

ABERDEEN CITY COUNCIL

COMMITTEE	Operational Delivery
DATE	16 September 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Void Housing property performance
REPORT NUMBER	CUS/21/198
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Derek McGowan
REPORT AUTHOR	Derek McGowan
TERMS OF REFERENCE	1.1.3

1. PURPOSE OF REPORT

- 1.1 At Operational Delivery Committee on 19th November 2020, it was agreed that a report would be brought to a future meeting of the Committee to provide an update on the progress of managing Void Housing.

2. RECOMMENDATION

- 2.1 That the Committee notes the current position regarding Void Housing performance.

3. PERFORMANCE

- 3.1 Aberdeen City Council is the fifth largest Social Landlord in Scotland, with c22,000 homes available for rent. Currently, 3.9% (865) are classed as 'Void', meaning that they are not currently occupied and are in the process of being returned to let, or in the case of 'buy backs' preparing the property for letting following completion of purchases. This figure is broken down into four categories:

- Properties that are unable to be relet (UTBR). These are properties requiring significant repair / capital works; for example where the property is at the stage of requiring an electrical or heating system upgrade or has suffered from fire damage.

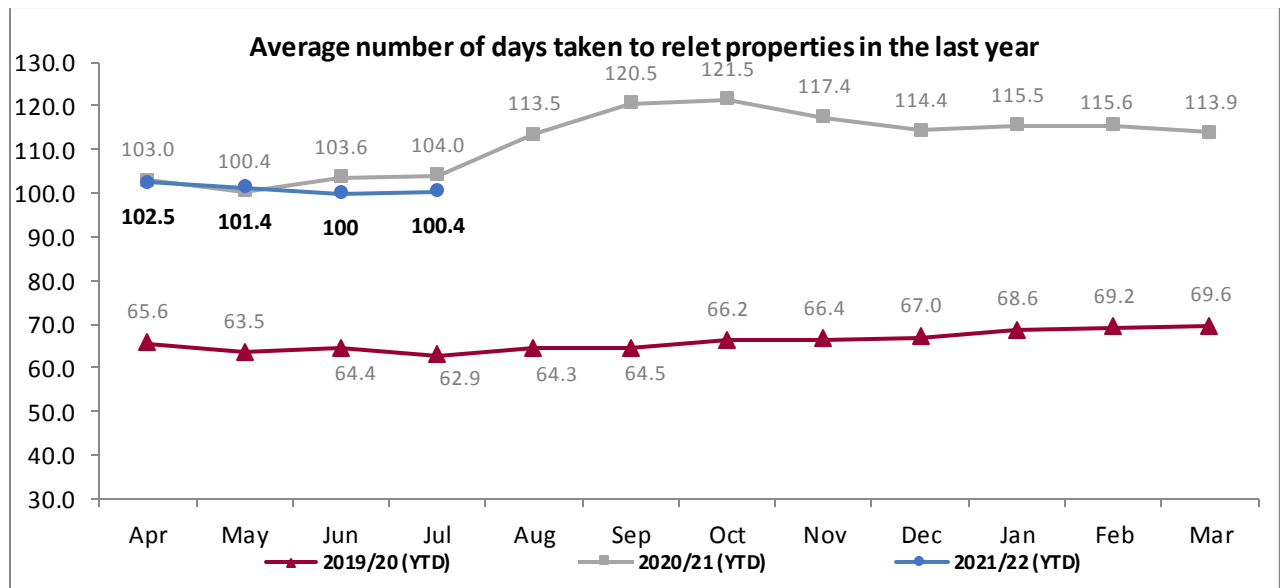
- Buy back properties, which are properties the Council is buying in line with Council Policy, where this purchase will result in the Council being either majority or complete owner in a block of flats; or where a house of specific size or type would help meet our aims of increasing housing stock.
- Properties that are undergoing routine void repair processes
- Properties that have been repaired and checked and are ready for relet.

3.2 As of the 23 August 2021, the figures for these are as follows:

Category of void property	Total number	Percentage of total
UTBR	153	18%
Buy back properties	116	13%
Undergoing routine void repair process	439	51%
Ready for relet	156	18%
Total	864	100%

3.4 We report two main void property indicators to the Scottish Housing Regulator annually as set out in Charts 1 and 2.

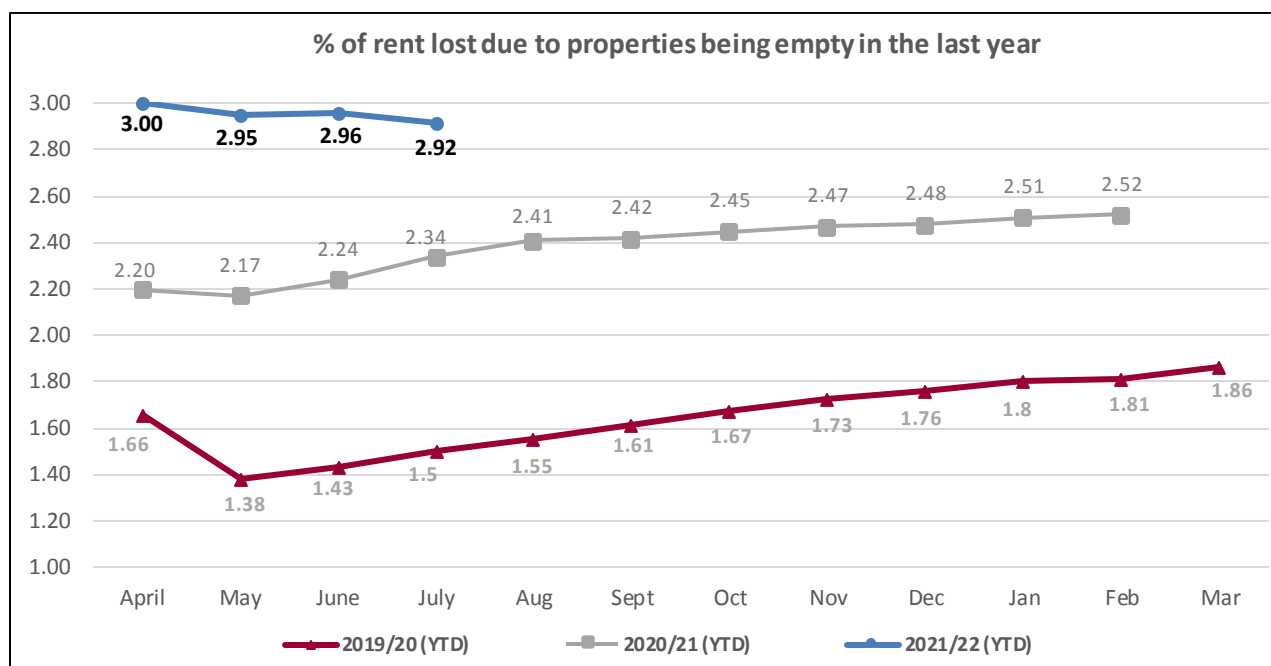
Chart 1 - Average length of time taken to re-let properties in the last year.



3.5 For the reporting year 21/22 the average time to re-let all properties is 100.38 days, a decrease when compared to the same time last year where the figure stood at 104.0 days.

3.6 The latest Scottish Housing Regulator published figures for the first quarter of this year shows that the Scottish local authorities average is at 62.19 days which is a significant increase from previous years. The impact of the COVID crisis is considered to be the main factor.

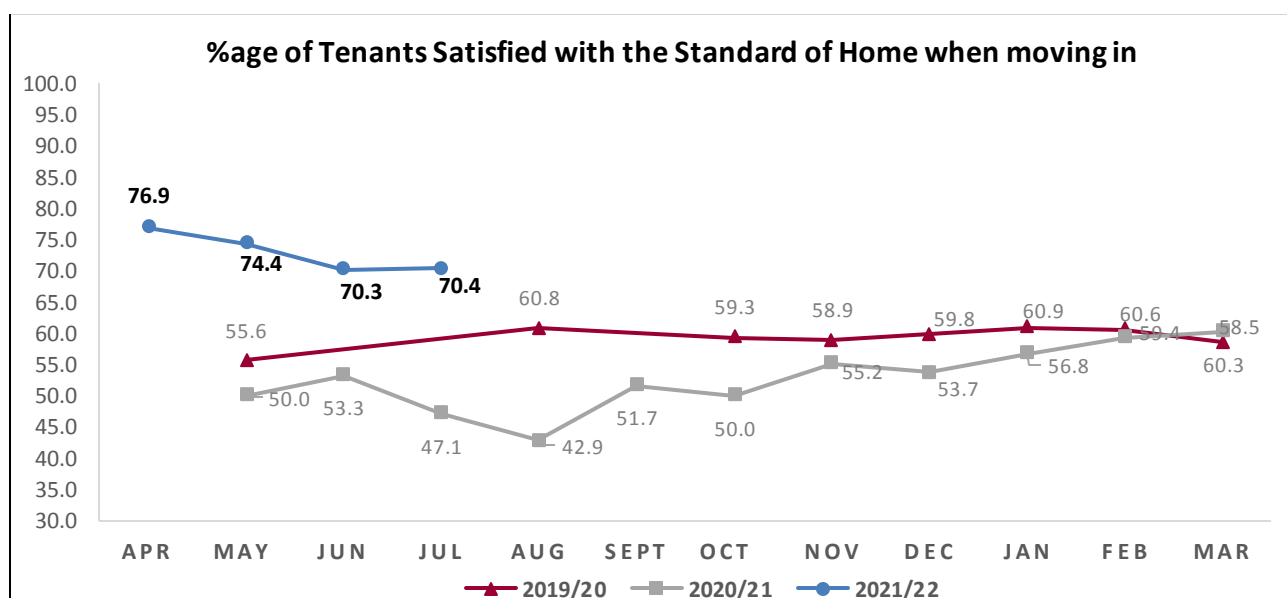
Chart 2 - Percentage of rent lost due through properties being empty during the last year.



3.7 For the reporting year 21/22 the percentage of rent lost due to void properties is 2.92%, an increase on the same period last year where it stood at 2.34%. However we are now experiencing a slightly improving trend through 21/22.

3.8 The latest Scottish Housing Regulator published figures for the first quarter of this year shows that the average for Scottish Local Authorities is 1.4%.

Chart 3 – percentage of tenants satisfied with the standard of home when moving in



3.9 For the reporting year 21/22 the percentage of tenants satisfied with the standard of their home when moving is substantially higher at 70.4% than the 2019/20 year-end figure of 58.5%.

4.0 CHALLENGES

- 4.1 We continue to experience relatively high levels of terminations and lower demand. The availability of private rented housing in the city along with the significant decrease in rent charges and enhanced tenants' rights in the private sector is a key driver for the increase in terminations and reduced demand. However, we have increased the number of lets with 728 relets so far this financial year. This compares favourably with 671 in the same period in 2019/20.
- 4.2 The quarterly reporting by the Scottish Housing Regulator shows a significant increase in the average relet times for all Scottish Local Authorities. The main reason for this is COVID operating restrictions. The previous report submitted to Operational Delivery Committee in January 2021 outlined the impact that workplace restrictions introduced during the Covid-19 pandemic is having, resulting in significant delays to repairs, and a consequent increase in the number of void properties during 2020. While these restrictions have been reduced, we are limited in the number of trades personnel that we may have in a property at any one time. Hence, COVID is a significant factor in Aberdeen as it is also for all other local authorities in Scotland. We continue to monitor and adapt to Scottish Government guidance.
- 4.3 Lack of availability of trades staff to meet work demands in the North-East is an increasing problem. Building Services continue to actively recruit trades staff and temporary agency staff to carry out these works. However, due to the current labour market there is little or no interest. The service is also seeking additional temporary contractors to off-set the demand, again this is proving challenging. Further, the nationwide shortage of building materials is also impacting on repair timescales.

5.0 SERVICE IMPROVEMENT

- 5.1 The Chief Officer – Early Intervention and Community Empowerment and Chief Officer – Operations and Protective Services are leading the delivery of the corporate improvement project on voids management. These senior officers co-chair a group of officers from the range of services involved in the voids process to oversee delivery of the improvement plan and assess impact.
- 5.2 The plan contains a variety of actions aiming to increase levels of customer satisfaction and reduce overall void periods including:
- Increasing tenancy inspections prior to a tenant vacating a property
 - Refusing transfers when tenant has not taken reasonable care of the property
 - Enhanced application checks to reduce offer refusals
 - New Letting Standard for Council properties
 - Tenants' incentives

- Additional trades staff deployed

5.3. As earlier stated, securing sufficient trades staff to undertake repair and maintenance work is a challenge affecting the North-East. However progress has been made through the appointment of an external contractor.

5.4 The demand on the building services has increased steadily due to some properties needing upgrades, in line with maintenance schedules, such as kitchen and bathroom replacement, electric and heating upgrades. These works are required to ensure that the properties meet any updated Scottish Housing Quality Standard (SHQS) requirements at time of let.

5.5 Committee will be aware, at the Strategic Commissioning Committee in February 2021, authorisation was granted to commission an external contractor to assist with returning void housing properties to let. There were 13 respondents to the original commissioning tender, however only one returned the completed tender documentation, and after due process had been completed the contract was awarded to Morrison Construction, with work beginning on the contract in July 2021.

5.6 The investment in additional resources delivered through building services and the contractors is now supporting an increase in the rate of completion of voids work.

6.0 FINANCIAL IMPLICATIONS

6.1 There are no direct financial implications from this report.

7. LEGAL IMPLICATIONS

7.1 There are no direct legal implications arising from the recommendations of this report.

8. MANAGEMENT OF RISK

8.1 Void property risk is most prevalent in four key areas:

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Number of void properties	There is a risk that the number of void properties does not reduce.	H	Officer group looking at all aspects of Void performance to identify improvements. Approval to commission external support for reducing the number of void properties.

Void rent loss	There is a risk that void rent loss does not reduce, and that this may affect the Housing Revenue Account budget.	H	Officer group looking at all aspects of Void performance to identify improvements. Approval to commission external support for reducing the number of void properties.
Relet times	There is a risk that relet times do not reduce, affecting void rent loss but also affecting those on the waiting list who are in temporary accommodation and unable to access a permanent Council house. Temporary accommodation is more expensive than mainstream accommodation and this may have an impact on household income.	M	Approval to commission external support for reducing the number of void properties. Close monitoring of allocations made to those in temporary accommodation to ensure they are progressing to settled accommodation as soon as possible.
Council House waiting list	There is a risk that the Council House waiting list does not reduce due to the rate of empty properties.	M	Officer group looking at all aspects of Void performance to identify improvements. Approval to commission external support for reducing the number of void properties.

7. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
Aberdeen City Local Outcome Improvement Plan	
	Impact of Report
Prosperous Economy Stretch Outcomes	This is an update report with no recommendations. However, improvement in void property management will aid the achievement of the LOIP outcomes in the following areas: Stretch Outcome 1 – No one will suffer due to poverty by 2026.

Prosperous People Stretch Outcomes	<p>This is an update report with no recommendations. However, improvement in void property management will aid the achievement of the LOIP outcomes in the following areas:</p> <p>Stretch Outcome 6 - As corporate parents we will ensure 95% of care experienced children and young people will have the same levels of attainment in education, health and emotional wellbeing, and positive destinations as their peers by 2026</p> <p>Stretch outcome 10.3 - Changing attitudes about domestic abuse in all its forms and ensuring victims receive access to the right support.</p> <p>Stretch outcome 11.1 - Supporting vulnerable and disadvantaged people, families and groups.</p>
Prosperous Place Stretch Outcomes	The proposals in this report have no impact on the LOIP.
Regional and City Strategies	The proposals in this report have no impact on the Regional and City Strategies.
UK and Scottish Legislative and Policy Programmes	<p>The Housing (Scotland) Act 1987 as amended by the Housing (Scotland) Act 2001 and the Housing (Scotland) Act 2014.</p> <p>The other legislative provisions concerning the allocation of social housing and meeting the needs of homeless households set out in the Housing (Scotland) Act 2001 and Homelessness etc. (Scotland) Act 2003.</p>

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Full IIA not required. No adverse equality or human rights issues were identified from the assessment.
Data Protection Impact Assessment	No full DPIA required. Screening document completed.

9. BACKGROUND PAPERS

None

10. APPENDICES

11. REPORT AUTHOR CONTACT DETAILS

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