

Scottish Housing Regulator (SHR) publishes outcome of its annual risk assessment of social landlords

On 31st March 2025 the SHR published updated engagement plans for all registered social landlords (RSLs) and local authorities as well as a summary report which shows that the majority of RSLs comply with the Regulatory Standards.

The summary report also sets out the main risks and strategic challenges facing social landlords and tenants including underlining the importance of landlords meeting the Scottish Housing Quality Standard and statutory requirements on tenant and resident safety.

In this briefing note we highlight the key outcomes relating to tenant and resident safety, although you can [read the full publication here](#).

The annual risk assessment

The annual risk assessment is a principal way in which the SHR carries out its statutory functions including how it plans the engagement needed with social landlords. SHR publish information on the approach and the risks to be focused upon in the annual risk assessment ('The risks we will focus on') published in November 2024.

For both local authorities and RSLs, SHR monitor, assess, report and intervene (as appropriate) on their performance of housing activities.

SHR publishes information on its assessment and planned engagement in an engagement plan for each social landlord and publishes a regulatory status for every RSL. The regulatory status shows whether an RSL complies with regulatory requirements, is non-compliant and working towards compliance or where the landlord is non-compliant and statutory action is being taken. SHR also highlights where a regulatory status is under review.

Key strategic risks

Persistent non-compliance with tenant and resident safety obligations for some landlords but for local authorities in particular.

Most homes provided by social landlords meet the Scottish Housing Quality Standard (SHQS) and statutory requirements on tenant and resident safety, but it remains essential that landlords have a robust understanding of their housing stock and its condition. This will help ensure that the landlord's business plan, financial projections, asset management strategy and investment plans are based on reliable, and up to date information.

Stock condition surveys can also support landlords' achievement of the outcomes and standards in the Scottish Social Housing Charter (the Charter), particularly the:

- quality of housing outcome - 'tenants' homes, as a minimum, are always clean, tidy and in a good state of repair, meet SHQS, and any other building quality standard in place throughout the tenancy; and also meet the relevant Energy Efficiency and Zero Emission Heat Standard'; and
- repairs, maintenance and improvements outcome - 'tenants' homes are well maintained, with repairs and improvements carried out when required'.

Element 35 of the SHQS is that electrical systems must be safe. In order to demonstrate this, landlords must arrange for an Electrical Installation Condition Report (EICR) to be carried out every five years. If the EICR finds the system is safe, the property passes SHQS. If the EICR finds the system is unsafe, the property fails SHQS until the remedial work is completed. The five-year requirement was introduced to SHQS in 2020, but the Scottish Government gave landlords until March 2022 to complete any outstanding EICRs because of the pandemic.

Element 11A of the SHQS is that landlords must install interlinked smoke and heat detectors in all properties. The deadline for having these installed in every home was February 2022.

Some landlords continue to not meet these obligations, particularly local authorities. At the conclusion of last year's risk assessment SHR decided to engage with 19 landlords about EICRs only, or EICRs and smoke detectors. 17 of these were local authorities which meant that of the 26 local authorities with homes 65% had either one breach or both.

This year SHR will engage with 14 landlords about EICRs only, or EICRs and smoke detectors. 13 of these are local authorities. Non-compliant landlords must have a plan for becoming compliant with urgency.

SHR is engaging with:

- Four RSLs about tenant and resident safety (five last year)
- 14 local authorities about tenant and resident safety (17 last year)

Identifying issues relating to RAAC and cladding

SHR wrote to all social landlords in October 2023 to request information about RAAC; information was requested to help provide a clear national assessment of RAAC in social housing in Scotland and to assist Scottish Government in the development of an appropriate policy response. Updates were published by SHR in December 2023 and March 2024.

Following the Grenfell Tower Fire in 2017, legislation to ban combustible cladding on high-risk buildings, and the highest risk metal composite cladding material from all buildings, was passed by the Scottish Parliament on 22 April 2022. The Grenfell Inquiry's final report was published in September 2024. In June 2024, the Scottish Government published the Single Building Assessment (SBA) specification including the methodology for carrying out an assessment of cladding risk, and in January this year the SBA standards.

It might be that some RSLs undertook a detailed assessment before the publication of the SBA or British Industry Standard PAS 9980. The Scottish Government encourages landlords to understand what assessment has been done for buildings over 11 metres. Where there has been no assessment, or the landlord is not assured of the standard of the assessment, then the landlord should consider undertaking a robust assessment using the specification and standards.

The Scottish Government has recently announced that it will consider funding SBAs for social housing buildings that meet criteria on eligibility such as height and age of the building.

It is important that landlords continue to have a full and ongoing understanding of their housing stock including whether they have RAAC or cladding issues. If and where identified the landlord should take immediate action to ensure the safety of tenants and residents.

Other strategic risk areas

SHR's annual risk assessment identified a number of notable risk areas, some of which have been evident for a while and others which have arisen more recently.

- ***Mould and damp***

SHR wrote to all social landlords in December 2022 about mould and damp emphasising that landlords should continue to ensure they have systems in place to ensure their tenants' homes are not affected by mould and damp and that they have appropriate, proactive systems to identify and deal with any reported cases of mould and damp timeously and effectively.

SHR has introduced new indicators to the Annual Return on the Charter (ARC) which landlords will collect from 1 April 2025.

- ***Data accuracy***

It is critical that social landlords have good quality data on their performance, their compliance with obligations and on the condition of their homes. SHR continues to find that some social landlords had not accurately reported their compliance with the SHQS in the ARC or have a clear record of their compliance with their tenant and resident safety obligations.

To enable social landlords to make the best decisions for their tenants and other service users, it is essential that they maintain robust and accurate data.

Governance

SHR reviewed all social landlords' Annual Assurance Statements and found that the vast majority of social landlords reported compliance with regulatory requirements and other obligations.

In Annual Assurance Statements, social landlords should continue to:

- set out any areas of material non-compliance, and describe briefly how it is planning to improve in those areas and the timeframe for improvement;
- confirm it has seen and considered appropriate evidence to support the level of assurance it has;
- confirm the date of the governing body meeting at which it considered and agreed the statement; and
- notify SHR during the year if anything happens which materially changes the level of assurance in its statement.

SHR also identified further instances where a small number of RSLs had not met their statutory guidance on notifiable events or had failed to adhere to constitutional requirements in managing their governing bodies.

For the first time SHR published an annual report on notifiable events in response to feedback from landlords, which highlighted the key issues that landlords notified the Regulator about during 2023/24 including governance and organisational issues, financial and funding issues and disposals of land and assets.