

ABERDEEN CITY COUNCIL

COMMITTEE	Communities, Housing & Infrastructure
DATE	19 May 2016
DIRECTOR	Pete Leonard
TITLE OF REPORT	Void Property Performance
REPORT NUMBER	CHI/16/071
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

This report sets out the significant progress that has been made in improving void property management since the implementation of our transformation action plan in October 2015.

2. RECOMMENDATION(S)

It is recommended that Committee;
Note the considerable improvement in performance
Note the intention to keep special performance improvement measures in place
Note the intention to continue to develop measures to improve performance further
Receive a further update report in 6 months' time.

3. FINANCIAL IMPLICATIONS

Our improving performance is resulting in substantial reductions in void rent loss. Void rent loss for 2014/15 was £1.53M (1.92%) and this has now reduced to £1.36M (1.66%) for 2015/16.

Based on void levels remaining as at 31 March 2016, void rent loss for 2016/17 is projected at £804,283 (0.94%) however we anticipate that improving trends shall continue and 2016/17 rent loss will be lower than this projection. Void rent loss for 2016/17 is budgeted at £1.1M. Hence, our improving voids performance gives options to use increased income to invest in our services and improve service quality.

The increase in void repair work has resulted in a temporary increase in related costs however these are contained within the overall HRA budget for 2015/16.

4. OTHER IMPLICATIONS

There are no other implications arising from this report.

5. BACKGROUND/MAIN ISSUES

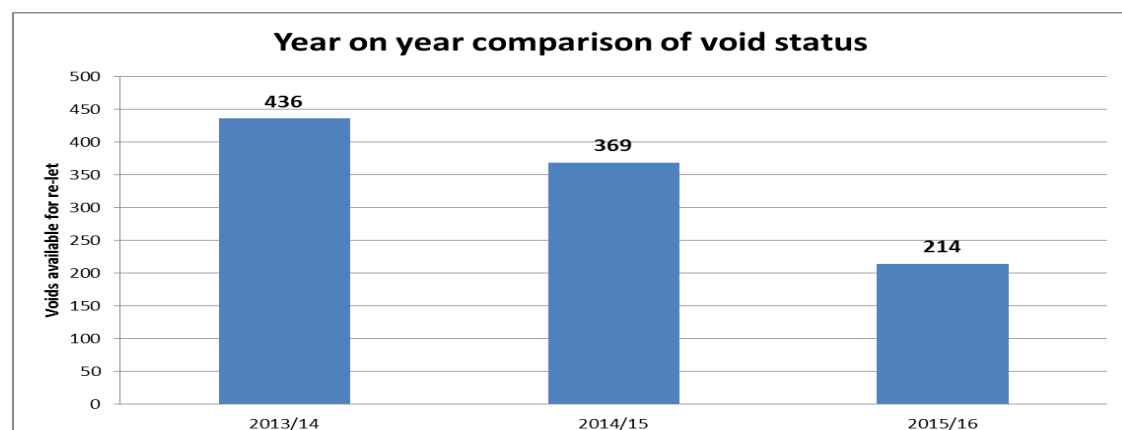
On 27 October 2015, Communities, Housing and Infrastructure approved our Voids Property Management Transformation Plan. The action plan has been implemented resulting in significantly improving performance outcomes. Key actions implemented are as follows:

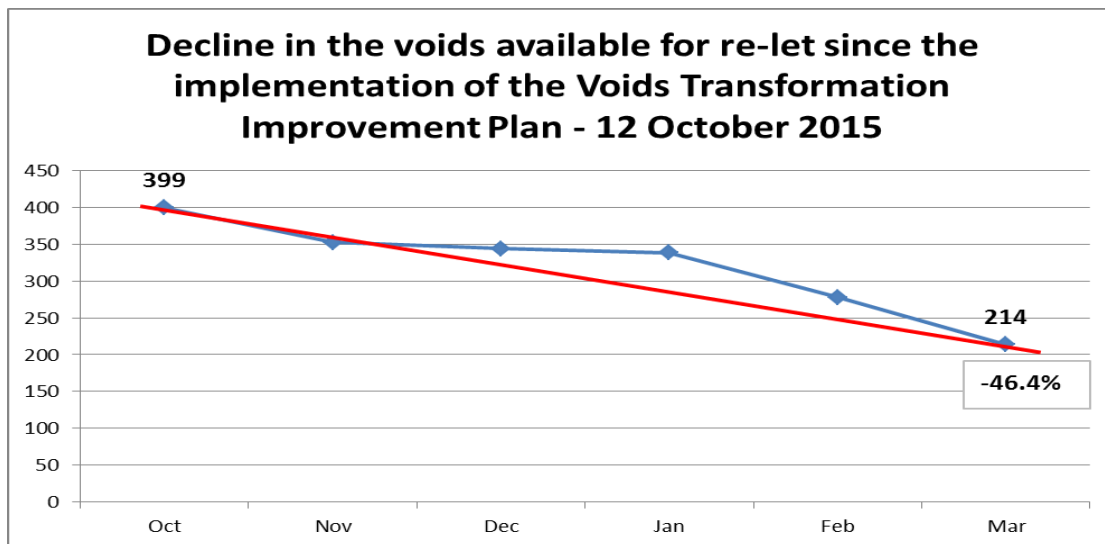
- Commissioning of independent analysis on process and performance
- Introduction of a weekly multi service performance management group systematic analysis to information strategic and tactical planning
- Implementation of a Quality Assurance system
- Establishment of specialist void property teams at Building Service depots
- Staff training and development
- Pre-termination property inspections for 28 day notice and transferring tenants
- Completion of property elements checklist at notice of termination
- Redesignation and rationalisation of void paths/processes
- New letting standard
- Deferral of major SHQS work until post tenancy period
- Successful introduction of a Choice Based Lettings initiative
- Pre-offer initiative
- Reducing the eligibility criteria for letting low demand Sheltered & Amenity properties and introduction of new letting initiative
- New process for Occupational Therapy referrals
- Review and introduction of a process in dealing with deceased tenancies

Performance

The initial objective has been to reduce the overall number of void properties.

Since October 2015, we have reduced void properties available for relet from **399 to 214**, this represents a decrease of **46.4%**.





Main reasons for this reduction has been our success in letting low demand sheltered housing (see appendix II for greater analysis of this); speedier completion of repair work by Building Services; reducing Occupation Therapist assessment time; and speeding up letting processes.

Low demand Sheltered Housing – Special Letting Initiative

Members will recall the particular and unique challenges, this Council had with low demand sheltered multi storey accommodation. At its height, there were 94 long term voids in the system with no queue or demand available. On the back of the successful pilot at Granitehill House, where a number of initiatives were applied by a Housing Officer, resulting in the reletting of 12 void properties, this was developed further by staff under a special lettings initiative. Staff were proactive in contacting potential applicants from our waiting lists under reduced criteria and staff have successfully let these properties using negotiated techniques and bargaining methods such as the offer of additional decoration, white goods provision or actual removal assistance. Consequently, we now have only 5 of these properties not let with staff remaining committed to letting these before the next financial year.

Through this initiative we have let many properties that have been void for considerable periods of time – up to 3½ years. The consequence of this is an increase in our average days to let properties in the year.

Building Services

Building services has reorganisation management structures, improved operation systems and temporarily increased resource deployed to void repair work. The success of this approach is demonstrated by a 33% reduction in properties under repair since October 2015. This equates to a drop of 77 properties from 235 to 158.

Occupational Therapist and Lettings

Evidence of more efficient processes is a reduction cases with the Occupational Therapist from **38 to 8 (78%)** and for lettings, a reduction of overdue offers by **76%**.

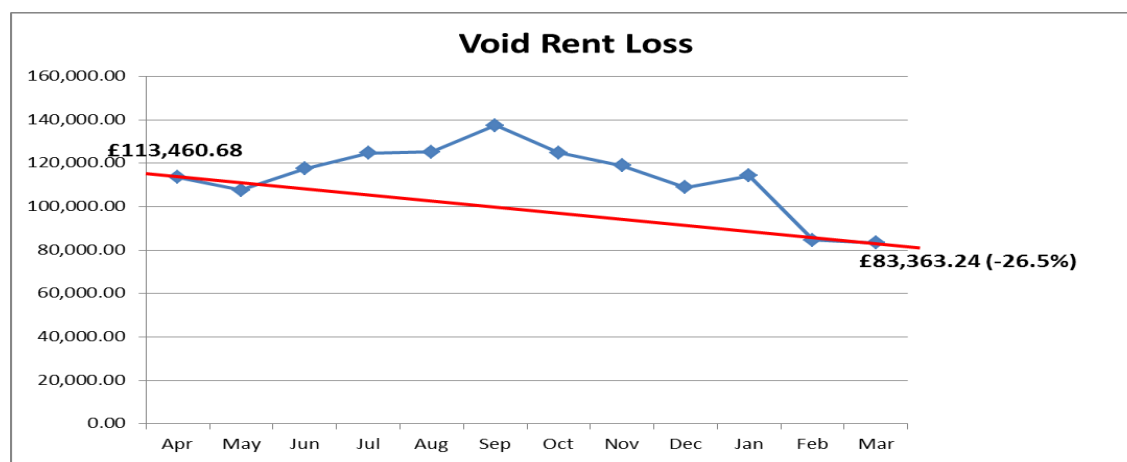
Scottish Housing Charter Outcomes

We report performance outcomes to the Scottish Housing Regulator annually.

The following tables set out relevant indicators, performance and provides a comparison against average outcomes from all Scottish local authorities for 2014/15.

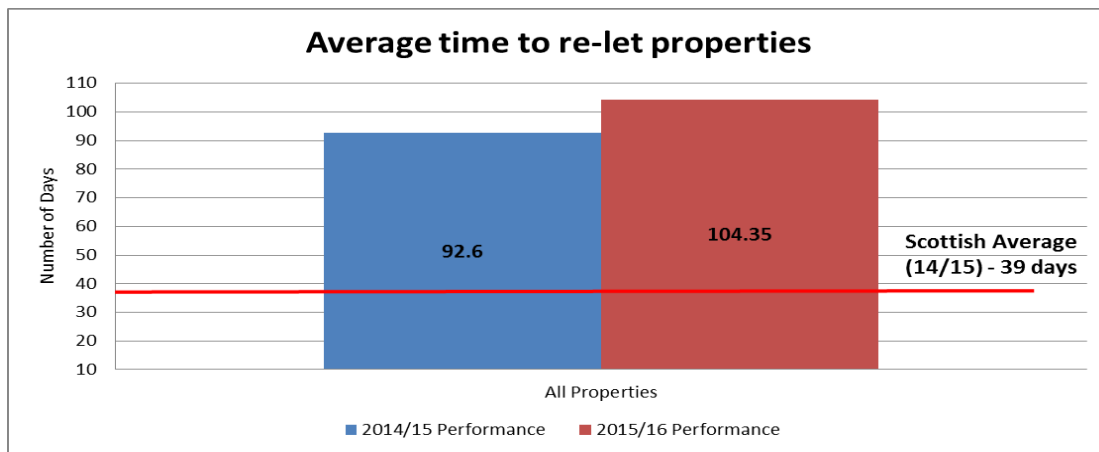
Charter Outcome	2014/15 Performance	2015/16 Performance	2015/16 Target	2014/15 Scottish Average
Percentage of rent due lost through properties being empty	1.92%	1.66%	1.65%	1.1%

We have improved our performance from last year. Prior to implementing our action plan year-to-date void rent loss was 1.98% giving further evidence of our improvement since October 2015.



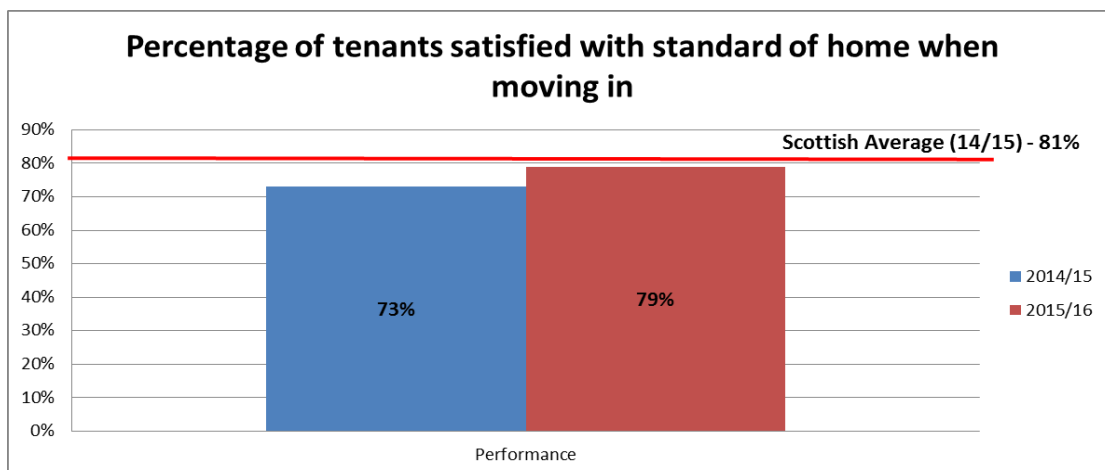
Sustaining our current void levels over March projects that void rent loss would be 0.94% (February figure is 1.23%). However, we anticipate the strong improving trend will continue and 2016/17 outcomes will be greatly below the current annual target.

Charter Outcome	2014/15 Performance	2015/16 Performance	2015/16 Target	2014/15 Scottish Average
Average time to relet properties in the last year	92.6	104.35	50	39



As indicated earlier in the report our efficiency in repairing and letting properties is far better than previous. The consequence of our success in letting our previously low or no demand properties is a negative impact on this performance indicator. This improving performance will be more evident from 1 April 2016. We have revised our targets and are optimistic of improving on our previous 50 day target for 2015/16

Charter Outcome	2014/15 Performance	2015/16 Performance	2015/16 Target	2014/15 Scottish Average
Percentage of tenants satisfied with standard of home when moving in	73	79	80	81



We should also be encouraged that our tenants are more satisfied with the standards of their home when moving in. We have increased satisfaction from 73% to 79% this year.

Next Steps

Although there has been significant success since the implementation of the various improvement plan objectives, we are determined to sustain and improve our performance. We will continue with our performance improvement focus and have further improvements planned. These include:

- ICT system integration – housing and building services
- Developing mobile technology to enable input of repairs in real time
- Incentive scheme similar to the successful low demand sheltered initiative which will assist in dealing with refusal rates.
- Implementation of an on-line tool kit for staff navigation
- New post to maximise the number of pre-termination inspections.

6. IMPACT

Improving Customer Experience –

In successfully applying these improvement measures we will be able to house more applicants from our waiting lists and temporary accommodation units far quicker than we currently do. Although major work is now deferred until post tenancy, any programmed work will be co-ordinated around the needs and commitments of our tenants.

Improving Staff Experience –

These measures for performance improvement have been developed with staff input and the development of a structured and tailored training programme will equip them with the skill sets required to ensure such transformational change can be realised

Improving our use of Resources –

The management of voids is a key business objective for the organisation. By reletting our properties quicker this will have a significant positive effect on not only easing our waiting lists but placements in our temporary accommodation units.

Corporate -

Improving void property management meets the objectives in the policy statement Aberdeen – the Smarter City”.

- Smarter Living – we will enhance the physical and emotional wellbeing of all our citizens by offering support and activities which promote independence, resilience, confidence and self-esteem.

Aberdeen City Waste Strategy 2010-2015

- Reduce, re-use and recycle – the proposed changes to the clearance of empty of property will assist this Council to achieve its targets by recycling items to the next tenant.

Public –

This report will be of interest to the public and in particular tenants and people applying for housing. The contents of this report will treat citizens equally in terms of race, gender, LGBT, older people and people with disabilities.

7. MANAGEMENT OF RISK

By improving our performance we are addressing risks to reputational damage and potential scrutiny and intervention by the Scottish Housing Regulator

8. BACKGROUND PAPERS

Voids – Review of Performance 2014/15 – 19 May 2015

Review of Voids Processes – 27 October 2015

9. REPORT AUTHOR DETAILS

Martin Smith
Area Housing Manager
martinsmith@aberdeencity.gov.uk
(01224) 788538