



Annual Return on the Charter

Performance Overview

June 2024

Introduction

The environment in which social landlords are operating continues to be challenging. The cost of living increased sharply across the UK during 2021 and 2022. The annual rate of inflation reached 11.1% in October 2022, a 41-year high, before subsequently easing. Recent data shows the annual inflation rate was 2.3% in April 2024. Inflation affects the affordability of goods and services, the fall in price inflation does not mean that prices are falling, they are still increasing, albeit at a slower rate. Eight of Scotland's 32 councils have now declared a housing emergency, with the Scottish Government declaring a national housing emergency on 15 May 2024, citing UK government budget cuts and austerity. The declarations are intended to focus attention, at both the local and national level, to the significant housing and homelessness pressures local authorities are facing.

Scotland's Housing Network (SHN) is pleased to present this Performance Review based on Annual Return on the Charter (ARC) data submitted by 121 of its Member landlords from across Scotland. The review provides a summary of trends from the most comprehensive dataset on Charter Performance for 2023/24 available at the present time. These Member landlords equate to about 70% of the social landlords in Scotland, looking after an estimated 88% of social housing stock in Scotland. The Review - coupled with our Benchmarking Tools and Communities of Practice - aims to provide landlords with the insight and context to understand their own performance.

In addition, as the Regulator has paused the collection of EESSH data until after the conclusion of the Scottish Government's review of EESSH2, SHN have introduced a voluntary return on indicators C10 (percentage homes meeting EESSH) and C11 (anticipated exemptions from EESSH). As such, the 2023/24 EESSH data presented within this report is based on a voluntary return provided by 62 of SHN's Member landlords.

Table of Contents

National Overview	4
Overall Satisfaction	5
Housing Quality	6
Repairs and Maintenance	7
Access	8
Rents	9



National Overview

Since 2019/20 there has been a reduction in satisfaction across the sector as a whole

"Overall satisfaction", "Quality of Home" and "Value for Money" have seen the greatest change for those who have carried out surveys since January 2021, reflecting ongoing challenges facing the sector. Members citing a 'general malaise' amongst tenants as contributing to reductions in satisfaction with services.

SHQS compliance has increased 11 percentage points since 2021/22

The sector on average is seeing improvement in terms of SHQS compliance, following a period of increased fails and abeyances brought on by new standards being introduced.

Increase in average days to complete non-emergency repairs

Increase in average time to complete non-emergency repairs from around 6 days in 2019/20 to 7 days in 23/24. However, since 2022/23 RSL's have seen an improvement in non-emergency repairs timescales, while LA's have continued to see an increase

44% of all lets were to homeless applicants

An average of 44% of all lets were to homeless applicants in 2023/24, an increase of 10% since 2019/20.

Repairs right first time reduced by 4 percentage points in five years

Reduction in repairs completed "Right First Time" for both LAs and RSLs accompanied by a reduction in repairs satisfaction of 5% over the last 5 years.

Average rent increase of 6 percentage points in 2023/24

Rent increases were seen across the sector in 2023/24. These were most pronounced for RSLs with the average weekly rent increase being 6.23% compared to 5.85% for LAs. However, 2023/24 saw larger local authority rent increases than has been the case in previous years.

Gas safety fails for this cohort reduced from 17,479 in 2020/21 to 2,423 in 2023/24

Gas safety fails significantly reduced and were broadly concentrated amongst a small number of organisations.

Average time to re-let increased 27 days since 2019/20

Re-let times remain high across the sector with the average time for LA's to re-let properties at 73 days compared to 37 days for RSLs. Challenges including an increase in voids coming back in poor condition, contractor issues as well as increases in offer refusals have led to increases in re-let times.

Overall Satisfaction

Overall tenant satisfaction reduced to 86%

Tenant satisfaction with the homes and services provided by social landlords remains low compared to previous years. Those who have carried out new surveys have tended to see a reduction in satisfaction compared to their previous survey. This year, we have started to see improvements against this measure of performance in the RSL average, yet LA's overall continue to see a downward trend in satisfaction.

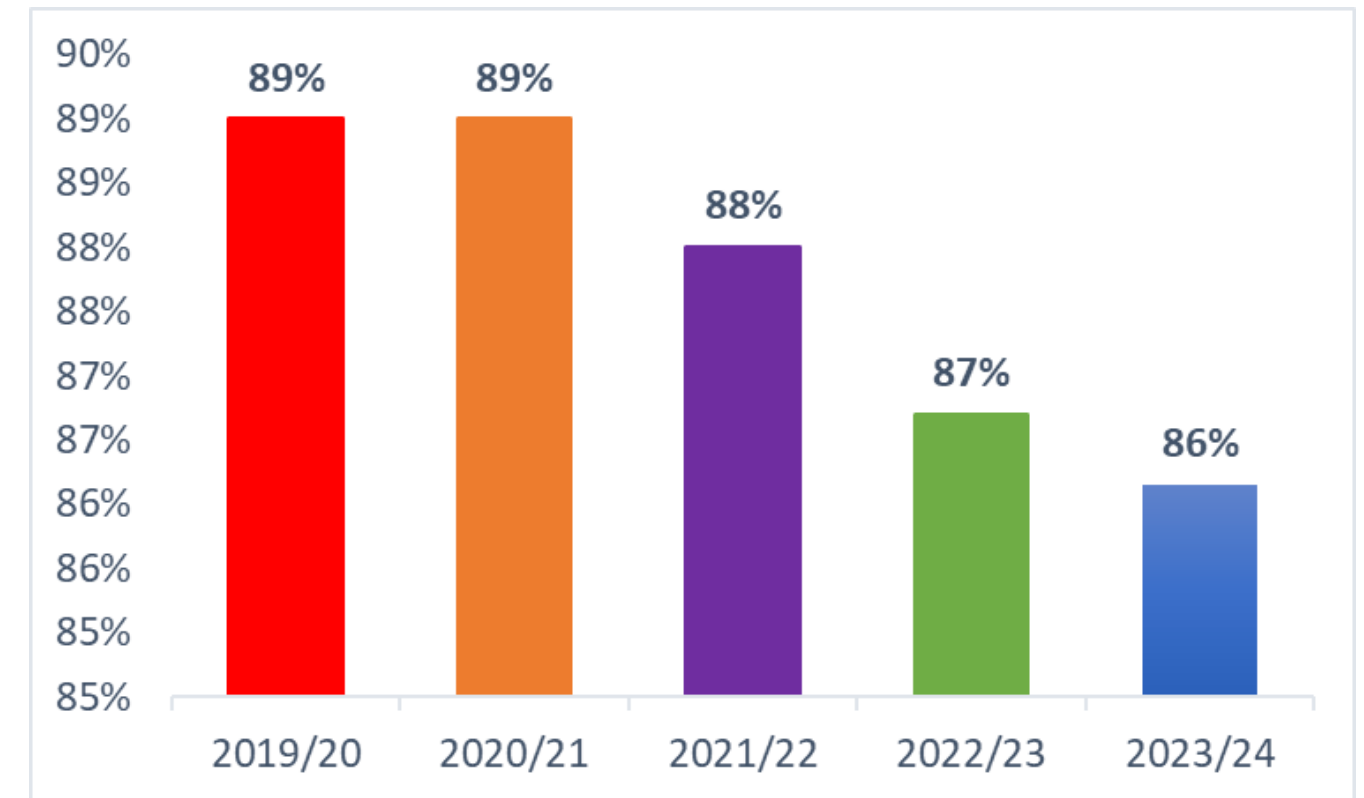
There has also been an overall reduction in tenants' satisfaction with the value for money offered by their rent since 2019/20 for the sector as a whole.

Overall tenant satisfaction

reduced to 86%



LAs 80% **RSLs 88%**



Value for money

reduced to 81%



LAs 79% **RSLs 81%**

Existing tenants' satisfaction with the quality of their home remains at 84% this year. Average satisfaction with the quality of homes has reduced for LA tenants to 79% whilst for RSL tenants it remains at 85%.

Despite the continuing challenges this year in achieving EICR requirements, RSLs and LAs have seen an improvement in achieving SHQS, although RSLs have made greater progress overall. Progressing works in mixed tenure blocks remains a challenge for many, as does the issue of access particularly with regard to EICR.

The percentage of homes compliant with EESSH indicates an upwards trend in compliance for both RSLs and LAs post pandemic.

Existing tenant's satisfaction with the quality of their homes

remains at 84%



LAs 79% RSLs 85%

Percentage of homes compliant with EESSH

increased to 92%



LAs 89% RSLs 96%

Percentage of homes that meet the Scottish Housing Quality Standard (SHQS)

increased to 84%



LAs 78% RSLs 93%

Repairs and Maintenance

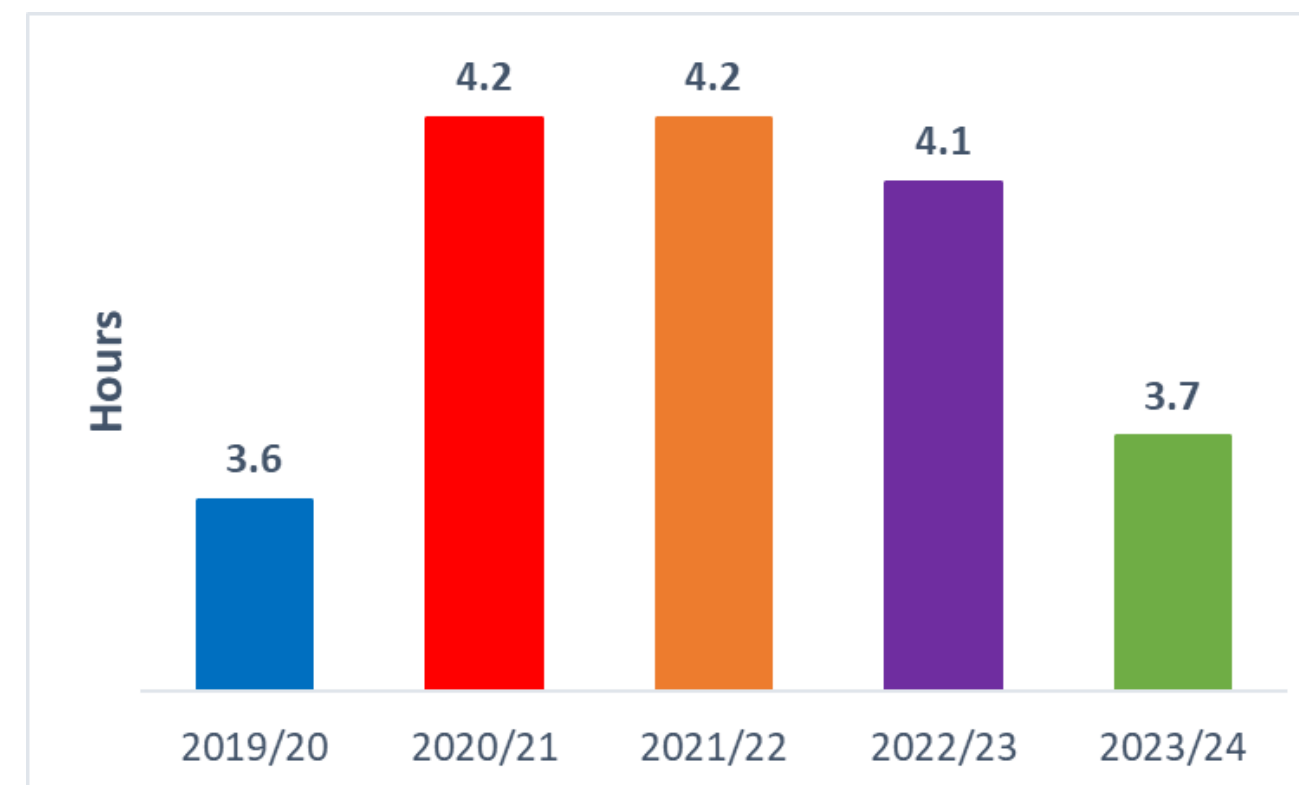
Overall landlord performance in repairs and maintenance continues to

recover post pandemic. Since the pandemic there have been a number of challenges for both LA's and RSL's, including rising costs as well as labour and material shortages, while a number of significant maintenance contractors exited the sector during this time. These factors have had an impact on emergency and non-emergency repairs timescales. For LA's, average emergency repairs timescales have reduced to 4.29 hours this year – close to those timescales reported pre-pandemic. Whilst RSL's reported a 2.94 hour average for emergency repairs – again closing in on the pre-pandemic figure.

Non-emergency repairs timescales are improving for RSLs, but LA's continue to see timescales increase, but at a slower rate than last year.

Tenant satisfaction with repairs and maintenance has continued to trend downward for the sector as a whole. However, landlord performance on repairs completed right first time increased to 88.4%.

Gas safety fails are reducing, and remain concentrated amongst a small number of organisations.



Existing tenants satisfied with repairs service

reduced to 87%



LAs 87%

RSLs 87%

Homes

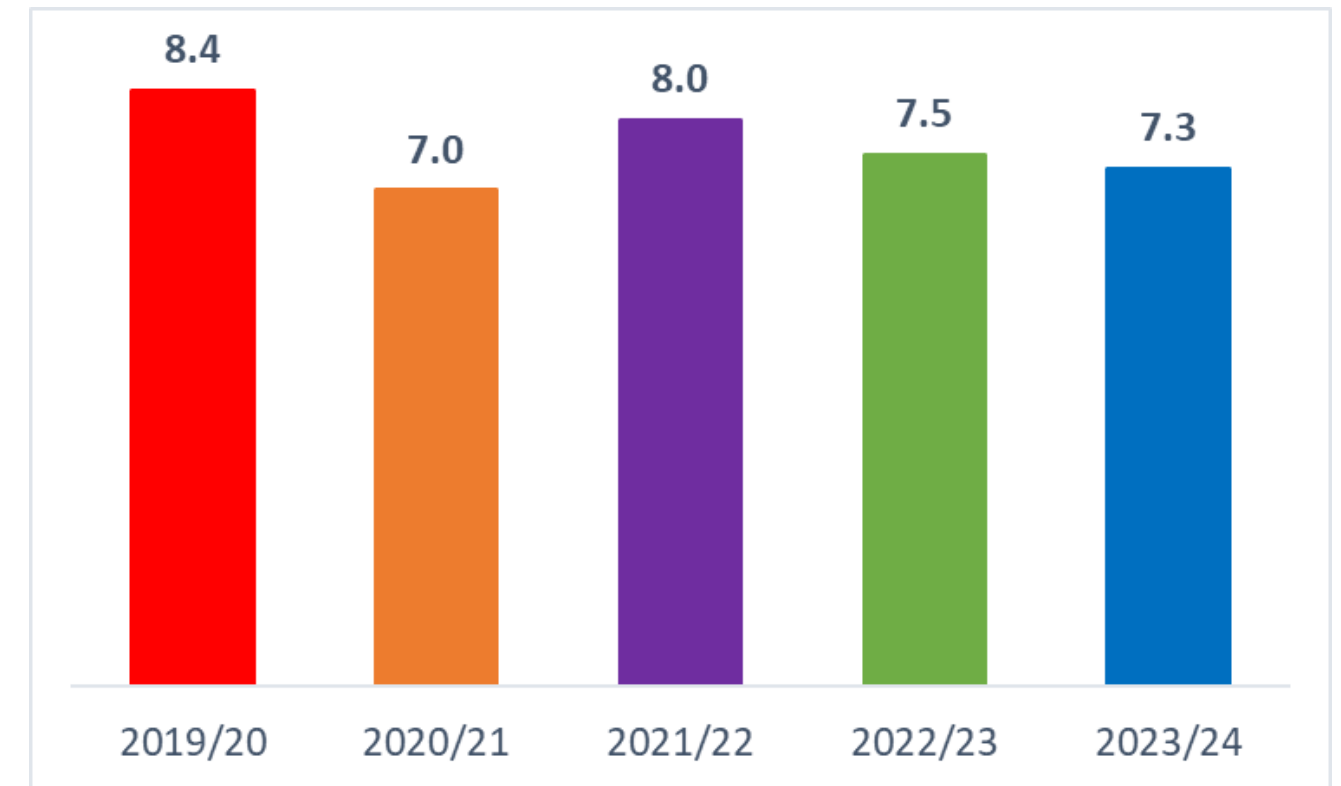
Stock turnover continues to decrease to 7.3% compared to 8.4% in 2019/20. The proportion of lets to homeless households continues to increase. Significant pressures continue to be placed on local authorities in terms of responding to homelessness post-pandemic - as well as supporting the response to the humanitarian crisis in Ukraine. This year some 49% of LA lets were to homeless households compared to around 37% of RSLs, although it is important to recognise that available stock may not always tie up with the housing needs of homeless households.

Refusals

Overall levels of refusals have decreased with RSLs seeing the greatest reduction from 30% in 2019/20 to 23% in 2023/24. LAs have also seen a modest reduction from 34% to 31%.

Relets

RSLs continue to see improvement in their relet times, reducing from 53 days to 37 days. LAs however continue to see an increase in relet times overall at 73 days on average.



Average time to re-let properties

increased to 58 days



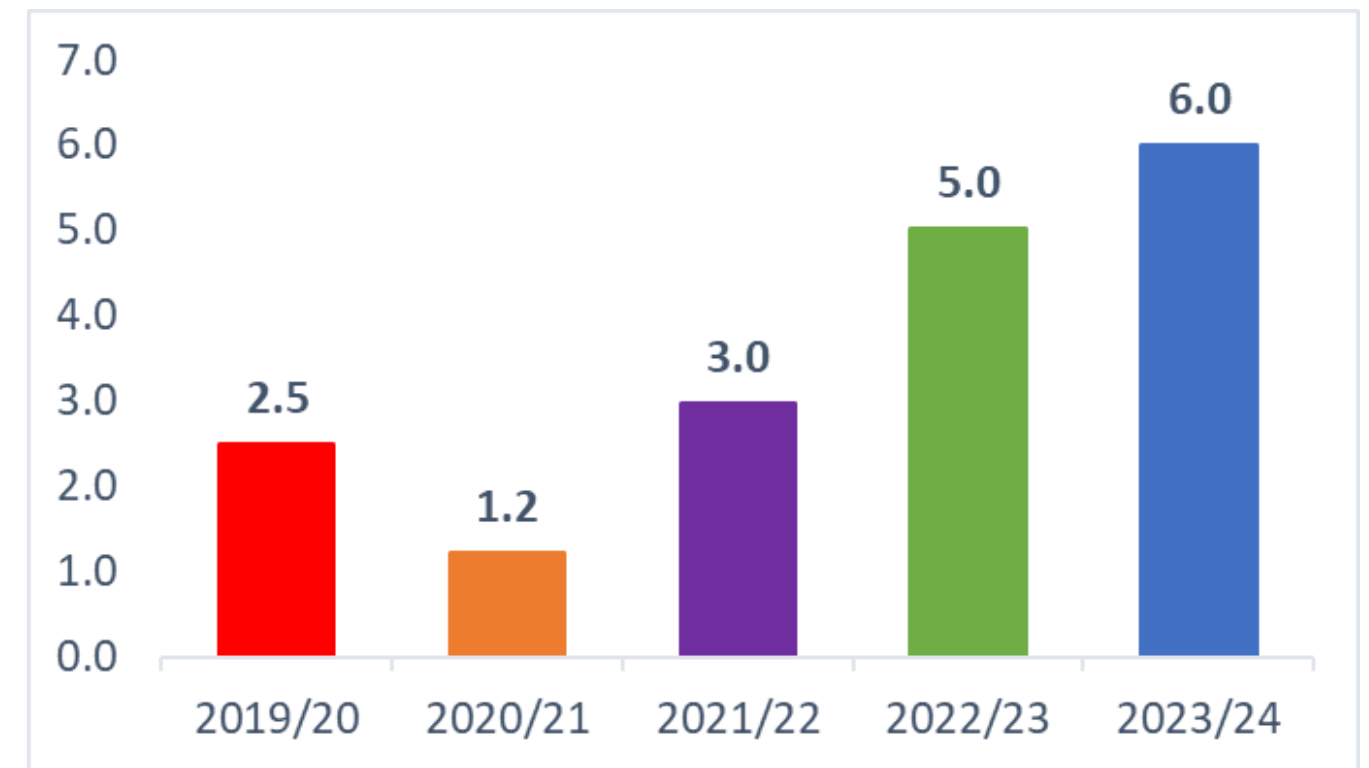
LAs 73 days RSLs 37 days

Rents

Landlords' average rent increase for 2023/24 was 6.06%. On average rent increases for RSLs were around 6.23% compared to LAs at around 5.86%. Ongoing cost pressures are likely to result in challenges for the sector in keeping rents affordable while also ensuring statutory obligations can be met.

Current arrears as a percentage of rent due remain high across the sector, however this is particularly noticeable for local authorities. On average current arrears for LAs are now at 6.17%, compared to RSLs at 2.89%.

Former tenant arrears have continue to increase across the sector from 1.86% in 2020/21 to 2.47% in 2023/24.



Current arrears percentage of rent due

increased to 4.68%



LAs 6.17% RSLs 2.89%

Want to know more?

We have a range of interactive Business Intelligence Tools available within our website to allow SHN Members to create reports to suit their own requirements.

Members can select which organisations, peer groups, indicators and financial years they wish to review in order to create ready-made, personalised reports.

Available dashboards within our website include:

- Annual Return on the Charter (ARC) Chart Generator
- Annual Return on the Charter (ARC) Data Table Generator
- Quarterly Benchmarking Dashboard

In addition, we are currently working on a number of new and exciting Tools allowing you to do even more with your data.

If you have any questions, comments or suggestions - or if you would like more information about Scotland's Housing Network - please do not hesitate to contact us at: data@scotlandshousingnetwork.org

About us

Scotland's Housing Network is Scotland's largest provider of benchmarking and data insights dedicated entirely to the Scottish social housing sector. More than two thirds of social landlords in Scotland are SHN members, which in turn represents almost 90% of the sector by stock. We've been providing benchmarking services for 29 years, continuously developing and evolving to meet our member's changing needs.

Scotland's Housing Network
5 South Charlotte Street
Edinburgh
EH2 4AN



0131 5819222



data@scotlandshousingnetwork.org



[@ScotHousingNet](https://twitter.com/ScotHousingNet)

