

ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template

Committee:	Corporate Scrutiny Committee
Date:	13 th June, 2024
Subject:	Scrutiny Task and Finish Group: Letting of Council Accommodation (KPI 29) – FINAL REPORT
Purpose of Report:	Consider the key findings and recommendations of the Scrutiny Task & Finish Group: Letting of Council Accommodation (Key Performance Indicator 29)
Scrutiny Chair:	Cllr Douglas Massie Fowlie
Portfolio Holder(s):	Cllr Gary Pritchard, Deputy Leader and Children, Youth and Housing Services
Head of Service:	Ned Michael, Head of Housing Services Lynn Ball, Director of Function (Council Business) / Monitoring Officer
Report Author: Tel: Email:	Scrutiny Task & Finish Group of the Corporate Scrutiny Committee
Local Members:	Applicable to all Scrutiny Members

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1 – Recommendation/s

The Committee is requested to:

- R1** approve the final report of the Scrutiny Task and Finish Group together with its key findings and 4 individual recommendations as detailed in Appendix 1 to this report
- R2** agree to submit the final report for approval by the Executive (date to be confirmed).

2 – Link to Council Plan / Other Corporate Priorities

Housing is one of the 6 main strategic objectives of the Council Plan → “Ensuring that everyone has the right to call somewhere home”. The Council Plan: 2023-2028 is our main strategic document.

3 – Guiding Principles for Scrutiny Members

To assist Members when scrutinising the topic:-

- 3.1** Impact the matter has on individuals and communities [focus on customer/citizen]
- 3.2** A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [focus on value]
- 3.3** A look at any risks [focus on risk]
- 3.4** Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]
- 3.5** Looking at plans and proposals from a perspective of:
- Long term
 - Prevention

- Integration
- Collaboration
- Involvement

[focus on wellbeing]

3.6 The potential impacts the decision would have on:

- protected groups under the Equality Act 2010
- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

4 – Key Scrutiny Questions

5 – Background / Context

1. BACKGROUND

1.1 The Corporate Scrutiny Committee¹ gave consideration to Council performance at the end of Qtr2: 2023/24 and looked specifically at the following Performance Indicators in the Housing Service which were under performing:

- **Performance Indicator 28** – average number of calendar days taken to deliver a Disabled Facilities Grant
- **Performance Indicator 29** – the average number of calendar days to let lettable units of accommodation (excluding Difficult to Lets)

In light of its deliberations, the Committee decided on the following action points:

- Performance Indicator 28 – that an officer Group complete a task and finish project to analyse under performance of this indicator and report back to the Committee with proposals for improvement. The Committee received a report on the findings of this work stream in March 2024.
- Performance Indicator 29 – that a task and finish group be established from the membership of this Committee to review performance in greater depth and with a brief to improve performance against the indicator by reducing the number of calendar days taken to relet empty accommodation and report back to the Committee on findings.**

This report presents the findings of the Scrutiny Task and Finish Group.

¹ Meeting of the Corporate Scrutiny Committee convened on 21st November, 2023

2. METHODOLOGY, SCOPE AND OBJECTIVES

2.1 **Methodology** – the Scrutiny review used a methodology based on a methods investigation and improvement technique called SREDIM (select, record examine, develop, implement and maintain). 5 meetings of the Scrutiny Task and Finish Group were convened over a period of 3 months² (February – May, 2024)

2.2 **Inputs** – inputs were received from the following Members and officers during the review process:

- Deputy Leader and Portfolio Member for Children, Youth and Housing Services
- Director of Function (Resources) / S151 Officer
- Head of Profession Human Resources and Transformation
- Head of Housing Services
- Service Manager Community Housing
- Technical Services Manager
- Maintenance Manager (Housing Maintenance Unit).

2.3 **Scope and objectives** – the Task and Finish Group looked in greater detail at the following aspects:


Performance Related Data / Information

- ✚ Exact definition of Performance Indicator 29 and any information that explains how the KPI should be interpreted and how performance should be measured
- ✚ Benchmarking data available to enable comparison with other Local Authorities
- ✚ Detailed look at local performance against Performance Indicator 29 over the last 4 years
- ✚ Details of mitigation measures proposed during quarterly reporting on under performance of Performance Indicator 29 via the Corporate Scorecard
- ✚ Active housing register applications and applications processed
- ✚ Impact of the forthcoming Welsh Housing Quality Standards II (WHQS II) on local performance

Lettings Policy and Process

- ✚ Local lettings / allocation policy, procedures and process; tenancy documentation
- ✚ Data and timelines relating to the lettings process – both housing allocations and technical teams
- ✚ Structure and functions of all teams involved in the lettings process

² Meetings of the Scrutiny Task and Finish Group convened on 08/02/2024, 29/02/2024, 06/03/2024, 22/04/2024 and 07/05/2024

 WHQS II standards and condition of our housing stock

2.4 Panel Membership:

- Cllr Ieuan Williams, Chair
- Cllr Keith Roberts, Vice-chair
- Cllr Geraint ap Bebb
- Cllr Sonia Williams
- Cllr Arfon Wyn
- Cllr Dyfed Wyn Jones.

Secretariat – setting dates and preparation of minutes for meetings of the Task and Finish Group has been provided by the Scrutiny Team.

3. TASK & FINISH GROUP OBSERVATIONS, KEY FINDINGS AND RECOMMENDATIONS

A summary of the high level observations, key findings and recommendations of the Task and Finish Group are attached (**APPENDIX 1**).

To conclude, the Scrutiny Task and Finish Group proposes the following recommendations to the Executive as a means to further improve local performance against Key Performance Indicator 29:

R1 Recommend to the Executive that the local performance target for Key Performance Indicator 29 be set at 35 calendar days to relet lettable units of accommodation (excluding difficult to let units)

R2 Request the Housing Service to prepare a costed action plan to reduce the number of calendar days to relet units of accommodation from current performance to 35 calendar days. The plan should include steps to reduce the current level of unproductive time in the reletting process (Housing Maintenance Unit)

R3 Request the Housing Service to prepare a costed action plan to ensure sufficient resource to complete the necessary works on an average number of 4 vacant units per week and in order to ensure that units are ready to relet within the revised target

R4 Recommend that the Housing Service examines current processes and timelines in the Housing Maintenance Unit in order to reduce the current level of unproductive time lost.

The attached report (**APPENDIX 2**) details the considerations and observations of the Task & Finish Group together with recommendations suggested by the Group.

4. TIMELINE FOR REMAINING MILESTONES OF PROCESS

Date	Milestone
Date to be confirmed	Executive – accept the final report with a recommendation to approve the findings and 4 individual recommendations
To be confirmed	Publication of final report – on the Council's website

5. RECOMMENDATIONS

The Corporate Scrutiny Committee is requested to:

R1 approve the final report of the Scrutiny Task and Finish Group together with its key findings and 4 individual recommendations as detailed in Appendix 1 to this report

R2 agree to submit the final report for approval by the Executive (date to be confirmed).

6 – Equality Impact Assessment [including impacts on the Welsh Language]

6.1 Potential impacts on protected groups under the Equality Act 2010

6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)

6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

7 – Financial Implications

Yes – This will be costed in the action plan that the Service will develop by November / December 2024.

8 – Appendices:

Appendix 1 – Summary of the observations, key findings and recommendations of the Task and Finish Group

Appendix 2 - Report of the Scrutiny Task and Finish Group: Letting of Council Accommodation

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

**SCRUTINY TASK AND FINISH GROUP: LETTING OF COUNCIL ACCOMMODATION (KPI 29)
RESUME OF PANEL OBSERVATIONS, KEY FINDINGS AND RECOMMENDATIONS**

HIGH LEVEL OBSERVATIONS	
Observation 1	The Local Authority is performing well on voids in comparison to other Authorities and Housing Associations. The Housing Solutions and Housing Maintenance Units have good systems to administrate the lettings process
Observation 2	The variance in the number of voids by month (ranging from 6 → 26) means that a backlog can build up making it challenging to bring the number of voids down. This in turn leads to a decrease in turnaround and has a negative effect on performance
Observation 3	A high backlog inevitably results in a loss of rental income
Observation 4	We are in an unprecedented housing crisis with high numbers not being able to buy a house and the political pressures are putting all Local Authorities who have retained their stock under the microscope
Observation 5	WHQS II could assist with the voids process
KEY FINDINGS	
Key Finding 1	Housing Solutions Team have identified solutions that could save a few days. This illustrates a developing culture of continuous improvement to build upon
Key Finding 2	Housing Solutions Team & Housing Maintenance Unit have effective systems for managing voids process
Key Finding 3	Housing Maintenance Unit requires more capacity to bring void turnaround to a consistent number of days
RECOMMENDATIONS	
R1	Recommend to the Executive that the local performance target for Key Performance Indicator 29 be set at 35 calendar days to relet lettable units of accommodation (excluding difficult to let units)
R2	Request the Housing Service to prepare a costed action plan to reduce the number of calendar days to relet units of accommodation from current performance to 35 calendar days. The plan to include steps to reduce the current level of unproductive time in the reletting process (Housing Maintenance Unit)
R3	Request the Housing Service to prepare a costed action plan to ensure sufficient resource to complete the necessary works on an average number of 4 vacant units per week and in order to ensure that units are ready to relet within the revised target
R4	Recommend that the Housing Service examines current processes and timelines in the Housing Maintenance Unit in order to reduce the current level of unproductive time lost.

Report on the conclusions of the voids task and finish work group

1. Introduction

In the Corporate Scrutiny Committee on the 21st November 2023 following the scrutiny of the Corporate Scorecard it was decided that a task and finish group be created to review the performance of Indicator 29 – The average number of calendar days to let lettable units of accommodation (excluding DTLs) – it was red with a performance of 48 days against a target of 40 days. This was a decline on the 30 days seen for the same period in 2022/23 and the 35 days seen in 2021/22.

This has an effect on indicator 30, the percentage of rent lost due to properties being empty, the corporate scorecard noted that 1.58% of rent was lost. Assuming that the total rent is approximately £22.5 million this equates to a sum of roughly £355,500 per year. The closer we can bring the number of empty days to the target or set a new target based on the optimum time to carry out repairs or refurbishment will bring this loss of income down.

In the following months the group was set up and terms of reference agreed, see appendix 1. It was decided to use a methodology of SREDIM, select (the problem), record (the current process), examine (the current process), develop (a new process or identify the problem), implement (the new process or recommendations), maintain (the improved situation).

The group met informally in early February to decide on a set of questions to begin the work, see appendix 2. After receiving the questions from the group and a set written by scrutiny officers, staff from housing prepared a detailed set of information to assist the group in understanding the process of letting out our social housing. See appendices 3 and 4. We were also supplied with the Lettable Standards document – appendix 5 and the new tenancy agreement/contract appendix 6.

Following this the group has met on 5 occasions:

8th February to agree the TOR and discuss the methodology

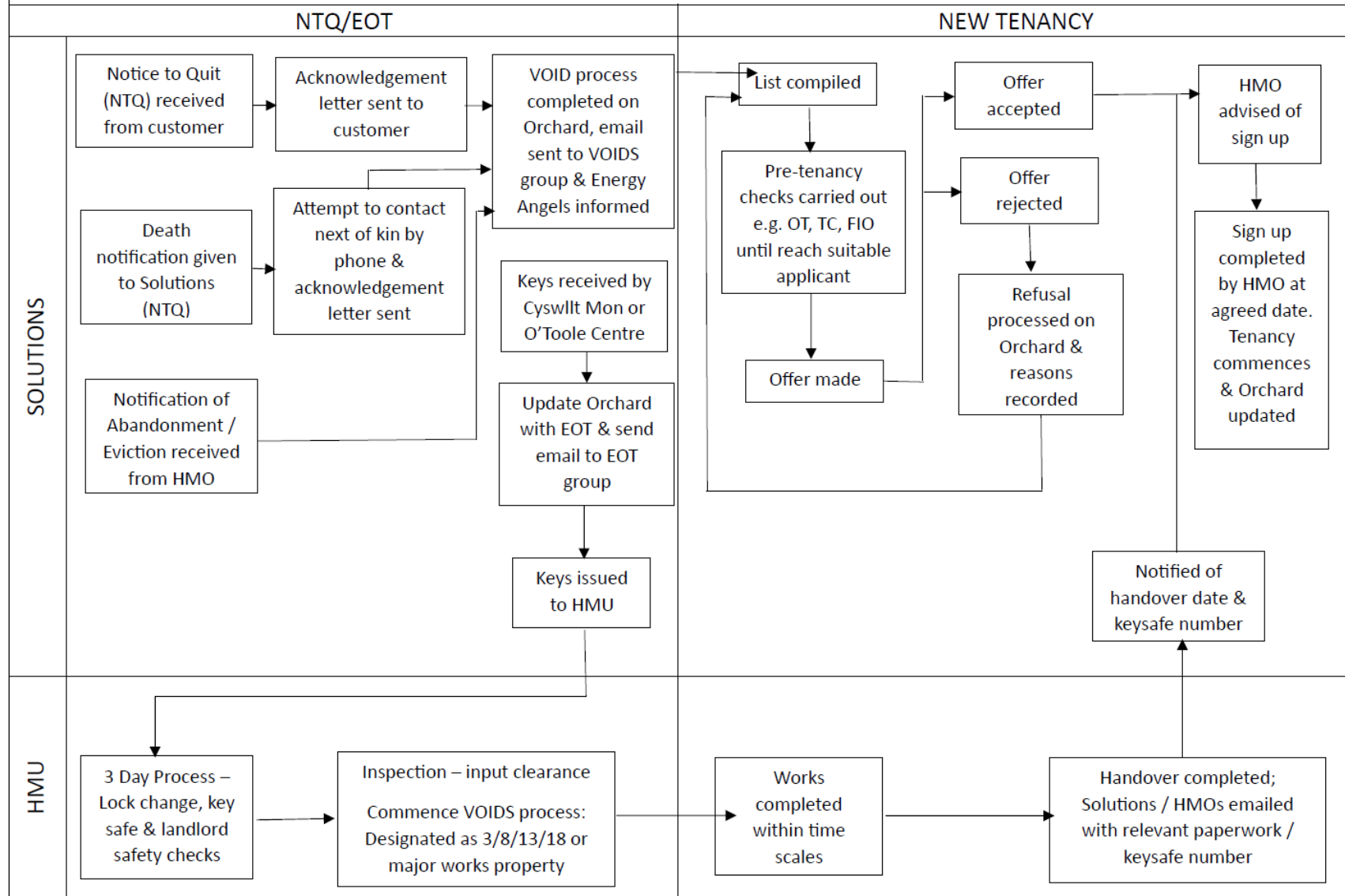
4th and 6th March – to meet with housing staff to ask questions on the information supplied.

19th March to meet with the maintenance unit staff to understand the refurbishment process in further detail.

22nd April to discuss progress to date.

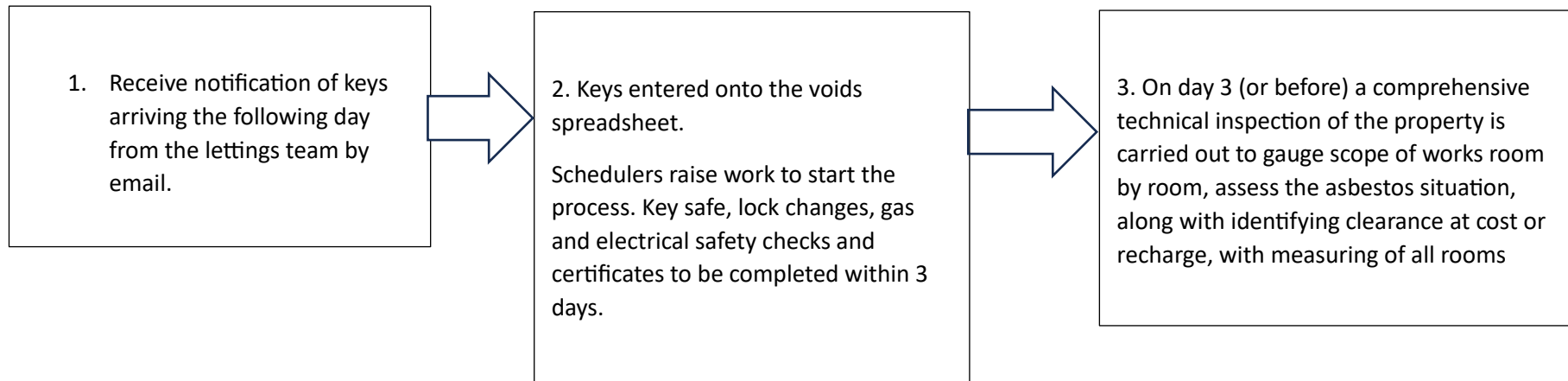
2. Record – documenting the process of letting out a property. Below are two detailed flowcharts of the process followed by the Solutions team and the HMU (Housing Maintenance Unit)

VOIDS PROCESS – ALLOCATIONS PERIOD

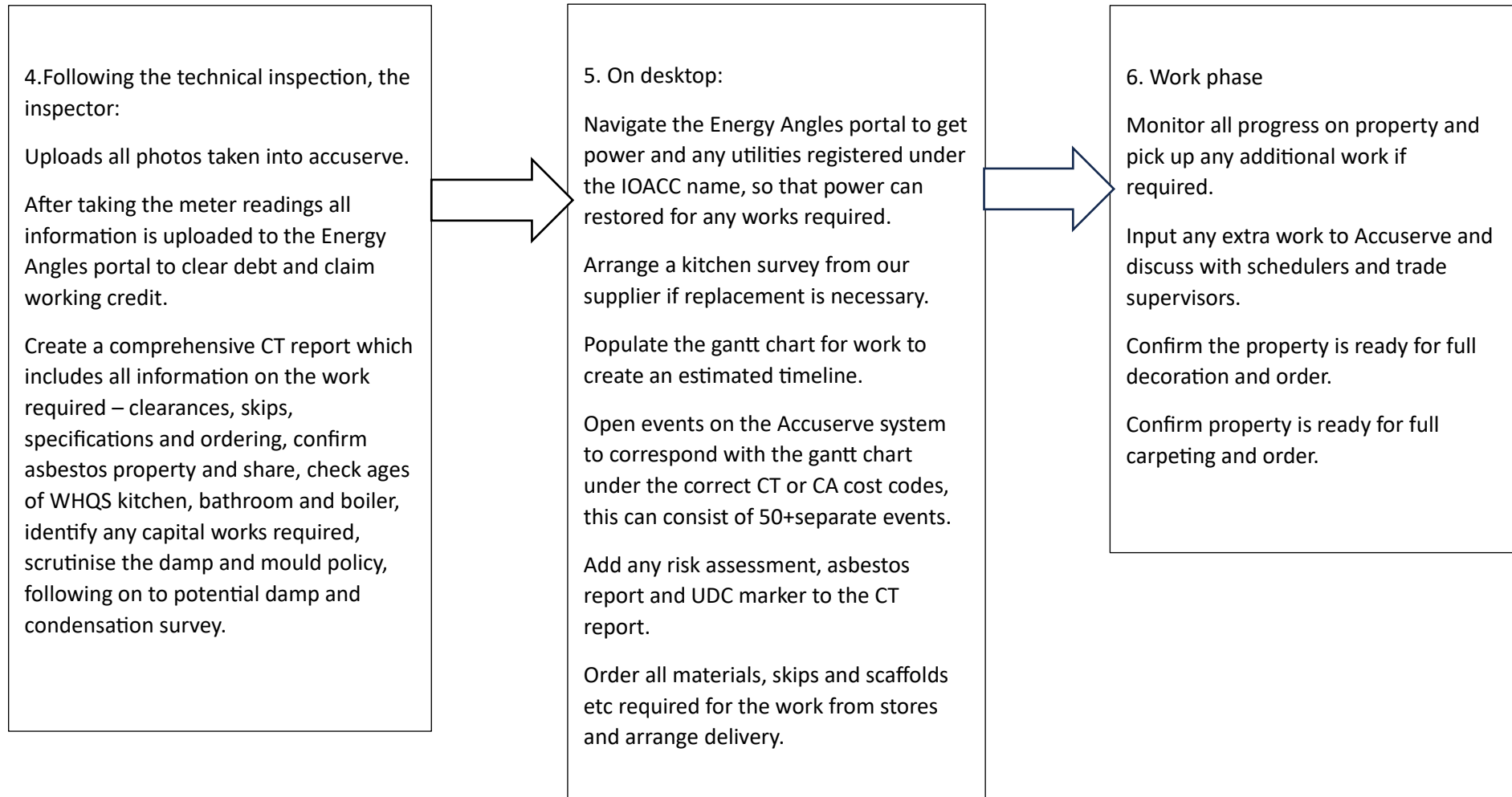


Detailed voids process for the HMU section

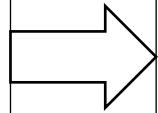
The first 3 days



Following on from the first 3 days



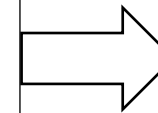
7. Carry out a pre-handover check 48 hours prior to handover to ensure all works required can be completed in time, arrange last minute works if needed



8. Create a Pre-handover file which consists of the following:

- CT report
- Fuel certificate
- Electrical Certificate
- Legionella Certificate
- EPC Certificate
- WHQS compliance sheet
- Damp and mould literature

Ensure there is enough power on meter to carry out a recommission.



8. Carry out the technical handover, ensure that the handover file is left within the property.

Ensure that all paperwork is scanned and sent over to the solutions team.

Put the property keys in the keysafe, ensure the property is secure.

3. Examine – analysis of the process

The Solutions team have identified 6 areas that are problematic, see appendix 3 for the detail:

1. Lets where an occupational therapist is involved.
2. Sensitive to let property.
3. Short notice of handovers from the HMU.
4. Lets where the a financial inclusion assessment is required.
5. The delivery of keys from the HMU.
6. Telephone sign ups.

The next section will document the solutions proposed by the Solutions team.

The HMU unit noted 14 areas that influence on the complexity of the refurbishment process:

1. All voids target times were set before RHW, WHQS, Damp + Mould and other W.G. targets have been introduced, with no amendments to compensate for all additional work resulting from the additional legislation.
2. Tenant expectations due to comparing existing housing to new build specifications, remembering a large proportion of our stock is approaching 80 - 100 years old.
3. The poor condition we receive a lot of our properties back from tenants.
4. Shortage of available trades/contractors and supervision resource due to support required to other areas such as reactive maintenance, tight repair priority times and managing staff leave and sickness absences, all made worse since all visits to our customers are on appointment only basis.
5. The HMU struggle to accommodate the peaks and troughs the way voids key come in. We experience difficulties managing approx. 50 void programs of work, all running at the same time.
6. Property clearance, where tenants are just walking out and leaving large amounts of rubbish and old furniture.
7. Our properties are now expected to be brought up to a refurbished state, rather than a minimal lettable standard.
8. Dealing with external gardens and fencing, where tenants have built their own sheds and fencing etc., which need to be removed, made safe and reinstated for incoming tenants.
9. I.T. concerns, Accuserve voids management can be time consuming.
10. Meeting Welsh government standards. Pre Covid, an average of 20% of voids were major. Now, 80% of voids are major as more kitchens + bathrooms are being fitted as we are approaching WHQS2
11. It could be stated that we are approaching a time where all voids will be major, considering WHQS2023, full decoration, full flooring just as a starting point.

12. New standards from RHW (Full decoration + Full floor covering + additional smoke alarms) and Capital works (Front + rear doors, E7 heating, boiler exchanges) and Damp + Mold (PIV + Humidity fans) work now being completed whilst void.
13. Carrying out carbon reduction work (removing fireplaces, oil boilers and moving to electric heating)
14. Challenges with utility companies regarding power and meters.

These issues were discussed in the meeting at the HMU on the 19th March and are discussed in the next section.

4. Develop – possible solutions to the problems identified.

The solutions team have already thought about potential solutions to the 6 problem areas they identified. These are:

1. Limit number of OT referrals sent for an applicant to 2 properties, which will allow solutions to proceed with other lists should the applicant come up top for another property.
Give deadlines to the OT for feedback if the keys for the property is with HMU – e.g. 5 working days. Should no feedback be received within the deadline the solutions officer will carry on with the list.
Solutions to by-pass the OT referral in situations where the property is a bungalow and only a LAS is required for the applicant – subject to management approval.
2. Review the S/L policy and the process needed to allocate properties within these estates.
Arrange a quick 30 minute meeting with the relevant HMO / ASB officer to discuss the applicants instead of sending an email and waiting 5 days for a reply.
3. Receive handover emails earlier in order for solutions to arrange a sign up ASAP, but explain to the customer that there *might* be a delay in the handover. Explain that this is due to the fact that we now carpet and decorate the property for them. However, if the sign up is done remotely (i.e. telephone) then it will just be a case of releasing the keysafe number once the handover has taken place. This would only work if the sign up was done over the telephone and not in person.
4. Solutions team leader to review with FIO team leader their capacity on a two monthly basis and if FIO are able to conduct the FIO to save time they would do so. If not, Solutions to continue to assess the affordability of applicants who work full time and receive no benefits / UC, however need to remind customer services to encourage the applicant to complete the Income and Expenditure form with the application form.
5. HMU staff re-commence collecting the keys from Llangefni office when they are passing throughout the day.

6. Still offer the telephone sign up for applicants who wish to do the sign up this way, however not to offer this as the 'default' option and to ask if they would like a face to face sign up in order for the keys to be given the same day. If a face to face sign up is requested, solutions officer to send a copy of the occupation contract via email beforehand in order to save time during the sign up appointment.

A few but not all of the issues raised by the HMU were discussed in the meeting on the 19th March. Accuserve is not viewed as a concern, but the administration time involved in fully documenting a refurbishment is noted. The extra information is seen as a benefit when evidence is required that the Council is complying with the many extra requirements that we have to comply with today.

The main issue is one of capacity. The HMU manager shared the voids gantt chart/spreadsheet which highlighted the issue. On the 19th March there were 46 voids in the system, 31 (67%) were classed as major works. The gantt chart covered 12 days. If we multiply those days by the 46 properties being worked on we have 552 days that could be productive if we had the workforce. The number of days with resources working on properties was 201, leaving 351 days without a trade working on a property, 64% non-productive days.

The HMU manager shared an updated gantt chart in early May. The number of voids had risen to 59 houses. 37 (63%) were classed as major works. The gantt chart covered 19 days from 3rd to the 31st of May. 59 voids over 19 days is 1121 days. 766 of these days had no resource allocated to the voids, taking the percentage of non-productive days to 68%.

There are roughly 200 voids a year with the numbers varying from 6 a month in July and August 2023 to 26 a month in April 26.

The HMU Manager believes that a major refurbishment would take 25 days to complete if resources were available from start to finish.

The obvious solution is to employ more tradesmen. The HMU currently have two teams working on voids. These teams comprise of 2 electricians, 2 plumbers, 2 joiners, 2 plasterers and 2 labourers. External tradesmen are also contracted to complete work like fitting kitchens. Often many of the voids team have to work on day to day maintenance if staff from that team are on holiday or sick leave. The HMU was brought in house in 2015 and has never been fully staffed.

Following conversations with the Head of Service and the Section 151 Officer the task and finish group recommended that:

1. the local performance target for Key Performance Indicator 29 be set at 35 calendar days to relet lettable units of accommodation (excluding difficult to let units).

2 the Housing Service prepare a costed action plan to reduce the number of calendar days to relet units of accommodation from current performance to 35 calendar days. The plan should include steps to reduce the current level of unproductive time in the reletting process.

3 the task and finish group request the Housing Service to prepare a costed action plan to ensure sufficient resource to complete the necessary works on an average number of 4 vacant units per week and in order to ensure that units are ready to relet within the revised target

4 recommend that the Housing Service examines current processes and the Housing Maintenance Unit in order to reduce the current level of unproductive time lost.

The new Housing Asset management plan to reach WHQS needs to be considered in association with voids. If a maximum number of voids were set for any one time should and external company be used to bring the number down.

5. Implementation and maintenance

The suggestions from the Solutions team to be implemented as soon as possible.

A comprehensive and detailed business plan to achieve recommendations 1 to 4 above to be developed by December, with implementation over the following six months and the new target of 35 days set by April 2025.

6. Lessons learned

Although this task and finish project has been a valuable experience, the question should be considered if a task and finish group by committee is the most effective way of investigating performance? A committee is confined to a few meetings and doesn't want to impede on Officers time in areas that can be sensitive. The Authority has a transformation section, should the Senior Management team and the Executive consider training them in business process improvement techniques and should that work be considered as normal and valuable if it can bring about improvements in efficiency and effectiveness. Should the Council consider other Total Quality Management or Continuous Improvement methods to improve productivity and performance in the future. This would be akin to making the Council a Learning Authority as was suggested in Education a couple of years ago.

7. General Comments and thanks

The task and finish group acknowledge that the Housing Departments performance is amongst the best in North Wales and that all Authorities and Housing Associations face challenges in keeping void times down to targets.

We are facing an unprecedented period in housing with over 700 on the list for a house and many private landlords deciding to pull out of the market. Being able to squeeze all improvements in void performance should assist us in bringing the numbers on the list down sooner.

The group would like to thank all of the Housing staff that gave of their time to answer all our questions and provide us with the required documentation.