

Ariane Burgess MSP
Convener
Local Government, Housing & Planning Committee

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 A

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.