

REPORT TO COMMUNITIES COMMITTEE – 7 SEPTEMBER 2017

VOIDS UPDATE

1. Recommendations

The Committee is recommended to:

- 1.1 **Acknowledge and comment on the different categories and reasons for housing void properties;**
- 1.2 **Confirm that Internal Wall Insulation (IWI) work should be carried out at void where required. This was already agreed at Policy and Resources committee however there have been delays to stock improvement, delay in setting up internal team and delay in having IWI undertaken through SCAPE, all of which were unforeseen at time of previous approval, and;**
- 1.3 **Agree a void target of 39.7 days for normal re-lets.**

2. Background / Discussion

- 2.1 At the Communities Committee meeting on 15th June, committee requested more detailed information on housing void properties across Aberdeenshire.
- 2.2 This report presents to the Communities Committee information on void properties as at 30th June 2017.
- 2.3 There are 9 separate categories used for monitoring long term voids. These categories are determined by the Scottish Housing Regulator and other Housing benchmark providers to allow comparisons across Scottish Housing authorities and Registered Social landlords.

Void Type	Description	Number of voids in category (as at 30/06/17)
Held for Decanting	Properties held to allow decanting of tenants from their permanent tenancy.	17 mainstream 1 temporary accommodation
Fire and Flood	Fire & Flood voids are defined as 'empty properties where an insurance claim was raised because of fire or flood damage.'	2 mainstream 9 temporary accommodation
Identified For Demolition	Properties identified For demolition	3
Low Demand	Definition of low demand relates to	21

	<p>individual properties:-</p> <ul style="list-style-type: none"> • Small or no waiting list • Offers on a property are frequently refused for reasons other than personal reasons. <p>All low demand properties as at 30th June 17 were Sheltered Housing vacancies. Below is a breakdown of where these properties are:-</p> <p>Walker Court, Aberchirder – 1 Malcolm Forbes Court, Rosehearty – 3 Mitchell Court, Sandhaven – 1 Cantly Court, Cruden Bay – 3 Forbes Court, New Pitsligo – 2 Skerry Hall, Boddam – 2 Renouard Court, St Fergus – 1 Strathbeg, Crimond – 1 Preston House, Fyvie – 2 Cumrye, Cuminestown – 1 Green Acres, Pitmedden – 2 Fechnie Brae, Blackburn – 2</p> <p>These properties are mainly in rural areas with a lack of amenities.</p>	
Major Works	<p>Major works are defined as ‘empty properties awaiting or undergoing major repairs/structural work. Where if the property was occupied, the tenants would have to be decanted to enable the works to be undertaken safely. N.B <i>Following completion of major repair work any subsequent void period occurring until the date of re-let should be counted as a ‘normal’ void (i.e. any void period from the date of completion of major repair work to the start date of a new tenancy is to be included as standard void, for the purpose of the performance indicator ‘time taken to relet’.</i></p>	11 mainstream 10 temporary accommodation
Property to be reconfigured	<p>Properties that may be considered for subdivision to provide a number of smaller dwellings; or The conversion of a domestic property for non-domestic use; e.g. to a shop or office.</p>	3

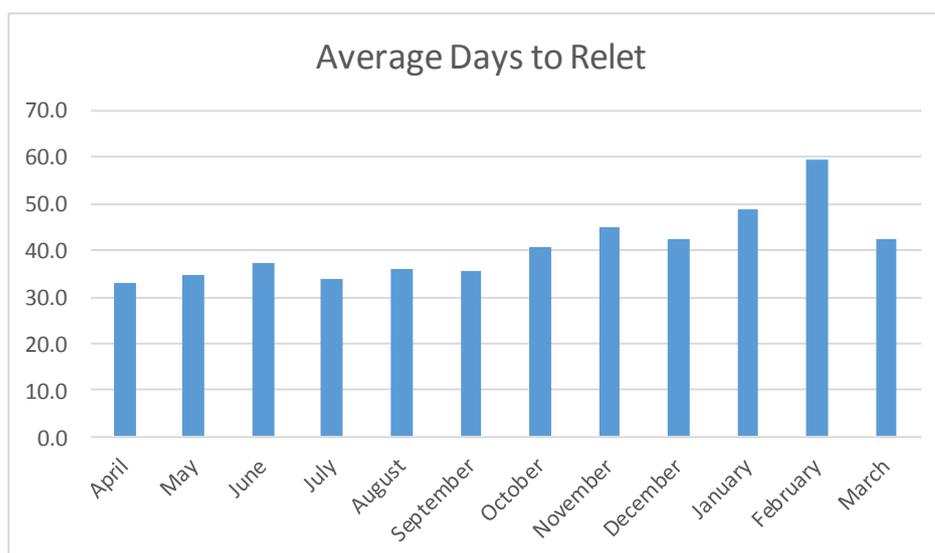
Surplus to requirements	Surplus properties are defined as properties that have been declared surplus to requirements and are progressing through the Council's procedure for disposal.	1
Internal Wall Insulation (IWI)	Properties which require Internal Wall Insulation works to be carried out in order to meet EESSH.	93 6 temporary accommodation
Available to Let	Properties available to let but still void. These properties will already be allocated but awaiting works to be completed before being signed up.	49 17 temporary accommodation
TOTAL		243

2.4 Average Days to Relet

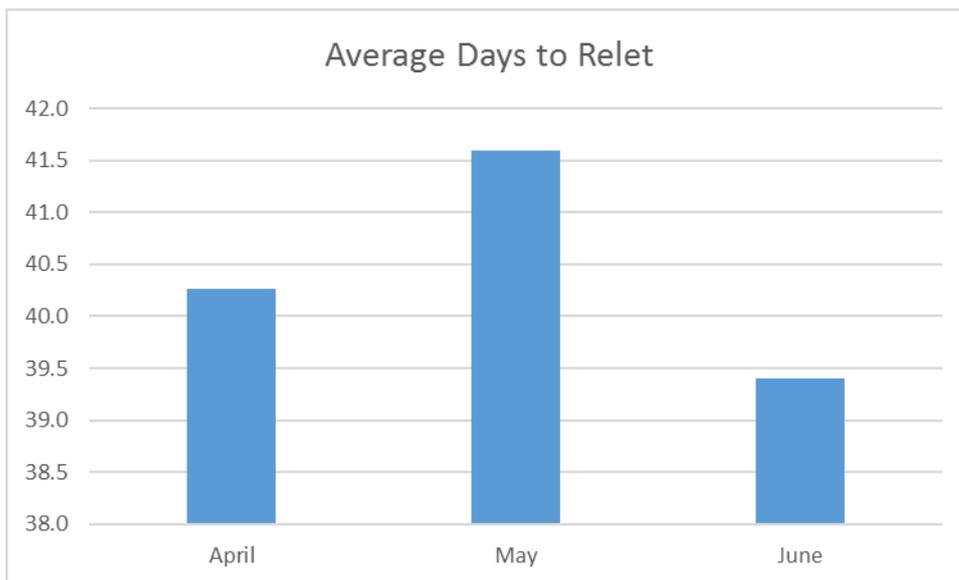
The average days to relet is calculated using the definition for the Scottish Social Housing Charter. This definitions, excludes temporary accommodation units, properties that had been used for decant, and new build voids, but includes the time that properties were at Low demand status. Temporary accommodation tends to be relet quicker, as do new properties, however this still adds to the workload for in turning around the properties and make them available for relet.

The average days to relet a property is shown graphically below. The first graph demonstrates the average number of days for each month in the 2016/17 financial year. This ranges from 32.8 days in April 16 to 59.5 days in February 2017.

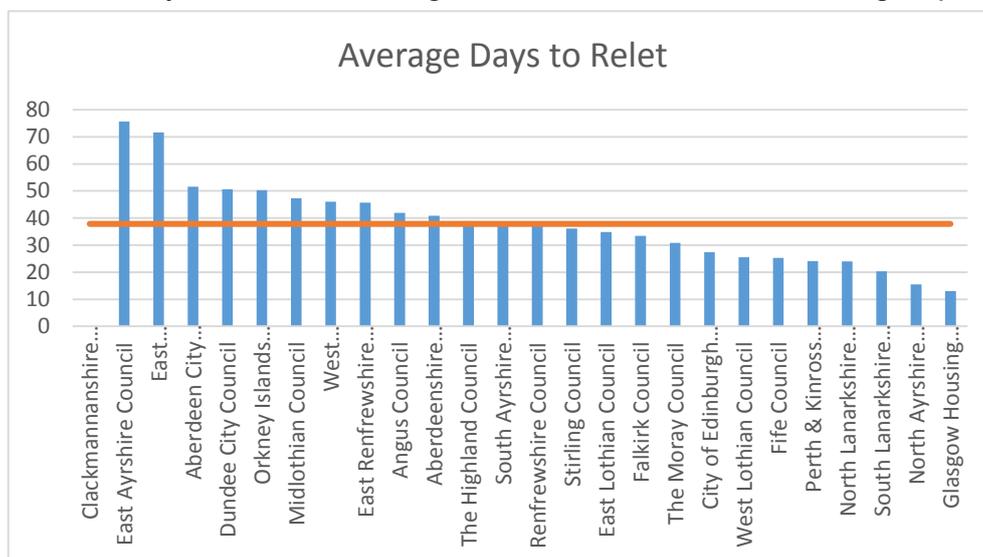
The target for 2017/18 is based on average monthly performance over the last 3 years. Based on this, it is proposed that the target for the average days to relet is 39.7 days which is marginally above the Scottish average of 37.89 days.



This graph shows the average days to relet in the 2017/18 financial year.



Compared to other local authorities in our peer group Aberdeenshire Council's days to relet is average and sits in the middle of the group.



There are numerous reasons for the differences in the days to relet, per month and per area. Below are examples of these reasons and the impact each has on getting the property to Aberdeenshire Council's re-lettable standard, as stated in the voids procedure.

Low Demand Properties

A total of 33 low demand properties were relet within the financial year (2016/17), between them taking 3166 days. Without these properties, the average days to relet across Aberdeenshire would have been 38.10 days. Re-letting these properties after long void period is a positive objective within the housing service and a number of new ideas have been tried to ensure these properties are let. As low demand properties are

generally sheltered housing schemes in rural locations the ability to let these properties can be limited.

Increase in terminations

An increase in terminations over the financial year (16/17) means that workloads increased to meet demands. This may be influenced by a higher turnaround of properties in the north area therefore more demand on the repairs service to organise a greater volume of work.

Property condition

Condition of properties when returned is also having an impact on the ability to relet without the need for substantial work causing delays. Ability of team to cope with high demands and periods of staff loss etc.

- 2.5 The above conditions ensure that Aberdeenshire Council let properties to a high standard and this is demonstrated by a very low number of refusals by applicants for house condition. Only 3 (or 0.43%) offers were refused in 2016/17 due to house condition. It was also reported that 85.47% of new tenants were satisfied with their property when they moved in.
- 2.6 We also ensure our tenants are involved in the standards of our properties at relet time and they advise they are keen to ensure we continue to let our properties to this standard. The tenants group carry out regular audit checks on void property to check on works and are satisfied with the current position. We could take a minimalistic approach to work at void which would speed up relet times. This option of only carrying out safety checks would lead to higher refusals, increased complaints about condition and increased costs to complete the work after the new tenants had moved in.
- 2.7 By carrying out all required works when void, those who require special adaptations, would be housed into a fully suitable property. Doing this work after a tenant has moved in would lead to higher costs and significant inconvenience to the tenant.
- 2.8 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

Proposals/Options

- 2.9 In order to meet the Scottish Government's Energy Efficiency Standard for Social Housing (EESH), by 2020, some Aberdeenshire Council properties will require additional wall insulation. This will usually be provided by installing cavity or external wall insulation where this is suitable. However, around 15% of the Council's stock is of stone construction and an internal wall insulation (IWI) solution is required.

The level of disruption to tenants when installing this insulation method makes it very difficult for such work to be undertaken without moving the tenants out to other properties resulting in significant cost and inconvenience. Accordingly

when such a property becomes vacant, it is held pending the procurement of the IWI work. While the property is vacant, the opportunity is taken to carry out all required internal works as appropriate including; rewiring and any combination of doors, windows, kitchens, bathrooms and heating systems. The Policy and Resources Committee at their meeting on 19th January agreed the approach to carry out IWI works while the properties are void. Paragraph 2.3 shows that at the present time, 93 properties or 5% of those requiring IWI are currently vacant. All properties identified for IWI works will be assessed and where suitable, will be utilised as temporary accommodation or shared accommodation until the works are carried out.

One contractor has been appointed and a number of different contracts are currently being procured, including the recruitment of an in-house team with the sole purpose of upgrading vacant IWI properties. These works should commence in next couple of months. This will be at different times in different areas across Aberdeenshire as properties are batched together in order to secure best value from contractors. Also the opportunity may be taken, when completed, to use these properties as accommodation for tenants in occupied properties to use while the work is carried out to their homes.

While it is preferable to let empty properties promptly, it would not be fair nor prudent to allow tenants into a property to make their home, installing floor coverings and decoration just to move them out again only months afterwards.

3 Scheme of Governance

- 3.1** The Committee is able to consider [and take decision on] this item in terms of Section D. 3.3.1a of the List of Committee Powers in Part 2A of the Scheme of Governance for a decision on any Housing policy issue and resource matter (within agreed budgets).

4. Implications and Risk

- 4.1** An equality impact assessment is not required because the approach to managing void properties does not have a differential impact on any of the protected characteristics
- 4.2** There are no direct staffing implications resulting from this report. There will be additional staffing costs associated with the formation of an internal team to work on the IWI properties as approved by the Policy and Resources Committee at their meeting on 19th January 2017. These costs will be met from the Housing Capital Budget. Financial implications will include an increase in rent loss due to voids while major works are being carried out and the requirement to pay additional council tax costs if properties are vacant for more than one year. Budgets are in place to cover the costs of the works required. Lost rent due to void properties is dependent on the number of terminations of tenancy, fire/floods received each year which cannot be controlled. However holding properties for specific purposes, for example IWI or decant accommodation will increase the rents lost but provision has been made within the HRA budget 2017/18 line 17 of £858,000 following the decision of the Policy & Resources Committee on 19th January 2017. This

additional revenue cost will also be partly offset by savings within the HRA Capital Plan to reflect the lower cost of upgrades carried out while properties are empty. Additionally it is difficult to put a cost saving on the reduced inconvenience and disruption to the lives of our service users by carrying out major works while the property is void.

- 4.3 The following Risks have been identified as relevant to this matter on a Corporate Level: Budget pressures as discussed in point 4.2 and Reputation Management (including social media) as discussed in point 2.5

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