

The Highland Council
Community Services Committee

21 August 2014

Agenda Item	11
Report No	COM/19/14

Management of Void properties

Report by Report by the Director of Community Services

Summary

At the Community Services Committee on 15 May 2014 it was agreed that a further report be submitted in August 2014 on the time taken to re-let empty Council houses (Voids). This report details our current performance in the management of voids and up-dates Members on the improvement actions being taken.

1. Introduction

1.1 The Housing (Scotland) Act 2010 included powers to modernise the regulation of social housing and created an independent Scottish Housing Regulator to look after the interests of tenants. The Scottish Social Housing Charter (the Charter) is the document that contains the outcomes tenants expect of their landlord. Outcome 13 of the Charter relates to value for money. As a social landlord we are expected to manage all aspects of our business so that:

“Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.”

This includes minimising the time houses are empty and controlling costs.

1.2 Highland Council relet **1,242** empty houses in 2013/14 which represents **9.1%** of our total stock. We have a Void Management Policy and associated staff guidance in place.

1.3 The average time taken to re-let voids across Highland to the end of Quarter 4 2013/14 was **39** days. We did not meet our service target of **35** days. In 2013/14, **£535,107** in rent was lost due to these properties being empty. The average time taken to re-let empty houses across Highland to the end of Quarter 1, 2014/15 has increased to **46** days.

1.4 Our annual performance return to the Scottish Housing Regulator for 2013/14 was submitted at the end of May. Full information on our performance will be available in September, but a recent preview shows that the Scottish average time to re-let properties in 2013/14 was **40.1** days. Highland Council was below this average for 2013/14, and also below the average for the amount of rent lost through voids at **1.19%** against a national average of **1.36%**.

1.5 Time taken to relet voids by Area at Quarter 4, 2013/14:

Table 1: 2013/14 Performance by area

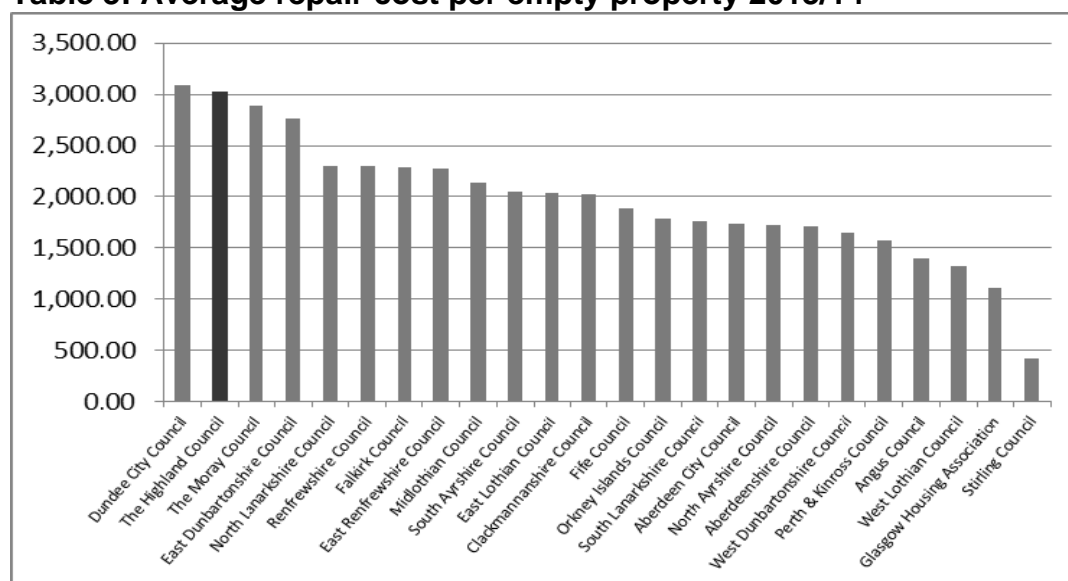
Area	Average days taken to re-let	Number of properties relet
Caithness & Sutherland	42 days	368
Ross, Skye & Lochalsh	31 days	240
Inverness	44 days	364
Nairn, Badenoch & Strathspey and Lochaber	33 days	270

Two areas met the 2013/14 service target of **35** days.

1.6 As well as the rent lost due to the time taken to relet empty homes, the amount of money spent in repairing empty homes to bring them back to the relet standard impacts on our budgets.

1.7 Scottish Government publishes figures on average amount spent per empty house on repairs by local authorities in Scotland. Highland Council has the second highest void repair spend per house let in Scotland at **£3,023**, against the Scottish national average of **£1,102**.

Table 3: Average repair cost per empty property 2013/14



These figures indicate that we carry out a higher volume of repairs in empty properties than most other Councils, often aimed at improving properties to the Scottish Housing Quality Standard. Other Councils, such as Stirling, undertake the minimum repairs necessary to allow a new tenant to move in. We need to strike a balance in our approach to relet repairs.

1.8 The amount of money being spent on Void repairs, the poor performance in the time taken to relet empty properties and the associated rent loss has led to a review of processes around re-letting empty properties. Details of this review are provided

below.

2. The Void Review

- 2.1 A Business Process Improvement (BPI) approach has been taken in this review of our void processes. This approach allowed us to use a structured approach to clarify current processes and staff structures, challenge these, and look at standardising, improving and re-design processes where required.
- 2.2 The aim of the review was to:
- Identify ways to reduce average void time and void rental loss to the Service target by March 2015 ;
 - Identify ways to achieve a reduction in void repair costs.
- 2.3 The Void process is a fairly straightforward one and is outlined in **Appendix 1**. The review identified areas for improvement in relation to staff management and deployment; recording and monitoring systems; and achieving a consistent approach to the standard expected of our empty houses.
- 2.4 There is also an associated issue with the high level of refusals of offers of housing particularly in Caithness and Sutherland:

	Number of Offers	Number of Refusals	% of refusals
Caithness & Sutherland	918	508	55%
Inverness	555	111	20%
Nairn, Badenoch & Strathspey and Lochaber	329	92	28%
Ross, Skye & Lochalsh	584	143	24%
	2386	854	

This is indicative of low demand for properties in these areas, and impacts on the Void time as another offer has to be made to a new applicant.

3. Recommendations for improvement

- 3.1 To address the issues identified, it is suggested that a Void Management Team be created in each area. This team would be a multi-skilled team, co-located where possible and covering allocations, inspections of voids, accompanied viewings, ordering, completing and inspecting works, issuing offers and signing tenants up to new tenancies.

It is recommended that this team is managed by a “Void Lead Officer” in each area. It is anticipated that this role would be at Principal Housing Officer level. The Lead Officer would be responsible for day to day management of the team, compliance with policy and guidance and close monitoring of the void process using existing void monitoring tools.

- 3.2 It is anticipated that the Void Management Team would control the whole process from start to finish, reduce duplication of effort, particularly in the inspection of quality

of work, enable better co-ordination of resources thus speeding up the time taken to complete void works and allow more effective monitoring of Voids. **Appendix 2** illustrates a proposed staff structure.

- 3.3 Each team would have close links with the Housing Management Officers for the patch in which the void is located to ensure accompanied viewings are carried out where-ever possible. Clarification of staff roles can be seen at **Appendix 3**. It is also suggested that a review of the arrangements for carrying out new tenancy interviews should be undertaken. This will involve reviewing the roles of Housing Management Officers and Service Point staff.

4. The Void Standard

- 4.1 In order for staff to correctly identify works which are required to meet the re-let standard and to ensure no non-essential works are carried out, that standard has to be clearly defined, and has to be fully understood by both staff and tenants.
- 4.2 The Void standard was raised as an area for improvement by a tenant led review carried out in 2013. We have used the most recent edition of the tenant newsletter to ask for interested tenants to get involved in a short-term focus group to develop the void standard further. A draft standard has been produced based on the work of the previous tenant led inspection and good practice guides from the Tenant Participation Advisory Service. This will be finalised in consultation with tenants. We intend to use an innovative method of consultation to allow as many tenants as possible to take part. This will take the form of a “virtual” focus group, using e-mail and Facebook. There will also be consultation with staff. Staff will be fully trained in the application of the new standard.
- 4.3 It is anticipated that a clearer Void standard which is better understood by staff dealing with voids will reduce the amount of non-essential work carried out in empty houses and reduce spend while still allowing us to re-let houses in a condition which meets health and safety standards and is acceptable to new tenants.
- 4.4 The new void standard will be supplemented with a new Void Inspection Report which will assist staff in applying the standard effectively and create an accurate record of the property condition to ensure the housing system is as up-to-date as possible and that former tenants are effectively and efficiently re-charged for repairs they are responsible for.

5. Monitoring of impacts

- 5.1 The success of this revised approach to void management can be measured through our current performance figures and budget monitoring processes. We would expect to see;
- a reduction in the time take to re-let empty homes;
 - a reduction in the associated rent lost;
 - a reduction in the amount spent on void repairs.
- 5.2 It is also suggested that a satisfaction survey be carried out with tenants who have

been housed to gauge satisfaction with the new void standard and void process.

6. Implications

- 6.1 **Resource:** the creation of the Void Management team will be achieved through re-aligning existing resources. Improvement in void management performance will increase rental income to the Housing Revenue Account.
- 6.2 **Legal:** the changes recommended have no legal implications.
- 6.3 **Equalities:** An initial equality impact assessment screening has indicated there are no impacts on group with protected characteristics.
- 6.4 **Climate Change/Carbon Clever:** There are possible benefits in reduced journeys to void properties due to more effective identification of works, as well as reduced material use as a result of a more defined void standard.
- 6.5 **Gaelic and Rural implications:** No impact.

Recommendations:

Members are asked to:

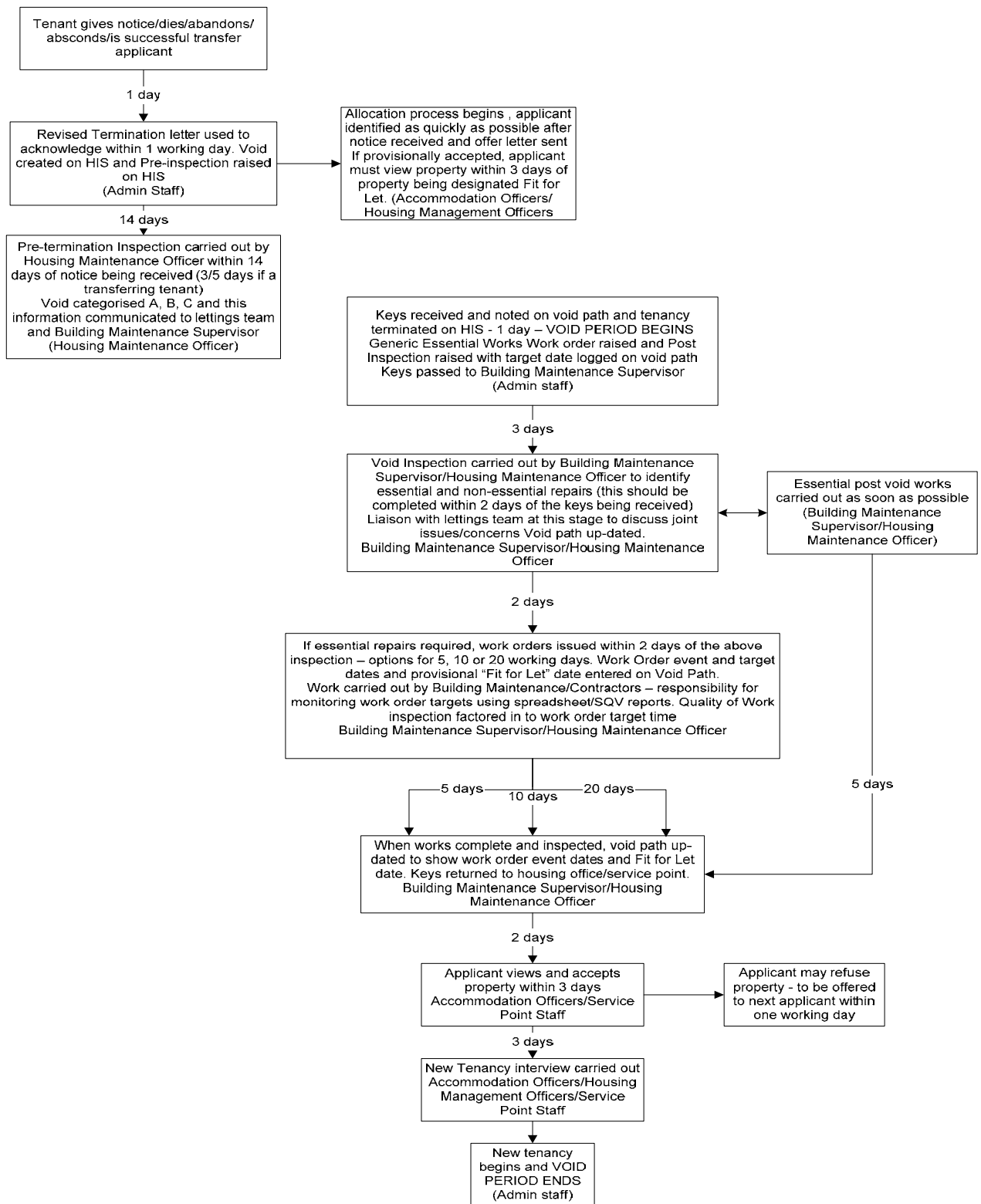
1. Note the up-date on our current void management performance;
2. Agree to the revised void management arrangements detailed in the report;
3. Agree to a review of the arrangements for carrying out new tenancy interviews; and
4. Agree to the development of a new Void standard in consultation with tenants.

Designation: Director of Community Services

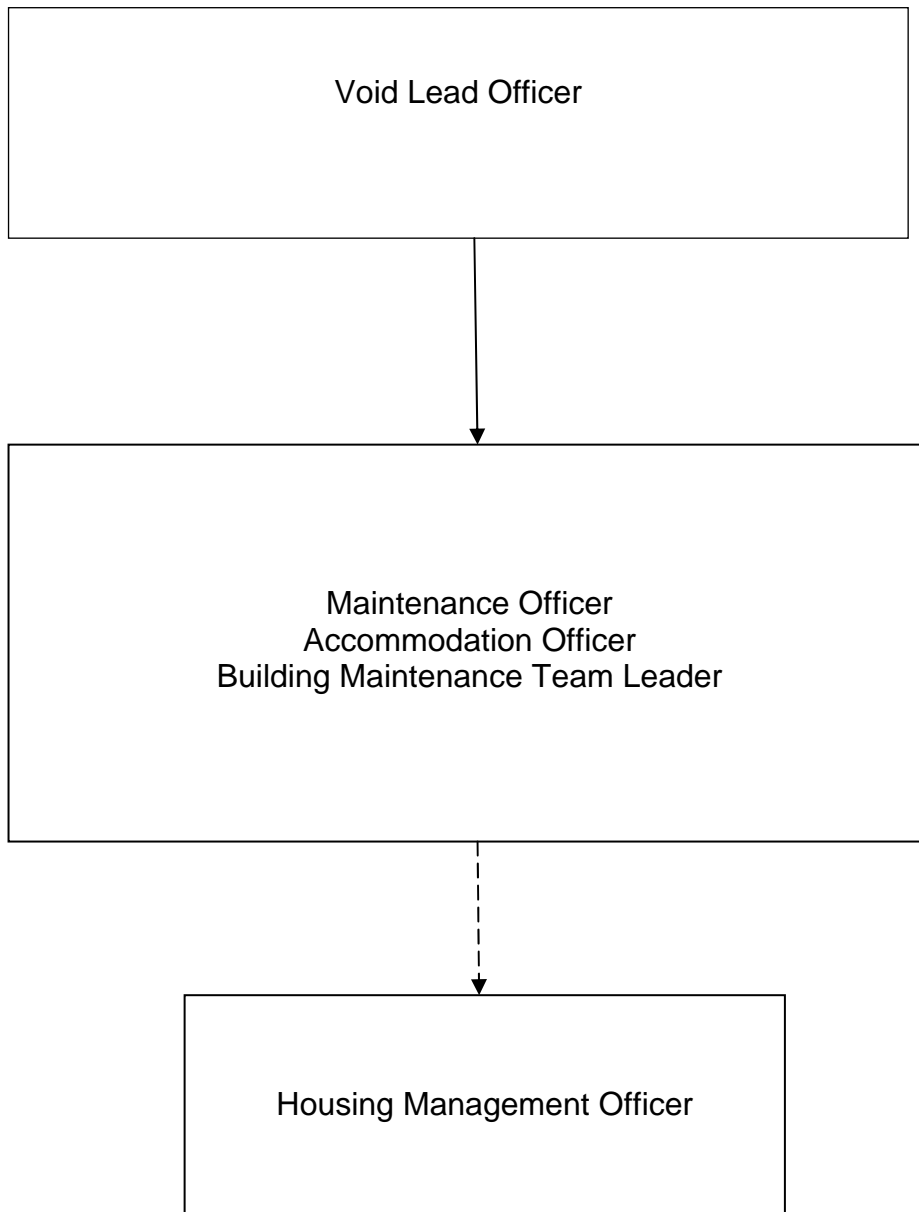
Author: Shirley Mackenzie, Housing Policy Officer

Date: 13 August 2014

Appendix 1 - the Void Management Process



Appendix 2: Area Void Team



Appendix 3: Duties and responsibilities

Void Lead Officer

- Ensuring compliance with the Void Management Policy and associated guidance, particularly data entered into the Housing Information System Void Path;
- The setting of micro-targets and monitoring of voids and event targets using agreed monitoring tool;
- Ensuring effective communication between all members of the team through weekly Void Progress Meetings to discuss policy compliance; workloads; target slippages and the needs of the prospective tenants.

Accommodation Officer

- Acknowledgement of notice letters, liaison with Management officers on abandonments, deaths and evictions, receipt of keys, ending tenancies and up-dating void information, associated up-dating of the Housing Information System;
- Allocation of property as per policy and guidance, particularly ensuring housing support needs are identified;
- Liaison with Management Officer, Maintenance Officer and Building Maintenance Team Leader and other officers as required to ensure need of the prospective tenant taken into account and accompanied viewing carried out;
- Liaison with prospective tenant throughout process;

Maintenance Officer

- Timely and effective pre-inspection of property when notice received, as per the revised Void Standard;
- Timely and effective inspection of void property on receipt of keys, as per the revised Void Standard and raising of appropriate work orders, including any generic works such as drain downs;
- Effective identification of re-charges to outgoing tenant as per Void Standard and guidance;
- Liaison with Accommodation Officer and Building Maintenance Team Leader to ensure appropriate timescales for void work orders.

Building Maintenance Team Leader

- Effective co-ordination of works as per work order;
- Liaison with Accommodation Officer and Maintenance Officer to ensure appropriate timescales for void work orders;
- Liaison with Accommodation Officer; Maintenance Officer and Management Officer to ensure the needs of the prospective tenant taken into account;
- Quality of Work inspection to ensure property has met Void Standard.

Housing Management Officer

- Liaison with Accommodation Officer, Maintenance Officer and Building Maintenance Team Leader and other officers as required to ensure accompanied viewing carried out;
- Completion of New Tenancy Interview.