

**RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE**

**9<sup>TH</sup> JULY 2020**

**REPORT OF COPORATE DIRECTOR – OPERATIONS AND DELIVERY**

**A.1 Housing Voids during 2019/20**

(Report prepared by *Tim Clarke & Damian Williams*)

**PURPOSE OF THE REPORT**

To inform discussions around the following agenda item:

(b) Vacated/Empty Council Housing ('Voids')

The Committee intends to look at the numbers of empty properties there have been over the past year, the proportion that those represent of the entire Council housing estate, expectations on standards of vacated properties, the extent to which the vacated properties were subject to major/minor repair works, the target times for inspecting vacated properties once they are empty and for repairs to be conducted, the periods of time properties were empty, the lost rental income during the period it was empty and the cost of housing homeless persons in the same period. It is envisaged that the enquiry will also cover the situation one year on from the Council taking back the ROALCO Ltd contract (following the company being placed in administration), the transfer of staff to the Council and responding to the immediate issue this posed and planning for sustaining the work now and in the future.

**INVITEES**

None

**BACKGROUND**

As set out in Purpose above.

## **DETAILED INFORMATION**

### **Voids process and extent of works**

Turnaround time for a void property depends on the condition it is left in by the previous tenant and the extent of previous works such as asbestos removal. Many are left in a poor condition and require extensive void works before they can be relet.

Many voids require replacement kitchens and bathrooms that is a combination of them having been abused by the tenant or that they have come to the end of their life span, unfortunately most of them are from abuse.

The voids process is as follows:

- Keys returned to Allocations service
- Keys passed on to Building and Engineering services
- Refurbishment and Demolition (RAD) survey carried out within 1 – 3 days with works specified and ordered the same day or day after
- Works carried out to bring property back to our void standard which includes:
  - all asbestos is removed where practical.
  - complete redecoration following the necessary works
  - boiler upgrade where necessary
  - electrical upgrades where necessary
  - Window / door replacement as necessary
- Works completed – target 21 days from start but licensed asbestos removal can add at least 14 days due to HSE notification.

### **Statistics from 2019 /20**

186 properties became void during the year

164 properties were relet.

Additionally 32 sheltered flats became void and 11 were relet during the year.

It should be noted that some voids will carry over from the previous year and some will carry over into the following year so calculating figures is not straightforward. We have focussed here on in year figures for 2019/20. An authority with a housing stock the size of ours can have around 100 properties vacant at any one time.

The Tenant Performance and Scrutiny sub-committee have agreed to monitor voids based on the parameters set out in Appendix A for 2020/21.

### **Void rent loss**

Rental income loss as a result of void properties has been as follows:

<b>Year</b>	<b>Void rent loss</b>
2019/20	403,769
2018/19	287,823
2017/18	563,214
2016/17	Not submitted
2015/16	350,139
2014/15	286,931

### **ROALCO Contract Issues**

Following the unforeseen collapse of ROALCO, the Term Maintenance Contractor for the Housing Stock, in July of 2019, the Council has been carrying out a significant proportion of the repair work to the housing stock using existing and a large number of casual staff. We have also been using a number of contractors to support this function.

During this period two elements of work have been undertaken, one, as mentioned above, has been the actual carrying out of the repair work trying to understand what staffing, equipment and materials are required to carry out this function.

The second has been to instigate a full tender process to replace ROALCO as a complimentary Term Maintenance contractor - currently this is out to tender. This will allow the Authority to operate a 'mixed economy' approach and have a 'backstop position'

should the in-house team fail to operate efficiently as well as to provide cover if the volume of work exceeds the norm.

The last 12 months have provided a valuable insight into what is required to run an in-house maintenance team for the Housing Stock. Therefore, we would like to test the viability of a permanent in-house team by setting up a proof of concept model, for a fixed period of one year, to replicate the duties that a permanent workforce would carry out. Casual staff would still carry out the remaining duties until the Term Maintenance contract was in place. At that time, the casual workers would be released.

The benefit of the proof of concept approach is that it would allow data to be collected that would provide accurate figures on the cost effectiveness of the in-house team and provide a comparison between the in-house and contractor's operating costs.

In order to help gather accurate information we are trialling a new software package, Oneserve, on a month-by-month basis. Oneserve is a software package that allows for the accurate collection of data on a job-by-job basis taking into account the hours, materials, travelling time, and other associated costs. This will enable a very detailed understanding of the costs associated with running this element of the service as well as giving an accurate picture of the length of time taken to undertake each job. If the trial is successful then it is proposed to roll it out across the rest of the service including Facilities Management and Engineering Services.

It is envisaged that the future maintenance of the housing stock will be provided using a combination of in-house and external workforces. This will provide a more stable, reliable way of re-introducing the in-house maintenance team back into the Authority. The proposed split in the work is as follows;

In-house team to carry out the following work;

- Window repairs
- Drainage Work
- Void work in Sheltered Blocks
- Sheltered unit day to day repairs
- Day to day repairs on the general stock

External Contractor to carry out the following work;

- All void work in General Housing Stock
- Foundations;

- Groundwork;
- Fencing and Gates;
- Drainage;
- Brickwork;
- Masonry;
- Roofing;
- Carpentry and Joinery;
- Plasterwork and other Finishes;
- Wall and Floor Tile and Sheet Finishes;
- Painting and Decorating;
- Cleaning and Clearance;
- Glazing;
- Plumbing;
- Heating, Gas Appliances and Installations;
- Electrical;
- Disabled Adaptations and Minor Works; and
- Specialist Treatments
- Energy Efficiency Appliances and Components

We have taken the opportunity to include a number of work streams, which have previously been placed as individual contracts, within the Term Contract, and included non-HRA sites across the Council, such as the Office accommodation sites. The benefit of this is that the volume of similar work should realise economies of scale as well simplify other Services' ability to place building maintenance work through this tendered route.

There are no savings as such to be made from this proof of concept model, however we would expect to see increased value for money as well as improvements in the quality of the work carried out and hope to see this reflected in the tenant satisfaction surveys. It is also worth highlighting that we envisage that the ability to control costs would be greater than the previous arrangement with ROALCO and it would therefore provide greater financial flexibility within the HRA.

## **RECOMMENDATION**

**That the Committee determines whether it has any comments or recommendations it wishes to put forward the relevant Portfolio Holder or Cabinet.**

**Appendix A – Tenant Performance and Scrutiny Panel - Void performance monitoring 2020/21**

Number of vacant properties at end of each month – General needs	NEW																
Number of vacant properties at end of each month – Sheltered housing	NEW																
Length of time vacant and reason for each – voids, major works / adaptations, awaiting letting, offer made – General needs	NEW	<p>To be recorded by:</p> <table border="1"> <thead> <tr> <th></th> <th>Vacant available for letting</th> <th>Vacant but not available for letting</th> </tr> </thead> <tbody> <tr> <td>0-6 weeks</td> <td></td> <td></td> </tr> <tr> <td>6 wks - 6 mnths</td> <td></td> <td></td> </tr> <tr> <td>Over 6 months</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> </tbody> </table>		Vacant available for letting	Vacant but not available for letting	0-6 weeks			6 wks - 6 mnths			Over 6 months			Total		
	Vacant available for letting	Vacant but not available for letting															
0-6 weeks																	
6 wks - 6 mnths																	
Over 6 months																	
Total																	

--	--	--

Length of time vacant and reason for each – voids, major works / adaptations, awaiting letting, offer made – sheltered housing	NEW	To be recorded by: <table border="1" data-bbox="1189 233 1966 488"> <thead> <tr> <th data-bbox="1189 233 1435 336"></th> <th data-bbox="1435 233 1700 336">Vacant available for letting</th> <th data-bbox="1700 233 1966 336">Vacant but not available for letting</th> </tr> </thead> <tbody> <tr> <td data-bbox="1189 336 1435 371">0-6 weeks</td> <td data-bbox="1435 336 1700 371"></td> <td data-bbox="1700 336 1966 371"></td> </tr> <tr> <td data-bbox="1189 371 1435 406">6 wks - 6 mnths</td> <td data-bbox="1435 371 1700 406"></td> <td data-bbox="1700 371 1966 406"></td> </tr> <tr> <td data-bbox="1189 406 1435 442">Over 6 months</td> <td data-bbox="1435 406 1700 442"></td> <td data-bbox="1700 406 1966 442"></td> </tr> <tr> <td data-bbox="1189 442 1435 488">Total</td> <td data-bbox="1435 442 1700 488"></td> <td data-bbox="1700 442 1966 488"></td> </tr> </tbody> </table>		Vacant available for letting	Vacant but not available for letting	0-6 weeks			6 wks - 6 mnths			Over 6 months			Total		
	Vacant available for letting	Vacant but not available for letting															
0-6 weeks																	
6 wks - 6 mnths																	
Over 6 months																	
Total																	
Average length of time to relet property – General needs	NEW																
Average length of time of relet property – Sheltered housing	NEW																
Rental income loss from all void property – General needs	NEW																
Rental income loss from all void property – Sheltered housing	NEW																
Void dwellings as proportion of total housing stock – General needs	NEW																
Void dwellings as a proportion of total housing stock – Sheltered housing	NEW	Consideration to be given to reinstating target for this.															
Average number of days to relet property from return of keys from Building Services – General needs	NEW																
Average number of days to relet property from return of keys from Building Services – Sheltered housing	NEW																