

**James Dornan MSP**  
**Convenor**  
**Local Government & Communities Committee**  
**Scottish Parliament**

By email:  
LocalGovernmentandCommunities@parliament.scot

30 April 2020

Dear James

Thank you for your letter of 2 April 2020 and kind wishes. I hope you, all of the Committee and the Clerking team are safe and well during these challenging times.

We welcome our engagement with the Local Government and Communities Committee and the scrutiny it brings.

In your letter, you asked for more information around allegations reported recently in Scottish Housing News. We have stayed in touch with your Clerking team since these articles appeared and shared additional information from our website and the open letter issued to Scottish Housing News in January, which I have appended.

I am also pleased to give detailed answers to each of the questions you set out. We have placed our answers in a different order from your original list of questions, only to aid understanding and to give you a full narrative.

As I set out in my open letter of 9 January, we do not tolerate bullying. We work to be an effective, open and transparent regulator. We welcome and encourage feedback and we have a clear and appropriate route set out on our [website](#) for anyone who wishes to raise a concern or to complain about how we work. Anyone has the right to take a complaint about us to the Scottish Public Services Ombudsman. I also invited anyone with concerns to contact SHR or myself directly. To date, neither I nor SHR have received any specific complaint and we are not aware of any made to the Ombudsman.

We engage regularly with stakeholders, including all the landlord membership organisations. We have valuable ongoing, constructive discussions about our work, its impact and our relationships with the organisations we regulate. We work to the highest of professional standards.

However, we are not complacent, and my Board took time in February to reflect on the issues raised in the SHN stories. We revisited our governance and decision-making framework, with a particular focus on decisions around the use of statutory powers and our approach to complaints. Following this, the Board is comfortable that our approach to regulation is appropriate, proportionate and effective.

In summary, we agreed, following review, that our current standing orders detailing retained and delegated authorities for decisions are appropriate and effective and that the appeal process provides as independent a review of decisions as is possible under current legislation. We concluded that we have a thorough and robust approach when deciding to use statutory powers with effective checks and balances to ensure a proportionate and appropriate outcome is reached in each case. I have provided more detail on this in appendix 2. We have published both the minute of our [February meeting](#) and our [operational delegation of statutory powers](#) on our website.

The Board sets SHR's strategy, makes policy and oversees performance; the senior staff team implements the strategy and delivers our regulation of social landlords in accordance with the policies and delegations set by the Board. I explain further in appendix 2 how our approach to the governance of delegated authority is aligned with good governance practice. We have delegated some regulatory decisions to the staff team; we are assured that this is appropriate and ensures that decisions on the use of delegated statutory powers are risk-based, proportionate and made in the most effective way.

Our staff are professional, skilled and experienced regulators and all of the decisions that they make are driven by our statutory objective, which is to safeguard and promote the interests of tenants and service users. They always take account of the impact our engagements have on tenants and landlords and make decisions within the Regulatory Framework set by the Board. 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 and debate all the evidence. This allows a high degree of internal challenge to help staff to find the most proportionate and effective response to protect the interests of tenants and others who use social landlords' services.

We understand that, at times, organisations or individuals disagree or are unhappy with our decision to use or consider using powers. As a Regulator there will be times when we have to have challenging conversations. Our staff are trained to make these constructive and appropriate. I have appended a selection of feedback from landlords that you may find helpful. You may also wish to speak directly to current and former statutory managers and those who have volunteered as statutory appointees.

It is difficult for us to respond to vague and non-specific concerns raised indirectly through the media. However, I have publicly offered to discuss directly with anyone any matters they wish to raise with me. Please rest assured that if anyone raises a concern about how we work, they can feel confident it will be handled in a respectful and appropriate way.

I hope the Committee will find this information and the further detail appended helpful.

I also want to take the opportunity to update the Committee on our contribution to the Coronavirus COVID-19 pandemic response. Social landlords are working very hard and creatively to manage and mitigate the impact of the pandemic on their operations and to support and safeguard their tenants, people who are homeless and other service users. Landlords are prioritising that over other more routine activity. So, on 18 March 2020 we aligned our regulatory approach to support social landlords through the crisis and contacted all landlords to advise them that we are focused on monitoring the impact of the pandemic. We have suspended all but the most critical regulatory engagements. As the situation evolves we will continue to keep the Committee updated on our work.

Please be assured that we will continue to work diligently, openly and transparently to achieve the objective given to us by Parliament to safeguard and promote the interests of everyone who uses social landlords' services.

Given the current lockdown, we have both agreed to postpone our pre-arranged meeting originally planned for 23 April 2020. I hope we can meet soon, once the lockdown is lifted. In the meantime, please do get in touch if you wish to discuss this letter further or our wider work. As always, we are more than happy to provide the Committee with any additional information it requires at any time.

Yours sincerely

**George Walker**  
**Chair**  
**Scottish Housing Regulator**



## Appendix A

### Letter to the Editor, Scottish Housing News, 9 January 2020

I would like to address the matters raised in the recent Scottish Housing News coverage of the Scottish Housing Regulator's work.

We do not tolerate bullying. We work to be an effective, open and transparent regulator. We have a clear and appropriate route for anyone who wishes to raise a concern or to complain to us about how we work, and they have the right to take it to the Scottish Public Services Ombudsman.

We have one statutory objective, which is to safeguard and promote the interests of tenants, people who are homeless and others who use services from social landlords. This drives everything that we do.

Most of our engagements with landlords are straightforward, although some can involve challenging conversations for all involved. Since 2014 we have used our intervention powers in twelve landlords. We have not taken any new statutory intervention action during 2019/20 or so far in 2020/21. We, of course, understand that intervention by a regulator can be difficult for any organisation and for its people, both staff and board members. We intervene proportionately and only where a landlord has significant problems that present a risk to tenants' interests and is unwilling or unable to deal effectively with them.

It is important that we are transparent about, and accountable for, how we use our powers. That is why we publish a report on each intervention in a landlord after that intervention has ended. We have completed our intervention in nine of those landlords. In each case, the result is an organisation which is stronger and able to better serve its tenants and local communities.

We have an appeals process to give a route to challenge our most significant regulatory decisions. We publish a wide range of guidance and advice explaining how we regulate, including on whistleblowing. In addition, later this year we will publish further material on how we use our powers.

We launched our new Regulatory Framework almost a year ago, following an inclusive, year-long conversation with tenants, landlords, representative bodies, funders and others. The vast majority of people and organisations that responded supported the approach to regulation we proposed. We engage regularly with stakeholders, including landlord membership organisations. Through this, we have ongoing, constructive discussions about our work, its impact and our relationships with the organisations we regulate.

We work to the highest of professional standards and we welcome feedback. We have a clear complaints process, which is set out on our website. I can assure anyone who may wish to raise a concern about how we work that they can feel confident in raising this directly with us through our complaints procedure.

It is difficult for us to respond to concerns raised indirectly or through the media. I can assure you as SHR chair that any complaints or concerns raised with SHR will be handled in a respectful and appropriate way as laid out in our complaints procedure.

Anyone can contact me directly if they have matters they wish to raise with me, at [shr@shr.gov.scot](mailto:shr@shr.gov.scot).

We look forward to continuing to work openly and transparently to protect the interests of everyone who uses social landlords' services.

Yours sincerely,  
**George Walker**  
Chair, Scottish Housing Regulator



## Appendix B – detailed answers to the committee’s questions

### 1. *How SHR ensures its own governance arrangements meet all statutory and best practice requirements.*

#### **Our Governance Framework**

Our objective, functions, powers and duties are set out in the Housing (Scotland) Act 2010 and we have a [Framework Agreement](#) in place with Scottish Ministers setting out roles, responsibilities and relationships .

All of our Board members are required to adhere to the [model code of conduct](#) for public bodies , which is provided for in the Ethical Standards in Public Life etc. (Scotland) Act 2000 and aligned to the UK Corporate Governance Code and the Nolan Principles.

These codes explain that corporate governance concerns the strategic direction and effective stewardship of the organisation. We have set SHR’s strategic direction in our [2019-2022 Corporate Plan](#) .

The Scottish Government’s guidance for Board members sets out the importance of Boards maintaining focus on strategy, performance and behaviour and not being diverted by detailed operational matters which are the responsibility of the Chief Executive and the Senior Executive Management Team. The On-Board guidance states that public bodies’ boards should clearly differentiate their role in strategic governance and leadership from that of operational management. To facilitate this, SHR’s Board determines which powers it retains and which it delegates, and sets these out in our [standing orders](#), which we publish on our website .

We have a rigorous internal decision-making process for the use of statutory powers, which incorporates appropriate checks and balances. The Director of Regulation and the Chief Executive review all decisions to use statutory intervention powers delegated from the Board. The Board is kept fully informed of the use of all statutory powers and are briefed before statutory action is taken. In addition, information on the briefings received between meetings is included in our published minutes.

If a situation becomes so serious that we need to use statutory powers to protect the interests of tenants and others, we use an internal case conference approach to bring together expertise and intelligence from all staff involved with a particular landlord and other staff to bring a fresh perspective. The case conference approach allows for robust debate and internal challenge on any proposed next steps, whether that is to use statutory powers or to continue engagement without using intervention powers.

The Director of Regulation uses case conferences and briefings from Assistant Directors to be assured that:

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

To ensure effective stewardship, the Board agrees an annual operating plan for SHR and monitors progress against this quarterly and through active risk management. The Board is supported by its Audit & Risk Assurance Committee and takes external assurance from internal and external auditors. We have consistently achieved the highest levels of assurance from our internal and external auditors.

We summarise all the key internal and external sources of assurance for our Board in our published [assurance map](#).

Anyone has the right to raise a complaint with us and to take a complaint to the Scottish Public Services Ombudsman, if it cannot be resolved with us. Each quarter we publish information on any complaints received and any changes made as a result. You can find this on our [website](#).

Our non-statutory appeals process covers a wider range of regulatory decisions and offers additional opportunities for challenge, beyond those set out in the 2010 Act. This demonstrates our commitment to best practice in regulation and to the [Scottish Regulators' Strategic Code of Practice](#). SHR has been the subject of one appeal which upheld our original decision. ([link to outcome](#))

### ***How we are actively managing our governance***

Our Framework Agreement with Scottish Ministers is due for review during 2020/21 and we will publish a refreshed agreement when available.

SHR's Audit & Risk Assurance Committee is charged by the Board to review standing orders at least every three years, or more frequently if required. It last considered these in March 2019 and the Board approved the updates in May 2019.

In our operational delegation of statutory powers, we set out the powers delegated from the Board to the Chief Executive via the standing orders and from him onwards to the senior team. We publish these on our [website](#). These were last reviewed by the Chief Executive with his Management Team in September 2019.

In June 2019, the Board with SHR's Management Team considered a refreshed assurance map to ensure alignment with our new Regulatory Framework. This was further refined by the Audit and Risk Assurance Committee in December 2019.

We will be updating our complaints procedures to align with the new model recently provided by the Ombudsman, and we will achieve the implementation deadline of April 2021. We will use this as another opportunity to promote the availability of our complaints process to our stakeholders.

As detailed in the covering letter, on 24 February 2020, in the context of recent allegations in the media, our Board scrutinised all the elements of our governance framework and decision-making around the use of statutory powers and our approach to complaints.

As an organisation that continues to listen and learn, we are committed to examining how we further enhance the transparency of our decision-making especially around use of statutory powers.

We have made governance central to our internal audit programme for 2020/21. Our Audit and Risk Assurance Committee has agreed our independent internal auditors will review statutory intervention, implementation of the new model complaints procedures and the refresh of our statutory manager list.

Over the last few years our independent internal audit programme has reviewed a number of aspects of how we regulate. These reports, which can be shared, include:

- notifiable events;
- our approach to open data;
- regulatory consents;
- our approach to GDPR; and
- how we handled the review of our Regulatory Framework.

We have also commissioned scrutiny and quality assurance of our work. Examples include a survey on how we communicate, independent analysis of our Regulatory Framework consultation responses

and a review of our approach to the regulation of financial health by UK sector experts. We also welcome the scrutiny of the Local Government and Communities Committee.

Openness, transparency and accountability are important to us and our stakeholders. In our Corporate Plan we commit to being visible and accessible and to publish refreshed editions of our *How We Work* publications, launch a new website and make the data we collect freely accessible. We have already delivered our new website, which has improved access to our guidance and advice.

The social housing sector in Scotland benefits from strong sector voices at an individual organisational level as well as via trade and customer representatives. We welcome input from stakeholders to inform and develop our approach and help us achieve our statutory objective.

We have regular operational meetings with all stakeholders including the landlord representative bodies (SFHA, GWSF and ALACHO) and we also have Board level engagement with these organisations. Our relationship with them is constructive and we welcome their input. This collaborative approach has been invaluable during the pandemic and the work of the Social Housing Resilience Group.

We also meet quarterly with our Registered Tenant Organisations Liaison Group to hear directly from tenants and we use the research with our National Panel of more than 400 tenants and service users to inform our approach and focus.

As a Board we seek to consider our own development each year. In January 2020 along with the SHR Management Team we completed an intensive training workshop with an industry expert on governance. Like all staff, each of our Board members, including myself as Chair, participate in an annual performance review to help ensure we are fulfilling our individual roles and identifying any areas for further development. We also have access to the Scottish Government's online governance hub and participate in all the events for Non-Executive Board members.





## **2. How SHR ensures that the evidence base behind any negative findings about an RSL is clear so that the RSL knows what it has to do to put things right.**

Evidence is key in regulation and SHR always establishes and follows the evidence. It is also critical for landlords and we now ask them to ensure they have evidence of compliance with regulatory requirements and standards and for their Annual Assurance Statements.

Assessments and decisions about statutory intervention are based on evidence, covering some of the following:

- From our ongoing assessment of risk and our knowledge of the RSL.
- Directly from an RSL through notifiable events reported about its governance and performance or through information sought via our engagement plans to provide assurance e.g. business plans, Annual Charter Return validation reports, governing body reports and minutes.
- From independent investigations commissioned by organisations, and in these cases we carry out our own assessment of the evidence these provide and apply our regulatory judgment; or
- From whistleblowing evidence provided directly to us.

We provide the landlord with details of all information considered as part of our assessment. We always set out in writing the basis for our assessment that a landlord does not comply with regulatory requirements and standards, and the areas where we consider they do not comply. We may also meet with governing bodies to explain our assessments. Where we consider it necessary to intervene we will communicate the reasons for this in writing, and provide the landlord with an opportunity to respond and to provide additional information or representations before we make a final decision. Where we decide intervention is necessary and proportionate, we will set out the reasons for our decision in writing. This comes after typically a long and systematic period of engagement.

Last year we completed an extensive consultation on our approach to regulation. We launched our new Regulatory Framework almost a year ago, following an inclusive, year-long conversation with tenants, landlords, representative bodies, funders and others. The vast majority of people and organisations responding supported our proposed approach to regulation.

Our new Regulatory Framework promotes a culture of self-assurance, openness and transparency aimed at supporting landlords to avoid the need for intervention. We received the first round of Annual Assurance Statements in October 2019 and many landlords told us the process of completing their Statement had increased their level of self-assurance, especially in the areas of tenant and resident safety and rent affordability.

SHR is a proportionate and risk-based regulator. Since April 2019 under our new Regulatory Framework, we have published [engagement plans](#) for all RSLs and Local Authorities. These reflect the outcome of our comprehensive assessment of risk for each landlord based on the [risks we identify](#) and publish in November of each year .

Every engagement plan sets out:

- if applicable - why we are engaging with a landlord;
- if applicable - what the landlord must do;
- if applicable - what we will do;
- for all landlords the regulatory returns we are seeking; and
- the direct contact details of their lead regulator.

We have continued to learn from our experience of using statutory powers to develop and adapt our structure, resources and approaches. We continuously develop and adapt how we assess risk, reflecting experience from previous interventions. In all interventions, weak governance was found to be at the root of problems. Governing body members were not provided with, did not ask for, or

failed to understand the information needed to carry out their role. They did not seek or receive appropriate assurance. Our legislation means we cannot use statutory powers until an RSL has failed to meet regulatory requirements or standards, but where we can, we will always engage with an RSL to prevent it reaching the point of failure.

Legislation and our regulatory framework clearly set out the key factors SHR has to consider when deciding whether to intervene. Every case is unique, and we only use the most effective and specific powers for each.

In the twelve cases we intervened because the landlord had failed to meet the standards of Governance and Financial Management or other regulatory requirements. In each case, the landlord was unable, or sometimes unwilling, to remedy failures. This presented a serious risk to the interests of tenants and service users. In almost all RSL interventions, there was a failure of leadership. The cultures in some RSLs left them vulnerable to poor behaviours and incompetence that led to serious problems. Some of those in leadership disregarded controls aimed at protecting the RSL.

Well-run landlords take quick and effective action to tackle problems, inform us and advise us on their plans to address the situation, Where we have had to intervene, all RSLs, apart from one, had failed to recognise or tackle the problems they had. We appoint managers and governing body appointees only where the organisation does not have the capacity and/or willingness to make changes without external, directed support. Our first preference is always to support an organisation with capacity to improve without using statutory powers.

All our intervention cases have followed a significant period of engagement during which we raised concerns with the landlord, engaged to establish facts and evidence, and understood the landlord's plans, capacity and willingness to address non-compliance or weakness. These are never easy conversations for the landlord or SHR. But this is the role of a regulator. We understand that hearing an organisation is failing or has serious issues is not easy to take on board. Only after this engagement process do we make a judgement on using statutory powers based on the significant body of evidence gathered.



### **3. How SHR seeks to audit the impact of its inspections on RSLs.**

SHR was established under the Housing (Scotland) Act 2010 and our Board assumed full use of the powers given by Parliament from April 2012. SHR does not undertake the programme of cyclical inspections carried out by our predecessor body but adopts a risk-based and proportionate approach to regulating social landlords.

We launched our new Regulatory Framework almost a year ago, following an inclusive, year-long conversation with tenants, landlords, representative bodies, funders and others. To complement our Regulatory Framework, we also publish a wide range of guidance and advice explaining how we regulate, including on whistleblowing. We plan to publish further material on how we use our powers.

Since 2012 we have used our intervention powers in twelve landlords (we regulate nearly 200 social landlords). At this time we are using intervention powers in three landlords.

We have an appeals process to enable RSLs to challenge our most significant regulatory decisions, including the use of all statutory intervention powers. This involves consideration of the original decision to use statutory powers by a panel made up of two SHR Board members not involved in the original decision and an independent member from outwith SHR. We have had one appeal to date and the panel upheld the decision to use intervention powers.

It is important that we are transparent about, and accountable for, how we use our powers. We therefore publish a report each time we use statutory intervention powers after that intervention has concluded. We have completed our intervention in nine of the 12 landlords referred to above. In each case, the result is an organisation which is stronger, complies with regulatory requirements and standards, and is able to better serve its tenants and local communities. To date we have published seven such reports. I would encourage the Committee to refer to these for more information on the need for our interventions, the action we were required to take and the positive outcomes each intervention achieved. I would also encourage the Committee to engage directly with those organisations for their views on the appropriateness and effectiveness of the intervention by SHR.

In December 2018 we published [Lessons from Statutory Intervention](#) , which sets out what we have learned, as well as what RSLs can learn from statutory interventions.

#### **4. Does SHR carry out any cost-benefit analysis of different methods of inspections and the impact they may have on RSL resources and, potentially on tenants.**

As we set out above, SHR does not undertake the programme of cyclical inspections carried out by our predecessor body but adopts a risk-based and proportionate approach to regulating social landlords.

We always consider the impact on an organisation when we determine whether to use our intervention powers. This is a key element which forms part of the case conference described earlier. We recognise the failures leading to intervention can have serious financial implications for an RSL. These include the cost of any statutory appointments required to resolve failures, the risk of repricing or calling-in of loans. The Housing (Scotland) Act 2010 obliges landlords to meet the costs of statutory appointments. Given this, it is important that RSLs act to avoid the need for intervention, including engaging quickly and constructively when they find problems.

SHR always considers the significance of the landlord's failure and its impact on tenants and service users, the landlord's capacity to resolve the issue without external support, and the potential impact on the organisation. Our principal consideration is the potential risk to tenant and service user interests if we do not intervene. We take a balanced view of all the risks and costs involved. We do not undertake a traditional, explicit and documented cost benefit analysis when determining whether to use our intervention powers. This would be very difficult to achieve, as when an intervention begins it is not possible to know how long recovery work will take or how far the scope of work may extend. In large part this is determined by the capacity, level of acceptance of the issues and degree of cooperation by the landlord.

Where a landlord is not meeting regulatory requirements or standards, there are already costs and tenants will ultimately bear these. This can become apparent in the level of rents, lack of investment in homes and the safety of tenants and residents, poor services, or in some instances spending that is unnecessary or not in the best interests of tenants.

One of the options open to us is to appoint additional members to the landlord's governing body. Since 2012 we have appointed around 65 people to governing bodies of RSLs. All of them are volunteers and come from the social housing sector, generally current or recently retired governing body members or staff from other RSLs. Their role is to support organisations to develop and implement the improvements that are needed. It is important to recognise these volunteer appointees provide invaluable support to organisations and that this comes at no additional cost to organisations. SHR gives appointees a high level remit and appointees report to us on progress against the remit. So, whilst SHR is updated by appointees, they are not directed by SHR. These are experienced volunteers and professionals using their skills and experience to support the RSL and are essential to help recovery.

In addition to statutory appointments, there are occasions when we work with landlords to co-opt such volunteers to help strengthen their governing bodies and provide additional sector experience.

If it is necessary to appoint a statutory manager, we maintain a list of suitably qualified individuals. After an open selection process, we updated our [list of statutory managers](#) in November 2019. We are open and transparent about the individuals we select if we have to make an appointment to a social landlord.

In our assessment of applicants to join our statutory manager list, we used the scoring criteria of quality (80%) and price (20%). This list is now in place for three years and is kept under review. We can appoint a statutory manager when we judge that this is the most proportionate way to tackle identified risks and protect the interests of tenants and other service users.

Currently we have appointed three statutory managers at:

- Ruchazie;
- Thistle; and
- Fairfield Housing Associations.

Our interventions almost always take place in organisations with complex, significant and deep-rooted weaknesses. It can take time for an RSL, supported by statutory intervention, to identify and tackle all the critical issues, up to two years in some cases due to their complexity. We set a remit for statutory managers / appointees in letters of appointment. We regularly monitor progress against remit and the associated costs.

In the landlord's published engagement plan, we set regular milestones to consider whether to continue (and possibly increase) or conclude intervention. We also consider representations and feedback from RSLs on progress as part of on-going reviews. We take these decisions at a case conference and with feedback from any statutory managers/appointees. We publish a refreshed engagement plan and brief our Board in advance on any changes in engagement.

We set out any direct costs to an RSL of our use of statutory intervention powers are detailed in our published reports on our use of intervention powers.

When an organisation is supported to make substantial improvements in governance and financial management and becomes compliant with regulatory requirements and standards, it can realise significant gains:

- becoming financially stronger, operating with reduced costs, improved value for money and with more capacity to invest in tenants' homes and communities;
- securing improvements to the delivery of its services to tenants and others;
- making major progress in embedding operational and cultural changes, and
- achieving good and improving tenant satisfaction levels.

Landlords who have experienced intervention have told us that the costs incurred were necessary to put right the failures that led to intervention.

You may be interested to read our most recent published accounts on intervention at [Dalmuir Park Housing Association](#) and [Kincardine Housing Co-operative](#).

## Appendix C - Selection of feedback from RSLs in which SHR has intervened

### **Wellhouse Housing Association Chairperson Maureen Morris:**

*"We recognise that the appointment of a manager was the right approach in our case. The results are a complete turnaround at the association and in the best interests of our tenants. Although it has been an intense and costly period of renewal, we know that sorting our problems will make the association stronger and more cost effective in the long-term."* Housing Scotland Today Monday 22 February 2016

*"We have worked openly and constructively with SHR throughout this period and, indeed, continue to do so whilst we have move to a refreshed and renewed organisation."*

### **SFHA Chief Executive Mary Taylor & GWSF Chair Peter Howden:**

*"This report shows the staff and committee at Muirhouse have been able to work through the problems of the association and emerge as a strong, viable, independent organisation serving its tenants and other local residents long into the future."*

### **Bob MacDougall Chair at Muirhouse Housing Association:**

*"We have worked diligently with the Regulator since intervention and completed a substantial programme of improvement that ensured the lessons to be learned from this experience have been enacted and embedded in our organisation."*

### **Andrew Scott, Chair, Molendinar Park Housing Association:**

*"When we identified a serious issue in our governance, Molendinar Park immediately requested support from SHR. We worked openly together during the period of statutory action and that constructive relationship continues as we move forward positively to embed sound governance practices across the organisation. We are absolutely committed to ensuring that the excellent services we provide to our tenants are supported by strong and accountable governance and we are making very good progress in implementing our agreed action plan."*

### **Craig Edward, Vice Chair Dalmuir Park Housing Association**

*"..the transformation to DPHA today is incredible. All of the Committee and staff team have worked really hard. We all pass our sincere thanks to the team at the SHR and to our Statutory Manager for all their help and support over this period to help us achieve what we have and to set us on a strong course for the future to best serve our tenants and service users."*

### **Gordon Laurie, chair at Dalmuir Park Housing Association, (quoted in Scottish Housing News):**

*"Dalmuir Park has been transformed since the Regulator's intervention. The expertise and knowledge of the statutory manager and appointees has been invaluable. By supporting the committed locally-elected members and a talented and enthusiastic staff team, real and lasting improvements in governance, performance and financial viability have been achieved. Dalmuir Park and its tenants and other service users can now look to the future with confidence."*

### **Lynn McCulloch, Housing Services Manager, Arklet Housing Association**

*"The board and staff all felt that the action taken and required by SHR was proportionate and always in the best interests of tenants. The turnaround and transfer were very difficult professionally and emotionally at many times but the hard and extensive work required was due to Arklet's failures of governance and management, not by the regulatory requirement to resolve them. We all believe that the actions now concluded will bring the best possible outcome for Arklet tenants and help to maintain the good overall reputation of the housing association sector; with one association helping another to secure good services to tenants for what we hope will be decades to come."*

**Patrick McGrath, statutory appointee to Antonine Housing Association**

*“Regulatory intervention protected the interests of Antonine’s tenants during a difficult few years. Whilst initially this intervention was intended to address governance weaknesses, it quickly became obvious that the scale of the investment needed to deliver modern warm homes for tenants at an affordable rent was better delivered by joining with Caledonia. The merit of this proposal was tested in a ballot, and the overwhelming support from Antonine’s tenants was proof of its value. Despite the difficulties, this was a positive outcome for tenants and was made possible by the work of the appointees, the existing tenant committee members, the staff at Antonine and the Statutory Manager and Interim Director.”*

**Ferguslie Park Housing Association’s Chairperson Shona McIntyre, said:**

*“We have made significant improvements during the period of statutory intervention and are delighted that the Regulator is confident the association is in a much stronger position. Ferguslie Park has emerged from the experience with good governance structures, a strong management board and a new invigorated staff team, able to deliver quality services to our tenants.*

*“The failings highlighted in the intervention report are firmly in the past. The association has confidently moved on and plays a key part in delivering a brighter future for, not just our tenants, but for all the people of Ferguslie Park.”*