

**Subject: Void turnaround times for Community Housing Properties**

**Report to: Scrutiny Committee**

**Report by: Robert Read, Director of Housing and Neighbourhoods**

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## **1.0 Background**

Over the last couple of years we have seen an increase in the average void turnaround time in council housing properties. PM007a measures the number of days between a property becoming vacant and being re-let.

<b>Measure</b>	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14 Q1
Average void time in days	22.35	23.63	23.97	30.7	59.15	57.85

There are a number of factors that have driven this increase.

### **1.1 Review of the way in which voids are managed**

Around a year and a half ago we reviewed the way in which voids are managed. A number of things were found during the review and a number of changes have been made to bring about a more efficient way of working. However, one key issue was that although at the time we had good turnaround times, we were, at times, sacrificing quality and customer service.

We found that we were not always taking into account the needs of the new tenants who were moving in to the properties as they were involved too late in the process. In some cases we didn't take into account the abilities of the new tenants and their willingness to undertake fairly extensive redecoration work themselves.

We found that at times we were carrying out repairs or renovations to properties which then had to be undone because of the needs of the new tenant, including the requirements in some circumstances for adaptations. There were a number of other cases where properties were let with a good turnaround time but we then had to give a rent credit because the tenant couldn't move in on time. In other cases we had to return after the tenant moved in to carry out or finish off repairs.

Finally, we found that at times we were giving tenants very little time to move in to their new properties, resulting in them having to organise clearance of old property and a removal company at very short notice.

We decided that we wanted to involve the tenant at a much earlier stage in the process, getting them in to look at the property before we started work so that we had a proper understanding of what was important to them and that the renovation and moving processes was built around that understanding.

We have found that from a new tenant's point of view that this change has been successful in making the property suitable for them and ensuring that they were appropriately supported throughout the move.

We accepted that in the first instance there would be an increase in turnaround times, however we felt that, over time, we would be able to drive further efficiencies into the system and gradually reduce the time taken.

## **1.2 Changes to the way the turnaround time is measured**

In the past the figure that has been reported for turnaround times has only been for those voids classed as "minor voids," i.e. those voids that required a relatively minor amount of repair work. Major voids, or those that require major renovation work, for example, properties that had been left out of previous programmes because of tenant

refusal of the works and needed new kitchens or heating systems for example, were not included within the figure.

The reason that the figure was calculated this way was because void turnaround time was previously as Best Value Performance Indicator which stipulated that major voids need not count in the figure – this methodology was continued even though it was no longer reported to Government.

Following the review of the voids process we decided that that we wanted to measure the turnaround time for all voids so that we had a more complete picture. This inevitably led to an increase in the turnaround time reported.

### **1.3 Changes to the Housing Options system and demand for properties**

Prior to the review of voids, the Housing Options team had moved away from the choice based lettings system to one which was more focused on helping people on a one to one basis to find a solution to their housing problems. People are only put into an allocations pool if we have a chance of helping them into social housing in a reasonable time. This judgement is based on their choices about type and location of housing and the frequency with which properties of that type become available.

For the most part this has proven advantageous to turning around voids as we are able to identify new tenants based on a pool of applicants for that type of property rather than having to go out to advert. However, it has led to some delays in identifying tenants for some of our properties that are less in demand. Most commonly, these are family size properties on upper floors and in town centre and other locations with lower demand. There has been ongoing work to increase the pool of applicants for these properties but there are other factors influencing demand, particularly of larger properties.

### **1.4 Impact of Welfare Reform**

The introduction of the Social Housing Size Criteria, commonly known as the 'Bedroom Tax' has had an impact on the volume of voids and the demand for three bedroom properties, again particularly those in lower demand. This has been an issue across the

country with prospective tenants and landlords concerned about the affordability of larger properties.

It has particularly impacted on those properties in lower demand as the approach that we have often taken in the past in those properties has been to under-occupy them when letting them. Typically this meant allowing children of different sexes under the age of ten or children of the same sex under 16 a room each. Although we haven't entirely discontinued doing this, we would only now do so following a rigorous financial assessment ensuring that it is affordable for the new tenants.

### **1.5 Volume of voids**

When we carried out the review of voids management we found that voids were running at a fairly steady rate of around 450 a year. This year if trends stay the same we are predicting 600 voids. This will have an impact on turnaround times and we need to ensure we have sufficient capacity to improve. An increase in the numbers of void properties is something that we are aware other landlords are also experiencing.

### **1.6 Stock condition**

The impact of years of being in a negative subsidy position under the old HRA finance system and the target to achieve and maintain decent homes standards has meant that some of our stock continues to need major investment. This is particularly true for kitchens and heating systems, a large number of which, although their condition did not prevent a home from achieving decency standard, have come to the end of their useful life.

Along with the fact there were a relatively high number of refusals by tenants at the time of refurbishment programmes, has often meant that we are doing more extensive works in voids, thereby extending the void period.

## **2.0 Improvement Plan**

We have looked at a range of ways in which we can improve the turnaround time of voids but maintaining the good practice we have established of involving new tenants early. This includes:

- Increasing the allocations pool for the properties of lesser demand to include applicants who traditionally might not have had priority for social housing
- Where necessary running adverts in the paper for properties
- Beginning a review of our allocations policy to ensure that it retains choice but makes best use of all available stock
- Giving consideration to options for non traditional occupation of some properties – such as flat sharing for single applicants
- Carrying out further analysis of the reasons behind the increase in voids and the properties with lesser demand
- Starting to develop a voids standard for our properties so that the Council, contractors and tenants are clear about the level that we want to bring our empty properties up to
- Increasing investment in our properties, in particular the planned renewal of kitchens to a higher specification and heating systems, reducing in future the amount of work required in voids
- Setting up an SLA with our kitchen and bathroom renewal contractor so that if a new kitchen or bathroom is required then it is installed in occupation, within three months of the new tenancy starting, again reducing the amount of work required at void stage
- Ensuring that work to voids is started as soon as the property becomes available and working with our contractors to manage their resources so that void works are completed promptly alongside responsive repairs works
- Developing and increasing the capacity of our multi skilled workforce to deliver voids maintenance works

- Visiting Norwich City Council to look at their voids operation. Norwich have the same configuration of contractors that we have and some useful lessons were learned
- Consideration given to investing further resources in voids administration to ensure there is sufficient daily drive to make sure each part of the voids system is as efficient, effective and economical as possible
- Wherever possible, ensuring that tenants give the required four weeks notice to vacate the property and that we use those four weeks to start any repair works. That we also enforce the four weeks notice period wherever appropriate when tenants do not give notice
- Bringing in introductory tenancies which will help to instil a culture of new tenants maintaining their homes.

The swift turnaround of voids is an important element of Community Housing's Business Plan and is being given renewed focus by the management team. Some elements of the plan outlined above are ones that we can influence in the relatively short term, whilst others will take longer, however we believe that over the next 6 months we can make significant progress in reducing void turnaround times.