

## Scottish Housing Quality Standard Monitoring Return Notes on completion 2010-11 (Version 2)

### INTRODUCTION

We monitor your progress towards the Scottish Government's target that every social rented home should meet the SHQS by 2015. Last year we asked every landlord to complete and submit a new SHQS annual return in an excel file format. For RSLs, this return is now incorporated in their existing data returns to us. For local authorities, we would like you to complete and email us another excel file. The format is very similar to last year's form, but has been amended to reflect new guidance on the Standard (not published at the time of publication of this document but expected imminently) from the Scottish Government.

Where available, we have attempted to help you by entering values from either your 2010 return or from published HRA figures, and we have set formulas in some of the cells to calculate some figures automatically. If you have more accurate or up to date information, you can overwrite these cells and make a note to this effect in the relevant comments boxes.

Please complete and return your file to [bau@scottishhousingregulator.gsi.gov.uk](mailto:bau@scottishhousingregulator.gsi.gov.uk). The return date has been extended to **Thursday 30 June 2011**. If you have any difficulty completing the return, whether in terms of specific measures or the timing, please call Gerhard Mors on 0141 305 4065.

The Scottish Government's new guidance on the Standard and the policy on exemptions, including abeyances, can be found at <http://www.scotland.gov.uk/Topics/Built-Environment/Housing/16342/shqs/guidance>

### Table 1: STOCK CONDITION SURVEYS

Please tell us about when and how much of your stock you last assessed for compliance with the Standard, and when and how much you next plan to assess:

1. Select the month and year that your stock was last surveyed for compliance with the Standard. If you assess your properties on a continuous basis (or a mixture of surveys and continuous assessment), report this as March 2011.
2. Select one option to show if the above survey/assessment was done by an external organisation or your own staff, or a mixture of both.
3. If you selected the 'Contractor' or 'Both' option above, give the name of the external organisation you used to survey your properties.
4. Enter the percentage of your total stock that was assessed for SHQS compliance during the last survey. Exclude those that were not assessed because access wasn't possible or that were only partially assessed. If you assess your properties on a continuous basis (or a mixture of surveys and continuous assessment), report the percentage of your stock that has been assessed for SHQS compliance over the past two years.

5. Enter the year in which you next plan to survey your stock for compliance with the Standard. If you will be assessing your properties on a continuous basis (or a mixture of surveys and continuous assessment), report this as 2011.
6. Select one option to show if the above survey/assessment will be (or is most likely to be) done by an external organisation or your own staff, or a mixture of both.
7. Enter the percentage of your total stock that you aim to assess for SHQS compliance in your next survey. If you will be assessing your properties on a continuous basis (or a mixture of surveys and continuous assessment), report the percentage of your stock that will be assessed over the next two years.
8. Please comment on how you update your stock condition database between surveys; the sources you use and the coverage you achieve. If you assess continuously, comment briefly on the approach you use.

**Table 2: SHQS COMPLIANCE**

1. – 5. The SHQS target applies to all properties that are let or could in the future be let – that is for practical purposes all your properties, excluding properties scheduled for demolition. Please report the number of your properties that you have assessed as not compliant with each criterion as at 31 March each year i.e. the first figure relates to 31 March 2011. Properties that currently could qualify for an exemption/abeyance, but where you expect the exemption/abeyance to be resolved before 2015 (for example following a tenancy change) should be included as a fail until resolved. The number of exemptions/abeyances that in your opinion will still persist on 31 March 2015 should NOT be included in Table 2 – they should be reported in Table 7.
6. – 7. Report the number of your properties (excluding properties scheduled for demolition and any anticipated exemptions/abeyances) that you have assessed as not compliant with one criterion as at 31 March each year, and the number that don't comply with more than one criterion. The total of these two figures should equal the overall number of non-compliant properties (line 8), excluding any anticipated exemptions/abeyances.
8. Report the number of properties that you assess are non-compliant on 31 March each year (excluding properties scheduled for demolition and any anticipated exemptions/abeyances)
9. Report and your total stock (excluding properties scheduled for demolition, but including anticipated exemptions/abeyances). Provide any comments on the figures so far in line 10.
11. – 13. Please state the number of dwellings you planned to bring up to (full compliance with) the Standard during the year to 31 March 2011 and the actual number brought up to the Standard. If you did not meet your target please outline the reasons briefly.
14. Please state the number of dwellings you plan to bring up to the Standard in the coming year i.e. 1 April 2011 to 31 March 2012. Lines 11-14 were inserted to bring the return from local authorities in line with the RSL return.

### **Table 3: SHQS INVESTMENT**

In this table, please report values in pounds, not in thousands of pounds.

1. – 5. Please supply the information requested about the properties you improved (i.e. brought up to or nearer to the Standard or prevented failing the Standard) in the year to 31 March 2011 and about the properties you anticipate improving in the remaining period to 2015. For contracts that were/will be only partly to address SHQS compliance, please report only the proportion that relates to SHQS. For example, if you refurbish a whole kitchen which only needed additional sockets to comply with the Standard, estimate how much you would have had to spend on installing the additional sockets only.

If you are able, please provide these figures by element and criterion as well as in total. But, as a minimum, you must supply your figures at criterion level. Where a property has been improved, or is projected to be improved, against more than one element it should be recorded against each element. But don't double-count these homes at the criterion level.

6. And, similarly, don't double-count properties recorded as improved in more than once criterion. For example, a property that had its wall cavities and loft insulated and a smoke alarm installed would be recorded three times at element level, but only twice at criterion level and once in the overall total.

But investment values by element (if you report at this level) should add up at criterion level and line 6 should equal the criterion totals.

7. We have also requested the number of and costs connected with demolitions as a direct result of meeting SHQS.

### **Table 4: SHQS ASSUMPTIONS**

Figures you reported in table 4 in last year's return will be shown; overwrite them with your latest estimates if they are out of date.

1. Your stock number on 1 April of the relevant year, starting with 1 April 2010, not 2011. Stock numbers in this section include all your stock without any exclusions.
2. – 7. Actual and projected stock losses and gains.
8. This row is automatically completed for you based on the figures you have entered.
9. Check that the stock at the end of the year corresponds to the sum of stock at the start of the year plus stock gains and minus losses for that year. Overwrite any pre-populated figures as necessary.
10. Average stock numbers are also automatically calculated by halving the difference between your start and end year stock numbers. We use this figure to calculate measures on a 'per unit' basis. But, if a significant change in stock numbers occurs near the start or end of the year, you may choose to overwrite this with a more accurate reflection of your average stock in that year. If you do this, please note this in the comments box for this table.

11. Average weekly rent is automatically calculated by dividing total potential annual income from houses (from table 5) by the average number of houses in that year (from question 9 above) divided by 52. You can overwrite this figure with your actual average or projected average weekly rent.
12. & 13. These figures are automatically calculated using the figures you report for management and maintenance costs in table 5 and average stock numbers in question 9 above. They equate to the measures of the same name that are published in the Scottish Government's Local Authority Housing Income & Expenditure Tables on [www.scotland.gov.uk/Resource/Doc/1035/0105316.xls](http://www.scotland.gov.uk/Resource/Doc/1035/0105316.xls).

#### **Table 5: INCOME AND EXPENDITURE**

In this table, please report values in thousands of pounds, not in pounds.

1. – 15. Your estimates for 2010/11 as published in the Scottish Government's Local Authority Housing Income & Expenditure Tables are shown for the first year. Overwrite these if you have more up to date figures and complete the forward projections. All monetary values should be in constant price values (i.e. in today's prices); don't adjust prices to take account of inflation in future years.

#### **Table 6: CAPITAL INVESTMENT AND FUNDING**

In this table, please report values in thousands of pounds, not in pounds.

1. Report investment for SHQS compliance (i.e. to bring failing properties up to the Standard, to prevent compliant properties from failing in future, or to address current or future failures by demolishing properties).
2. Other stock investments to improve stock beyond the level required for SHQS (e.g. raising a property's energy rating above NHER 5, fitting an additional smoke detector, etc) or to address property components not covered by SHQS (e.g. garden fences, adaptations to improve accessibility, etc).
4. – 8. Report here only the rental income, borrowing, Right to Buy receipts and other income used to fund the total capital investment reported in 1 and 2 above. Do not, for example, report your entire annual rental income as in table 5.
9. & 10. This equates to outstanding debt as published in the Scottish Government's Local Authority Housing Income & Expenditure Tables. The figure for debt per house is automatically calculated from the total figure in 9 and the average stock figure in table 4.
11. Please comment on the reasons for any figures that you can't report, or on any circumstances that may significantly affect your figures.

#### **Table 7: EXEMPTIONS**

In some properties, there may be elements that you can't address and won't be able to address by 31 March 2015 for reasons beyond your control. In this table please report the exemptions you anticipate persisting on 31 March 2015. For each of the exempted properties, or for each group of properties in the same set of circumstances (i.e. that can't meet the same element(s) for the same reason(s)), please tell us the number of dwellings involved and select the elements and

reasons that apply to them from the drop down menu options. Insert as many extra rows as you need.

No property should be counted more than once; each group's combination of elements and reasons must be unique. For example, if you claim an exemption for 15 properties for the external wall finish element but five of these properties also have kitchens that are physically unable to meet kitchen storage element, you should enter one claim for the 10 properties that need only the wall exemption and another for the five properties that need both wall and kitchen exemptions.

Use the categories provided also to report here any 'abeyances', relating to impediments that you anticipate will be removed some time after 2015. Abeyances are included as the first few categories and include situations such as tenants refusing access for improvements, which can obviously be overcome at the next change of tenancy. But don't include any properties that you plan to demolish by 2015. And do not include any abeyances you expect to be resolved by 2015.

And elements that are 'not applicable' (e.g. cavity wall insulation for properties without wall cavities) don't require an exemption either.

Exemptions only apply to *elements* that you cannot meet, rather than to whole properties. You are therefore still obliged to bring every other part of a property with an exemption claim up to the Standard and should include any failures of non-exempt elements in table 2.

Note briefly the action you have taken and/or are taking to try to overcome the impediment(s). This will help us assess whether we need further information on the exemptions you anticipate. There is also a comments box provided for you to supply any further information you may feel is relevant.

If you have any queries that aren't covered, please get in touch with our business information team at:

Scottish Housing Regulator  
Highlander House  
58 Waterloo Street  
Glasgow  
G2 7DA  
Telephone: 0141 271 3756/7  
Email: [bau@scottishhousingregulator.gsi.gov.uk](mailto:bau@scottishhousingregulator.gsi.gov.uk)