

Monday, 22 April 2024

Report of the Assistant Director, Assets**Housing Voids Update****Exempt Information**

Not exempt.

Purpose

This report is intended to provide Corporate Scrutiny Committee with an update on the current status of housing voids following a series of questions raised by the working group.

Recommendations

It is recommended that:

1. Consider and provide comment regarding the content of the report for incorporation into service and policy development including wider Service Improvement Plan for the repairs service.

Executive Summary

Further to the formation of a repairs working group by the Corporate Scrutiny Committee a number of questions were posed in relation to void repairs. This report sets out to respond to those specific question as well as highlight other matters that have been identified whilst collating data for the response to Corporate Scrutiny Committee.

Questions arising from the working group

Question	Response
Delays and quality of work	<p>There have been some issue with the standard of cleaning in voids that have been presented for handover. These are being addressed by the team and will also be picked up as part of the wider service improvement plan that is being developed for the repairs service and that will be presented to the Housing and Homelessness Advisory Board</p> <p>There have been some issues with the general quality of works, these are addressed in the question about quality checks and snagging below.</p> <p>Some handovers have been delayed due to delays in issuing certificates, properties</p>

	<p>can't be signed off and let without all relevant paperwork being available.</p>
<p>Time taken / loss of rental income due to delays.</p>	<p>There are 4 categories of voids each with different target turnaround time based on the value of works to be completed.</p> <p><£521.51 = 3 Days £521.52 - £2086.20 = 5 Days £2086.21 - £5215.50 = 10 Days >£5215.51 = Minimum 20 Days</p> <p>The average weekly rent is currently £92.87, this will obviously vary based on the size and type of property in question.</p> <p>The table below shows details of the voids by value and includes information on completions against target and estimated void loss amounts.</p> <p>Of the 250 voids completed in 2023/24 70 were in excess of £5215.51.</p>
<p>Is there a standard process from keys handed back to re-let through Choice Based Lettings?</p>	<p>There is a 'key to key' process in place with the contractor for their element of the works. A copy of the process can be found at Appendix 1.</p> <p>Anticipated completion dates are communicated to the Voids & Allocations Team by the contractor on a regular basis. More work is needed to improve the accuracy of the data being provided so as to better enable the Voids and Allocations team to allocate properties at the earliest possible opportunity.</p> <p>The Project Officers, Contractor and Voids & Allocations Team meet to discuss void progress, information on projected handover dates is discussed at these meetings.</p> <p>It is recognised within the team that further work is needed to develop the 'key to key process' and to build confidence in the information being supplied by the contractor.</p>
<p>Do Equans have the contract for Voids? How exactly is it contracted. Heard a rumour there are 3 contracts.</p>	<p>Equans are the prime contractor responsible for the delivery of void works. The works are delivered under the same NatFed contract that is in place for repairs and elements of planned works. Works are issued and monitored through the Orchard Housing Management System.</p> <p>We are currently in discussions with Wates in relation to delivering some of the higher cost voids that need capital improvement</p>

	works as these are more akin to minor refurbishments than voids. It is likely that any voids falling into this category will fall outside of the normal voids process due to the value and extent of the work required.
KPI's on Voids - can we separate out the more difficult ones to give us a clearer picture	Of the 250 voids completed in 2023/24 70 were in excess of £5215.51. See table below for details of high-cost voids.
Are there priority orders in which they are undertaken - 1 bed / 2 bed etc...	Voids tend to be done in date order as that is the way the KPIs are set up. There have however been occasions when the Voids & Allocations team have requested that certain properties are prioritise due to a specific need.
Are delays due to availability of subbies?	There have been some delays arising from availability of staffing resources but by far the largest impact on turnaround times is the condition of properties that are handed back to us as evidenced by the large number of voids falling into the >£5215.51 category. Equans have made some management changes with the aim of improving void response times. It is also recognised that delays can occur when a large number of voids arise occur within a short period of time.
Do we quality check the work? Are there quality controls?	A Tamworth Borough Council Project Officer will inspect all voids at handover, they also check the invoices to ensure that the work being invoiced has been completed on site.
Are there snagging reports / processes?	Following a handover inspection the Project Officer emails details of all snagging items to the contractor for completion. For minor snagging items the contractor sends a photograph to confirm completion. For more major snagging items, the Project Officer will re-inspect

Void Completion Data including Rent Loss

Void Category	Target Days	Total Voids	%ge complete on time	Average Time to Complete	Average number of days overdue	Total Void Loss due to late completion
<£521.51	3 Days	27	14%	9.6	6	25 weeks £2,321.75
£521.52 - £2086.20	5 Days	80	12.5%	14.48	9.5	108 Weeks £10,040.76

£2086.21 - £5215.50	10 Days	73	1.4%	40.1	30	323weeks £30,029.31
>£5215.51	Min 20 Days	70	N/A	70.1		N/A

It should be noted that many of the voids falling into to the 10 day category will have required works of an improvement type nature.

The above table only shows the original target completion date for voids, in some cases additional works are identified at the time of handover and this will delay the actual handover date. In some cases, the delays on a per property basis have been minimal and are related to the late presentation of documentation.

In compiling this report, it has been identified that there are discrepancies in the data held within the Orchard Housing Management System and the data collated manually by the Voids & Allocations Team. This has been discussed with the contractor, the Repairs team and the Voids & Allocations Team and a single source of data has been agreed.

Clearly the performance around void completion times is currently inadequate; void performance forms part of the Repairs Service Improvement Plan and is being closely monitored by the team. With effect from 1st April 2024 Liquidated and Ascertained Damages [LAD] are being applied to all void properties returned late, this will offset some of the loss of rental income associated with void properties that are returned late, in line with the contract the LAD sum would be £20 per day.

High-Cost Voids

As indicated there have been a large number of high-cost voids, those in excess of £5215.51, a total of 70 in 2023/24 representing 28% of all voids. Many of these voids are high-cost due to condition in which they were returned to the Council by the tenant; unauthorised home improvements and large volumes of rubbish are major causes of high-cost voids, vandalism and general damage is also a significant issue. Some voids have been in excess of £25,000 and up to circa. £50,000.

Recharges

Where a void is handed back and requires a large amount of work due to unauthorised works, excessive amounts of rubbish, damage and vandalism that are attributable to the tenant attempts are made to recover some costs through the recharge process. The current amounts identified for rechargeable repairs is currently £150,535, the amount recovered is generally under 50% of the amount sought with many tenants never making any payment, the current repayment is circa. £52,000.

Options Considered

The primary purpose of this report is to respond to the questions raised by the working group formed by the Corporate Scrutiny Committee.

1. Based on the information obtained in collating this report one possible option that may need to be given consideration is using the 'step in' clauses within the contract that will allow the Council to issue works to an alternative contractor to undertake works with any additional costs being recovered from the primary contractor.
2. As set out in the report there appears to be an issue with the number of 'high-cost' voids that are being presented to the Council at the end of a tenancy. This is impacting on the turnaround times, loss of income and increased expenditure. As part of the Council's commitment to the Service Improvement Plan consideration will be given to

how the tenancy management process can assist in reducing the causes of the 'high-cost' voids.

Resource Implications

Improving void turnaround times will reduce rent loss and the application of Liquidated and Ascertained Damages will offset an element of rent loss for those voids returned late.

Legal/Risk Implications Background

Data integrity needs to be constantly reviewed and assessed for accuracy.

Equalities Implications

None specifically identified as part of this report as it is a response to questions posed by Committee and provides data to support the responses.

The lettable void standard and void response times will be included in the updated Housing Repairs Policy which will receive a full Equalities Impact Assessment prior to submission to Cabinet for approval.

Environment and Sustainability Implications (including climate change)

None specifically identified as part of this report as it is a response to questions posed by Committee and provides data to support the responses.

The lettable void standard and void response times will be included in the updated Housing Repairs Policy which will receive a full Environmental Impact Assessment prior to submission to Cabinet for approval.

Background Information

This report has been produced in response to a series of questions posed by a working group formed under the Corporate Scrutiny Committee.

Report Author

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List of Background Papers

None

Appendices

Appendix 1 – Void Process

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