

Scottish Social Housing Charter indicators

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Summary

The Scottish Housing Regulator (SHR) is currently consulting on the Charter indicators against which social landlord performance will be measured. The consultation closes on 24 August, 2012. Key issues to note are:

- A total of 39 indicators are proposed, although there is considerable cross-referencing of indicators between Charter outcomes. This adds a level of complexity to the framework
- The SHR's technical annex to the Charter sets out its rationale for each of the 39 indicators. The SHR expects production of this data will incur 'minimal' additional cost
- Data will be collected through the Annual Report on the Charter (ARC) to be submitted each May from 2014, and will replace the current Annual Performance and Statistical Return (APSR), Scottish Housing Quality Standard (SHQS) data return and Audit Scotland local authority performance indicator process. The ARC data will be complemented with findings from more qualitative thematic studies, which the SHR will use to explore Charter outcomes achieved across Scotland
- Comparison between the new indicators and the existing monitoring frameworks suggests many indicators are the same or similar, but with an increased emphasis on establishing customer satisfaction. There are a number of other new indicators in the areas of repairs, neighbourhoods, housing options and access, and homelessness
- The SHR will produce an annual Charter Report to Tenants, produced in an accessible format to show tenants the individual performance of landlords and comparing these against others
- Landlords will also be expected to assess their own performance against the Charter and report this to tenants

“The majority of information required to monitor performance will be provided by landlords through the ARC”

- The increased emphasis on customer satisfaction and the expectation that landlords will undertake regular satisfaction surveys (at least every two years) raises questions over comparability and value for money in undertaking many different tenant surveys across Scotland. This suggests there is a need for some agreement on core satisfaction survey questions, and some collaboration on survey execution across landlords
- It is concluded that landlords will have to review their information and monitoring frameworks, which may incur some short-term additional administrative cost. Of greater significance will be the additional skills and resources required to move to a self-assessment approach.

Introduction

The SHR's consultation on the Charter indicators runs between 1 June and 24 August 2012. The indicators will be used to measure and report performance against the Social Housing Charter which came into effect on 1 April 2012. The majority of information required to monitor performance will be provided by landlords through the ARC, with further information sought through periodic thematic studies commissioned by the SHR and data published by the Scottish Government on homelessness.

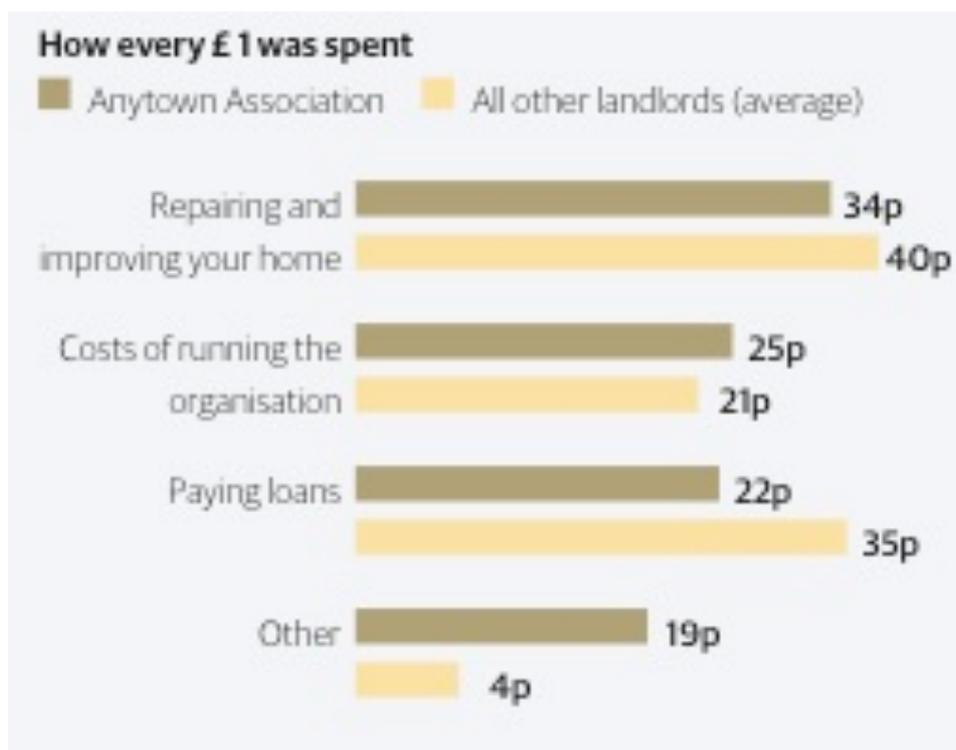
Purpose of the Charter indicators

The SHR's consultation document states that the aim of the Charter indicators is to:

- Help tenants to understand their landlord's performance, and so help them to hold their landlord to account
- Allow the SHR to report on landlords' achievement of the Charter outcomes and standards
- Provide useful information for landlords and others to help them compare performance
- Allow the SHR to form a view of the risk for each landlord not achieving the Charter outcomes and standards.

The consultation emphasizes the SHR's desire to hold landlords to account by providing tenants and other service users with good quality, easily accessible information. The SHR wants tenants and others to understand their landlord's

performance, and see how they compare to others. This will be achieved through the SHR's annual report on landlord performance, published in August of each year starting in 2014. The consultation document provides a useful snapshot of how the indicators will be presented in the Charter Report to Tenants – an extract of the presentation is included below. The Charter Report will be accompanied by detailed landlord data provided through the SHR website.



Customer Satisfaction	Percentage	Change	Rank
Tenants and other service users satisfied with the overall services received	93%	↔	
Tenants and other service users satisfied with services received for the rent or charges they pay	90%	↑	
Tenants and other service users satisfied their landlord is keeping them informed about things that might affect them	93%	↑	
Tenants and other service users satisfied with the opportunities given to them to participate in their landlord's decision making processes	81%	↓	
Tenants satisfied with the standard of their home when moving in	90%	↔	
Tenants satisfied with the repairs and maintenance service	80%	↓	
Tenants satisfied with the neighbourhood they live in	76%	↓	

Extracts from *Consultation on Scottish Social Housing Charter Indicators*, SHR, 2012, pages 5-6
(<http://www.scottishhousingregulator.gov.uk/publications/consultation-scottish-social-housing-charter-indicators>)

“In addition to the indicators, SHR will have a programme of thematic inspections that will look more closely at the actual outcomes being achieved, rather than collecting data”

Source of information

The main source of data for the indicators will be the ARC, already discussed in the SHR’s Regulatory Framework published in February 2012. The ARC will replace the current APSR from housing associations, and SHQS data return required from housing associations and local authorities. Audit Scotland will also stop collecting statutory performance information on housing from councils from year 2013/14. The new ARC will be submitted by the end of May each year, starting May 2014 for the year 2013/14. In addition to the indicators, SHR will have a programme of thematic inspections that will look more closely at the actual outcomes being achieved, rather than collecting data. However, the SHR emphasises that each landlord still has the responsibility to demonstrate compliance with the Charter, and so submission of indicators is only part of the scrutiny picture. Landlords themselves must therefore analyse the indicators, and use other forms of assessment to establish for themselves where they sit in relation to the Charter requirements.

The SHR stresses that while the ARC and thematic inspections are important parts of its risk-based approach to regulation, this information may lead to further focused, individual engagement with particular landlords.

The indicators

A total of 39 indicators are proposed against the 16 Charter outcomes. The consultation document shows that for several of the outcomes there is considerable cross-referencing between indicators listed for other outcomes. For these outcomes (7, 8 and 9, housing options; 10, access to social housing; 13, value for money; 14 and 15, rents and service charges) the SHR proposes to use a few specific indicators alongside those indicators relating to other outcomes. Appendix 1 provides the list of indicators proposed by the SHR.

A technical annex to the consultation document provides further detail on the definition of each Charter standard and its corresponding indicator. For each outcome/standard it sets out:

- The name and description the indicator

- Other indicators (for other Charter outcomes) reporting on the same outcome, ie, cross-referencing across outcomes/indicators
- Other sources of information
- An explanation as to why the indicator is relevant
- Where landlords are likely to find the data, with an indication of additional costs to collect and report the data
- External factors that are likely to influence the value of the indicator
- Whether past values for the indicator is likely to be available.

To give a flavour of the information provided in the annex, a summary of two indicators is provided below:

Outcome 1 – equalities

- Indicator – monitoring ethnic origins and disability indicator for service user and staff, and, for housing associations only, governing body members. A detailed definition of the format/categories of indicators is provided in the annex
- Other indicators – those for outcome 7 – housing options
- Other sources of information – thematic inspections
- An explanation as to why the indicator is relevant – a detailed explanation regarding diversity objectives, fairness of access in the housing allocation process and responsibilities under equalities legislation
- Where landlords are likely to find the data, with an indication of additional costs to collect and report the data – landlord IT systems, with ‘minimal costs’
- External factors that are likely to influence the value of the indicator – none
- Whether past values for the indicator are likely to be available – previous reporting from housing associations since 2001/02.

Outcomes 13, 14 and 15 – getting good value from rent and service charges

- Indicator – the SHR does not offer a single set of indicators for these outcomes; it suggests six indicators around satisfaction, rent collection, gross arrears, property factoring services, voids loss and time to let properties *in addition* to that data collected from other indicators for outcomes 4, 5, 6, and 16 to inform measurement of value for money and rent setting overall
- Other indicators – those for outcomes 4, 5, 6, and 16
- Other sources of information – none stated
- An explanation as to why the indicator is relevant – an explanation as to why value for money is being considered
- Where landlords are likely to find the data, with an indication of additional costs to collect and report the data – landlord IT systems, with ‘minimal costs’
- External factors likely to influence the value of the indicator – varying accounting practices
- Whether past values for the indicator are likely to be available – previous reporting from housing associations since 2001/02.

This process is repeated throughout the annex for all 39 indicators, running over 39 pages. It is interesting to note that the SHR suggests under *all* the indicators that it envisages that the additional costs on landlords for collection and reporting to be ‘*minimal*’.

New reporting requirements

Comparison of the proposed indicators with those of the existing monitoring frameworks (APSR, Audit Scotland and SHQS data returns) shows the following key areas of **change/addition** to information currently collected by the SHR/Audit Scotland:

- **Customer satisfaction** – currently, the APSR asks whether a satisfaction survey has been undertaken and what the overall level of satisfaction was found to be. Now satisfaction must be reported across many outcomes:

- Tenant satisfaction on communication and information
- Satisfaction with opportunities to participate
- Satisfaction with tenants' homes when moving in and the quality of their homes
- Satisfaction with the repair and maintenance service
- Satisfaction with the neighbourhood
- Satisfaction with value for money – defined as the percentage of tenants and other service users indicating they are satisfied with the services they receive for the rent/charges applied.

“...the new emphasis on customer satisfaction will undoubtedly incur additional resources”

- **Repairs** – all existing APSR indicators, but with the addition of percentage of reactive repairs completed *on first visit*
- **Neighbourhood and community** – addition of the number and reason for offer refusals, anti-social behaviour reported, resolved and dealt with within locally agreed targets
- **Housing options, access, and tenancy sustainment** – addition of data on section 11 referrals made (housing associations) and received (local authorities), and the number of people on waiting list for medical adaptations and average waiting time
- **Homeless people** – addition of temporary accommodation refusals, and homeless household satisfaction with the quality of temporary/emergency accommodation
- **Rents and service charges** – addition of overall rent collected.

On reading of all 39 indicators and the accompanying annex it is clear that the SHR expects minimal additional costs in collection of evidence for these indicators. It is true that many of the indicators are the same as, or similar to, those currently collected. However, the new emphasis on customer satisfaction will undoubtedly incur additional resources for those that do not systematically undertake satisfaction surveys, or at least with the same frequency suggested by the consultation. The frequency of surveys will be of particular concern, with the SHR consultation referring to Ipsos Mori's recommendations of 'at least every two years'. There is also the issue of comparability – given that the SHR wishes to compare performance and enable tenants to make comparisons between landlords, the consistency of tenant satisfaction surveys is a key question that

many will raise, but on which the SHR consultation document is silent.

Over and above the questions of satisfaction surveys, their frequency and comparability of results across Scotland, the key challenge for many landlords (and small housing associations with less research and compliance staff in particular) will be the ability to make their own assessment against the Charter. There will be two key challenges:

- 1 Development of information/monitoring frameworks** – to provide the required data in the format required by the SHR. Landlords will need to establish and/or review their databases and information frameworks to ensure they are collecting the right data, and have it in a form that can be efficiently transferred to the new Annual Return on the Charter. This will come with additional administrative costs, at least in the short term while the right information frameworks are established. Once in place the additional costs should be minimal, assuming organisations continually review their frameworks to ensure they are fit for purpose.
- 2 Assessment of compliance** – the SHR has made it clear that submission of ARC data is not the end of the process. Landlords have a responsibility to assess their own compliance against the standards and report to tenants. While some of the indicators for individual outcomes are straightforward, analysis of compliance against other outcomes will be more complex and, as stated by the SHR, requires landlords to undertake some quality assessment over and above analysis of quantitative data. The analysis and reporting skills required for this task may be in short supply for many smaller landlord organisations, and regardless of size, more resources will have to be applied to self-assessment. This is before consideration of customer involvement to self-assessment, an approach which is in its infancy in Scotland.

Conclusions

The SHR's consultation provides detailed proposals on the Charter indicators to be introduced through the Annual Return on the Charter from May 2014. On reading the consultation and the accompanying annex, some would argue that the SHR is still taking a relatively hands-on approach to performance monitoring, certainly when compared to the English 'backstop' regulatory approach where greater emphasis is placed on landlords' self-regulation through involvement of customers in

self-assessment. In Scotland, self-assessment is expected, but the fact that SHR will be producing a Charter Report for Tenants with accompanying web database on performance may dilute the imperative for the sector to develop their own self-assessment skills and resources.

The SHR's new emphasis on tenant satisfaction is to be welcomed, but the way in which this information is collected needs further consideration. There is a case for the SHR and landlords to agree a set of core survey questions to satisfy the Charter indicators and allow comparison across landlords, and for social landlords in Scotland to collaborate in undertaking tenant surveys so that data can be collected in a way that provides value for money for tenants.

Appendix

The Charter indicators

Extracted from *Consultation on Scottish Social Housing Charter Indicators*, SHR, 2012, pages 10-11

Charter Outcome	Indicators
Overall satisfaction	Percentage of tenants and other customers satisfied with the overall service provided by social landlords.
1. Equalities	1.1 Monitoring ethnic origins and disability indicator for service users, staff. And for RSLs only, governing body members.
2. Communication	2.1 Percentage of tenants and other service users satisfied their landlord is keeping them informed about things that might affect them. 2.2 Percentage of 1st and 2nd stage complaints, including those relating to equalities issues received in the last year, that were resolved by the landlord and also the number of complaints upheld. 2.3 The percentage of 1st and 2nd stage complaints dealt with in the last year, within the Scottish Public Service Ombudsman (SPSO) Model Complaints Handling Procedure (CHIP) timescales.
3. Participation	3.1 Percentage of tenants and other customers satisfied with the opportunities given to them to participate in their landlord's decision making processes.
4. Quality of Housing	4.1 Percentage of properties meeting the Scottish Housing Quality Standard (SHQS). 4.2 Percentage of properties at or above the NHER (National Home Energy Rating) or SAP (Standard Assessment Procedure) ratings specified in element 35 of the SHQS. 4.3 Percentage of tenants satisfied with the standard of their home when moving in. 4.4 Percentage of existing tenants satisfied with the quality of their home.
5. Repairs, maintenance and improvements	5.1 Average number of reactive repairs completed per occupied property. 5.2 Average length of time taken to complete emergency repairs. 5.3 Average length of time taken to complete non-emergency repairs. 5.4 Number of repairs appointments made and number kept. 5.5 Number of properties that require gas safety certificates and number with current gas safety certificates. 5.6 Percentage of tenants satisfied with the repairs and maintenance service. 5.7 Percentage of reactive repairs carried out in the last year completed on first visit.
6. Estate management, Antisocial Behaviour, etc.	6.1 Percentage of tenants satisfied with the neighbourhood they live in. 6.2 Number of and reason for tenancy offers being refused during the year. 6.3 Number of incidences of anti-social behaviour reported, resolved and dealt with within locally agreed targets in the last year.
7, 8, 9 & 10 Housing Options and Access to Social Housing	No single indicator is proposed for these outcomes. We will use the indicators below along with those relating to outcomes 11: Tenancy sustainment and 12: Homelessness to assess performance. In addition we will also access 'context data' on the management of waiting lists supplied to support the Annual Return on the Charter. 9.1 For RSLs, the total number of section 11 referrals made to local authorities during the last year. 9.2 For local authorities, the percentage of section 11 referrals received from landlords or creditors.

Continued overleaf

Charter Outcome	Indicators
11. Tenancy Sustainment	<p>11.1 Percentage of new tenancies sustained for more than a year, by source of let.</p> <p>11.2 Turnover of lettable stock in the last year.</p> <p>11.3 Number of applicants on waiting list for medical adaptations, the number carried out and average waiting time.</p> <p>11.4 Number of cases during the year in which: Notices of Proceedings issued; court actions initiated; and orders for recovery of possession granted.</p> <p>11.5 Number of and reason for evictions in the last year.</p> <p>11.6 Number of properties abandoned in the last year.</p>
12. Homeless people	<p>12.1 Average length of time in temporary or emergency accommodation by type.</p> <p>12.2 Percentage of temporary or emergency accommodation offers refused in the last year.</p> <p>12.3 Percentage of homeless households satisfied with the quality of temporary or emergency accommodation.</p>
13, 14 & 15 Value for Money & Rents and Service Charges	<p>No single indicator is proposed for these outcomes/standards. We will use the indicators below along with those relating to outcomes 4: Housing Quality; 5: Repairs and Maintenance; 6: Estate Management etc; and 16: Gypsies/Travellers. In addition we will also access 'context data' on rents/housing stock supplied to support the Annual Return on the Charter and financial information from RSL annual accounts and Councils' housing revenue accounts.</p> <p>13- 15.1 Percentage of tenants and other service users satisfied with services received for the rent/charges made by their landlord.</p> <p>13- 15.2 Percentage of total rent due actually collected in the last reporting year.</p> <p>13- 15.3 Gross rent arrears (all tenants) as at 31 March each year as percentage of rental income for the reporting year.</p> <p>13- 15.4 Amount of recoverable costs outstanding as at 31 March each year, as a percentage of the value of property factoring services billed and un-billed in the past year.</p> <p>13- 15.5 Percentage of rental income lost through empty properties in the last year.</p> <p>13- 15.6 Average length of time taken to re-let properties in the last year.</p>
16. Gypsies/Travellers	<p>16.1 Cost per pitch</p> <p>16.2 Service users satisfaction with site</p>

About the author

Anna Evans has 18 years' experience working in the affordable housing sector in Scotland. She has worked in local government, Scottish Homes and housing associations in a range of research, policy and development roles. Most recently she led the affordable housing policy and research business at DTZ where she worked for eight years. Her work at DTZ included a large range of housing research projects, stock option appraisal and stock transfer consultancy, and inspection preparation and support. Her specialisms are bespoke research and strategy development; governance, performance management and improvement; and affordable housing advice for developers. She has acted as a board member and chair of a number of Scottish housing associations, and in one case led the merger of two community-based associations in Edinburgh. She contributed to the development of the HQN Scottish governance toolkit in 2009.

In addition to her authorship role with HQN, Anna also works independently and with others in housing research and policy development projects.