

COMMUNITY & HOUSING OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday 8 th March, 2023
Report Subject	Void Management
Cabinet Member	Cabinet Member for Housing and Regeneration
Report Author	Chief Officer (Housing and Communities)
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide a further update on voids management and delivery.

The Housing and Assets Service housing stock consists of circa 7,300 properties. The service refurbishes an average 550 empty properties annually, with works varying from minor to major general maintenance and repair works.

The average age of the Councils housing stock is considered to be some of the oldest in the United Kingdom and they are also considerably older than many nearby Local Housing Associations housing stock. As a result, there are many challenges and obstacles that arise when completing refurbishment and capital investment works to these older properties.

The report provides an update on the work to improve void performance and delivery of the actions outlined in the report to committee in September 2022.

RECOMMENDATIONS

1	Community Housing & Assets Overview and Scrutiny Committee to note the progress made in delivering the planned activity outlined to Committee in September 2022, the next steps and key milestones within the Voids Action Plan (Appendix 1)
2	Community Housing & Assets Overview and Scrutiny Committee to support the proposals for addressing the challenges identified within the Voids Action Plan

REPORT DETAIL

1.00	EXPLAINING VOIDS MANAGEMENT
1.01	<p>Background</p> <p>Empty properties or voids happen when a tenant leaves one of our Council owned housing units. It creates an opportunity to review, modernise and reoccupy and has a number of cross cutting service links through Housing Management, from the receipt of the void by housing management, the refurbishment of the void to prepare it for reoccupation and the re-letting of the property to those on the General Housing Register.</p> <p>The pandemic, Brexit and the war in Ukraine have created a number of challenges for the Housing Service over the past 24 months, impacting on the progress of refurbishment works within our empty properties. These challenges include the availability of skilled resources, raw materials and linked price increases, all of which impacts negatively on void delivery and turnaround times.</p> <p>The reasons behind the current void backlog, the challenges both pre and post-COVID that restricted the Council operations, were captured in the previous report on voids presented to Scrutiny in late 2022, alongside planned activity to improve performance which has been included in the voids action plan attached at appendix 1.</p>
1.02	<p>The Void Action Plan</p> <p>The action plan attached at appendix 1 has been used by the Void Management Group since it was established to review planned activity and address any issues which arise with timescales etc. Identified leads are expected to provide an update to the group on progress against milestones and flag any emerging concerns. The group also ensure the plan reflects any new or emerging activity.</p> <p>The action plan covers a range of headings as follows:</p> <ul style="list-style-type: none">• Budget• Refurbishment• Workforce• Oversight and reporting• Compliance <p>Key activities delivered:</p> <ul style="list-style-type: none">• Transitional Accommodation Capital Programme (TACP) Funding• Procurement of new Schedule of Rates (SORs)• Procurement / tendering of new framework• Acquisition of new contractors• Reallocation of internal resources (Team Leaders)• Recruitment to key resource positions (Team Leaders and Inspectors)• Development of new allocations process

1.03

Current Void Targets and Measures

To enable the Council to monitor performance on void refurbishment there are agreed targets and timescales in place. The measures and key performance indicators (KPI's) within the service are also used to benchmark the service and Council performance against neighbouring authorities and through The Association for Public Service Excellence (APSE) and HouseMark.

The target timescales for the refurbishment of a property classified as a minor void is 20 working days. This classification is for any works associated with minor repairs, decoration, statutory safety checks and servicing.

The target timescales for the refurbishment of a property classified as a major void is 45 working days. This classification is for any works associated with major repairs, major plastering works, capital investment works such as component renewals (kitchen / bathroom / heating etc.), safety checks and servicing.

Approximately 70% of current void properties are completed within the target period noted above.

Average costs for refurbishment of void properties range from £1,500 for a minor void to an average of £9,000 for a major void property.

There are void properties that exceed these costs, where properties are subject to major refurbishment works. This can be due to the property reaching a state of disrepair, where the tenant has failed to report any defects or where the Council has experienced access issues, such as when major capital refurbishment works were due to be completed. The cost of refurbishing these properties can increase to £25,000-£45,000.

Those void properties, which require more work and expenditure than a typical minor or major void property, impact negatively upon budgets, resources and the ability to manage the overall void refurbishment programme.

The recently implemented new housing 'patch' areas will assist with ensuring we are proactively addressing disrepair and refurbishment works before the asset/component deteriorates further through engagement. This will allow Housing Officers to be proactive in identifying and reporting asset concerns and ensuring tenants are reporting property repairs proactively.

A large percentage of the costs and time in properties, relates to internal works, such as plastering and external garden works, such as garden clearances and works to footpaths and boundaries.

Our void turnover equates to approximately 7.4%, based on an average of 550 void properties refurbished annually, with the average across the United Kingdom ranging from 5%-11%.

	Equally, our current void backlog equates to 3.4%, based upon a current backlog of 257 void properties as of 25 th January 2023. Neighbouring Councils are currently averaging similar void backlog percentages.
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2.00	RESOURCE IMPLICATIONS
2.01	<p>Staff</p> <p>During 2022/2023, the Voids Team were subjected to a large number of absences.</p> <p>It is positive to note that all Team Leaders have returned to the workplace and recruitment exercises have been completed. Further proposed recruitment to new posts is scheduled for consideration in the new financial year (2023/2024) which will assist with building resilience in the service.</p>
2.02	<p>Budgets</p> <p>Our budgets continue to be stretched in terms of labour and materials, the current economic climate is not assisting in this respect.</p> <p>As previously stated, Welsh Government are in the process of increasing their standards with regards to the Welsh Housing Quality Standards (WHQS) and Decarbonisation, including obligating the Council to undertake some of these works whilst the property is empty.</p> <p>The age and condition of the stock (Wales has oldest average stock in the UK) is also impacting upon our budgets, increasing the likelihood of the asset requiring more extensive refurbishment i.e. plastering.</p>
2.03	<p>Contractors</p> <p>The service has completed the Voids Tender exercise and have procured additional contractors to assist with the current work demand. The previous contract arrangement meant the Council only had access to one Contractor. The re-tendering exercise will increase resilience, whilst ensuring newly procured contractors are held accountable to performance targets and robustly managed through our existing Capital Works regimes.</p>
2.04	<p>Materials/ Suppliers</p> <p>There have been multiple material and supply issues over the past 24 months, with delays becoming difficult to manage and track, and additional work involved in monitoring and managing these delays. The service has experienced significant issues compared with the usual timeframes, e.g. windows and glazing being delayed by 15 weeks compared to the previous timescale of 2-3 weeks. To ensure we have remained as efficient as possible these delays have resulted in work being halted and our resource teams reallocated to alternative void properties.</p>

	As per 2.03 above, the service will be procuring additional suppliers and ensuring existing arrangements are robust to mitigate any future supply issues and provide alternative solutions if needed.
2.05	<p>Void Working Group</p> <p>The service has established a void working group. Since January 2022, key teams and officers have been involved in a full review of our standards, processes and specifications. We have implemented solutions and measures which will improve, not only the end to end process, but will build resilience within the delivery model and see increased efficiencies with regards to turn round times and associated costs.</p>
2.06	<p>Update Report</p> <p>A regular update report will be presented to capture progress and to measure the performance of our new contractor framework, quality of works and successful allocations.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>As previously reported, the Council has completed a full review of the end to end process and involved all key stakeholders from within the Portfolio and have also liaised with other Councils and RSL's.</p> <p>This end to end process will continue to be reviewed at its monthly meetings and feedback sessions, implementing new efficient working methods throughout the financial year ahead once identified and opportunity allows.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<ul style="list-style-type: none"> • Void workshops - internal stakeholders (feedback etc.) • Welsh Government • Local Councils • Registered Social Landlords • Housing Programme Board - regular update report • Discussions have taken place internally and with colleagues from other Local Authorities to shape and inform the proposals within this report.

5.00	APPENDICES
5.01	Appendix 1 - Void Action Plan.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	https://www.flintshire.gov.uk/en/Resident/Housing/Housing-Policies-and-Procedures/Welsh-Housing-Quality-Standard-WHQS.aspx
6.02	https://www.flintshire.gov.uk/en/Resident/Housing/Condensation-and-Mould-Advice.aspx
6.03	https://www.flintshire.gov.uk/en/Resident/Housing/Housing-Improvements-and-Repairs.aspx

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officers: Sean O'Donnell (Service Manager - Housing Assets) Sean.ODonnell@flintshire.gov.uk</p> <p>Jen Griffiths (Service Manager - Housing Management, Benefit Service including Disabled Facilities Grants) Jen.Griffiths@flintshire.gov.uk</p> <p>Martin Coolil (Service Manager - Housing & Prevention) Martin.Coolil@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>The Welsh Housing Quality Standard (WHQS): is a national standard of quality for homes. This is set by the Welsh Government. It means that all tenants in Wales should have the opportunity to live in good quality homes which meet the requirements of that household.</p> <p>Brexit: is an abbreviation of two English words: 'Britain' and 'exit' and refers to the withdrawal process of the United Kingdom (UK) from the European Union (EU)</p> <p>Financial Year: the period of 12 months commencing on 1 April</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Contract Framework: A Contract Framework is an agreement between one or more contracting authorities and one or more economic operators.</p>

These frameworks have Contractors, Consultants and Suppliers that have been successful in joining the specific work categories.

The Council often uses these frameworks to procure works that have already gone through a tender process in line with OJEU and can be utilised to procure works or services.

They are often the most economic advantage in terms of value for money and local training provision.

HRA: The Housing Revenue Account is a ring fenced account derived from rental income and Welsh Government funding.

Components: A part or element such as an assets amenities (Kitchen Bathroom, Boiler, Roof, Windows, Doors etc.)

Transitional Accommodation Capital Programme (TACP): The Transitional Accommodation Capital Programme (TACP) is a programme which supports a wide range of projects by local authorities and registered social landlords to create much-needed extra housing capacity across Wales. The programme provides grant funding to local authorities across Wales and the Council have been successful in securing additional funding to assist with our empty homes.