

QUESTION FROM A MEMBER OF PUBLIC

UNDERSTANDING ORDER NO.19

SCRUTINY COMMITTEE - COMMUNITY – 3 SEPTEMBER 2013

QUESTION FROM MR DULEY

PREAMBLE – MY REASONS FOR SUBMITTING QUESTIONS

- **Concern for the wasted capacity of Exeter City Council Social Housing stock/units**
- **Observation that housing units remain vacant for longer periods than necessary**
- **Every empty home represents a potential home for people in need**
- **Impression that too many ECC Housing Units are awaiting occupation**
- **Realisation that the opportunity is often taken to upgrade properties when they fall vacant**
- **There is a desperate need for affordable rented housing in the city**
- **Vacant units are a wasted resource and should be minimised**
- **Better use of tenants notice period would reduce delays in allocation**
- **Evidence would suggest that the allocation system is inefficient**
- **Reduction of those in most need on The Housing List should be priority task**
- **Lost revenue should be an incentive to minimise turn around of tenancies**

QUESTIONS TO SCRUTINY COMMITTEE - COMMUNITY

Re: Optimum Use of Exeter City Council Housing Stock

The demand for social housing in this City of Exeter is ever increasing and it is a duty of the City Council to make best use of its housing stock. Since there is a prime responsibility of Councillors to ensure the best use of public assets can you please provide the following information:-

- 1. What was the average percentage and number of Exeter City Council (ECC) Housing Units empty at any time during 2012/2013?**

The average number of ECC properties empty at any one time during 2012-2013 was 43. This represents 0.85% of a total housing stock of over 5,000.

- 2. What was the lost revenue to ECC in 2012/13 from housing stock not occupied?**

The amount of rent not collected while the properties are vacant for 2012-2013 was £220,811. This represents 1.17% of a total rental income of £18,866,355.20.

- 3. What performance measures are used by ECC to reduce the lost revenue and the period that housing units remain empty between tenancies?**

Performance measures in the widest sense include:

- Monitoring of performance in our Quarterly Performance Digest. A suite of some 40 or so performance indicators is produced every quarter in the form of the Digest which is then considered at a Performance Review Committee (PRC) made up of residents and Councillors. At the PRC meeting Council managers are invited to discuss and comment on the performance of their teams. The Committee as a whole makes suggestions for possible improvements in the future.

- Weekly meetings on void properties attended by operational managers and officers where individual cases are discussed
- Weekly meetings of Council technical staff with void contractors to review progress on void properties
- Weekly meetings of operational managers and officers to discuss 'direct matching' cases (i.e. where we make allocation decisions in the best interests of clients rather than them having to go through the Devon Home Choice system)
- The employment of a full-time Voids Co-ordinator to undertake the operational work around letting a property (principally signing up the new tenants)
- The imminent appointment of a temporary full-time Downsizing Officer to encourage downsizing and to help downsizers through the whole process of moving to smaller alternative accommodation

4. Is the Homechoice allocation system efficient enough to provide the maximum use of Social Housing Stock available in the City?

This is an interesting question and one that is currently being tested as part of a review of how we let our properties and solve people's housing problems.

Our preliminary findings have shown that for properties which have adaptations or meet a specific housing need (e.g. level access) a Choice Based Lettings scheme like Devon Home Choice does not necessarily result in the right person securing the property, as waiting time is not the best indicator of critical need.

However, for General Needs properties Devon Home Choice is the quickest way to find a tenant for a vacancy using objective criteria. We probably could achieve lower void times by making direct matches, but we would not then be best meeting housing need. We would not necessarily be providing a fair system and we would be pushing tenants into properties they may not want and so undermining the success of our communities.

5. How does Exeter City Council housing occupancy performance compare to that of local Housing Associations?

- Rent lost through dwellings being vacant: Of the 278 housing organisations **nationwide** that submitted data to Housemark (the national benchmarking organisation), we finished in 170th position (third quartile). **Locally**, featuring only housing organisations in the south-west of England, we came 19th out of 22 organisations (bottom quartile)
- Average re-let times: Of the 263 housing organisations **nationwide** that submitted data to Housemark, we finished in 182nd position (third quartile). **Locally**, featuring only housing organisations in the south-west of England, we came 18th out of 24 organisations (third quartile)

We know that on average people in high need are waiting 15 months for a social rented home and we do not want to see wasted capacity in Exeter City Council's Social Housing stock. About 310 properties in our stock become void each year and the average rate of turnover is 6%. A very small number (3) properties in our stock have been empty for over a year as a result of exceptional circumstances. Tenders are currently being let to undertake the works to bring these properties back into use. We do take the opportunity is often taken to upgrade properties when they fall vacant and the cost of the upgrades and the length of time it takes to do them has increased significantly over the past few years.

However, we do not necessarily share the assumption that the main focus of a void management service should be the minimisation of void times, thus protecting rent revenue and marginally reducing waiting times for people on the housing register. While this is undoubtedly important, our primary concerns in letting properties are:

- To let the right property to the right person
- To renovate the properties properly to minimise expensive reactive repairs in the future
- To make sure our processes are efficient and so that the time between us receiving the keys and re-letting the property is reduced

For example, if our only concern was letting properties as quickly as possible we may well let a property to someone whose needs don't match what the property offers and we would need to adapt the home for them after they move in - or worse, if they need to move to another property shortly afterwards. In addition, by focussing only on void times, we would do the bare minimum to prepare the property for its new tenants but we know that this results in a more costly series of additional works after they have moved in and low levels of satisfaction.

We know that our comparative performance on voids is not good but our overall budget position is strong and void satisfaction levels are high. We have agreed with our residents a relatively new set of 'Home Property Standards' where we specify the standard of accommodation new tenants can expect when they move into one of our homes. We know that these new standards are largely responsible for us taking longer to let properties than we did two years ago but we also know that our tenants are much happier with the product they receive.

In summary, we believe that by concentrating on making sure that the void property meets the specific reasonable demands of its new tenant we make savings which exceed any additional time properties are un-tenanted. And we believe that we can make significant improvements to the efficiency of our overall repairs business, of which void repair is one element. We are in the process of collecting and reviewing detailed data in order to evidence this. As part of this review we are testing different ways of working to assess which is the best overall. We are also looking at how to better use the tenants' notice period to reduce delays in allocation and at the inefficiencies in the allocation system itself. This review will take some months to complete, but once it is done we would hope to have increased levels of satisfaction and reduced costs across the repairs budgets as a whole. We anticipate that this will reduce void times but our objective is an improved service at a lower overall cost, rather than lower void times specifically.

Councillor Rob Hannaford
Portfolio Holder Housing and Customer Access