

COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE PERFORMANCE PANEL DEEP DIVE:

COUNCIL HOUSING VOID MANAGEMENT

DECEMBER 2015

1. Following poor performance over several years on the average time taken to relet council housing voids¹, Members decided to prioritise council housing voids management as the first deep dive undertaken by the Committee's Performance Panel.
2. The Performance Panel met four times to undertake the deep dive, examining:
 - good practice;
 - available void performance indicator information;
 - benchmarking information;
 - key lessons from tenant-led scrutinies in England;
 - relevant Cardiff Council procedures and processes; and
 - visiting a number of void properties to see the conditions in which properties are handed back to the Council and the standard that is reached before properties are re-let.

*For more information, please see **Appendix 1** which provides a schedule of evidence.*

3. Members heard from key officers involved in council housing voids management, who have supplied information and answered Members specific queries arising from the deep dive. Members wish to express their thanks and gratitude to the following officers for their time and assistance during the deep dive:
 - Jane Thomas – Assistant Director, Communities & Housing;
 - Sue Bartlett – Operational Manager, Community Maintenance Services (CMS);
 - Ellen Curtis – Operational Manager, Communities & Housing;
 - Scrutiny officers.

¹ As measured by performance indicator HLS/014

4. The effective management of council housing voids covers various processes, including pre inspection, repairs and redecoration, post inspection, allocations and lettings, and depends on the following inter-connected factors:
 - the time taken to carry out required repairs;
 - the time taken to relet the property;
 - effective performance monitoring and management processes able to quickly identify and resolve blockages;
 - work to minimise the number of voids;
 - work to improve overall asset management.
5. Running through all of the above is the need for good communication and clarity about roles and responsibilities across and between multi-disciplinary teams, clients and contractors.
6. Members explored each of these factors and our conclusions are shown below along with our recommendations for how to improve. Taken together, along with the work already being undertaken to improve performance, Members believe these will lead to significantly improved relet times, which will benefit those waiting for council housing and the communities and neighbourhoods where voids are situated as well as reducing rent loss, which is of benefit to all council housing tenants.
7. I would be grateful if the Cabinet Member (Health, Housing and Well Being) and the Director of Communities, Housing and Customer Services would consider and respond to the conclusions and recommendations made in this report.
Should you require clarification or have any questions about any of this report do not hesitate to contact me.

COUNTY COUNCILLOR MARY M^CGARRY
Chairperson - Community & Adult Services Scrutiny Committee

Time taken to carry out repairs

Conclusions

8. The timeframes in place for council housing voids repairs and redecoration works are significantly higher for Cardiff Council void properties than for other void social housing in Cardiff and in the comparator cities examined as part of this deep dive. Contractors have commented that the voids re-let standard in Cardiff is higher than those that they work to elsewhere; the time allowed to meet this standard is also longer. Officers highlighted that the higher standard and consequent extra time is worthwhile as it increases tenant satisfaction. However, officers recognise that, even with the extra time allowed by Cardiff Council to meet the higher void standard, the contractors are not meeting the set timeframes.
9. We are currently allowing an average of 30.4 days for voids repairs and redecoration works to be completed². However, the last reported performance was that it actually took 46 days for voids repairs and redecoration works to be completed³. This is against a target of 30 days.
10. There is scope to reduce the current timeframe for clean and clears, which is 5 days. This could be reduced to 2 days, depending on contractor resources. This would reduce the overall length of time a property is void.
11. Some of the timeframes are applied in a linear way, rather than works being undertaken in parallel. For example, where an Asbestos Management Survey is not available for a property, this is currently undertaken once the property is void. There is scope for this to be undertaken during the 28 day notice period, which would enable any asbestos work required, such as intrusive sampling, to be scheduled early on in the void period. This would reduce the overall length of time the property is void.

² As at 7th December 2015

³ As at September 2015

12. The linear approach taken to timeframes, with times per task being added to one another, encourages external contractors to focus on maximising the number of days per void.
13. The Quick Turnaround Project currently being trialled demonstrates aspects of good practice, with regard to: matching applicants as soon as possible to properties about to become void; using decoration vouchers; and advising applicants of repairs that will be undertaken before and after letting.

Recommendations

- R1 Work with Ian Williams and Vinci to reduce the clean and clear target to 2 days.
- R2 Carry out Asbestos Management Surveys, where needed, within the notice period and book intrusive sampling, where needed, for as soon as the property is available.
- R3 Expand the quick turnaround project as swiftly as possible.

Contract monitoring and management processes

Conclusions

14. The current Buildings Maintenance Framework Agreement is not fit for purpose, with flaws in the wording of the document. The current Agreement is process driven, focusing on the time required to do works, as opposed to outcome driven, focusing on the work required to ensure successful and timely relets.
15. The current agreement suffers from a lack of contract management tools; for example, it does not include incentives for early completion of voids work or penalties for late completion of voids works.
16. The current agreement has poor contract monitoring arrangements leading to contract monitoring not being robust. The contract monitoring information that is required is not sufficient to enable identification of problem areas. There is no incentive for contractors to assist in finding solutions that improve performance above the level set by the contract.
17. The ability of the Council to manage the contract is limited by supply issues in the contractor market. Existing contractors have been told that they need to improve by Christmas or work will be taken off them. However, capacity would need to be built up with a third contractor before this could happen, which would take several months.
18. The Council has recognised these issues and employed Constructing Excellence Wales to review the Building Maintenance Framework Agreement. Their findings and the Council's response to these findings are due to be presented to Cabinet in January 2016.
19. There is an opportunity to learn from the shortfalls experienced in the current contract and ensure these are addressed in the new contract, which should start in eighteen months.

Recommendations

R4 Continue to manage the current contract as robustly as possible

R5 Learn from the shortfalls experienced with the existing contract and ensure these are addressed in the new contract.

R6 Ensure the new contract is customer focused, emphasising solutions, outcomes and the work required to ensure successful and timely relets.

R7 Ensure the new contract contains a suite of performance indicators that enable the identification of problems and enables effective contract monitoring.

R8 Ensure the new contract contains levers to enable effective contract management, including incentives and penalties.

Time taken to re-let properties

Conclusions

20. The timescales allowed to re-let properties are generous; the current timescale is to re-let council housing within 20 days from the date the property is deemed to have met the void re-let standard. This is significantly longer than the benchmark data examined as part of this deep dive, for both other social housing providers in Cardiff and for comparator cities.

21. Currently, the allocations and letting process for all void properties is linear, in that one offer is made to one applicant and another offer is only made if that applicant refuses the offer. The performance data for Cardiff shows that almost half of all voids properties are offered to at least 5 applicants before being accepted. This is partly due to the previous policy to make multiple offers to those needing to downsize due to Welfare Reform (which was removed by the recently amended Housing Allocations Policy) but also due to applicant details not being up-to-date or accurate.

22. Other social housing providers use approaches that enable multi-viewing of voids and/ or multiple offers to reduce the time lost through refusal of offers and to help manage tenant expectations. Officers explained that they are thinking about using multiple offers and making the changes required to enable this to happen e.g. I.T. system changes, lettings process changes and how to manage the expectation of applicants.

23. Successful allocation and lettings processes rely on using notice periods to identify suitable applicants and achieve an acceptance of offer for a property. Cardiff Council has begun using notice periods (via the Quick Turnaround Void Project) to identify applicants and to undertake property visits with applicants who are potentially interested in accepting the offer of property. However, for other void properties, allocations and lettings processes commence close to when the property is deemed ready to let.

Recommendations

R9 Commence allocations and lettings processes for all void properties whilst repairs and decoration works are underway

R10 Trial multiple viewing and multiple offers to learn success factors and what changes are required to existing systems to enable successful roll-out for the majority of void properties.

R11 Think through resource allocation requirements to enable the above and redirect resources as appropriate.

Performance monitoring and management processes

Conclusions

24. There is an Officer Voids Working Group, including the Assistant Director Communities & Housing, Operational Manager for Community Maintenance Services and the Operational Manager Allocations and Lettings, which meets fortnightly to go through performance reports for every void and discuss progress and actions required.
25. There is one database to collate all the information available on every void property. This makes it easier to keep track of voids across different teams and contractors and makes it easier to prepare performance reports.
26. The void management performance reports require further refinement to assist effective performance management. Currently, these reports provide 'volumes' information. However, they do not assist in the identification of the 'reasons' for poor performance. For example, there are no void management performance reports that:
- separate the performance for 'Quick Turnaround Void Project' voids and voids given to contractors;
 - separate the performance by those voids deemed capable of being completed within contract timescales and those voids requiring an extension of time;
 - provide reasons for agreeing an extension of time
 - show the percentage of those requiring an extension of time that are completed within the agreed extension of time;
 - separate the performance for re-letting general needs properties and those that are for specific needs, such as older people/ adapted properties/ special lettings initiatives etc.; and
 - separate the performance for re-letting properties into those deemed low demand/ hard to let and all others.

Areas for Recommendations

R12 Refine void management performance reports to enable quick identification of performance blockages and performance trends in order to improve performance.

R13 Redefine the role and focus of the Voids Working Group so that it uses performance reports to identify the root causes of poor performance and puts in place solutions in order to improve performance.

Involving customers

Conclusions

27. Customer insight information can assist in effective voids management, for example by identifying the causes of voids, the reasons why properties are refused and the customer experience of the voids process. Customer feedback can provide insight into which policy and procedure changes can be made to improve performance without reducing customer satisfaction.
28. Currently, Cardiff Council seeks some customer information on the reasons for voids and the reasons for refusing offers but does not carry out customer satisfaction surveys with regard to the voids process. The information that is collected is not able to be swiftly sorted to provide specific reports, such as the reasons tenants terminate a tenancy within 6 months of the start date. This limits the usefulness of the information collected and the ability to performance manage effectively.
29. Good practice in council housing void management also suggests exploring the effectiveness of the voids process by monitoring the number of repairs required within 6 months of tenancy start and analysing whether any of these should have been addressed whilst the property was void. This helps to identify changes to voids repairs practice which can assist long term voids management. This information is not currently collected.

Recommendations

R14 Design and implement an effective customer satisfaction survey that helps to drive performance improvement by targeting refinements to policy and procedure, whilst maintaining high levels of satisfaction.

R15 Collect and monitor the number of repairs required to properties, within six months of re-letting.

R16 Collect and monitor the number of tenancies ending within 6 months of letting and the reasons given for these.

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Appendix One - Schedule of Evidence Received:

Meeting 1 – 3 November 2015

Present: Cllrs McGarry; Sanders; and Lomax

Members considered the following:

- Draft Scope for the Inquiry
- Draft Project Plan for the Inquiry
- Chartered Institute for Housing Briefing - “How to Effectively Manage Void Properties”
- The Guardian, article dated 4 November 2012 “Six tips for landlords to reduce void rental periods”
- Vale of Glamorgan Scrutiny Committee report on void management
- HANR Voids related Performance Indicators from the CIS System – Results 2013-2015

Meeting 2 – 13 November 2015

Present: Cllrs McGarry and Lomax

Members considered the following:

- Comparator data from local Housing Associations
- Comparator Data from similar profile Local Authorities
- Written response from HANR re completion dates for repairs; asbestos management; council tax on voids; involving customers in the process; the Quick Turnaround Project; issues around contractors; request for relevant policies, procedures, processes etc.
- Consideration of a paper on Void Property Turnaround Times from HANR
- Consideration of management papers:
 - monitoring sheets of contractor performance;
 - status of current voids (at that time);
 - core data (October 2015);
 - Performance Measures; Voids refurbishment, Key Safe Pilot and Contractor Process Maps;
 - Technical Manager Checklist; and
 - Safety Checks Process.

Meeting 3 – 18 November 2015

Present: Cllrs McGarry and Lomax

Evidence given by Jane Thomas, Assistant Director Communities and Housing; Ellen Curtis, Landlord Services Manager; Sue Bartlett, OM CMS

Members considered the following:

- Leicester Council Voids Improvement Project
- Cardiff Council Tenants Satisfaction Survey 2015
- Written and oral evidence given in relation to:
 - Staffing levels;
 - Notice period and what happens within this period
 - Voids Working Group Membership
 - Reasons for poor performance
 - The time taken for repairs
 - Time taken to re-let properties
 - Voids Standards
 - Performance Targets
 - Performance Management
 - Contract Monitoring
 - Customer Feedback
 - Council Tax Payment

Meeting 4 – 23 November 2015

Present: Cllrs McGarry & Lomax

Visit to a range of Void properties to compare and contrast different types of voids. Photos are available on file. Members visited:

- Terraced Property in Llanrumney – property recently abandoned, with safety shutters at windows; had just undergone a clean and clear; required a complete re-furbishment; in very poor condition
- Retirement Bungalow in Gabalfa – recently painted and ready to let
- Semi detached house in Gabalfa – recently handed back to Council; tenant was at the property for a very long time; property appeared to have structural issues and required new bathroom/kitchen. Much work required to bring up to WHQS standard.
- Flat in Grangetown – part of Quick Turnaround Project.

Meeting 5 – 24 November 2015

Present: Cllrs McGarry, Lomax & Sanders

- Review of all the evidence to date
- Identification of outstanding queries with Communities & Housing
- Audit Committee papers re Constructing Excellence Review of Building Maintenance Framework Agreement.

Meeting 6 –10 December 2015

Present: Cllrs McGarry, Lomax & Sanders

- Consideration of draft report summarising evidence to date, including responses received to outstanding queries
- Agreement of conclusions and areas for recommendation.

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