



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Housing Overview and Scrutiny Committee

13 July 2023

Report of: Councillor Phil Dilks
Cabinet Member for Housing and
Planning

Voids Performance and Update

Report Author

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Purpose of Report

This report seeks to update members on the progress of the Council's void properties, the changes in the process in the past year and current performance measures.

Recommendations

That the Committee:

- 1. The Committee notes the performance for 2022/23 regarding void properties.**
- 2. Recommends future reporting on voids to be quarterly, advising on the progress and the performance measures being met.**

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Housing that meets the needs of all residents

Which wards are impacted?

All

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The void rate of the Council's housing stock for 2022/23 was set at 1.5% but the outturn void rate was 2.31%; this is an actual income loss of £646k compared to a budgeted loss of £419k. For 2023/24 the year to date void rate is 3.72% compared to a budgeted rate of 1.5% and therefore the Policy and improvement actions outlined in the report is intended to improve the Council's overall void performance during the course of this financial year.

Completed by: Richard Wyles, Chief Finance Officer

Legal and Governance

- 1.2 There are no legal or governance implications arising from this report.

Completed by: Graham Watts, Assistant Director of Governance and Monitoring Officer

2. Background to the Report

- 2.1 The Council has a clear commitment in its Corporate Plan 2020-2023 to provide "Housing that meets the needs of all residents". As a stock-retained local authority, the Council has statutory and regulatory obligations to maintain and repair all our properties.
- 2.2 There is a total of approximately 5860 properties the Council manages and around 370 properties become vacant each year (known as void properties). Void days

are the days that are accumulated between the property becoming vacant and subsequently relet.

- 2.3 During this period where a property is void there is no rental income being received and we try to ensure that the property is let to the right applicant as soon as possible, in accordance with our Allocations Policy, to minimise rent loss.
- 2.4 In January 2022 a new Void Policy was adopted along with a Void Quality Standard, this was approved by Cabinet at the meeting on Thursday the 13th of January 2022.
- 2.5 The void policy ensures that a clear process is in place for both Officers and residents, adhering to best practice. This also includes practices to make sure that the Council is compliant with current legislation, for example the Regulator of Social Housing's Home Standard and current Landlord Health and Safety, Gas and Electrical requirements. The full policy can be seen in Appendix 2.
- 2.6 Similarly, the Void Quality Standard safeguards that all of the Council properties meet a 'property standard' and the full list can be found in Appendix 1 for the requirements that are to be met. All tenants should refer to their Tenancy Agreement and Tenants Handbook to source their responsibilities for maintaining the property after it has been let from void and properties that do not meet these required conditions are subject to recharges for damage.
- 2.7 Earlier this year we received substantial assurance for the procedures and policy being utilised through the void process via internal audit. Since the introduction of the policy and standard we can evidence an enhanced satisfaction with the properties being relet and are no longer undertaking numerous additional works to properties post re-let.
- 2.8 **Staffing and Restructure**
- 2.9 Through the restructure of the housing directorate, we put enhanced focus on the requirements for the void team. The restructure was signed off in December 2022 and we have recently completed the recruitment to roles within this important team. In the new structure we have a Repairs and Voids Surveyor who takes overall responsibility for the void team and performance, a Voids Contract officer, Voids Supervisor, Voids Inspector, a team of eleven operatives solely focused on minor works void properties and a Customer Contact Voids officer. The structure of the Repairs team can be seen at Appendix 3 – Repairs Team Structure.

2.10 Void performance 2022/23:

- 2.11 The Council currently categorises voids into two classifications of void works, these are:
- Minor works (completed by the in-house team) – this includes day to day repairs including light fitting replacement, replacing broken door furniture, replacing internal doors, rehang doors, minor electrical and plumbing activities, some decorations and matters of a similar small scale.
 - Major works (completed by external contractors) – this includes replacement of elements of the property such as windows, kitchen and/ or bathroom, new doors and rewiring.
- 2.12 Our target for void turnaround is set at sub 60 days. In 2022/23 we completed 241 void properties at an average turnaround of 106.74 days. This performance is detailed in Appendix 4 – Void Performance for 22/23. This screenshot is from our voids performance dashboard and shows the location of the voids that were completed along with the approximate void rent loss resulting from those properties re-let within the year.
- 2.13 Our year end performance is obviously not where we want to be and I can provide assurance that the new team are working very hard to address this position. Best practice within the housing sector has historically been sub 40 days for void turnaround. However, the sector is currently experiencing significant supply chain and resourcing implications and numerous social landlords are now struggling to maintain sub-100-day turnaround.
- 2.14 The Earlesfield project, since early 2022 we held back twelve properties for use on the Earlesfield refurbishment programme. Initially our aim was to utilise these properties throughout the programme to temporarily decant our tenants in to whilst works were undertaken on their properties, since the commencement of the programme it has become more apparent that several the tenants within the programme require smaller properties than they are currently a tenant of. This has resulted in several of the smaller decant properties being let to the tenant rather than being moved back to their previous property, however as these properties have been classified as void for in excess of 420 days this has had a negative impact on our current void performance. The positive impact of this is that we have released several larger properties for relet as a result.
- 2.15 All of our contractors and indeed ourselves have been impacted by supply chain issues. This often results in delays of up to four weeks for such items as kitchen units to be delivered.

- 2.16 The entire sector is suffering from a labour shortage at present with there being a reported shortfall in qualified trades persons in the region of 50,000 nationally. This affects both us and our contractors. To mitigate this, we currently have three contractors delivering void major works for us and we are seeking to add additional contractors to enable us to meet our targets.
- 2.17 We have seen a higher proportion of the properties coming back as voids in need of major works. Historically we had around 20/25% of our voids requiring major works, recently we are seeing upwards of 55/60% of properties requiring major works.

3. Key Considerations

- 3.1 That scrutiny notes the year end performance relating to void properties and understands the national picture in relation to resourcing and supply chain issues.
- 3.2 That scrutiny schedule further updates to this committee to provide assurance that continued progress is made in this key area of business.

4. Reasons for the Recommendations

- 4.1 This report is for noting, comment and discussion.

5. Appendices

- 5.1 Appendix 1 – Void Quality Standard 2022
Appendix 2 - Void Policy January 2022
Appendix 3 – Repairs Team Structure
Appendix 4 – Void Performance for 22/23 (dashboard)