an enormous amount of information about the work it carries out and the outcome of their investigations³.
- 1.3 However, we did also hear some concerns. The SFHA told us about their research in 2023 into the SHR's regulatory framework in practice, to which 86 member associations contributed. This found that "... while the majority who fed into the project had a positive view of the regulator, overall, there were concerns around approachability, consistency of approach and communication"⁴. We note that the SFHA has engaged with the SHR about its recommendations, and that some changes have since been made⁵ which is welcome.
- 1.4 Robyn Kane from the Edinburgh Tenants Federation was also concerned that some tenants may not know their rights or be aware of landlords' responsibilities to provide safe homes (for example which are free of mould). She said that "... although [the SHR] does a good job with regard

¹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 4

² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 7

³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 38

⁴ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 3

⁵ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 3

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to collecting data and so on, it is less good when it comes to actually doing work on the ground to push landlords to make changes for tenants who might be paying for services that they are not getting. That is lacking.”⁶

- 1.5 These concerns were echoed in the evidence provided to the Committee from a range of witnesses and are discussed more fully below.

2. SHR’s engagement with housing providers

- 2.1 In the Regulator’s evidence to the Committee we heard that the SHR has “... good levels of trust among the bodies that we regulate and our wider stakeholders”⁷. The Regulator said that the organisations which the SHR regulates are very diverse, meaning that engagement with them and its responses to issues vary to reflect the context. However, the evidence we were provided showed a significant division between the experiences of local authorities and of some registered social landlords (RSLs).
- 2.2 This may perhaps reflect the differences between the SHR’s statutory regulation of local authorities and of RSLs; for both types of housing provider the SHR must monitor, assess, report and intervene where appropriate on their performance, but for RSLs these powers extend to also include their governance and financial wellbeing. Engagement with SHR can therefore have more significant implications for them.
- 2.3 Local authorities and the Association of Local Authorities Chief Housing Officers (ALACHO) told the Committee that their experience of the SHR has been both positive and professional, and that they regard it as a positive force in regulating housing⁸.
- 2.4 However the Committee heard some strongly critical views from a number of housing association representatives about their experience of engagement with the SHR, and these were also brought to the attention of constituency Members of the Scottish Parliament. Some of these extend to allegations of bullying and inappropriate intervention, and we received several confidential or anonymous responses to our call for views due to respondents’ concerns about possible repercussions should they be identified.
- 2.5 Share Ltd (a learning and development provider for the housing and property sector) referred in its written submission to there being sector-wide fear and distrust, saying “... many RSLs express concerns about the

⁶ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 39

⁷ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 6

⁸ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 16

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potential for retribution when engaging with the SHR ... This fear can deter open communication and collaboration, as stakeholders worry that honest feedback may lead to punitive actions rather than constructive dialogue ... Share are aware of many organisations who would like to comment but fear retribution for doing so.”⁹ It is welcome that the Regulator has since contacted Share to arrange to meet to discuss those concerns, which the Regulator highlighted have not been raised directly with the SHR.¹⁰

2.6 Patrick Gilbride, former director of Dalmuir Park Housing Association, told the Committee about similar concerns with the SHR. He said that “... if you come anywhere close to intervention, the chances are that you are going to have a problem with the regulator.”¹¹ In contrast, Tony Cain from ALACHO told us that he did not recognise those concerns in local authorities’ experience of regulation, saying they are “... completely alien to our experience of working with the regulator.”¹² Again, this points to a clear difference in the experiences of local authorities and of RSLs in their engagement with the Regulator.

2.7 The Committee also heard evidence that there may be a lack of consistency in the approach taken by the SHR’s regulation managers. The SFHA’s 2023 research referred to above found there was a “... difference in opinion in how the regulatory framework would be applied depending on who the regulation manager is.”¹³ They would like to see regulation managers engaging more informally with the sector through landlord groups, rather than only with individual organisations when regulation occurs. That concern about variation in practice was also raised by Daryl McIntosh from Share Ltd who said he had received a number of concerns from organisations, and that “... a point to consider is whether the regulation manager understands the remit and what they are requesting from each housing association”¹⁴.

2.8 In the Regulator’s evidence to the Committee we heard that the SHR takes a risk-based and proportionate response to the circumstances of a particular case, so the response to each may vary and their engagement is tailored accordingly. The SHR said that they provide regular training for staff on the regulatory framework and on managing engagement with landlords.¹⁵ We heard that the SHR undertakes hundreds of

⁹ [Written submission](#) by Share Ltd

¹⁰ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 7

¹¹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 4

¹² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 26

¹³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 3

¹⁴ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 3

¹⁵ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 8

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engagements with RSLs every year, and that last year 110 RSLs contacted the SHR regarding notifiable events.¹⁶

- 2.9 The Regulator told us that they engage regularly with social landlords and their representatives including the SFHA, ALACHO and GWSF. The SHR also has three standing forums which they meet with, covering rural and urban landlords and a 'systemically important' landlord group.¹⁷
- 2.10 The Committee understands that in the interests of transparency the SHR is now producing an annual report of notifiable events, which is welcome. 'Notifiable events' are material, significant or exceptional issues, events or changes within a housing provider. These should be notified to the SHR by the provider together with information about how they will be addressed or an explanation of why a significant change has been implemented. David Bookbinder from GWSF told us that these are generally treated supportively by the SHR, saying "... let us not underestimate the fact that, day to day, our members tell us that those kinds of contact are generally helpful and supportive."¹⁸ The Regulator told us that most notifiable events are resolved quickly, with RSLs providing good supporting evidence¹⁹.
- 2.11 Share Ltd told us that "... It is fair to say that not everybody has a poor experience with the regulator". But also "... when there is an intervention, it can snowball from something that might be minuscule to something that is unnecessarily large".²⁰
- 2.12 It seems to the Committee that, in contrast to local authorities, housing associations are at times fearful of having contact with the Regulator. When we raised this issue with the SHR, we heard that the SHR's work with housing associations can involve delivering difficult messages (for example about poor performance), and that as a result organisations can be trepidatious about engaging with the Regulator.²¹
- 2.13 David Bookbinder described the variety of backgrounds which lay members of housing association committees may come from, and how engagement with the regulator can feel intimidating for them. He said "We are more likely to hear ... suggestions not of harassment or bullying but of overzealousness, and of the regulator wanting to micromanage an association in certain cases."²²

¹⁶ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 7

¹⁷ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 6

¹⁸ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 7

¹⁹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 7

²⁰ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 27

²¹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 6

²² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 17

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- 2.14 The Committee is not able to investigate individual cases of concerns about the Regulator and notes the widely conflicting viewpoints which it heard about organisations' and individuals' experiences of engaging with the Regulator. On one hand we are conscious that the board members of RSLs are volunteers and it is possible that they may perhaps be more likely to find any intervention by the Regulator concerning and even intimidating. We also note that some years have passed since the incidents raised in some submissions. However, there are clearly ongoing issues which are of significant concern to the Committee.
- 2.15 When asked about these allegations during the Regulator's oral evidence to the Committee, we heard that "... it is difficult for leadership [of housing providers] to hear that its organisation is not performing well"²³ and that they can't "... investigate vague claims by unnamed individuals."²⁴ The Regulator explained the difficult nature of some of SHR's engagement with RSLs, which at times extend to abuse of the Regulator's staff²⁵, and described there being two sides to the story, saying "... one person's bullying is another person's strong intervention."²⁶
- 2.16 The Committee is nonetheless extremely concerned by the views it heard about RSLs feeling intimidated and at times bullied by the SHR. There are clearly current and ongoing concerns amongst the SHR's stakeholders which, taken together, suggest that there are persistent issues. Although the Regulator may not agree with the premise of the individual cases made against the SHR we would nonetheless expect the Regulator to be concerned about the scale and nature of the allegations and to act accordingly.
- 2.17 The Committee also notes that it is a duty under the Scottish Regulators Strategic Code of Practice that regulators must "Develop effective relationships with those they regulate and have clear two-way communication in place". They must also "Pursue continuous improvement in regulatory practice based on the principles of better regulation".
- 2.18 The Committee is not able to determine the causes of the significant differences of opinion and whether these arise from the relative power imbalance between regulator and RSLs leading to a perception of 'heavy handedness' by the SHR, or if they are the result of a perceived or actual difference in treatment by the Regulator. In either event, they are having a negative impact on relations with housing associations, which is of concern to the Committee.**

²³ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 35

²⁴ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 35

²⁵ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 36

²⁶ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 36

- 2.19 **The Committee is concerned that the Regulator is not treating these as a priority. We therefore ask the Regulator to provide Committee with a plan for improving relations with RSLs. In particular, this plan should include how it will accommodate the needs of different types of people involved in RSLs, including volunteer board members.**
- 2.20 **The Committee will continue to closely monitor this situation and when it returns to scrutinise the SHR later this year hopes there is evidence of an improving relationship with RSLs.**
- 2.21 **We will consider recommending to our successor Committee that it carries out a comprehensive review of the SHR during Session 7 of the Scottish Parliament, in keeping with the approach we have taken this year, providing stakeholders with an opportunity to share their experiences of engaging with the SHR, which will hopefully reflect an improving situation.**

3. Self-assessment by housing providers

- 3.1 The SHR's assessment of social housing providers relies on a system of self-assessment by landlords, with them providing annual assurance statements to you. The Committee heard that this desk-based method is common to other regulators, resulting from a shift over the last 25 years away from resource-intensive lengthy assessments by regulators themselves. In its written submission to us, GWSF explained that "Associations used to receive cyclical visits from a team of regulatory staff, which could last as long as a week in some cases Now regulation is predominantly based on submission of data."²⁷ In the Regulator's oral evidence to the Committee he noted that the Housing (Scotland) Act 2010 removed powers to carry out cyclical inspections.²⁸
- 3.2 We asked witnesses whether a focus on self-assessment could be bureaucratic and open to manipulation. Tony Cain from ALACHO said while there is some value in more intensive scrutiny, there needs to be balance struck, and the assurance statements provided by local authorities "... show a degree of candour and understanding of performance".²⁹ He added that the SHR has suitable powers to subsequently intervene if necessary.
- 3.3 East Ayrshire Council noted in its submission that the annual Engagement Plan produced by the SHR helps the council focus its activity towards

²⁷ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 8

²⁸ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 11

²⁹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 9

areas "... where scrutiny and inspection may be required to ensure ongoing effective service delivery".³⁰

- 3.4 However, David Bookbinder highlighted it is now "... harder for the regulator to sniff out issues and problems... If there were to be an issue within the culture of an organisation, it would not come across in a financial return or even an annual charter return".³¹ Share Ltd also raised the risk of there being different interpretations of performance levels by organisations.³²
- 3.5 Similarly, the Scottish Tenants' Organisation was also concerned, saying that self-assessment can "... allow registered social landlords to largely self-regulate and write their own reports on how well they are doing in relation to everything. This has to change."³³
- 3.6 Tenants Together suggested that the SHR should carry out regular checks on landlords categorised as 'low risk' in order to verify the accuracy of reported performance data.³⁴ An individual respondent suggested that "The SHR needs to be collecting its own information and judging for itself whether landlords are 'good enough'. Speak to tenants, not just once a year via the customer satisfaction survey".³⁵
- 3.7 The Regulator explained to the Committee that the annual assurance process was initially not popular when it was first introduced because landlords felt it would be more work for them to check their compliance in all areas. However, we heard this approach has improved standards and that the SHR receives a broadly honest assessment of their compliance, with some RSLs saying they are now testing areas of strength and weakness.³⁶
- 3.8 Given the desk-based nature of assessments it is perhaps understandable that there is some level of mistrust about how accurate they may be when a housing provider is in effect 'marking their own homework'. On the whole however the Committee is reassured by evidence it received and outlined above that assessments are conducted thoroughly.**
- 3.9 Nonetheless we believe it is a fair point that the assessments do not provide a sense of the culture within a housing provider and there**

³⁰ [Written submission](#) by East Ayrshire Council

³¹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 8

³² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 9

³³ [Written submission](#) by Scottish Tenants Organisation

³⁴ [Written submission](#) by Tenants Together

³⁵ [Written submission](#) by Morag Anderson

³⁶ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 12

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are potential issues which data alone cannot highlight. In the Regulator’s evidence to the Committee we heard that the SHR makes around 10-12 visits each year to RSLs after their annual assurance statements are submitted in order to assess their approach and the process they went through.³⁷

3.10 We would welcome some more information from the Regulator about how visits to RSLs following submission of annual assurance statements are structured and how they might address some of the concerns described above – in particular whether they allow judgements to be made about where there may be issues that have not been brought to your attention in the assurance statements.

4. Use of statutory intervention powers

4.1 The Committee understands that the SHR’s [statutory powers of intervention](#) have been used 12 times, and of those there have been 6 cases which have resulted in associations being transferred to other organisations. These powers require action from a social landlord to improve or address a serious problem in its organisation and may include the statutory appointment of a manager. The Regulator told the Committee that no statutory intervention has been taken since 2018 and has only been used where there is a risk to tenants.³⁸

4.2 In oral evidence to the Committee the Regulator explained that the principal consideration is the potential risk to tenants and service users if the SHR does not intervene, but that they also consider the impact on an organisation, saying “We will not intervene when the landlord assures us that they are willing and able to address the issues that present the problem or the failure and when they are engaging constructively with us.”³⁹

4.3 Witnesses told us that there is a significant cost involved in statutory intervention, with which they have concerns. Amongst other costs, in circumstances where a manager is appointed they are paid at consultancy daily rates which clearly builds up to substantial amounts during an intervention process lasting some months – we heard figures ranging from £300,000 up to £500,000. David Bookbinder from GWSF described the costs as ‘unbelievable’⁴⁰ and Patrick Gilbride said they are “... often hidden, ignored or not transparent” and questioned whether the SHR’s

³⁷ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 12

³⁸ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 16

³⁹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 16

⁴⁰ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 12

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intervention into Dalmuir Housing Association was value for money, explaining that it is ultimately tenants who meet those costs.⁴¹

- 4.4 The Regulator told us that the costs involved in intervention are to fix things that have gone wrong, and that the SHR publishes an account of every statutory intervention and its outcome, including the direct costs, in the interests of transparency.⁴²
- 4.5 Given those costs are presumably subsequently met from an association's rental income, they are effectively passed on to tenants.
- 4.6 The Committee believes intervention costs should represent best value for money. It asks the Regulator for its view on proposals for a statutory cap on intervention costs in order to avoid disadvantaging tenants.**
- 4.7 We also heard concerns about the appointment of statutory managers by the SHR. These are drawn from a list of suitably qualified and experienced people, a group which by its nature is relatively small. There is a perception though amongst some that they are chosen because they share the SHR's philosophy. These concerns are considered further in the section below on community-based housing associations.
- 4.8 There have clearly been relatively low numbers of interventions by the Regulator, particularly so in recent years. The Committee was also told that there has been a shift towards more informal routes of action and the SHR is now more likely to look at how to support an RSL to prevent the need for statutory action, for example through 'bolstering' a housing association's committee.⁴³ We heard that both the GWSF and the SFHA have panels of volunteers in place to help provide such support.⁴⁴ The Committee notes that both the use of such peer support and the Regulator's collaboration with representative bodies are positive steps.
- 4.9 Again, we heard contrasting views on the SHR's use of its statutory intervention powers in both written and oral evidence. One individual who has served as an appointed statutory manager described in their submission seeing at first hand "... the very serious issues that have arisen in affected RSLs and the patience and support of the Regulator to work with the RSL to address matters before their ultimate intervention when all else has failed... they genuinely only have used statutory powers in the most serious of cases."⁴⁵

⁴¹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 11

⁴² Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 16

⁴³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 13

⁴⁴ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 13

⁴⁵ [Written submission](#) by Mags Lightbody

- 4.10 However other respondents who have worked in RSLs that have been subject to the intervention process raised concerns with us. Share Ltd agreed that intervention has been effective in cases of financial instability or poor governance in RSLs, but elsewhere some interventions have been perceived as "... too heavy handed or insufficiently justified, which has led to sector wide fear and distrust in the regulator."⁴⁶
- 4.11 The Committee notes the differences of opinion on whether the Regulator has indeed been 'heavy handed' or over-zealous in its approach to intervention. However, we note the limited number of instances in which statutory intervention has taken place, and welcome the shift towards improved levels of support, particularly using peer-support, to help housing providers reach the point where intervention may be required.
- 4.12 We are therefore reassured that going forward the use of statutory intervention will remain rare. The Committee would however again request that the Regulator reflects on the concerns raised about its practice.**

5. Appeals process

- 5.1 During the course of the Committee's scrutiny, the question was asked by stakeholders 'who regulates the regulator?' and witnesses told us they are concerned that the SHR currently has no independent appeals process against its decisions. Presently, the SHR has an appeal panel involving board members and independent legal panel members.
- 5.2 Evelyn Tweed MSP submitted written evidence⁴⁷ and attended the Committee's oral evidence sessions to highlight concerns which have been raised with her about the Regulator. Among those are the lack of effective scrutiny of the SHR's functions. She suggested that to address this the Housing Bill (which is currently going through the Parliament) could be used as a suitable legislative vehicle to establish an independent appeals process.⁴⁸
- 5.3 Other witnesses held similar views. SFHA for example suggested there should instead be an approach whereby appeals are considered by a panel that has no connection to the SHR (a model which applies to the Office of the Scottish Charity Regulator).⁴⁹ Indeed, David Bookbinder from GWSF noted that an independent appeals process is an expectation of the '[Scottish Regulators' Strategic Code of Practice](#)'. He also noted that the

⁴⁶ [Written submission](#) by Share Ltd

⁴⁷ [Written submission](#) by Evelyn Tweed MSP

⁴⁸ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 24

⁴⁹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 22

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vast majority of cases should never reach an appeal and that there will always be the necessity for the regulator to take urgent action in some circumstances, for example in cases of an associations' insolvency⁵⁰.

- 5.4 When asked by the Committee, about the need for an appeals process the Regulator welcomed the idea, noting that it would need to be appropriately designed and funded. He also stressed the confidence he has in the SHR's decisions, noting that an appeal to the Board has only happened on one occasion.⁵¹
- 5.5 The Committee agrees that an independent appeals process should be established, as expected by the Scottish Regulators' Strategic Code of Practice. This would go some way to addressing a number of the concerns raised with us about the SHR and outlined in this letter. We therefore recommend that the Scottish Government considers making appropriate legislative changes in order to establish an independent appeals process.**

6. Concerns about community-based housing associations

- 6.1 There is a wide variation amongst housing associations – not only in their size and location but also in the services they provide – and the Committee has heard concerns that the Regulator may have a culture of favouring larger housing associations to the detriment of smaller community-based organisations and cooperatives who are being gradually taken over. These are often an important part of a community, described as 'anchor organisations' in the terminology used around community wealth building and community empowerment. In his oral evidence to the Committee David Bookbinder told the Committee that "If you lose localness, you are going to lose some key local services – for maintenance or care for the environment – that really matter to tenants."⁵²
- 6.2 We heard conflicting views on whether the Regulator favours larger housing associations. Patrick Gilbride told the Committee about his concerns with the approach and attitude of some staff, who he believes "... have some form of hidden or prior agenda" which means they are looking for specific outcomes, particularly for smaller housing associations.⁵³ In its written submission, Dumfries and Galloway council set out a similar view that the SHR has a focus on smaller landlords and less on larger organisations "... which appear to have more leeway in what is acceptable practice around customer service and quality of housing."⁵⁴

⁵⁰ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 22

⁵¹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 20

⁵² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 20

⁵³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 5

⁵⁴ [Written submission](#) by Dumfries and Galloway Council

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- 6.3 Alternatively, one individual in their written evidence said "... I know that there is a strong feeling that the SHR have bias against community controlled organisations and look for a transfer to a large organisation on every occasion but that is not my experience of the transfers in which I have been involved."⁵⁵ Similarly, Tenants Together Scotland said they were not aware of any evidence of this culture in the SHR.⁵⁶
- 6.4 David Bookbinder from GWSF told the Committee that he does not believe that the SHR has a particular agenda in respect of favouring larger housing associations, but he agreed that the Regulator's actions (or at times inaction) in the past might "... suggest that there might be something in the culture that means that staff are sometimes nudging towards, or encouraging, transfers and takeovers."⁵⁷
- 6.5 He went on to provide an example regarding the possible transfer of Reidvale Housing Association where tenants were not consulted during the options appraisal process, as they should have been under regulatory standards. It appeared that the SHR had overlooked this.⁵⁸
- 6.6 In the Regulator's evidence to the Committee, we heard that the SHR does not believe that such a culture exists, and that the SHR does not wish to encourage mergers to take place. The Regulator pointed out that most mergers of RSLs have not involved the Regulator at all⁵⁹ and that there is a statutory requirement for the SHR to regulate landlords consistently. Nonetheless, it seems to the Committee that there is at the very least the perception amongst a number of the SHR's stakeholders of there being such a culture within the SHR.
- 6.7 The '[Scottish Regulators' Strategic Code of Practice](#)' directs regulators to take relevant community interests into account. David Bookbinder told us that the GWSF is engaging with you to develop some guidance on what that means for the SHR. This includes considering the loss of assets from the community, the loss of decision making from the community, and the potential loss of the wider community regeneration role if a large UK body takes over a small local association.⁶⁰ **The Committee would be grateful if the SHR could keep the Committee updated as that important work progresses.**

⁵⁵ [Written submission](#) by John Mulholland

⁵⁶ [Written submission](#) by Tenants Together

⁵⁷ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 4

⁵⁸ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 18

⁵⁹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 18

⁶⁰ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 19

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- 6.8 It may be that one factor behind the perception that the SHR favours larger housing associations is the substantial difference in resources and power between the larger RSLs and those which are smaller and community-based. One individual respondent to the written call for views said that in practice only larger RSLs devote their resources to the process of bidding to be a new partner, "... and the logical outcome of such a process is the disappearance of the local based community controlled RSLs – which are very unique to Glasgow."⁶¹ Shona Gorman from Tenants Together described to us how the financial governance of a smaller RSL may not be as strong as those of larger organisations to deal with emergencies such as tackling RAAC, or dealing with legislative requirements such as gas servicing and electrical safety checks in addition to maintaining housing stock. She said "... I can understand that some smaller organisations are finding it difficult to cope with all that and perhaps feel the need to become part of a bigger organisation, but I am not aware of the regulator pushing that."⁶²
- 6.9 Paul Sweeney MSP attended the Committee's oral evidence sessions and noted that the nature of the bidding process to establish a preferred transfer partner means that larger housing associations are able to provide more attractive offers to tenants, in effect submitting 'loss-leading' bids. In the case of Reidvale housing association this involved offering tenants a rent freeze and the takeover of a community centre.⁶³ David Bookbinder said "... It is inevitable that the majority of cases of forced transfer are more likely to favour a larger national or UK association – that is what the statistics show."⁶⁴
- 6.10 We understand the SHR agrees that it would be helpful for there to be guidance in place on what a preferred bidder is able offer in the intervening year before the ballot of tenants takes place to determine whether a takeover will happen. It is welcome that the SHR has said it would like to work with GWSF in developing guidance in that respect.⁶⁵ The Committee requests that the SHR keeps it updated on the progress of that work.**
- 6.11 Mr Sweeney asked the Regulator about the boundaries between statutory managers of RSLs also acting on SHR's behalf as interim directors and transfer consultants, and whether those overlaps could lead to the conclusion that those people may be biased towards a transfer taking place rather than protecting the community control of an RSL. He also highlighted that when a statutory manager is appointed declarations of

⁶¹ [Written submission](#) by Ian Elrick

⁶² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 37

⁶³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 27

⁶⁴ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 27

⁶⁵ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 28

interest are not required, and that there is a need for greater transparency in that respect.⁶⁶

- 6.12 David Bookbinder described it as being a complex picture where people may have worked together previously in housing associations. He made the point that there is a need for probity and transparency, saying "... you have to be very careful about how those relationships might materialise."⁶⁷
- 6.13 In the SHR's response to the Committee on that issue we were told that there is a relatively small pool of professionals who are suitably qualified to fulfil the role of statutory manager, but that the SHR takes account of any potential conflicts of interests they might have. The Regulator explained that a procurement process takes place every 3 years to create a list of statutory managers which now includes more published information on their background and their work than was previously the case.⁶⁸
- 6.14 The Committee cannot determine whether allegations of an 'anti community organisation' culture exists in the SHR are true; it has heard conflicting views, and it's possible that it could be the inadvertent by-product of the natural dominance of larger organisations. Nonetheless there clearly is – as a minimum – the perception that is the case, which is harmful to relationships and to engagement with the Regulator. Whilst the Regulator is not involved in all transfers which take place, we were told that there has been a reduction in the number of housing associations from 183 (in 2012) to 158⁶⁹.
- 6.15 The Committee acknowledges the importance of community-based housing associations and their role in local communities. It has significant concerns about the evidence it heard in respect of the Regulator's approach.**
- 6.16 It is vital that the Regulator takes relevant community interests into account (as set out in the Scottish Regulators' Strategic Code of Practice) and is transparent about how it is doing so. The Committee therefore requests the Regulator's commitment to ensuring it meets the Code of Practice.**
- 6.17 At the beginning of this letter we noted that the research in 2023 by the SFHA concluded there are concerns around approachability, consistency of approach, and communication with the SHR. Each of these would seem to be particularly relevant to this issue, and we**

⁶⁶ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 32

⁶⁷ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 27

⁶⁸ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 32

⁶⁹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 19

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would suggest that improvements in these areas may address some of the concerns outlined in this section.

7. Engagement with tenants

- 7.1 Tenants are at the heart of the SHR's remit, and so we sought their views on the levels of tenant awareness of the Regulator. We were told that most tenants and service users are not aware of the SHR and its remit. In the Regulator's evidence, he agreed that knowledge among the 600,000 tenants in the sector of the Regulator's role is probably low.⁷⁰
- 7.2 It may be that for the majority of tenants who have no issues with their landlord there is no particular reason why they should know about the Regulator's role. Tony Cain from ALACHO queried whether you would necessarily expect tenants to be aware of the work of the SHR if they are not experiencing problems, saying "I am not overly concerned about that, and nor is the sector. The reality is that only a small proportion of tenants are engaged and familiar with the work of the regulator."⁷¹ Alan Stokes from the SFHA agreed with this conclusion.⁷²
- 7.3 However, where a group of tenants has a serious concern about their landlord, they have the right to report the issue to the Regulator for investigation. In its written submission to us the Edinburgh Tenants Federation said that many tenants may not know who the SHR is and what their rights are around making a group complaint, and that earlier intervention should be happening when a social landlord's performance is poor.⁷³ Tenants Together similarly said that it would be beneficial if more people knew about the SHR and that there was more communication with tenants.⁷⁴
- 7.4 **The Committee is interested in how often those rights are exercised by tenants and that issues are reported to the SHR. It therefore requests the Regulator provides some data in that respect.**
- 7.5 We also heard about implications for the existing tenants of a housing association which is absorbing another through transfer. Presently most of the safeguarding is for the tenants who will be taken over by another landlord, but existing tenants may not be aware of the implications of the transfer, despite potentially seeing their rents increasing if the housing stock of the association being absorbed requires repairs or renovation. Lindsay Anderson from the Link Group tenant scrutiny panel said that "...

⁷⁰ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 22

⁷¹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 6

⁷² Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 6

⁷³ [Written submission](#) by Edinburgh Tenants Federation

⁷⁴ [Written submission](#) by Tenants Together

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existing tenants have no option but to accept the outcome of negotiations that are taking place in the background.”⁷⁵

7.6 The Committee appreciates that the Regulator may not necessarily be involved in such a transfer but would welcome the SHR’s views on how existing tenants could best be supported and kept informed regarding the impact of transfers on them.

7.7 We heard that the SHR has a large and established Tenants Panel comprising 500 members, including representatives from the gypsy traveller community and people with experience of homelessness, from whom they seek views and feedback. The Regulator told us that they regularly engage with these groups but additional resources would allow them to develop this further.⁷⁶

7.8 The Committee heard from Shona Gorman (a member of the SHR’s Tenants Panel) that communication with it is currently too ‘one-way’, with members being surveyed once a year on issues such as rent affordability and heating. She suggested that there could be instead more of a dialogue between the SHR and tenants to give people the opportunity to raise other issues with the Regulator.⁷⁷ In its written submission Share Ltd compared the SHR’s role and performance with regulators in other countries and said “... the SHR appears less effective in fostering stakeholder engagement and collaboration. Many of these regulators prioritise open dialogues [and] stakeholder feedback.”⁷⁸

7.9 Patrick Gilbride contrasted the SHR’s own annual report with those of housing associations who are encouraged to produce reports that are engaging for tenants and residents. He noted how lengthy and complex the SHR’s annual report is.⁷⁹ Edinburgh Tenants’ Federation told us about an example of their own engagement; in response to high levels of illiteracy in the city they have produced an illustrated comic to support people in understanding their rights, help build knowledge and participation. Shona Gorman from Tenants Together said “... it would be good if the regulator had more of that kind of short, snappy visual communication rather than being a distant body that produces wordy documents.”⁸⁰

⁷⁵ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 34

⁷⁶ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 24

⁷⁷ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 31

⁷⁸ [Written submission](#) by Share Ltd

⁷⁹ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 6

⁸⁰ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 40

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- 7.10 One individual in their written submission noted “... the present framework of regulation does not engage in a human level and is far too bureaucratic in nature so I am not convinced that trust exists.”⁸¹
- 7.11 In the SHR’s evidence to the Committee they highlighted the fine line between meeting tenants’ demands for tougher and quicker action, and landlords’ views.⁸²
- 7.12 For example James Calder from MECOPP told us that members of the gypsy traveller community feel that they are not being listened to and want stronger levels of support for the community from the SHR. He agreed that proper engagement with the gypsy traveller community would be more beneficial than an annual survey.⁸³ The Scottish Tenants’ Federation would like the SHR to be made into a more ‘interventionist’ organisation “... with beefed up powers to ensure registered social landlords do not abuse their powers in relation to tenants.”⁸⁴
- 7.13 The Committee suggests that SHR could learn from those views and from Edinburgh Tenants Federation’s example to better ensure that tenants understand both their rights and their landlords’ duties.
- 7.14 Given that at the heart of the SHR’s remit is the protection of the interests of tenants, the Committee believes that engagement with them should be given greater priority by the Regulator.**
- 7.15 Whilst the Committee recognises that it may not be necessary in all circumstances for all social tenants to have a full awareness of the Regulator and the Regulator’s role, we would ask that the SHR considers further the example provided by Edinburgh Tenants Federation in successfully providing accessible information to a wider group of tenants. In particular this should include members of the gypsy traveller community.**

8. Housing conditions

- 8.1 Some tenant representatives who gave evidence to the Committee said they would like the Regulator to do more to push local authorities and RSLs to improve **standards** and the quality of housing. From our wider work on housing the Committee is very familiar with these issues, in particular the prevalence of damp and mould in many properties.

⁸¹ [Written submission](#) by Ian Elrick

⁸² Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 10

⁸³ Local Government, Housing and Planning Committee, [Official Report](#), 3 December 2024, Col 33

⁸⁴ [Written submission](#) by Scottish Tenants Organisation

- 8.2 In its written submission Tenants Together Scotland said that “... in relation to tenant and service-user safety, [our] members are keen to see SHR taking a stronger approach; in particular in relation to issues such as dampness and mould, the quality of temporary accommodation and breaches of the Unsuitable Accommodation Order.”⁸⁵ Similarly, the Link Group felt local authorities do not have sufficient incentives to adhere to regulations, with damp and mould problems being ignored.⁸⁶
- 8.3 The Committee understands that following a consultation process in 2024 on proposed changes to the Annual Return on the Charter the SHR has developed specific indicators on damp and mould, which is very welcome. The first submission of data to the Regulator by housing providers on damp and mould will be in May 2026, at which point the Regulator will review them and consider carrying out a review of landlords’ approach to preventing and resolving cases of damp and mould.⁸⁷
- 8.4 Whilst this data will not be available during this Committee’s lifespan we will recommend to our successor Committee in Session 7 of the Scottish Parliament that it monitors the data and subsequent action taken closely.**
- 8.5 The Regulator’s responsibility also extends to safeguarding and promoting the interests of gypsy traveller families who use sites provided by social landlords. Local authorities (and RSLs where they provide them) are responsible for providing and running gypsy traveller sites in their area. These must meet minimum standards set by the Scottish Government.
- 8.6 Concerns were raised with the Committee about the substandard condition of some travellers’ sites provided by local authorities, and the need for the SHR to take a greater role in providing support for travellers in tackling these issues. In their written submission, the Minority Ethnic Carers of People Project (MECOPP) said “... effectively tenants live in substandard conditions despite paying for rents due to social landlords not fulfilling their responsibilities.”⁸⁸
- 8.7 In the SHR’s evidence to the Committee the Regulator agreed that the standard of gypsy traveller sites needs to be addressed, explaining that the Scottish Government’s minimum standards against which they are measured are quite poor. The Regulator highlighted some recent cases

⁸⁵ [Written submission](#) by Tenants Together

⁸⁶ [Written submission](#) by Link Tenant Scrutiny Panel

⁸⁷ [Consultation on indicators for monitoring the Scottish Social Housing Charter - Our response - January 2025 | Scottish Housing Regulator](#)

⁸⁸ [Written submission](#) by MECOPP

under investigation in Fife and in Perth but explained that without minimum standards being raised the Regulator is limited in what it can do.⁸⁹

- 8.8 We heard that the Scottish Government may be exploring whether the affordable housing supply programme funding could be used to upgrade gypsy traveller sites.⁹⁰ **This letter is being copied to the Scottish Government, and we would ask them to update the Committee on what action is being taken in this regard. This letter is also copied to the Convener of the Scottish Parliament’s Equalities, Human Rights and Civil Justice Committee who will have an interest in this issue.**
- 8.9 There are also clearly issues with the effectiveness of the Scottish Government’s standards for gypsy traveller sites. The standards themselves are outwith the remit of this Committee, however I will advise the Convener of the Social Justice and Social Security Committee that they have been raised with us.

⁸⁹ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 27

⁹⁰ Local Government, Housing and Planning Committee, [Official Report](#), 17 December 2024, Col 27

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Annexe B: Committee scrutiny Background

To inform its scrutiny of the SHR the Committee issued a [call for written views](#) on 9 September 2024 with a closing date of 11 October 2024. There were 40 responses received, which can be [viewed online](#).

Twenty-five responses were received from organisations, 11 from councils, 4 from groups representing tenants, and 16 from individuals. Some of those received from individuals were provided in confidence and although circulated to Committee members they were not published online.

The call for views focused on a number of questions:

- Is the SHR effectively performing its duty to safeguard and promote the interests of current and future tenants, people who are (or may become) homeless, factored owners and gypsy travellers?
- How effectively is the SHR carrying out its functions to monitor, assess and report on social landlords' performance and RSLs' financial well-being and standards of governance?
- Does the SHR have sufficient intervention powers and are these powers being used to the best effect?
- Is there a culture of the SHR encouraging asset transfers of community-controlled housing associations to large Registered Social Landlords and if so what evidence is there for that?
- How effective is the SHR's engagement with both social landlords and tenants and other service users?
- Is the SHR performing its role in accordance with the Scottish Regulators' Strategic Code of Practice? How does the SHR's role and performance measure up against other social housing regulators internationally?
- Does the SHR retain a high level of trust from its stakeholders?
- In the context of a housing emergency, is there more that the SHR could be doing to help social landlords respond to the challenges it presents and ensure the availability of high quality social housing?
- Is the statutory remit of the SHR, and the delineation of that remit from other bodies, sufficiently appropriate and clear?
- Is the level of parliamentary scrutiny and oversight of the SHR sufficient?

On [3rd December](#) the Committee heard from 2 panels of witnesses, representing housing associations and tenants:

Panel 1:

- Glasgow and West of Scotland Forum of Housing Associations (GWSF)
- Association of Local Authority Chief Housing Officers (ALACHO)
- Patrick Gilbride, Retired Director of Dalmuir Park Housing Association

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- SHARE Ltd
- Scottish Federation of Housing Associations

Panel 2:

- Link's Tenant Scrutiny Panel
- MECOPP
- Tenants Together Scotland
- Edinburgh Tenants Federation

And on [17th December](#) the Committee took evidence from the Chair and the Chief Executive of the Scottish Housing Regulator.