

CABINET

THURSDAY, 25TH JANUARY 2018

REPORT OF THE PORTFOLIO HOLDER FOR HOUSING SERVICES

VOID LETTABLE STANDARD FOR COUNCIL TENANTS

EXEMPT INFORMATION

N/A

PURPOSE

The scope of this report is to outline progress on the development of the Council's void lettable standard used for the reletting of its empty properties. As well as seek support for head-line projects focused on continuous improvement in relation to elements within the Home & Tenancy Standard; part of the regulatory framework covering the letting of council housing stock.

RECOMMENDATIONS

Cabinet:-

- Approve the draft Void Lettable Standard, as an addition to the Repairs Policy, shown at Annex one; subject to consultation with the Tenants Consultative Group (TCG) which includes nominated members of Scrutiny Committee(s))
- Delegate authority to the Portfolio for Housing & Executive Director Communities to approve the Council's Void Lettable Standard following more detailed consultation and the usual assessment against strategic and service planning objectives, notably Housing Revenue Account Business Plan and taking account of outcomes from a community based equality impact assessment
- Endorse, in principle, the head-line actions detailed within the report, which seeks to improve the overall approach to letting council empty homes
- Approve a financial waiver to financial regulations; of up to £10,000; to engage the Housing Quality network (HQN) in the production of an in-service self-assessment and development of the service work-plan incorporating detailed actions to improve empty property management and work within the Landlord Services housing options team.
- Delegate authority to the Portfolio for Housing & Executive Director Communities to approve revisions to the service delivery plan following the HQN Accreditation Lettings assessment under the Landlord regulatory standards, particularly the Tenancy, Home and Tenant Involvement & engagement standards

EXECUTIVE SUMMARY

The regulation of empty property management for landlords is clearly set out in the national consumer standards provided by the HCA; required outcomes expect the Council to make best use of its own stock and ensure full compliance with health and safety with regard to the decent homes standard. Full details can be found by clicking on this link - <https://www.gov.uk/government/publications/regulatory-standards> . This report therefore details the direction of travel and proposes the engagement of independent and critical challenge (via HQN) to progress projects aimed at improving its Landlord void & lettings housing management and maintenance service.

Officers reported annual performance against those standards to Cabinet on the 28th September 2017 and members will know that void turnaround and associated rent loss is currently top quartile when benchmarked with 'best in class' partners. Paying attention to outcome based service satisfaction however shows there is need for improvement as new tenants' report decoration and standards of cleanliness are not as good overall. Details of the latest satisfaction report are shown at annex two.

The Council's existing Void Lettable Standard does:-

- Meet the current statutory requirements for health and safety/ housing legislation i.e. gas and electrical safety checks and certificates etc.
- Give consideration for any additional works that may be required at the same time to meet the decency standard
- Provide Council properties that are safe and returned in a fully-lettable condition in order to protect the value of the Council's housing stock
- Not lead to high refusal rates and does achieve the aim of letting first time and sustaining tenancies to reduce void rent loss and void time
- Maximise value for money within the new repairs contract rates
- Fit within current budget provisions
- Minimise applicants time on the waiting list and has contributed to reducing timescales for those households in temporary accommodation.

The Council's strategic ambitions include a commitment to the delivery of quality services and the Portfolio Holder for Housing is committed to the improvement of the Council's Void Lettable Standard. To that end, Cabinet are asked to endorse the following head line actions, *in principle*, subject to the usual project implementation and approval from the Portfolio Holder for Housing as specific work-streams are developed and worked up into detailed procedures.

It is expected these actions will form the evidential basis to support a detailed self-assessment and be developed in conjunction with HQN (who offer an independent accreditation service) that can test and ensure service competency aimed at improving satisfaction. It is recommended that this will be led by a Corporate task and finish group; who will apply SMART indicators to the proposals below and which will then be considered by the Portfolio Holder for Housing and TCG as they come forward for approval via appropriate mechanism.

Corporate Strategic Priority	Headline Service-Delivery Action	Outcome
Delivering Quality Services	<p>Implement Lettable Standard using principles attached in Annex one</p> <p>Benchmark using HQN accreditation services to ensure consistent and continuous improvement</p> <p>Introduce and improved accompanied viewing prior to re-letting so that applicants can inform and understand the landlord service offer</p> <p>Review the finding a home scheme so that where possible the system is digitised and waste demand is reduced so the focus in on adding value, i.e. sign up</p> <p>Develop the tenant inspectors to routinely and randomly audit some of the councils voids against the adopted lettable standard</p> <p>Caretakers provide post-move in service to assist with 'handy-person' type items, i.e. rubbish removal linked to exploration of recycling schemes detailed below</p>	<p>Customer Satisfaction above 90%</p> <p>Access to consistent and improved Services</p> <p>Consistent Service Standards</p>
Growing Strong Together in Tamworth	<p>Work with charitable and third sector organisations to offer a 're-cycling' services to provide basic items where required on move in</p> <p>Maximise opportunities within HRA business plan affordability levels to invest in cyclical and environmental programmes subject to budget setting process</p> <p>Review of the Councils "Swap & Move" scheme aimed at national mobility and that is currently due to expire to ensure all housing options are maximised and seek to reduce void turnaround and promote mutual exchange</p>	<p>People have access to range of housing options</p> <p>Great place to live</p>
Living a Quality Life	Decorate and tailor services for all sheltered/adapted housing stock -	Built and natural environment conserved

<p>in Tamworth</p>	<p>where people are not able to decorate themselves</p> <p>Increase the current decoration voucher from £25per room to £50per room and review the way in which vouchers are administered</p> <p>Review the Councils 'Tenant Reward Scheme' to ensure it remains fit for purpose; reporting back to the Portfolio Holder for Housing on effectiveness of current scheme.</p> <p>Introduce a scheme to tackle fuel poverty with the Councils repairs contractor, often referred to as "affinity deal"</p>	<p>People live independently</p> <p>Fewer vulnerable people requiring specialist services and intensive tenancy sustainment</p>
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18 AMBITIONS TO 2020

- More people will live longer, healthier lives
- Fewer children will be obese and run the risk of heart disease and diabetes
- People will feel safer and less fearful of crime and anti-social behaviour
- The built and natural environments will be conserved to the highest possible standards
- More people will be living independent lives with access to facilities
- There will be fewer vulnerable people requiring specialist services
- More businesses will locate and succeed in Tamworth
- People will have access to a full range of quality housing options
- Local infrastructure and connectivity will support an active workforce and help grow the economy
- The Council will be recognised as both business friendly and businesslike in the way it facilitates and operates
- Tamworth town centre will be regenerated and complement the outstanding retail and leisure offer
- Tamworth will mean 'a great place to live' not simply 'a place with more houses'.
- The Council will have a Commercial Investment Strategy and an associated trading arm designed to invest in assets/other means of sustainable income generation
- Customer satisfaction levels will be maintained above 90%
- Access to all Council services will be improved
- The Council will set and maintain service standards that will be consistent, accessible and delivered by skilled staff
- We will save you time and money by doing business with you online
- Fewer customers will have to visit the Council offices to resolve their issues

17 KEY PROJECTS BY 2020

- Maintaining and managing the environment within Tamworth
- Delivery of the Community Safety Partnership
- Delivery of an effective regulatory service
- Growth and Regeneration in Tamworth
- Tinkers Green and Kerria regeneration
- Garage sites redevelopments
- New repairs contract
- Preparation for collection of the Business Improvement District (BID) levy
- Business rates retention
- Commercial opportunities in business decision-making
- Heritage, leisure and events
- Organisational well-being
- Digital customer services
- Corporate knowledge hub
- New General Data Protection Regulations
- Office 365
- Self-service

6 CORE PURPOSES

- Provide the democratic leadership and high ethical and professional standards
- Work with our communities and agencies to address the priority
- Offer a range of services and advice focused upon the needs of our communities
- Work together to support individuals and communities to improve
- To work hard to understand the needs of our communities and
- To ensure the values and actions of the organisation are

Focusing on the areas listed overleaf and developed in consultation with the Councils Tenant Consultative Group (and nominated scrutiny members), ensures that the implementation of the revised void lettable standard and associated action plan:-

- Represents value for money and takes account of wider commercial considerations impacting on the Housing Revenue Account which is also being worked on and due to be presented to cabinet on 26th April 2018.

- Links to opportunities to adopt a price per void as part of an assessment on suitability of different delivery vehicles for its repairs service
- Focuses on benchmarking activity with other providers to ensure top quartile performance in turnaround time as well as customer satisfaction.
- Looks at alternative ways to add social value with its decorating; handyperson and upcycling schemes so as to assess opportunities for social enterprise.
- Takes place in support of wider asset management and stock condition assessments to ensure void costs are balanced with ensuring works, where possible are done on a cyclical and planned basis so that the service offer does not compromise on reletting and applicant waiting times.

MATTERS FOR CONSIDERATION

Task & Finish Group

It is recommended that a corporate task and finish group is set up to scope, progress and seek approval for the projects detailed within the report. It is recommended that the scope of this action plan is agreed with the Portfolio Holder for Housing as it is likely that following the self-assessment, the resulting action plan will span several years (2018-2021) given the cross-cutting themes around digitisation; service access and in view of wider corporate ambitions around the Councils repairs service.

Lettings Performance

The management of void properties is an important part of Tamworth's Landlord Services work. The performance in re-letting its properties is measured by local key performance indicators as well as nationally. This indicator is an efficiency measure that records the time taken by a landlord to let properties which have not been subject to major repairs. The measure is important for two main reasons: firstly, if properties are let quickly the rent losses are minimised and secondly if properties are let sooner the households in need will gain access to accommodation more quickly.

Social housing is regulated by the *Homes & Communities Agency (HCA) - Regulatory Standards (2012)*, specifically the Home & Tenancy Standard(s) requiring the minimising of time properties are empty between lettings. Tamworth has set targets to achieve a high standard in void turnaround time.

Landlord Services Performance

Year	Tamworth - Average number of days to relet local authority (standard void)	HouseMark – national average relet time benchmark
2016/17	17 days	Upper quartile 21 days
2015/16	14 days	Upper quartile 19 days
2014/15	16 days	Upper quartile 18 days
2013/14	15 days	Upper quartile 20 days
2011/12	13 days	

Landlord Services has enjoyed top quartile re-let performance for the past 6 years, it

now aims to develop and improve tenant satisfaction of its empty properties; it recognises the importance to consider the standard of the properties from new incoming tenants' perspective to drive service delivery and improvement.

Empty property / Void works Spend

Based on the past 5 years, 285 is the average number of voids per year. The average cost per void amounted to £2,337.57 with an average time scale of circa 15 days to complete.

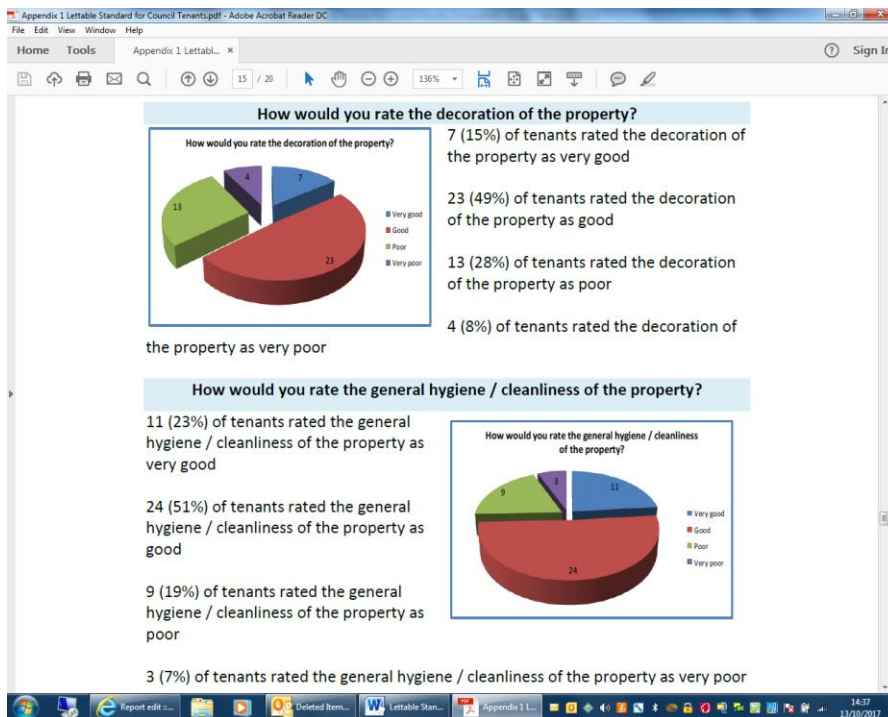
Years	Void Costs	Number of voids	Average void spend
2012/13	£613,883.90	313	£1,961.29
2013/14	£758,507.39	304	£2,459.09
2014/15	£676,757.04	291	£2,325.63
2015/16	£622,994.18	295	£2,111.84
2016/17	£668,241.69	226	£2,956.82
Total	£3,340,384.20	1429	£2,337.57

Tenant Satisfaction with the Void Lettable Standard

The tenant regulatory and involvement team quarterly assess satisfaction across a range of services. The Quarter 2 report concerning new tenancy inspections relating to the void standard is shown at annex two. Whilst overall satisfaction with the void has been steadily increased as shown below; satisfaction with the standard of decoration falls below expected standards, also shown the below table.

New tenant satisfaction levels (extract from annual new tenant survey reports)

Were you happy with condition of your home	Years
56%	2012-13
65%	2013-14
67%	2014 -15
71%	2015 -16
82%	2016-17



HQN Accreditation for Lettings

HQN offer an independent accreditation service **and is the only system specifically designed for the full range of lettings and void management**. The accreditation aims to ensure the service offer is regulatory compliant and achieves fundamental aims around

- Helping those in most need and supporting the housing strategic function with preventing homelessness in the context of the HRA 2017
- Creating sustainable tenancies
- Minimising rent loss and turnover
- Stimulating customer satisfaction through targeted support to create thriving and independent tenants/tenancies.

HQN can support the Council with its initial self-assessment – costing £6500 and there is an annual monitoring and performance cost of £1500. It is recommended that a financial waiver of up to £10,000 is approved to allow for additional capacity to be engaged on the development of the project work identified. Copies of HQN accreditation are available.

Draft Void lettable Standard

The current void lettable standard focuses mainly on the physical condition of properties and does not address the cosmetic issues like decoration. It seeks to ensure the property meets statutory requirements for Health and Safety and Housing Legislation. The standard is largely the same when benchmarked against other providers but it should be noted it is a minimum standard.

The draft void lettable standard attached does include proposals around decorating and is the basis for discussions going forward.

Meeting the decent homes standard

Closely linked to the void lettable standard is the decent homes standard which the Council is required to comply with and continues to do so through its planned Capital Programme to provide good quality housing;

- A kitchen less than 20 years old
- A bathroom less than 30 years old
- Effective heating and insulation
- Sound roof and external wall structures
- Sound electrics

When undertaking void works consideration is given for any additional works that may be required at the same time to meet the decency standard so as to minimise re-let periods and applicants time waiting.

The revised lettable standard will ensure

- Compliance with the decent homes standard
- Targeted and additional decorating for sheltered schemes
- Increase of the decorating voucher from £25 per room to £50 per room
- Enhancements to accompanied viewings
- Links to planned works to ensure turn around time and rent loss is minimised
- Links to the Councils digital agenda to improve its finding a home service

Lettings Action & Service Delivery Plan

Should Cabinet approve the table detailed earlier in the report then the key actions will form part of a wider assessment in conjunction with HQN and a SMART action plan agreed with the Portfolio Holder of Housing providing a framework for improvement for the next three years (2018-2021)

Headline Service-Delivery Action	Indicative timescale
1. Implement Lettable Standard using principles attached in Annex one	December 2018
2. Benchmark using HQN's accreditation services to ensure consistent and continuous improvement	Initial Scope and engagement March 2018
3. Scope an improved accompanied viewing approach prior to re-letting so that applicants can inform and understand the landlord service offer	Summer 2018
4. Review the finding a home scheme so that where possible the system is digitised and waste demand is reduced so the focus is on adding value, i.e. sign up	Scheme of Delegation underway to engage Emerald on scoping initial improvements but likely to be 2018/19
5. Caretakers provide post-move in service to assist with 'handy-person' type items,	December 2018

<p>i.e. rubbish removal linked to item 6 below.</p>	
<p>6. Work with charitable and third sector organisations to offer a 're-cycling' services to provide basic items where required on move in</p> <p>7. Maximise opportunities within HRA business plan affordability levels to invest in cyclical and environmental programmes subject to budget setting process</p> <p>8. Review of the Council's "Swap & Move" scheme aimed at national mobility and that is currently due to expire to ensure all housing options are maximised and seek to reduce void turnaround and promote mutual exchange</p>	<p>Summer 2019 with outline scheme</p> <p>Part of the budget setting process 2018/19</p> <p>March 2019</p>
<p>9. Decorate and tailor services for all sheltered housing stock where people can not decorate for themselves</p> <p>10. Increase the current decoration voucher from £25 per room to £50 per room and review the way in which vouchers are administered</p> <p>11. Review the Council tenant reward scheme to ensure it remains fit for purpose; reporting back to the Portfolio Holder for Housing on effectiveness of current scheme.</p> <p>12. Introduce a scheme to tackle fuel poverty with the Council's repairs contractor, often referred to as "affinity deal"</p>	<p>Post Cabinet – February 2018</p> <p>Post Cabinet – February 2018</p> <p>Summer 2019</p> <p>March 2019</p>

FINANCIAL IMPLICATIONS

The financial implications of the projects listed will be assessed as they are brought forward for implementation. The current void budget is £886,490 and average void costs are £2,370. The proposed void lettable standard will attempt to ensure the service offer is consistent and is aimed at improving overall efficiency of letting properties rather than increase overall costs.

Increasing the value of the existing decorating voucher(s) and/or by offering decorating within sheltered can be met from within existing budgets. Current budgets for items such as **tenant's removal expenses** and the **decorating budgets** are historically underspent and therefore by offering a £50 voucher instead of £25 per room can be met from those budgets. Equally the overall repairs budget is historically underspent, to introduce a targeted decoration scheme for sheltered & adapted properties is affordable. Sheltered accommodation accounts for around 20% of annual void turnover (47 voids out of 226 in 2017); spending up to an additional £500 per sheltered property will total around £23,500 per annum and can be met from the existing repairs budgets..

A financial waiver to financial regulations; of up to £10,000 is sought to engage HQN as detailed in the report. This can be met from existing budgets earmarked for consultancy support. Work with HQN will commence from April 2018.

LEGAL/RISK IMPLICATIONS BACKGROUND

Risk	Mitigation
As the Housing Revenue Account's (HRA's) primary source of income is derived from rents, void works must be achieved in required timescales to reduce the length of time that a property is empty, therefore minimising the amount of rental income lost and this must be balanced against customer satisfaction	<ul style="list-style-type: none"> • Clarity of service offer • Refreshed void lettable standard • Clear action plan linked to HRA business plan and the Councils stock condition and Asset management strategy
Repairs contractors not delivering the approved new void lettable standard/timescales of works resulting in increased levels of tenant dissatisfaction, prospective tenants waiting longer for a property, refusal of properties and properties being returned back to contractor for additional works.	<ul style="list-style-type: none"> • Set out Tamworth Borough Council's Void Lettable Standard ensuring that all staff, contractors and tenants are aware of exactly what condition the council expects of its empty properties.
Tenants expectations of void works not met	<ul style="list-style-type: none"> • Set out Void and Lettable Standard ensuring that all tenants are aware of exactly what condition the council expects of its empty properties

	<ul style="list-style-type: none"> • Set in place systems for monitoring the standards of void properties and customer satisfaction with their new home. • Void Lettable Standard leaflet will be given to all new tenants when they view the property so that they know what to expect in their new home.
Budget not being available	<ul style="list-style-type: none"> • Budget planning
Change to statutory requirement/legislation for standard of void works	<ul style="list-style-type: none"> • Conduct a review of letting standard including budget

Timetable & next Steps

Cabinet Approval of Draft Void Lettable Standard for further consultation	25 th January 2018
Establishment of a task & finish group in consultation with TCG and members of Scrutiny to scope actions detailed in the report	February 2018
Engagement of HQN in order to scope and self-assess the lettings service to include the service delivery plan for the Portfolio Holder of Housing Approval	March 2018
Scoping & timetabling of detailed action and service plan following HQN assessment and preliminary consultation with TCG & Scrutiny members	March-April 2018
HQN Accreditation; Lettings Improvement work-plan – seek approval from Portfolio Holder for Housing to adopt lettable standard and receive delivery plan / updates on key work areas	Autumn 2018 - 2021

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List of Appendices

Annex One – Draft Void lettable Standard

Annex Two – Customer Satisfaction report

