

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive
Date:	17th October, 2016
Subject:	Scrutiny Outcome Panel: Letting of Local Authority Housing (voids)- Draft report
Portfolio Holder(s):	Councillor Aled Morris Jones
Head of Service:	Shan Lloyd Williams, Head of Housing
Report Author: Tel: E-mail:	Panel Chair Councillor G O Jones and Scrutiny Manager
Local Members:	N/A

A - Recommendation/s and reason/s

1 BACKGROUND:

- 1.1 Whilst considering the Corporate Scorecard Quarter 1 report by the Head of Corporate Transformation, the Corporate Scrutiny Committee at its 17th September, 2015 meeting, resolved to establish a panel of Scrutiny Members to examine in greater detail the underperforming performance indicator for Housing Services, that is: 'PI/23 the average number of calendar days to lettable units of accommodation (excluding DTL's)', as it had red status in terms of performance..
- 1.2 There was delay before the Scrutiny Outcome Panel convened for the first time and work pressures in Democratic Services had a bearing on the timeframe and progress with this work stream. In the interim, the PI23 continued to perform poorly. The Panel began its work at the beginning of January 2016.

2 METHODOLOGY:

The scrutiny review was structured in accordance with the Authority's policy framework¹ which included the development of a scrutiny project plan using some elements of project management methodology² in order to ensure robustness to the structure of the review by the Panel. The Scrutiny Panel's terms of reference³ were shared and accepted by the Council's Senior Leadership Team (SLT), the Scrutiny Chair and Vice-Chairs Forum (February 2016) and the Corporate Scrutiny Committee. Consequently, the Scrutiny Manager met with the relevant Head of Service to negotiate support and buy-in for the panel's work.

2.1 CORE MEMEBERS OF THE PANEL COMPRISED:

Councillors:

- G O Jones, Vice Chair of the Corporate Scrutiny Committee
- Lewis Davies
- Victor Hughes
- Raymond Jones

¹ Handbook of Scrutiny Members

² PRINCE 2

³ The Panels' Terms Of Reference were submitted and approved by Corporate Scrutiny Committee 11/04/16 therefore on Isle of Anglesey County Council's website.

- Robert LI Jones &
- Scrutiny Manager

2.2 PARTICIPATING OFFICERS:

Head of Housing, Shan Lloyd Williams
 Technical Housing Manager, Dafydd Rowlands
 Housing Options Manager, Alwena Pawson
 Housing Maintenance Unit (HMU), Transformation Manager, Ian Ryder
 Principal Housing Officer, Karen L. Roberts

2.3 FREQUENCY OF MEETINGS:

It was agreed from the offset this would need only a few member meetings. In addition another two officer only meetings, to prepare for the meetings and draft a follow up report, timescale was January to report May Corporate Scrutiny Committee.

3 EVIDENCE/INPUT CONSIDERED:

Evidence received (verbal and documentation)-

Verbal evidence received:-

3.1 First Panel Member Meeting held on the 23rd March 2016

Members present: Councillor G Jones, R Jones, R LI Jones and L Davies.

Officers present: Head of Housing, Technical Housing Manager and Scrutiny Manager.

3.2 Panel Meeting held 10th May 2016

Members present: Councillors G O Jones, V Hughes, R LI Jones and L Davies

Officers present: Housing Options Manager, HMU Transformation Manager and Scrutiny Manager

Documentation received:-

- (1) Copies of the three Corporate Scorecards⁴
- (2) Table of average re-let times in days, 2014-15 (**Appendix 1**)
- (3) Voids definition- Welsh Government
- (4) Voids definition- Housemark⁵
- (5) Table of numbers of properties per month and average number of Voids days (**Appendix 2**)
- (6) Voids process; Allocation period, & Works Period (received 10.5.16 Panel Meeting) (**Appendix 3**)
- (7) Emails between Scrutiny Manager and Principal Housing Officer June 2016 (held as background papers).

Minutes.⁶ of meetings with notes of questions from Members and answers from relevant officers.

4 FINDINGS

4.1 Corporate Scorecards:-

Corporate	Received at Corporate	(Target 25 days) PI
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⁴ Quarterly Performance Monitoring Reports which contain the Corporate Scorecards are found on the Isle of Anglesey County Council's website.

⁵ Housemark is an independent housing benchmarking service commissioned by the Council's Housing Service.

⁶ Minutes for the 23 March 2016 and 10 May 2016 referred to in Section FF of the Report are held as background documents.

Scorecard	Scrutiny Committee(s)	Actually achieved
Q1	17 September 2015	37.4 days
Q2	1 December 2015	38.4 days
Q3	14 March 2016	35.2 days
Q4	23 May 2016	33.7 days

4.2 A table of average re-let times in days for 2014-15 (Appendix 1)-

This outlined the performance 'housemark' data comparing Welsh and North West Members average for re-let times for 2014-15 in days. The table showed the neighbouring North Wales authority Denbighshire County Council; which had the lowest average of 22 days which was well within Anglesey's target PI 23 of 25 days, Anglesey was second highest in the table at 54.3 days, but the highest was Merthyr Tydfil at 75 days. However, after contacting Denbighshire County Council direct, we found their out-turn performance had gone up for the following year; Q4 2015/16 PI23 to 58 days. In addition, consulting with our in-house performance team we found Q4 2014/15 PI23 for Anglesey was 27 days.

4.3 Voids definition- Welsh Government :

National Performance Indicator Guidance 2008/09; Showed the number of calendar days taken to let housing units should be counted from when the previous tenancy ends to the date that the incoming tenant commences their tenancy. It is worth noting that the PI is not now measured by Welsh Government, the full definition, was as follows;

- "The average number of calendar days taken to let lettable units of permanent accommodation during the year.

The number of calendar days taken to let units of accommodation should be counted from when the previous tenancy ends or at the time of the handover from the contractor in the case of newly acquired or built units of accommodation, to the date that the incoming tenant commences their tenancy.

Note – lettable units that were empty because that they are undergoing major repairs should be included in the indicator.

For the purpose of the denominator exclude mutual exchanges".

4.4 Voids definition- Housemark :

"Measures from days vacant of a standard re-let between tenancy and date of tenancy start date.

The Housemark definition was as follows;

- "Average re-let time in days (standard re-lets only)

This indicator measure the average time (**in calendar days**) to re-let vacant properties during the period. It is calculated by dividing the total number of days standard re-let properties were vacant in the period, by the number of standard re-lets in the period.

The number of days vacant of a standard re-let is the number of days between the tenancy end date and the tenancy start date.

- Note – the day the property goes vacant does not count as one day, hence if a tenancy ends on a Sunday and is let the following day, this counts as a "0" day re-let. Negative re-let times cannot exist.
- Note – certain types of lettings are excluded from the this indicator, namely
 - first/new lets
 - mutual exchanges
 - successions
 - other excluded as per the COntinuous REcording (CORE)
 - re-lets that have previously undergone Major Works are also excluded

Major repair works include:-

- Structural repairs – these are works that are essential to maintain stability and weather resistance in the main structural elements of a dwelling i.e. floors, walls and roofs. Major works to these elements will involve replacement or substantial reconstruction
- Site works – this is work to the area around and specific to the dwelling involved and is essential to the safety, security and protection of tenants (e.g. asbestos removal, or the replacement or substantial reconstruction of unstable boundary walls, footpaths etc.
- Service installations – this is work to building services where deterioration is such that the basic amenities in a dwelling could be seriously impaired. (e.g. Renewal of installations such as gas, electricity and water supplies, heating and ventilation, lifts
- Consequential and other works – these works required as a consequence of major repairs such as reinstatement or making good finishes and fittings.
- Any works that significantly improves the dwelling (i.e. capitalised repair as per SORP 2010) should be classified as major repairs. Examples are kitchens, bathroom, central heating systems, lifts, roofs, windows and structure”.

The Head of Service recommended to the Panel that for the new financial year that the Housemark definition is adopted for measuring performance.

4.5 Table of numbers of properties per month and the average number of Void days (Appendix 2):

Table 2 summarises Void turnover performance between July 2015 and March 2016. In order to maintain Welsh Housing Quality Standard compliance, the Housing Service undertakes certain capital investment works at Change of Tenancy (COT). Typically, the work is required following the refusal of improvement works by a former tenant in connection with replacement kitchens, bathrooms and rewire. During 2015-16 a total of 52 kitchens, 34 bathrooms and 91 rewiring upgrades were completed during the void period in order to reduce disruption to in-coming tenants. The Housing Service understands that capital investment during the void period has a detrimental effect on performance figures, however, it does provide certainty that the elements will be replaced and there are Health and Safety advantages associated with working on unoccupied dwellings.

4.6 Flowchart, Voids process - Allocations period and work period (Appendix 2):

Information outlines the workflow in the Housing Maintenance Unit (HMU) and the Allocations Team for (a) End of tenancy to (b) New tenancy, from week 1 to week 5 and week X(number of weeks from keys in to sign-up could vary due to letting period) subject to priority.

- From the chart it showed the expectation is for the allocations team to pass the keys to Housing Maintenance Unit at the start of week 5 following the 4 weeks notice to quit (NTQ) period. This is then counted as day 1 of the void period. With the expectation that HMU commence work within 48 hours of day 1.
- Officers stated this showed that the internal process was streamlined and it was the condition of the property that was the prime factor in the amount of days it took to turn around a void property from a works point of view. A Housing Officer and HMU Inspector arrange a joint inspection visit to a property as soon as possible after the notice to quit (NTQ) is submitted. It was also confirmed the teams need to liaise to be aware of the new tenant's expected sign-up date., Contact is made with the utility companies to clear any arrears. Gas and electrical, checks are made before the HMU commence work on the property.
- In addition, in supporting the streamlining of the process, a new form had been introduced. The new process puts the onus on the tenant to now notify the Council of any changes in circumstances that could affect their tenancy. It was also confirmed that the Housing Management Team are responsible for reviewing the list, the utility issues and estate conditions.
- Other reasons causing delays in the turnaround of properties (voids) and thus impacting on the PI23, could be the requirement for occupational therapist's input and the delays created by Housing

Link as they try to allocate adapted properties to suitable clients. However the Head of Housing explained they had negotiated a sharing of timetables with Occupational Therapists to now monitor the programme of requirements, which was speeding up the process. Also a new process is in place with Housing Link to negate previous delays encountered.

- The Transformation Manager confirmed that currently there are approximately 260 voids per annum, and as there were 3,381 properties. Members commented that this is approximately 10%.
- The Housing Options Manager explained that placing people from the housing list was now more difficult due to the spare room subsidy, otherwise known as the bedroom tax. For example, they can't place somebody into a 3 bedroomed unit if only a single person, even if at the top of the list. Housing is required to ensure that each tenant can pay the rent before being allocated a housing unit. Members were reminded that Housing Services relating to the Council Housing Stock is required to be self-funding, that is, the rents in, pays for the upkeep of the housing stock and salaries and any new council housing development. .
- Further more re-let works are generally completed in less than 15 days, these figures do not include new works, such as new kitchens, bedrooms etc. When work is completed the keys are handed back to the allocation team. The aim is to achieve all allocation and inspection work within the 4 week notice period i.e. 28 days. The perfect scenario would be; to have the tenants notice to quit, an inspection, carry out the re-let works and the repairs team hand back the keys within 15 days ready for a new tenant who had already been identified from the housing register and already to move in. This would then have to be repeated for nearly every property to bring the PI 23 down to under the target level.
- Housing currently have 900 names on the housing register which is currently being reviewed, the new process reduces the possibility of a new tenant changing their minds and the resulting delays, thus improves the process, Housing are continually trying to improve this process with efficiencies made by the two teams working closely together. It was confirmed that the housing options team had joined with the housing allocations team. It was also confirmed that the housing section take out major works e.g. re-wiring etc. they remove these properties from the figures and only include those properties where re-let works have been carried out. This is in line with the new Housemark P.I. definition for voids.

5 CONCLUSIONS:

5. The Corporate Committee determined the role of the Scrutiny Outcome Panel, as covered in its adopted terms of reference (CSC11.0416):-
 1. To understand the Authority's current arrangements in letting units of housing accommodation, consequently the nature of the service area relating to performance indicator PI23, [that is, the average number of calendar days to lettable units of accommodation (excluding DTL's)], which was red ragged in the Council's performance scorecard September 2015.
 2. Review the mitigation provided by the Heads of Service Housing, with regard to turning the past performance of the PI23 around.
 3. Review the rationale behind the targets set and discuss possible future targets.
 4. Consider any developments within the service that link to the lettings voids issue e.g. restructure, member/officer allocations, group work etc.

The panel drew conclusions from the findings to cover the above four areas of review.

5.1 Conclusion 1:

The Panel understood the Authority's current arrangements for letting units of accommodation, consequently the nature of the service and the rationale behind performance indicator PI23. They acknowledged that it was not a national key performance indicator and it was from a suite of PI's that similar local authorities used that had retained their housing stock, comparisons used on the Housemark Bench Marking Site.

5.2 Conclusion 2:

On review of the mitigation provided by the Head of Service – Housing, in regard to turning around the poor performance of PI23, they accepted that the underperformance was due to the Council experiencing an unprecedented demand of first offers being refused by prospective tenants and the transition of the housing service and maintenance unit impacting on the result. The Panel's review had confirmed mitigation offered whilst being undertaken, that is, regular void monitoring meetings were now taking place in addition to an ongoing review of the waiting list, the latter due to report in July. Number of refusals will also be addressed by the new Housing Allocations Policy, coming into operation this summer.

5.3 Conclusion 3:

Although the Panel accepted the rationale behind the target set, no evidence was provided in the review. However, whether the target could be negotiated down was not established. Denbighshire County Council had achieved the target and thus it was suggested Housing should pursue discussions with their housing section to establish how they achieved this. The Panel contacted DCC re; P.I.23, for 2014-15 and 2015/16, it showed:-

LA	2014/15	2015/16
DCC	22	58
IOACC	27	33.7

5.4 Conclusion 4:

The Panel acknowledged the developments within the service that could improve the lettings/voids issue as follows;

- (4a) Some older tenants refusing to allow upgrades contributed to not hitting the targets were unavoidable. Once the DTL and the Welsh Housing Quality Standard is concluded the performance indicator 23 will improve. Anglesey's housing service has high standards compared to some other local authorities; specifically those in south Wales. Anglesey prefer to do the work before the new Tenants move into the properties, rather than in some other authorities who carry out the work when tenants have moved in. However Anglesey is now trying to balance this to not loose rent longer than necessary. A task and finish group was established last year with existing Tenants, including those who recently became Tenants, to gain their opinion on the lettable standards of Council houses when they became ready for re-let.
- (4b) Some tenants refuse a couple of days before going to be given a key to an allocated property, for whatever reason, it causes the housing team difficulties and prolongs the void period. A new allocation policy will help support this issue, if a person on the housing list refuses twice, they then will lose their place on the list.
- (4c) Housing is now negotiating a sharing of timetables with the occupational therapists, which have to be involved with some tenant's requirements. Liaising sooner is helping to now monitor the programme of requirements, which is speeding up the process.
- (4e) Panel Members commented that on their rounds in their wards they often noticed housing units that were well maintained as opposed to others that were not. It was suggested that the estate officers visit

properties annually and take appropriate action on any issues or concerns. This has an additional capacity requirement and will require additional officers for an annual visit to all properties.

5 RECOMMENDATIONS:

1. To accept Housing Services mitigation for the poor performance of the 'Performance Indicator No 23'.
2. To retain the target of 25 days rather than change the target for P.I.23 for 2016/17, but to monitor closely against North Wales' neighbouring authorities the same P.I. and reconsider its inclusion or change of target for 2017/18. Propose this is added to the scorecard for ease of corporate monitoring.
3. To adopt the new definition from Housemark for the P.I. going forward (x ref Para 4.4.)
- 4.. To follow up on the Member Briefing on new Allocations Policy with an A4 guide for all members on the banding housing list, including specific reference to; outcome if refusal of offeres of accommodation from a tenant and with maintance standards required from tenants of Council housing.

B – What other options did you consider and why did you reject them and/or opt for this option?

Not applicable.

C – Why is this a decision for the Executive?

In accordance with the Scrutiny Procedure Rules as contained in the Council Constitution.

CH – Is this decision consistent with policy approved by the full Council?

Not known.

D – Is this decision within the budget approved by the Council?

Not Known.

DD – Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	The Draft Report of the Scrutiny Outcome Panel was considered by the SLT at its meeting on 1/9/16 – no comments made.
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	N/A
5	Property	N/A
6	Information Communication Technology (ICT)	N/A
7	Scrutiny	The report was submitted to the Corporate Scrutiny Committee on 12 th September, 2016. The Panel's report was approved by the Committee and recommended that it be forwarded to the Executive for a decision.
8	Local Members	N/A
9	Any external bodies / other/s	N/A

E – Risks and any mitigation (if relevant)

1	Economic	N/A
2	Anti-poverty	N/A
3	Crime and Disorder	N/A
4	Environmental	N/A
5	Equalities	N/A
6	Outcome Agreements	N/A
7	Other	N/A

F - Appendices:

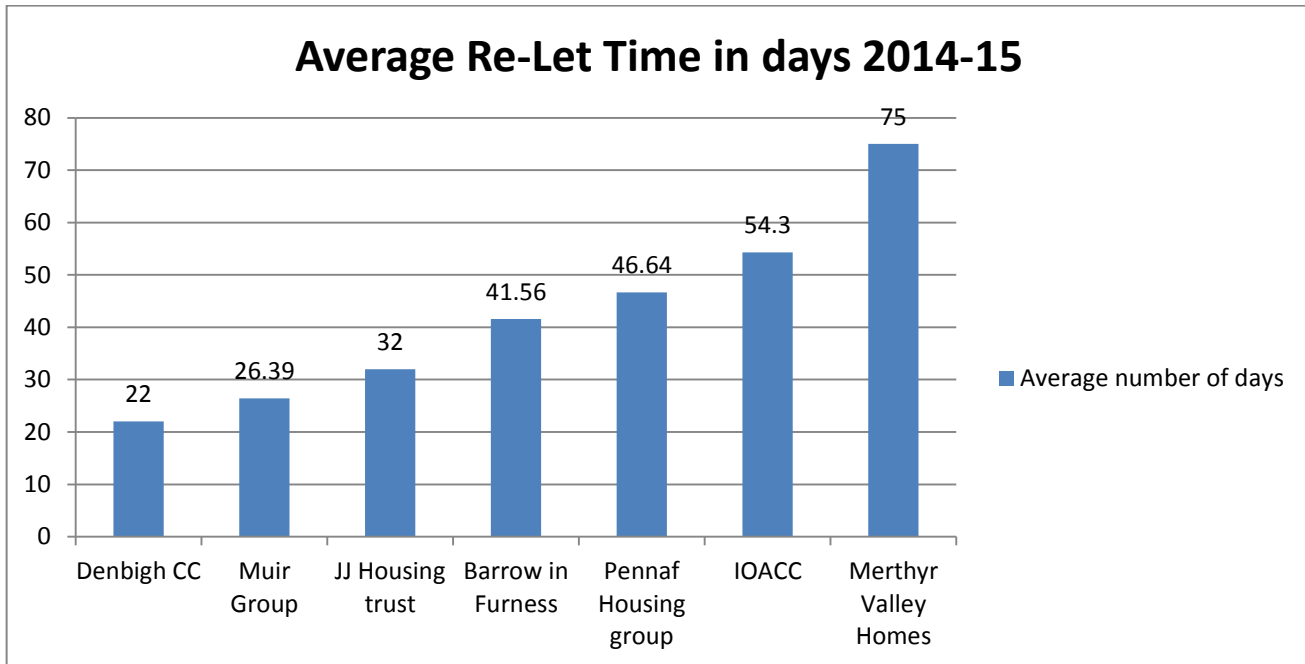
Appendix 1 - Table of average re-let times in days, 2014-15.(NB: received 23rd March 2016 Panel Meeting)
Appendix 2 – Table of numbers of properties per month and average number of Voids days(as above)
Appendix 3 - Voids process- Allocation period and Works period (NB: received 10.0516 Panel Meeting)

FF - Background papers (please contact the author of the Report for any further information):

Chair of the Scrutiny Outcome Panel
C/O Bev Symonds, Scrutiny Manager, Isle of Anglesey County Council, Llangefni LL77 7TW.

- Scrutiny Outcome Panel - Letting of LA Housing Units (Voids) Minutes; 23rd March 2016 and 10th May 2016.
- Various emails between Scrutiny Manager and officers in the Housing Service.

(2) Housemark – Void re-let results 2014-15 (Welsh and North West members)



National Performance Indicator Guidance (2008/09)

(3) Voids Definition – Welsh Government

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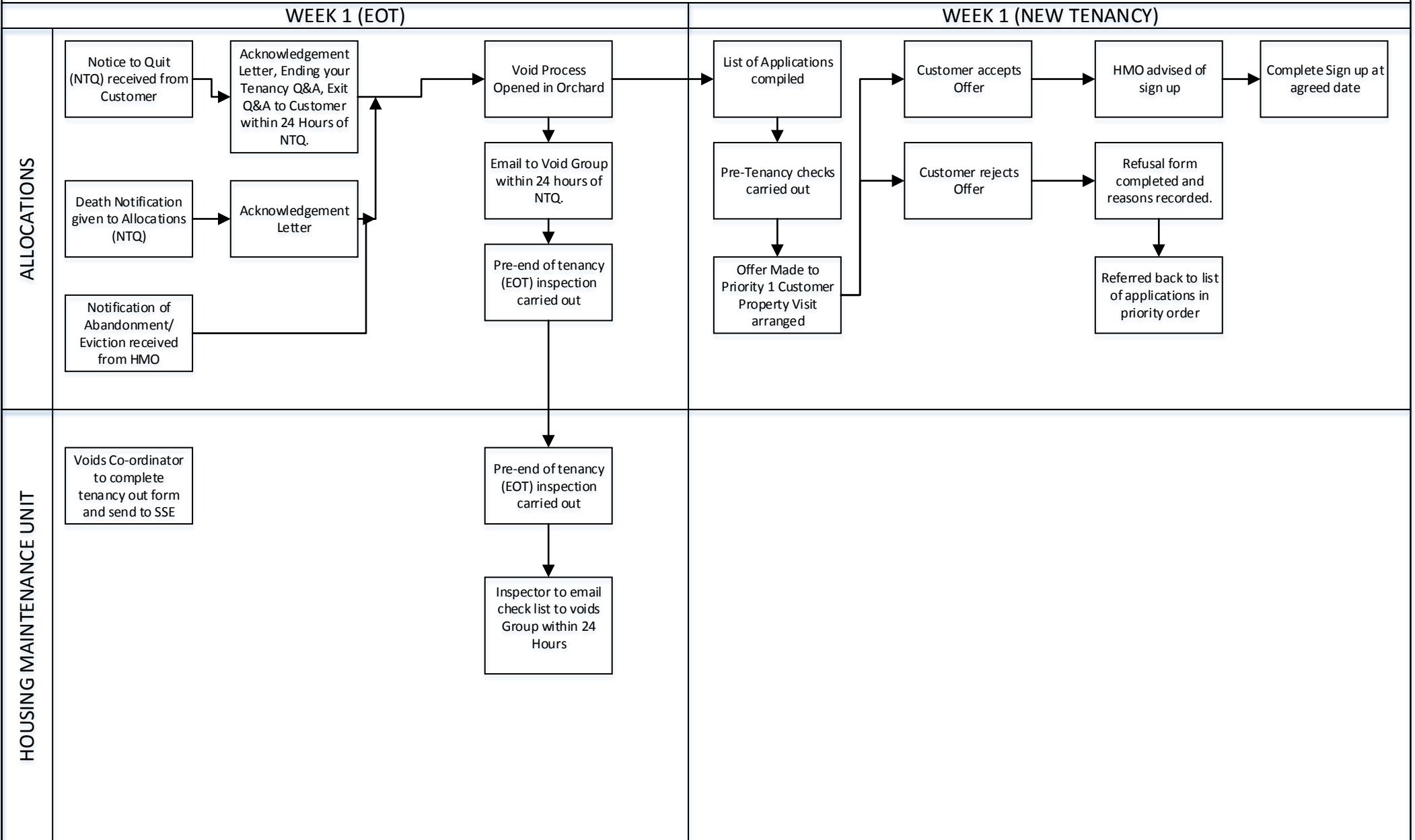
Table 2

Category	Month of Letting												Year Total/Average
	July	August	September	October	November	December	January	February	March				
All Properties	13	19	26	28	35	31	22	38	17			229	
DTL Properties Inc above	5	6	3	5	7	10	7	6	ND			49	
Total Average of Allocations Days	34.00	42.68	60.62	49.00	56.74	60.39	51.16	49.42	26.88			47.87	
Total Average of HMU Days	21.00	21.00	28.87	22.15	21.59	21.03	19.95	18.17	16.69			21.16	
COT Works Only													
Number of Properties	10	18	19	20	21	16	13	28	11			156	
Average nr of HMU Days	17.00	18.94	25.44	18.72	14.40	14.50	14.77	14.11	15.30			17.02	
COT & Capital Works													
Number of Properties	3	1	7	8	14	15	8	9	6			71	
Average nr of HMU Days	34.33	58.00	36.71	29.88	31.86	27.13	29.57	30.33	19.00			32.98	

Notes

All figures are extracted from the Voids Tracker Spreadsheet populated by Allocations and HMU voids teams. It should be noted that there may be marginal variances between this data and the data extracted directly from Orchard. All figures are calculated for property re-let dates in the month actually re-let. Allocations Days are based upon receipt of keys date to actual re-let date. HMU Days are based upon receipt of keys from Allocations to keys to returned to Allocations. COT = Change of Tenancy Works to comply with Lettable Standard. Capital Works = Replacement of Kitchens, Bathrooms etc to meet WHQS.

VOIDS PROCESS – ALLOCATIONS PERIOD

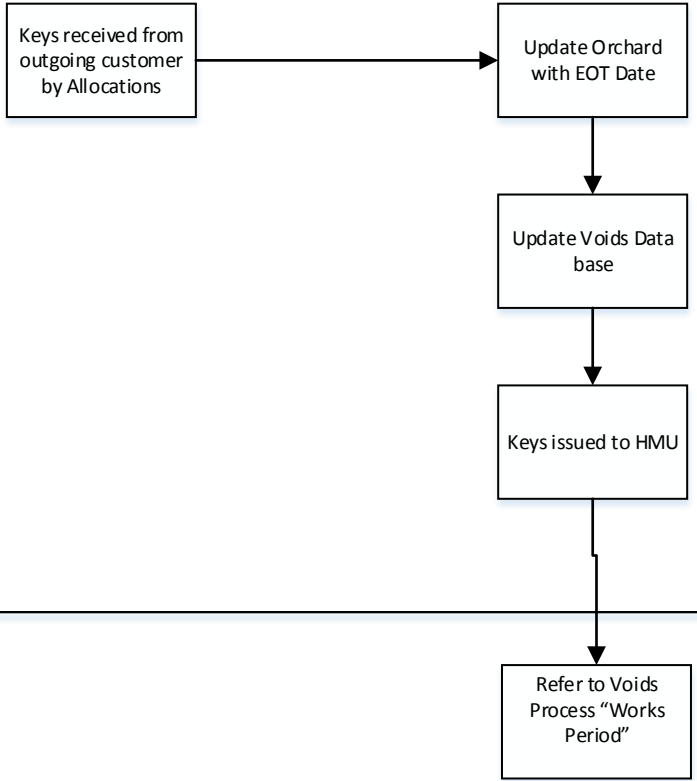


VOIDS PROCESS – ALLOCATIONS PERIOD

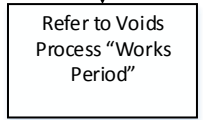
WEEK 5 (EOT)

WEEK "X" (NEW TENANCY)

ALLOCATIONS



HOUSING MAINTENANCE UNIT

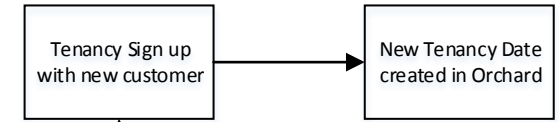
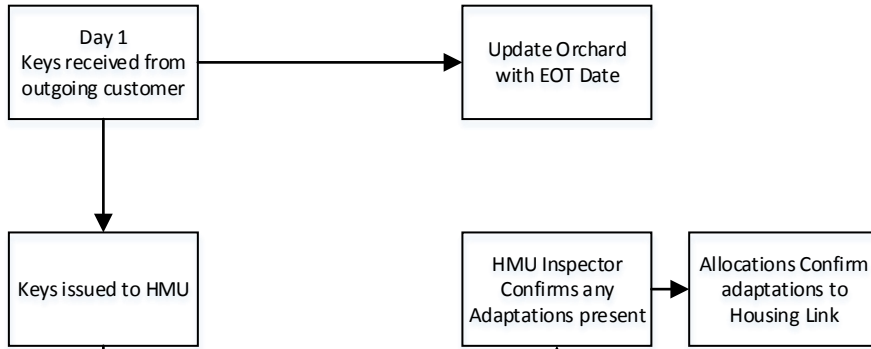


VOIDS PROCESS – WORKS PERIOD

WEEK 5

WEEK "X" (Subject to Priority)

ALLOCATIONS



HOUSING MAINTENANCE UNIT

