



THE SCOTTISH
HOUSING
REGULATOR

GUIDANCE NOTE

To: All Registered Social Landlords (RSLs) excluding Abbeyfields

Subject: Annual Performance & Statistical Return (APSR) 2008/2009

Issued by: The Scottish Housing Regulator

Ref no: SHR 27

Date: March 2009

Summary

This guidance note describes the format and arrangements for submission of the Annual Performance & Statistical Return (APSR) 2008/09 to the Scottish Housing Regulator. It supersedes SHR21.

This guidance note is intended for all social landlords registered with the Scottish Housing Regulator (RSLs) **excluding** Abbeyfield Societies.

There are three versions of the APSR return:

- A comprehensive online version for all Mainstream and Small RSLs;
- A tailored online version for organisations who manage stock on behalf of Glasgow Housing Association; and
- A tailored (hardcopy) version for Abbeyfield Societies.

RSLs who deal primarily or only with shared ownership properties should answer as many questions in the APSR as possible.

RSLs registered with the Scottish Housing Regulator for less than one year should answer all of the Contextual Statistical Information (CSI) section and as many questions in the other sections as possible.

The APSR should be submitted to the Scottish Housing Regulator, Highlander House, by **1 June 2009**.

A sample of the APSR returns and the Notes on Completion can be downloaded from the Scottish Housing Regulator website:

http://www.scottishhousingregulator.gov.uk/stellent/groups/public/documents/webpages/shr_apsrforms2008_09.hcsp#TopOfPage

If you have any questions about this guidance, you should direct them to:

**The Scottish Housing Regulator
Highlander House
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GLASGOW
G2 7DA
Tel: 0141 271 3810
Email: bau@scottishhousingregulator.gsi.gov.uk**

1.0 INTRODUCTION

1.1 This guidance relates to the Scottish Housing Regulator's Annual Performance and Statistical Return (APSR) for 2008/09. The following documents are available from our website

http://www.scottishhousingregulator.gov.uk/stellent/groups/public/documents/webpages/shr_apsrforms2008_09.hcsp#TopOfPage

- ◆ The Annual Performance & Statistical Return (APSR); and
- ◆ Notes on Completion of APSR

1.2 The Annual Performance & Statistical Return

The APSR is to be completed by all social landlords registered with the Scottish Housing Regulator (RSLs) and those organisations who manage stock on behalf of Glasgow Housing Association (GHA).

RSLs who deal primarily or only with shared ownership properties should answer as many questions in the APSR as possible. Tailored versions of this return have been developed for use by RSLs who manage stock on behalf of GHA and Abbeyfield Societies.

RSLs that have been registered with the Scottish Housing Regulator for less than a year should complete all of the CSI section and as many of the other sections as possible.

2.0 USE OF THE APSR DATA

2.1 Information from APSRs will be used in the following ways:

- ◆ Specific information from the APSR will be used when forming our view of the regulatory risk presented by an RSL and setting out the kind of regulatory engagement needed.
- ◆ Information contained in the APSR will be used to inform the inspection process. Specific information contained in various parts of the return will

be used when completing an inspection submission. In viewing a RSLs performance, comparisons will be made at Peer Group level as well as national. It is important therefore to select the correct Peer Group choice at Question 4 in the Classification Table. See also paragraph 3.1 on selecting Peer Groups.

- ◆ Information contained in the APSR return may also be used to form the basis for thematic inspections.
- ◆ The Scottish Housing Regulator will publish information from the APSR returns. Detailed tables outlining statistical and contextual data relating to individual RSLs will be available on our web site. This information will enable RSLs and other stakeholders to carry out analysis of performance against comparable organisations.

3.0 SELECTION AND DEVELOPMENT OF PERFORMANCE INDICATORS

3.1 RSLs should rigorously monitor their own performance in all areas of their business; set targets for performance which are realistic; and benchmark their performance with other similar housing organisations with the aim of continuous improvement.

3.2 To aid the measurement of comparative performance, the Scottish Housing Regulator has developed a series of Performance Indicators (PIs) that measure an RSL's performance in key areas of their business.

3.3 Selecting PIs is a difficult process, as they need to serve a variety of purposes. PIs need to be specific and measurable and they should measure an outcome; identify what really matters to tenants; reflect key policy priorities and be suitable for target setting. Table 1 sets out the PIs for 2008/09.

3.4 We will continue to work in conjunction with the Accounts Commission, the SFHA, the Scottish Executive, COSLA and individual RSLs on the development of performance indicators.

Table 1: The Scottish Housing Regulator's PIs 2008/09

Performance Indicator	Purpose ¹																				
<p>1 Governance & Accountability Average % present at meetings of full governing body</p>	<p>Measures the attendance of members at meetings of the full Governing Body and proportion of meetings that are quorate (as set out in the RSLs rules). An indicator of effective member control.</p>																				
<p>2 Relet Times 2(a) Average re-let time not low demand and low demand properties. 2 (b) Number of re-lets that are:</p> <table border="0" data-bbox="177 683 687 1160"> <tr> <td>- Less than 2 weeks</td> <td>)</td> </tr> <tr> <td>- 2 - 4 weeks</td> <td>) both non low</td> </tr> <tr> <td>- 5 - 8 weeks</td> <td>)demand and</td> </tr> <tr> <td>- 9 – 16 weeks</td> <td>)low demand</td> </tr> <tr> <td>- more than 16 weeks</td> <td>)properties - non low</td> </tr> <tr> <td>- 17 – 32 weeks</td> <td>demand</td> </tr> <tr> <td>- 33 – 52 weeks</td> <td>)</td> </tr> <tr> <td>- more than 52 weeks</td> <td>)low demand</td> </tr> <tr> <td></td> <td>) properties</td> </tr> <tr> <td></td> <td>)</td> </tr> </table>	- Less than 2 weeks)	- 2 - 4 weeks) both non low	- 5 - 8 weeks)demand and	- 9 – 16 weeks)low demand	- more than 16 weeks)properties - non low	- 17 – 32 weeks	demand	- 33 – 52 weeks)	- more than 52 weeks)low demand) properties)	<p>Measures the efficiency with which an RSL undertakes the process of reletting a property. It separates out low demand properties from other properties to allow RSLs to be compared on an equal basis.</p> <p>There are many factors that contribute to the problem of low demand, such as:</p> <ul style="list-style-type: none"> • Poor or unpopular design or condition of individual properties/blocks or estates • Poor quality or availability of local services • Inaccessible location • Stigma/poor perception of area • Anti-social behaviour/difficult neighbours
- Less than 2 weeks)																				
- 2 - 4 weeks) both non low																				
- 5 - 8 weeks)demand and																				
- 9 – 16 weeks)low demand																				
- more than 16 weeks)properties - non low																				
- 17 – 32 weeks	demand																				
- 33 – 52 weeks)																				
- more than 52 weeks)low demand																				
) properties																				
)																				
<p>Contextual information also collected: (i) For low demand stock:</p> <ul style="list-style-type: none"> • the number remaining un-let at the year end • the average period these dwellings have been un-let at the year end <p>(ii) The number of dwellings considered to be low demand at the year end? (both void and occupied properties). (iii) The number at (ii) above considered to be low demand at the start of the year (both void and occupied properties). (iv) The number at (ii) that were not actively being re-let because they were subject to a disposal strategy.</p>	<p>This information helps to put the data on re-let properties into perspective. It will help profile trend information (over a period of time) relating to low demand properties.</p>																				

¹ The Scottish Housing Regulator recognises that an RSLs performance on PIs will be affected not only by their efficiency in managing processes but also by a wide range of other factors such as client group, area of operation

Table 1 cnt'd The Scottish Housing Regulator's PIs 2008/09

<p>3 Rent Arrears</p> <ul style="list-style-type: none"> • Current tenant arrears as a % of net rent due • The % of current tenants owing more than 13 weeks rent at year end, excluding those owing less than £250 • The proportion of those tenants giving up their tenancy during the year that were in rent arrears • The average debt owed by tenants leaving in arrears, as a proportion of the average weekly rent • The proportion of arrears owed by former tenants that was either written off or collected during the year • Non-technical arrears as a proportion of rental income • Gross rent arrears as a proportion of rental income 	<p>Measures the efficiency with which the RSL collects rent due to it, caused by:</p> <ul style="list-style-type: none"> • Tenants' non payment of rent (not attributable to housing benefit) • Non payment of rent due to housing benefit delays/overpayments plus tenants' non payment of rent <p>The efficiency with which the RSL undertakes the rent arrears management process is an important determinant of performance.</p>
<p>4 Void Rent Loss</p> <ul style="list-style-type: none"> • % of annual income lost during the year through voids 	<p>Measures the level of rent loss due to properties remaining empty between lets. The efficiency with which the RSL undertakes the processes of repairing and reletting a property is an important determinant of performance.</p>
<p>5 Response to Repairs</p> <ul style="list-style-type: none"> • The target response time for each priority category • The % of repairs completed within the target time for each priority category 	<p>Measures the efficiency with which the RSL responds to reactive repairs to occupied properties. The response targets set and the efficiency with which the RSL manages the reactive repairs service is an important determinant of performance.</p>

3.5 Use of PIs

We recognise that PIs, while being a useful tool in an overall assessment process, should not be used in isolation. Results on PIs are discussed as part of an inspection, which gives RSLs the opportunity to explain why their results may differ from those of their peers. We recognise that an RSL's performance on PIs will be affected by a wide range of factors (e.g. client group, area of operation, turnover rates, and efficiency) and that variations from year to year can arise due to changes in the efficiency with which processes are managed. To aid our interpretation of PI results we also collect contextual information about the RSL. In addition, as we have collected data on some of these PIs for several years now, we can make year-on-year comparisons. This allows Inspectors to take account of any year-on-year improvements.

3.6 As a starting point for comparison the Scottish Housing Regulator will use the PI results of all RSLs to produce national averages (means) and medians. RSLs should seek to understand where they are in relation to:

- ◆ their performance in previous years;
- ◆ other comparable RSLs;
- ◆ the strongest performers in their sector;
- ◆ the sector as a whole;
- ◆ other housing providers.

3.7 Where an RSL appears to perform badly on a PI and there is no clear explanation or remedy, it should undertake process benchmarking with other RSLs to understand in a more detailed way why performance varies. Through discussion with others the RSL should seek to identify aspects of processes and practices that are contributing to failure and to identify better processes and practices that may influence performance. RSLs may also find it useful to benchmark their performance against council landlords. RSLs who wish to share results of benchmarking with their tenants should ensure that relative performance is clearly explained.

4.0 PEER GROUPS

- 4.1** We encourage RSLs to use the peer groupings to analyse their own performance and to inform their discussions as part of a benchmarking club.

5.0 APSR COMPLETIONS AND SUBMISSION

5.1 Guidance on APSR Completion

Where possible the APSR should be completed with relevant information for the year ending 31 March 2009. However, information may be based on your own financial year-end where this does not coincide with an end of March date. If you are using information that relates to a year-end other than 31 March, please let us know in the appropriate comments box. It is acceptable that RSLs complete the APSR using financial information from unaudited annual accounts. However, please notify us if any significant changes arise when the accounts are finally audited.

- 5.2** Guidance on completing the APSR for 2008/09 is contained in the document "Annual Performance & Statistical Return: Notes on Completion". This provides more information on completing the return and these instructions should be followed exactly. This document can be found on our website:

http://www.scottishhousingregulator.gov.uk/stellent/groups/public/documents/webpages/shr_apsrforms2008_09.hcsp#TopOfPage

5.3 Certification by the Governing Body

A member of the Governing Body is required to authorise the online submission of the APSR, to confirm that its contents have been discussed at a meeting of the full Governing Body or delegated sub-committee. If your APSR is approved by a sub committee (prior to its submission to the Scottish Housing Regulator) you should provide the completed APSR to the full Governing Body for information at its next meeting. It is the responsibility of the Governing Body to ensure that their agents or staff provide accurate information and submit the APSR to the Scottish Housing Regulator on time.

5.4 Completion Date and Submission Arrangements

RSLs are requested to submit a completed APSR covering the period 1 April 2008 to 31 March 2009 to the Scottish Housing Regulator by **1 June 2009**.

5.5 In submitting an on-line return you must follow instructions given in the On-line Data Submission Guidance (issued separately) regarding certification and return.

ANNEX 1

ACCOUNTS COMMISSION PIs COMPARED WITH THE SCOTTISH HOUSING REGULATOR PIs 2008/09

BUSINESS AREA	ACCOUNTS COMMISSION PI	THE SCOTTISH HOUSING REGULATOR PI
Response Repairs	<ul style="list-style-type: none"> • The number of response repairs completed during the year • The overall percentage of repairs completed within the target times • The repairs categories used by the council and the target times for each 	This indicator amended for Councils 2008/09 – SHR have retained the fuller PI reporting on repairs categories
Progress towards the Scottish Housing Quality Standard (SHQS)	<ul style="list-style-type: none"> • The number and proportion of the council's housing stock meeting the SHQS <ul style="list-style-type: none"> ○ Tolerable standard ○ Free from serious disrepair ○ Energy efficient ○ Modern facilities and services ○ Healthy, safe and secure • The total number of dwellings owned by the council 	<ul style="list-style-type: none"> • Not adopted by SHR – although data on the total dwellings meeting SHQS is gathered in the APSR
Void Rent Loss	The total annual rent loss due to voids expressed as a percentage of the total amount of rent due in the year (for properties that are available for let).	<ul style="list-style-type: none"> • Directly comparable to Accounts Commission PI

BUSINESS AREA	ACCOUNTS COMMISSION PI	THE SCOTTISH HOUSING REGULATOR PI
Re-let Times	<ul style="list-style-type: none"> • time taken by the councils to re-let not low demand and low demand properties, analysed by the following bands: <ul style="list-style-type: none"> - less than 2 weeks - 2 - 4 weeks - 5 – 8 weeks - 9 – 16 weeks - 17 – 32 weeks - 22 – 52 weeks - more than 52 weeks • The average re-let time in calendar days split by not low demand and low demand properties. 	<ul style="list-style-type: none"> • Directly comparable to Accounts Commission PI
Rent Arrears	<ul style="list-style-type: none"> • Current tenant arrears as a percentage of the net amount of rent due in the year • The percentage of current tenants owing more than 13 weeks rent at year-end, excluding those owing less than £250. • The proportion of those tenants giving up their tenancy during the year that were in rent arrears • The average debt owed by tenants leaving in arrears, as a proportion of the average weekly rent • The proportion of arrears owed by former tenants that was either written off or collected during the year 	<ul style="list-style-type: none"> • All directly comparable to Accounts Commission PI <p>We also collect the following PIs:</p> <ul style="list-style-type: none"> • Non technical arrears as a percentage of total rental income • Gross rent arrears as a percentage of total rental income <p>Not comparable with Accounts Commission PI.</p>

BUSINESS AREA	ACCOUNTS COMMISSION PI	THE SCOTTISH HOUSING REGULATOR PI
Council house sales	<ul style="list-style-type: none"> • The percentage of house sales completed within 26 weeks • The average time for council house sales 	Not a PI – information is collected however on a comparable basis.