Scottish Housing Regulator

Annual return on the Scottish Social Housing Charter: Consultation report

January 2025

Contents

1.   Introduction

In 2023, we consulted with our stakeholders on the future of social housing regulation in Scotland, leading to the publication of a revised Regulatory Framework in February 2024, which took effect on 1st April 2024. Our proposals included considering new indicators for the Annual Return on the Charter (ARC) focused on tenant and resident safety and the management of damp and mould. Feedback from the consultation showed there was general support for indicators on tenant and resident safety but that there would be merit in taking some more time to undertake a comprehensive review of the ARC indicators. In light of this, we committed to carrying out a separate, comprehensive review of the ARC and in May 2024, we established two advisory groups to work with us to review the current ARC indicators and help us to develop appropriate and meaningful indicators on tenant and resident safety, including new indicators on damp and mould. The group members consisted of relevant experts and people from the social housing sector.

We also carried out additional research to understand current industry practices related to damp and mould, involving reviews of social landlords' policies and consultations with regulatory bodies and experts.

We launched the formal consultation on our proposals in September 2024. Included within the consultation package was a paper setting out proposals, a questionnaire for stakeholders to complete and return to us, and the associated ARC Technical Guidance with our proposals shown in tracked changes. The consultation ran for 8 weeks, and closed on 8 November 2024.

We received **71** responses to the consultation. This report sets out the findings from these.

2.   Overall response

Most of the 71 responses we received were from social landlords, with 38 from Registered Social Landlords (RSLs) and 22 from local authorities. We also received responses from five landlord representative groups, two tenant representative groups and four stakeholders.

Table A: Respondent Type	Number of Respondents
Registered Social Landlord (RSL)	38
Local Authority	22
Stakeholder	4
Landlord Representative Body	5
Tenant Representative Group	2
Total	71

Table A: No. of consultation respondents by respondent type

Throughout the consultation, respondents typically supported the overall aim of the proposed amendments, although there were instances where they suggested alternative approaches.

Overall, our proposals to develop and introduce specific indicators on tenant and resident safety, including on damp and mould, was acknowledged and welcomed by respondents. Among the queries or issues raised, the most common themes across all responses included the need for **clearer definitions** of case related terminology to ensure consistent reporting, **categorisation** of damp and mould cases by type and severity to improve clarity and benchmarking and a call for **additional technical guidance** to help landlords handle the various types of damp and mould problems effectively.
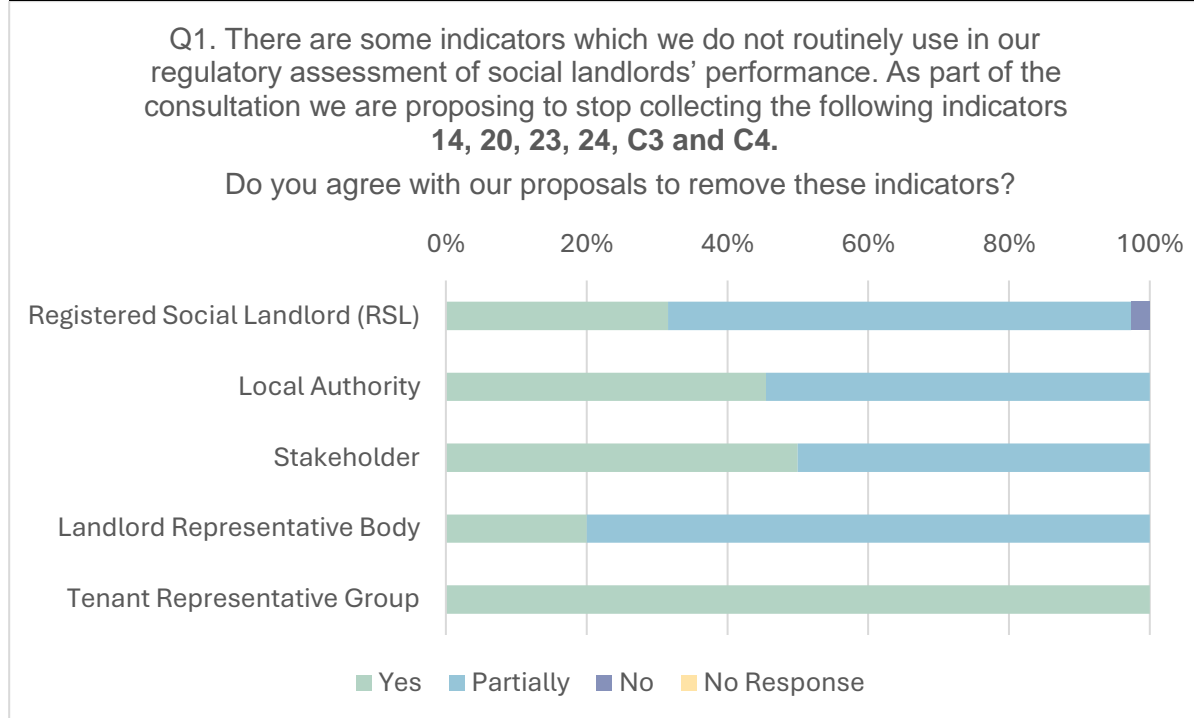
3.   Findings

3.1   Proposal to Remove Indicators

In the consultation, we proposed to stop collecting the following indicators which we do not routinely use in our regulatory assessment of social landlords' performance;

- **Indicator 14: Tenancy offers refused during the year.** We collect data from Indicator 30 on number lets and average time to re-let and therefore propose to remove indicator 14.
- **Indicator 20: Total cost of adaptations completed in the year by source of funding**. We collect data from Indicators 19 & 21 on the number of households waiting for adaptations and the average time to complete adaptations. Both of these will continue to provide information on the demand for and extent of adaptation work being carried out in the sector.
- **Indicators 23 and 24: Homelessness referrals**. Stakeholders told us that these indicators are confusing, onerous to collect and rarely used for benchmarking. We already collect the number of lets made by social landlords at Indicator C2, and are proposing expanding C2 where RSLs will report their lets to homeless households by local authority area. Local authorities' performance in relation to homelessness is collected and published by the Scottish Government.
- **C3: Number of lets during the reporting year split between general needs and supported housing**. We collect data from Indicator C2 on the lets made by social landlords, broken down by source of let.
- **C4: Abandoned homes**. We collect data from Indicator 22 on court actions and evictions.

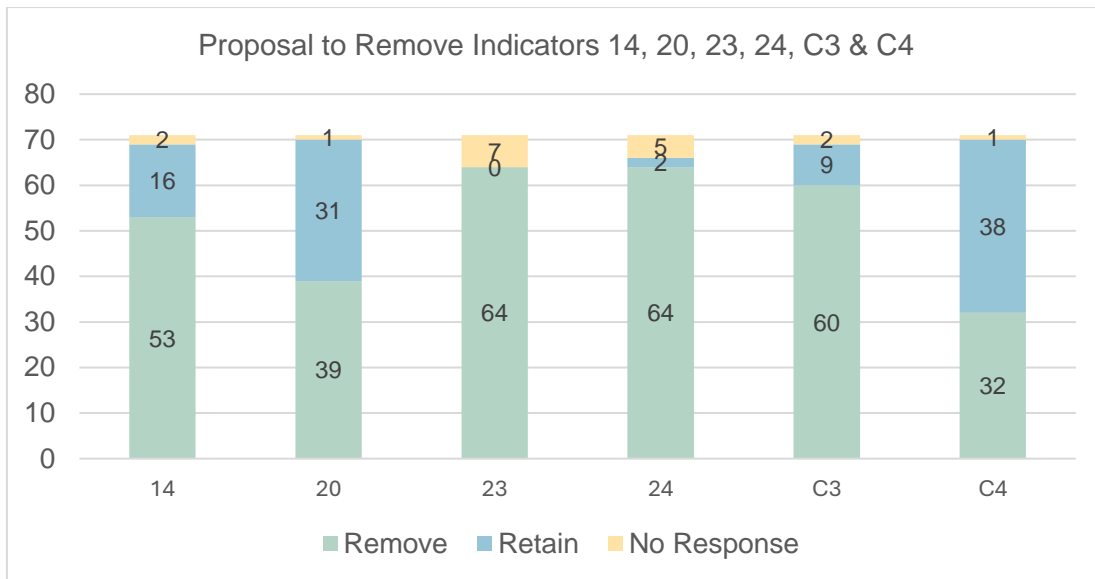**Question 1: Do you agree with our proposals to remove these indicators?**

There was mixed support for the proposal as reflected in the below data and chart;

Table 1: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	12	25	1	0	38
Local Authority	10	12	0	0	22
Stakeholder	2	2	0	0	4
Landlord Representative Body	1	4	0	0	5
Tenant Representative Group	2	0	0	0	2
Total	**27**	**43**	**1**	**0**	**71**
	38%	**61%**	**1%**	**0%**	**100%**

Q1. There are some indicators which we do not routinely use in our regulatory assessment of social landlords' performance. As part of the consultation we are proposing to stop collecting the following indicators **14, 20, 23, 24, C3 and C4.**

Do you agree with our proposals to remove these indicators?

There was more support for the removal of some of the indicators than others.

- A granular view of results broken down by indicator is presented as below – *remove* or *retain* rates differed depending on the ARC indicator in question.

Proposal to Remove Indicators 14, 20, 23, 24, C3 & C4

	14	20	23	24	C3	C4
No Response	2	1	7	5	2	1
Retain	16	31	0	2	9	38
Remove	53	39	64	64	60	32

Respondents who wanted indicators 14, 20 and C4 retained stated the following themes in their responses;

- Indicator 14 - The importance of retaining Indicator 14 to **track and understand tenancy refusals**, **benchmark performance**, and **improve allocation strategies** across the housing sector.

- Indicator 20 - That Indicator 20 should be retained, as it **highlights the rising costs of adaptations** in light of significant funding cuts from the Scottish Government, helping monitor landlords' increasing reliance on rental income to fund adaptations.

- Indicator C4 – in the consultation document, we referred to indicator 22 on court action and evictions, as within this there is a subsection on homes abandoned after a court order has been granted. Some stakeholders said that this does not cover all **abandonments**, and therefore it was not appropriate to remove this indicator and offer Indicator 22 as a substitute. This was the key theme for C4 being retained. Many respondents wanted **C4 integrated with indicator 22**.

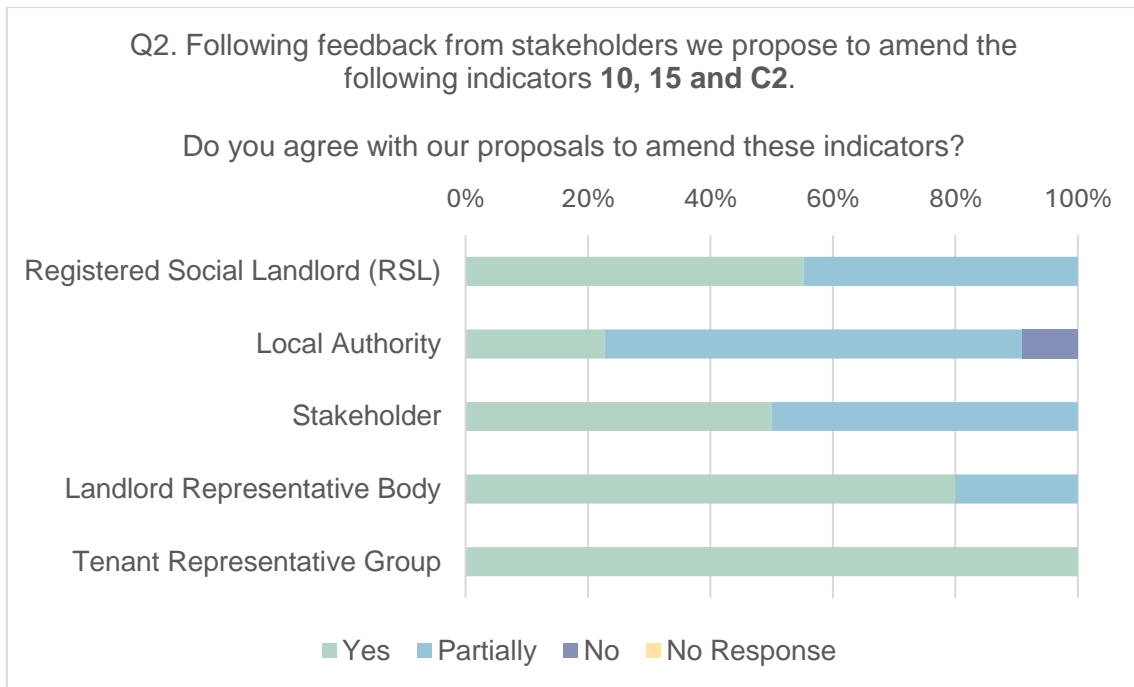## 3.2 Proposal to <u>Amend</u> Indicators

In the discussion paper we also proposed to <u>amend</u> the following indicators:

- **Indicator 10: Reactive repairs completed right first time** - Stakeholders told us there are too many recording anomalies across landlords, particularly in relation to what repairs and what timescales are and are not to be included. We were proposing to simplify this indicator by asking landlords to report, of the reactive repairs which were completed, how many were reported again.
- **Indicator 15: Anti-social behaviour cases resolved** - Stakeholders told us that the current definition means that the cases which were opened in the previous reporting year are not considered, so we were proposing to now include these. We were also proposing to reintroduce measuring whether cases were resolved against locally agreed targets. Stakeholders told us that this indicator does not allow for meaningful benchmarking, so we were proposing to also measure the number of anti-social behaviour cases per 100 homes.
- **C2: Lets in the reporting year by source of let** - We were proposing that RSLs report their lets to homeless households by local authority area. Stakeholders told us this was important to give an accurate picture as many RSLs house homeless applicants in multiple local authority areas.

Question 2: Do you agree with our proposals to amend these indicators?

As with the results for question 1, there was mixed support for the proposal as reflected in the below data and chart;

Table 2: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	21	17	0	0	38
Local Authority	5	15	2	0	22
Stakeholder	2	2	0	0	4
Landlord Representative Body	4	1	0	0	5
Tenant Representative Group	2	0	0	0	2
Total	**34**	**35**	**2**	**0**	**71**
	48%	**49%**	**3%**	**0%**	**100%**

Q2. Following feedback from stakeholders we propose to amend the following indicators **10, 15 and C2**.

Do you agree with our proposals to amend these indicators?

A granular view of results broken down by indicator is presented as below – *agree* or *disagree* rates differed depending on the ARC indicator in question.

Proposal to Amend 10, 15 & C2
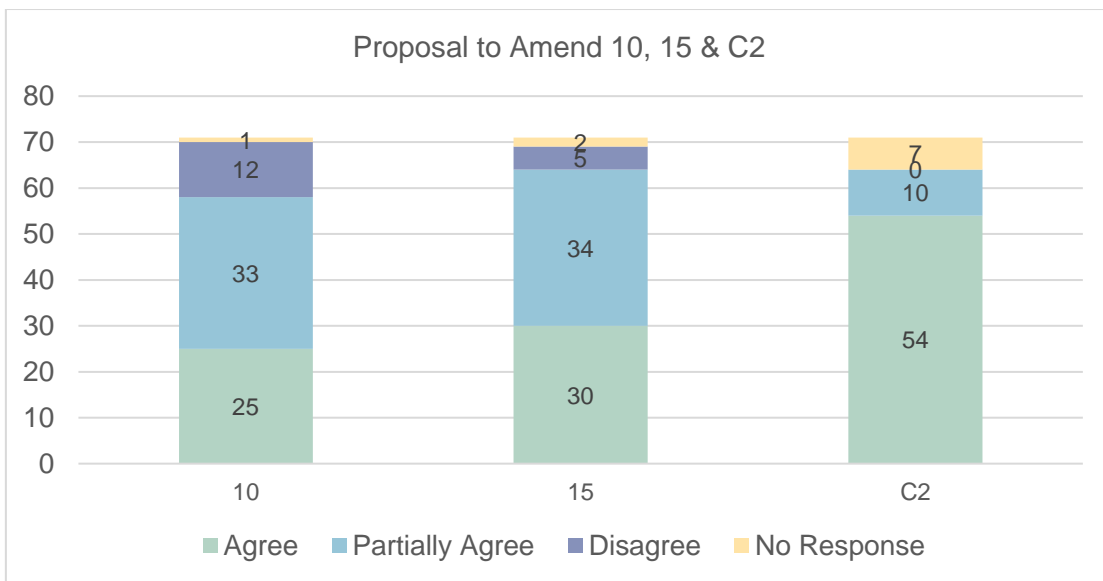
Respondents overwhelmingly agreed/partially agreed to amend the indicators 10, 15 and C2. 'Partial agreement' was where respondents agreed the indicators should be amended, but felt further clarity or inclusions were required. This included:

- Indicator 10 - Many respondents expressed support for amending Indicator 10 to address reporting inconsistencies, yet respondents emphasised the need for **clearer guidance on what constitutes a "repeat repair,"**. Additionally, they raised concerns about **ambiguities in defining 'complex repairs'** and the challenges in ensuring fair comparisons across landlords. Complex repairs are excluded from the current indicator and would continue to be so in the amended indicator.

- Indicator 15 – Stakeholders expressed the very common concern that Indicator 15 relies on **inconsistent, locally agreed targets**, **making performance benchmarking difficult**.

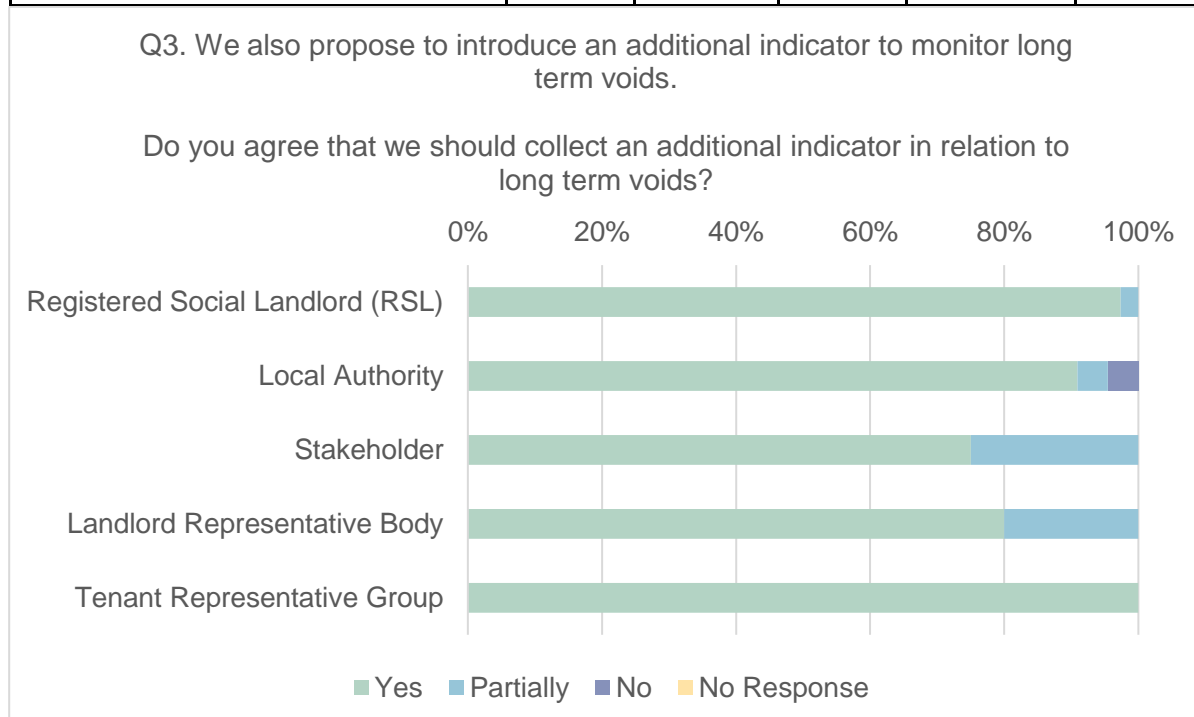## 3.3   Proposal to introduce indicator for long term voids

In the discussion paper we also proposed to introduce the following indicators:

- Long term voids - We propose to re-introduce the previous ARC indicator '**the number of self-contained properties void at the year end and of those, the number that have been void for more than six months'**. This will allow us to collate a sector wide picture of empty properties.

Question 3: Do you agree that we should collect an additional indicator in relation to long term voids?

There was overwhelming support for the proposal as reflected in the below data and chart;

Table 3: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	37	1	0	0	38
Local Authority	20	1	1	0	22
Stakeholder	3	1	0	0	4
Landlord Representative Body	4	1	0	0	5
Tenant Representative Group	2	0	0	0	2
Total	**66**	**4**	**1**	**0**	**71**
	93%	**6%**	**1%**	**0%**	**100%**

Q3. We also propose to introduce an additional indicator to monitor long term voids.

Do you agree that we should collect an additional indicator in relation to long term voids?

The main themes emerging from the responses were:

- **General Support for Long-Term Void Indicators**: There is broad agreement on the usefulness of tracking long-term voids as an indicator, especially given the current housing crisis.

- **Need for Differentiation and Detailed Categorisation**: Respondents emphasised the importance of distinguishing between **different types of long-term voids**. Respondents felt **segmentation** was necessary to clarify whether delays are due to specific reasons, such as utility-related issues (a key theme), structural repairs, or low demand as this would allow for more accurate comparisons between landlords.

- **Inclusion of Qualitative Context**: Many respondents suggested adding **narrative or commentary boxes** to capture qualitative reasons for long-term voids, noting that simple counts do not reflect the complexity of situations. Each section of the ARC currently has a comments box which landlords are encouraged to use to provide context/explanation of performance, and we are not proposing to remove these.

- **Year-Round Data:** There were many preferences for tracking voids across the entire year rather than a year-end snapshot, as respondents felt this could better represent overall performance and the impact of temporary voids relet just before year-end. Voids of more than 6 months at any point during the reporting year being recorded instead was a common theme raised by respondents.

- **Clear guidance on inclusions and exclusions required**: Respondents stated that guidance on inclusions and exclusions was required and had to be clear.

3.4 Proposal to introduce indicators regarding tenant and resident safety

In the discussion paper we proposed to **continue** to collect the following indicator regarding tenant and resident safety:

- **Indicator 11: How many times in the reporting year did you not meet your statutory obligations to complete a gas safety check within 12 months of a gas appliance being fitted or its last check?** Stakeholders told us that this indicator is well established, clear and easy to understand.
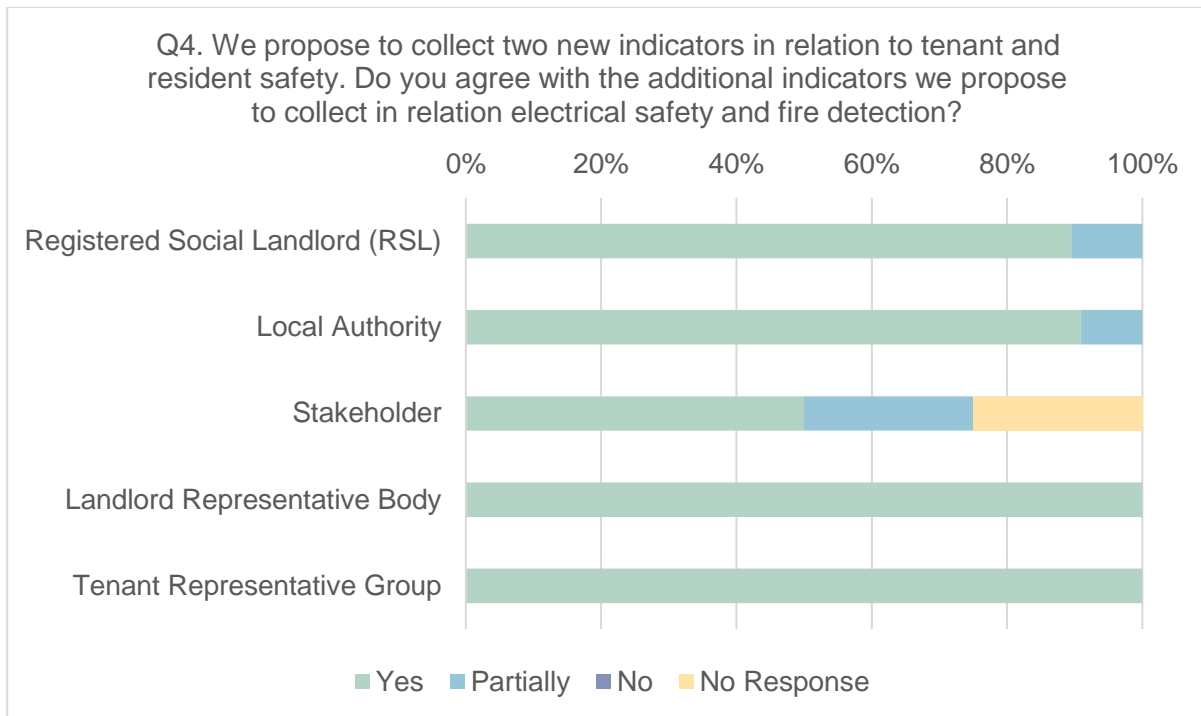
We also proposed to **introduce** the following indicators regarding tenant and resident safety:

- Electrical Safety: **How many times in the reporting year did you not meet the requirement to complete an electrical safety inspection (EICR) within five years of the last EICR?** We were proposing introducing a new indicator to measure any incidences where landlords do not meet the requirement set out in the Tolerable Standard to carry out an EICR within five years of the last EICR. Landlords will be asked to provide a reason/s for any such incidences.
- Fire Safety: Number of homes that do not have **'satisfactory equipment for detecting fire and giving warning in the event of fire or suspected fire' installed at the year end.** We were proposing introducing a new indicator to measure how many homes do not meet the requirement set out in the Tolerable Standard to install satisfactory smoke and heat alarms. Landlords will be asked to provide a reason/s for any such incidences.

Question 4: Do you agree with the additional indicators we propose to collect in relation electrical safety and fire detection?

There was overwhelming support for the proposal as reflected in the below data and chart;

Table 4: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	34	4	0	0	38
Local Authority	20	2	0	0	22
Stakeholder	2	1	0	1	4
Landlord Representative Body	5	0	0	0	5
Tenant Representative Group	2	0	0	0	2
Total	**63**	**7**	**0**	**1**	**71**
	89%	**10%**	**0%**	**1%**	**100%**

Q4. We propose to collect two new indicators in relation to tenant and resident safety. Do you agree with the additional indicators we propose to collect in relation electrical safety and fire detection?

The main themes emerging from the responses were;

- **Support for Indicators**: Many respondents agree with the introduction of fire and electrical safety indicators, as they are crucial for tenant safety and legal compliance. Many organisations stated they already collect this data for internal purposes, so the new indicators would not pose significant challenges in reporting.

- **Clarification and Exemptions**: There is a strong request for clear guidance on exemptions and abeyances (e.g., no access, properties identified for disposal, or meter issues), especially for electrical safety checks. Some respondents suggest aligning these indicators with existing SHQS requirements to avoid duplication, and others highlight the need for consistent reporting across landlords.

- **Potential Duplication and Integration with SHQS**: Several responses suggest that the proposed indicators could overlap with existing SHQS reporting. Some recommend expanding the SHQS indicator to include reasons for non-compliance, particularly for fire and electrical safety, to eliminate the need for separate reporting on these issues.

- **Implementation and Timing Concerns**: Some respondents raised concerns about the timing and implementation of these indicators, especially given the backlog in electrical safety inspections. There was a suggestion to allow for flexibility in scheduling inspections and a request to delay the introduction of the indicators until 2026 to allow landlords time to adjust and meet the requirements.
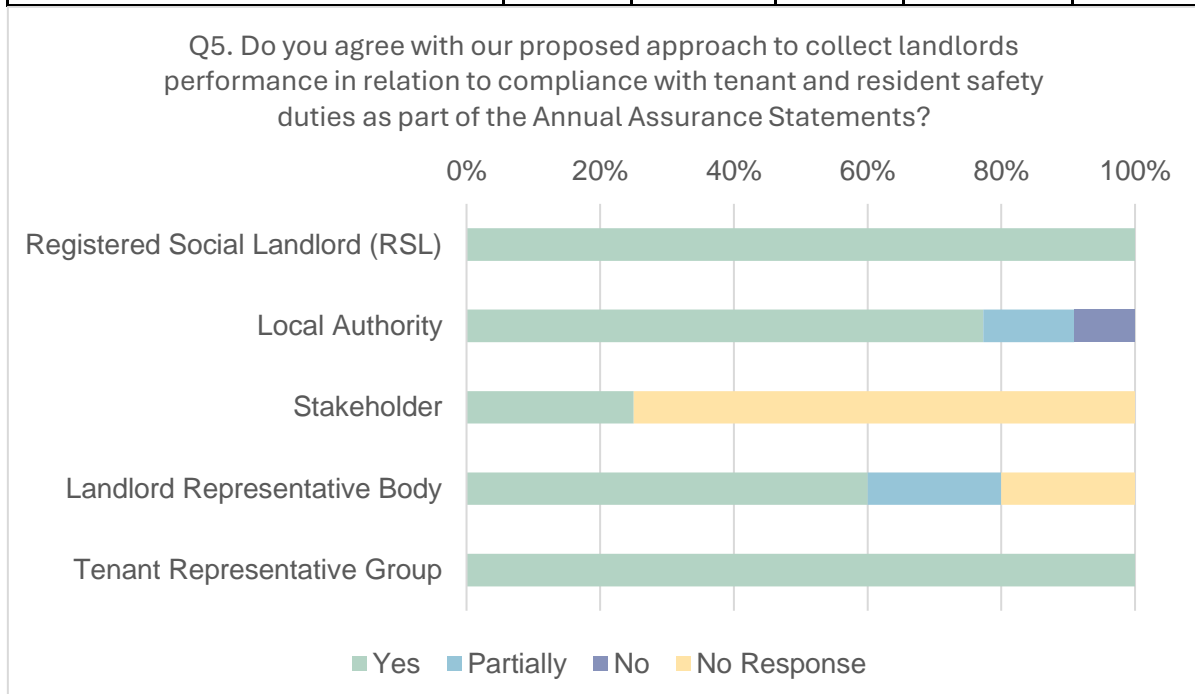
3.5 Proposed approach to collect tenant and resident safety indicators

In the discussion paper we stated that we do not propose to collect specific indicators in relation to social landlord's legal duties in relation to lift safety, fire risk assessments, asbestos and legionella. We proposed that landlords should consider their compliance with these duties through their ongoing assurance processes and notify us through their Annual Assurance Statement of any areas of non-compliance.

Question 5: Do you agree with our proposed approach to collect landlords' performance in relation to compliance with tenant and resident safety duties as part of the Annual Assurance Statements?

There was overwhelming support for the proposal as reflected in the below data and chart;

Table 5: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	38	0	0	0	38
Local Authority	17	3	2	0	22
Stakeholder	1	0	0	3	4
Landlord Representative Body	3	1	0	1	5
Tenant Representative Group	2	0	0	0	2
Total	**61**	**4**	**2**	**4**	**71**
	86%	**6%**	**3%**	**6%**	**100%**

Q5. Do you agree with our proposed approach to collect landlords performance in relation to compliance with tenant and resident safety duties as part of the Annual Assurance Statements?

The main themes emerging from the responses were;

- **General Support**: Most respondents agreed with the proposed approach to collect performance data on tenant and resident safety through the Annual Assurance Statement (AAS).

- **Support for Current Practices and Reporting**: Many landlords stated they already monitor safety areas like lift maintenance, legionella, and fire risk assessments internally and agree with continuing this approach via the AAS. They believe this method is sufficient and prefer to avoid additional indicators in the ARC, as it may lead to duplication and over complication.

- **Need for Detailed Guidance and Definitions**: Several respondents requested more detailed technical guidance, especially for complex safety issues like water safety, lift servicing, and asbestos management. They feel this would help ensure consistency in reporting across landlords and provide clearer expectations for compliance reporting in the AAS.

- **Some Desire for Specific Indicators**: Whilst most respondents agreed ARC indicators for the aforementioned categories were not necessary, some disagreed citing our approach is oversimplifying the monitoring of complex safety issues and wanted to collect specific indicators. Some felt the AAS alone would not provide a full enough picture to allow effective scrutiny.

3.6 Proposal to introduce specific damp and mould indicators

We stated in the consultation paper that issues of damp and mould continue to be an important area of concern for tenants. Most social homes in Scotland are of good quality, but where issues with damp and mould arise, it is important that they are dealt with effectively and quickly. Landlords will want to make sure they understand the prevalence of these issues across their stock and the reasons for this. The root cause of damp and mould can vary and in some cases can be complex. But regardless of the causes, mould spores can pose a danger to heath, especially for young children, older people or people with existing skin and respiratory conditions or weaker immune systems. So it is important that landlords have assurance that they are dealing with any reported cases of damp and mould quickly and effectively.

We therefore proposed three new indicators on damp and mould:

1. **Average length of time taken to resolve cases of damp and/or mould;**
2. **Percentage of resolved cases of damp and/or mould that were reopened; and**
3. **Number of open cases of damp and/or mould at the year end.**

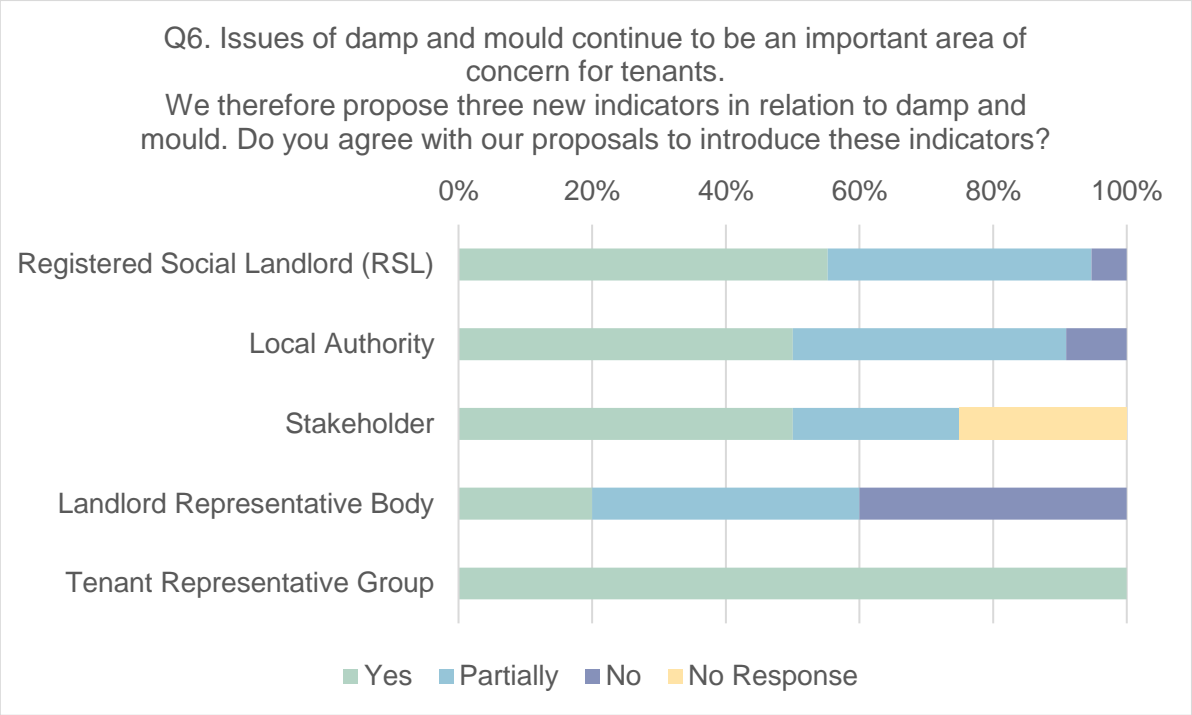This would mean landlords would report to us on the following:

- Number of cases of damp and/or mould that were resolved within the reporting year.
- Number of resolved cases of damp and/or mould that were reopened (within 12 months).
- Total number of working days to resolve cases of damp and/or mould.
- Number of open cases of damp and/or mould as at 31 March each year.

Question 6: Do you agree with our proposals to introduce these indicators?

There was mixed support for the proposal as reflected in the below data and chart;

Table 6: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	21	15	2	0	38
Local Authority	11	9	2	0	22
Stakeholder	2	1	0	1	4
Landlord Representative Body	1	2	2	0	5
Tenant Representative Group	2	0	0	0	2
Total	**37**	**27**	**6**	**1**	**71**
	52%	**38%**	**8%**	**1%**	**100%**

Q6. Issues of damp and mould continue to be an important area of concern for tenants.
We therefore propose three new indicators in relation to damp and mould. Do you agree with our proposals to introduce these indicators?

Legend: Yes, Partially, No, No Response

Categories: Registered Social Landlord (RSL), Local Authority, Stakeholder, Landlord Representative Body, Tenant Representative Group

The main themes emerging from the responses were;

- **Effectiveness of Indicators:** While respondents generally support the introduction of indicators for damp and mould, many feel that current proposals may not capture the full scope of the issue and wanted amendments made. The focus on numbers (e.g., open cases, percentage resolved) is seen as insufficient without additional context or measures of the effectiveness of interventions.

- **Clarity and Definition of "Resolved":** The major concern across responses was the lack of clarity around the term "resolved," respondents said the term needed to be clearly defined so that it was not open to interpretation. The second big issue was around whether the resolution is viewed from the landlord's or tenant's perspective, despite us stating within the Technical Guidance that it should be from the landlord's perspective. This was the key issue with respondents who stated both aspects of 'resolution' needed clarifying to ensure consistency in reporting and to avoid ambiguity.

- **Ambiguity of Timescales** – This relates to the *12-month timeframe* vs. *reporting year* timescales both listed in the body of the background information in the Consultation paper around Q6. Many respondents took issue to there being two different timescales relating to the new indicators, as they felt this was not consistent or comparable.

- **Damp and Mould Reporting and Categorisation:** Respondents emphasised the need for better categorisation of damp and mould cases due to the complexity of damp and mould issues. Suggestions included distinguishing between different types of damp (e.g., rising, penetrating, condensation) and their respective causes, as splitting data by cause and severity would provide a clearer picture of the extent of the problem.

- **Indicators Need to Reflect Severity and Root Causes:** Several responses argue that the proposed indicators may not provide enough context to measure the severity or root causes of damp and mould issues. Indicators that merely track the number of cases resolved or reopened may overlook important details, such as whether cases are genuinely resolved or if external factors (e.g., tenant behaviour environmental conditions) are contributing to reoccurring issues. Many respondents felt the Impact of tenant behaviour as causes was not fully addressed by the proposed indicators, which could lead to misinterpretation or misclassification of cases.

- **Need for Flexibility in Reporting and Further Consultation:** Many respondents call for more flexibility in the reporting system to account for the complexity of damp and mould issues, which can vary significantly across different housing types and local contexts. There is also a strong call for further consultation or a thematic study to refine the indicators and ensure they produce meaningful, actionable data.
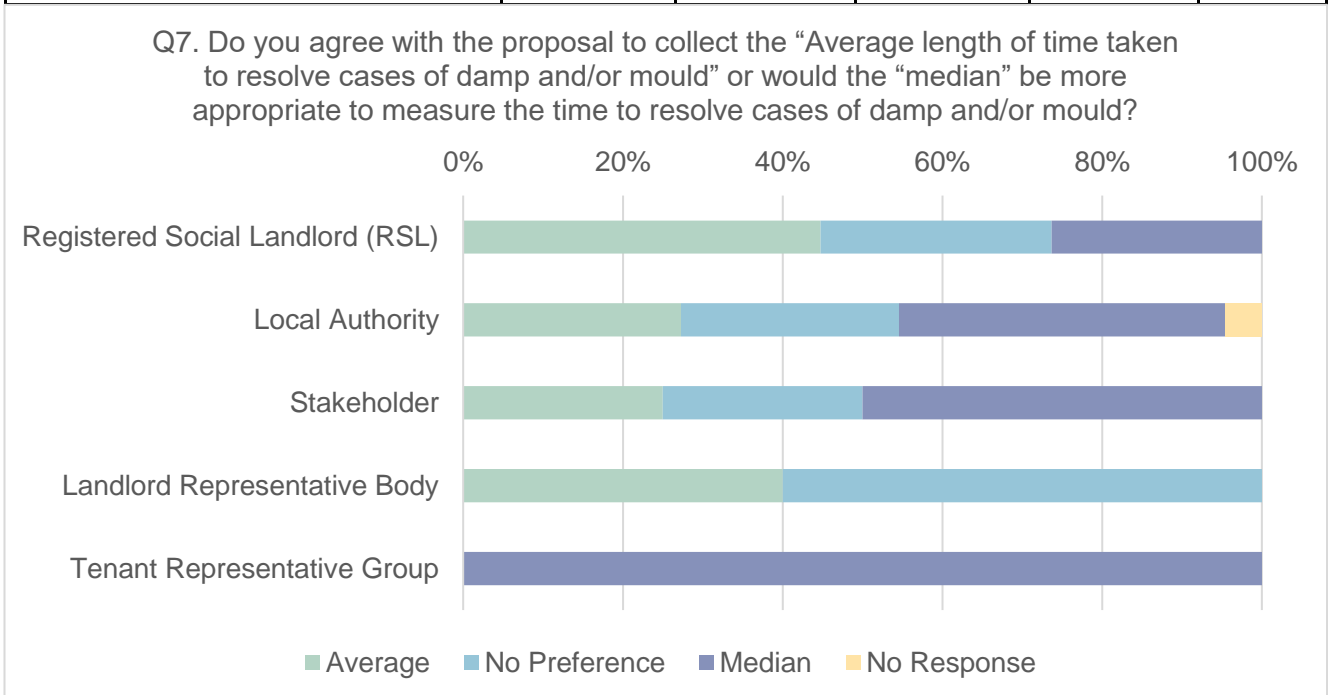
3.7 Suitability of 'Average' vs 'Median' to measure time to resolving damp and mould cases

Recognising the variation in the complexity and severity of damp and mould cases, we included a question in the consultation on whether we should measure the average time taken to resolve cases of damp and/or mould or the median.

Question 7: Do you agree with the proposal to collect the "Average length of time taken to resolve cases of damp and/or mould" or would the "median" be more appropriate to measure the time to resolve cases of damp and/or mould?

The results showed there was a fairly even split of responses on this.

Table 7: Respondent Type	Average	No Preference	Median	No Response	Total
Registered Social Landlord (RSL)	17	11	10	0	38
Local Authority	6	6	9	1	22
Stakeholder	1	1	2	0	4
Landlord Representative Body	2	3	0	0	5
Tenant Representative Group	0	0	2	0	2
Total	**26**	**21**	**23**	**1**	**71**
	37%	**30%**	**32%**	**1%**	**100%**

Q7. Do you agree with the proposal to collect the "Average length of time taken to resolve cases of damp and/or mould" or would the "median" be more appropriate to measure the time to resolve cases of damp and/or mould?

Key themes from the qualitive responses regarding the use of **average or median** for reporting damp and mould resolution times were:
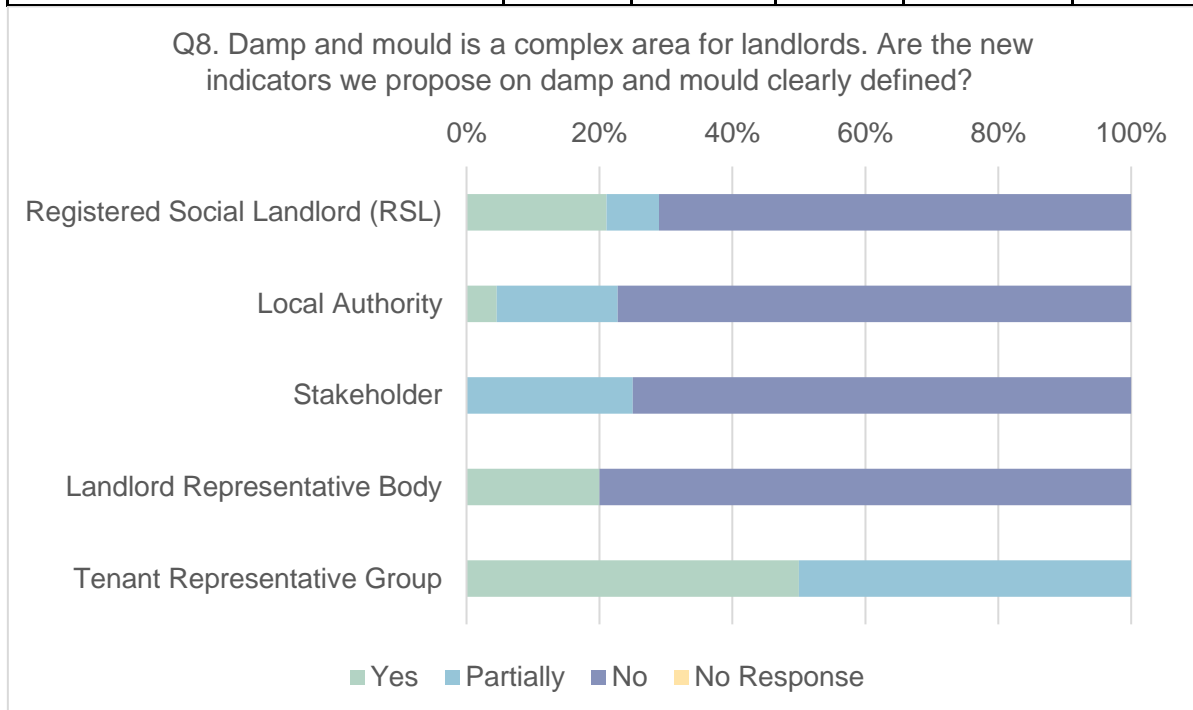
- **Preference for Median to Handle Outliers**: Some responses favoured the **median** as it provides a more accurate representation of typical resolution times by reducing the impact of extreme cases (both fast and slow resolutions). Respondents felt this is particularly useful in cases where a few outliers may skew the **average**.

- **Consistency with Other Indicators**: The majority of respondents argue for using the **average** because it aligns with other indicators in the ARC, making it easier to compare data across different measures. This consistency is seen as important for public understanding and simplicity.

- **Support for Collecting Both Metrics**: There is a suggestion to **collect both median and average** initially, to allow a comparison and understand how much the outliers affect the results. This would help to evaluate the effectiveness of each measure over time.

- **Concerns about Simplification**: Several responses caution that relying solely on either the **median or average** does not fully capture the **complexity and variability** of damp and mould cases. There are concerns that such a simplified approach could overlook important details such as the types of damp (e.g., condensation vs. rising damp) and the varied remediation approaches.

3.8 Clarity of proposed damp and mould indicators

Question 8: Damp and mould is a complex area for landlords. Are the new indicators we propose on damp and mould clearly defined?

The majority of respondents did not feel the new indicators for damp and mould were clearly defined as shown in the charts and data below;

Table 8: Respondent Type	Yes	Partially	No	No Response	Total
Registered Social Landlord (RSL)	8	3	27	0	38
Local Authority	1	4	17	0	22
Stakeholder	0	1	3	0	4
Landlord Representative Body	1	0	4	0	5
Tenant Representative Group	1	1	0	0	2
Total	**11**	**9**	**51**	**0**	**71**
	15%	**13%**	**72%**	**0%**	**100%**

Q8. Damp and mould is a complex area for landlords. Are the new indicators we propose on damp and mould clearly defined?

The key themes in these responses centre around **clarity, consistency, and complexity** in defining and measuring damp and mould issues. Here are the main points:

1. **Need for Clear Definitions**:
   - A common concern raised was the **lack of clear, standardised definitions**, especially regarding terms like "resolved," "reopened," and "case." Respondents called for consistency in what constitutes a "case" of damp and mould and how it is deemed "resolved," as interpretations may vary between landlords.

2. **Complexity of Damp and Mould**:

- Damp and mould issues are often **complex and multi-faceted**, influenced by various factors like building age, tenant behaviour, seasonal conditions, and external factors such as climate and fuel poverty. Respondents felt the complexity of these issues makes it difficult to use a one-size-fits-all approach for resolution and reporting.
- Responses suggest that **categorising cases** by severity (e.g., low, medium, high) and type (e.g., rising damp, penetrating damp, condensation) would provide more useful data and allow landlords to prioritise more effectively. Some also recommend differentiating between **property-related** and **behavioural causes** (e.g., condensation caused by poor ventilation).

3. **Need for More Specific Guidance**:
   - There is a call for **more detailed technical guidance** to help landlords consistently define and report damp and mould cases. For example, there is uncertainty about whether condensation should be included or treated separately.
   - Clarity is needed on how to handle cases where landlords have made all reasonable efforts, but external factors (e.g., tenant behaviour, financial constraints) prevent full resolution.

4. **Practical Considerations**:
   - Many responses express concern that the proposed indicators may encourage **quick fixes** that don't address the root cause of damp and mould issues. There is a call for encouraging landlords to take a more **long-term and sustainable approach** that ensures real solutions rather than temporary fixes, especially given external pressures like the cost-of-living crisis.
   - Some responses suggest incorporating **more qualitative data**, such as the actions taken by landlords to resolve issues and the effectiveness of those actions, in addition to simply reporting the number of cases.

In summary, the key themes are:

- The need for **clearer definitions** of "case," "resolved," and "reopened" to ensure consistent reporting.
- A request for **categorisation** of damp and mould cases by type and severity to improve clarity and benchmarking.
- Recognition of the **complexity** of damp and mould issues, with a particular focus on external factors like tenant behaviour, climate, and financial constraints.
- A call for **additional technical guidance** to help landlords handle the various types of damp and mould problems effectively.
- Concerns about the **seasonality** of damp and mould issues and how they should be reported in a way that reflects ongoing challenges rather than just a snapshot at a single point in time.