

BABERGH DISTRICT COUNCIL

COMMITTEE: BDC OVERVIEW & SCRUTINY COMMITTEE	REPORT NUMBER: JOS/18/14
FROM: JAN OSBORNE CABINET MEMBER – HOUSING	DATE OF MEETING: 3 SEPTEMBER 2018 AT 11.30 AM
OFFICER: JUSTIN WRIGHT-NEWTON - CORPORATE MANAGER BMBS LEE CROWDELL - TENANT SERVICES CORPORATE MANAGER	KEY DECISION REF NO. N/A

VOID RELET TIMES IN COUNCIL PROPERTIES

1. PURPOSE OF REPORT

- 1.1 This report updates Members of the Committee on the improved re-let times to vacant properties (voids) over the last 8 months. During this period significant change has been implemented with new procedures, processes, re-allocated resources, co-working and culture change to deliver improved performance.

2. OPTIONS CONSIDERED

- 2.1 N/A

3. RECOMMENDATIONS

- 3.1 The committee notes the improved performance for re-let times.
- 3.2 The committee endorses the actions contained within the long-term plan. (Paragraph 4.13 and Appendix F)
- 3.3 The committee in future receives quarterly updates on void re-let times

REASON FOR DECISION

Committee is now assured void re-let times have reduced and further improvement will occur with the long-term plan and be monitored quarterly.

4. KEY INFORMATION

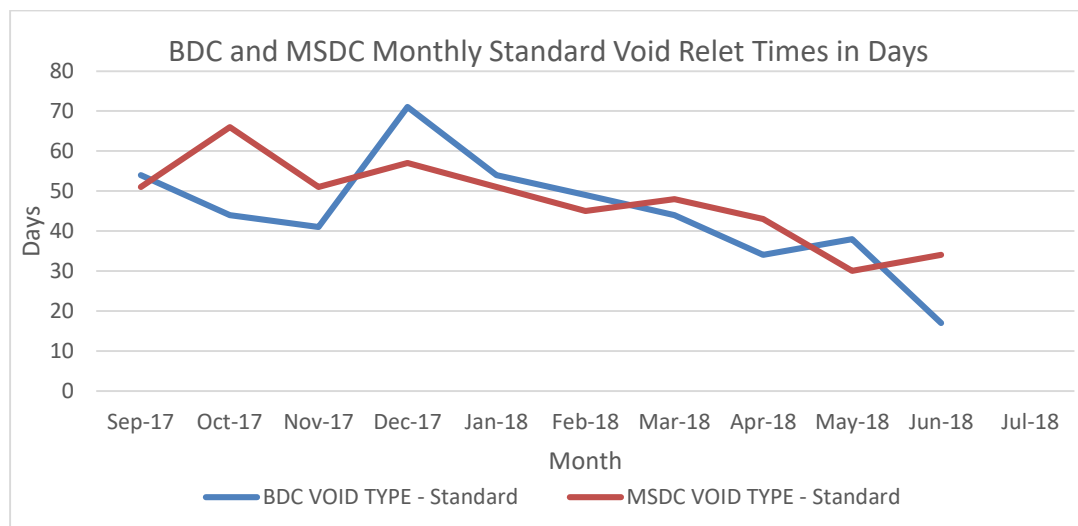
- 4.1 Members will recall the September 2017 BDC Scrutiny meeting reporting on the average re-let times and the requirement to improve performance.
- 4.2 In September 2017 the monthly void re-let time for standard voids had increased to 54 days (BDC) and 51 days (MSDC). The table in paragraph 4.6 details the monthly void performance. At the September committee, Members carefully analysed the reasons why and made recommendations for a required improvement.

- 4.3 Cllr Gasper agreed to work with Cabinet Member for Housing and the Assistant Director for Housing to monitor progress for reducing void times. During the project, Scrutiny Members have been updated regularly with bulletins and Cllr Gasper’s presentation at BDC Scrutiny.
- 4.4 A project team was formed and supported by an external Housing consultant and 2 field-based consultants. In December 2017 a Project Management Plan was approved with a target to reduce standard void re-let times by 10 days from December 2017 to April 2018.
- 4.5 Previously, the Council reported on 6 different void categories. A review concluded this was inefficient and added unnecessary complexity and time to reporting. With effect from April 2018 the void categories were reduced from 6 to 2 and this now improves the efficiency and clarity of void reporting in line with other Councils. Appendix A describes the current void definitions.
- 4.6 Since September 2017, standard void times for BDC has been reduced by 37 Days for BDC. This exceeds the 10-day target and a positive downward trend towards the long-term target of 21 days. Members will be reassured by the positive downward trend for both Councils in Table 1 and Graph 1.

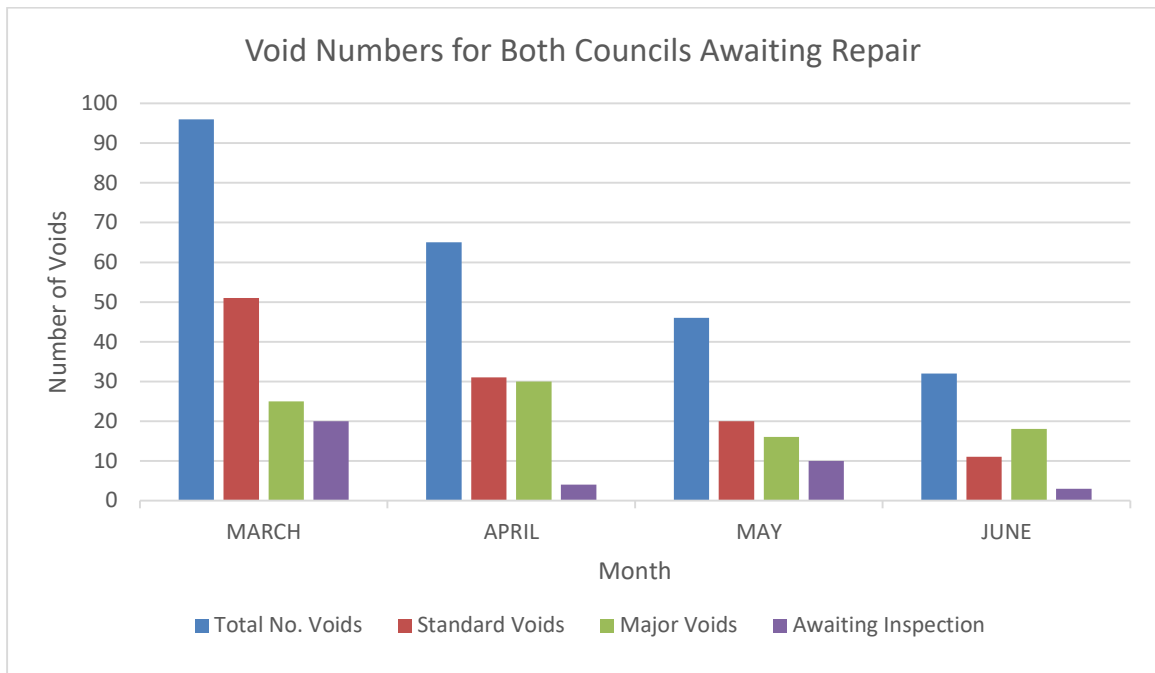
Table 1: BDC and MSDC Monthly Standard Void Relet Times in Days

	BDC STANDARD VOIDS	MSDC STANDARD VOIDS
SEP 17	54	51
OCT 17	44	66
NOV 17	41	51
DEC 17	71	57
JAN 18	54	51
FEB 18	49	45
MAR 18	44	48
APR 18	34	43
MAY 18	38	30
JUN 18	17	34

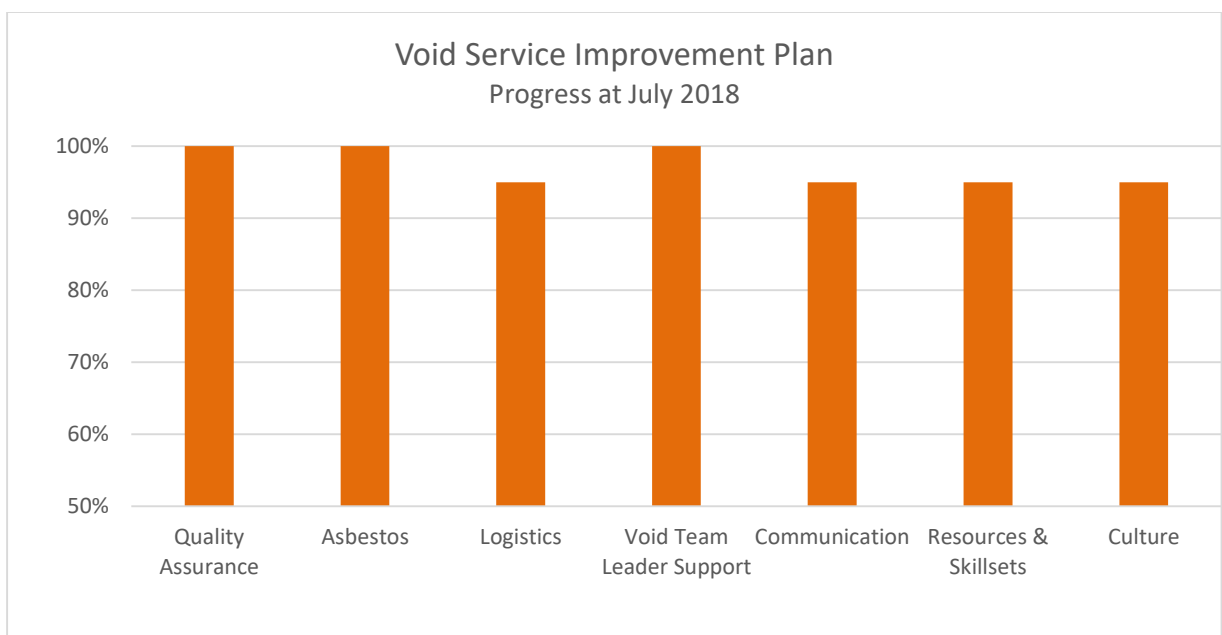
Graph 1: BDC and MSDC Monthly Standard Void Relet Times in Days



- 4.7 To achieve the current void re-let times in June, significant work was undertaken to reduce the total number of voids either in repair with BMBS or external contractors. For the period September 17 to May 18, the number of voids was in excess to that which the available resource in BMBS was able to repair.
- 4.8 The graph below shows the decline in void numbers to a manageable level that creates the capacity for the improved performance. The reduction in the number of voids awaiting inspection or repair, now means BMBS has enough resource to repair standard voids within 7 to 10 days.



- 4.9 The overall improvement to re-let times was achieved by the implementation of a Service Improvement Plan (SIP). The SIP is now 80% complete and the remaining 20% is now within a new action plan (Appendix F) to deliver the continual improvement during the remainder of 2018/19. The progress against the SIP 7 strands is shown in the graph below.



4.10 The detail on actions delivered can be found in Appendix B (Staff Update), a summary is provided below:

- | | |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Quality Assurance | <ul style="list-style-type: none">- Introduction of void inspectors, scheduling and post inspections of repairs.- New documentation to give guidance and consistency to inspectors to improve quality.- Procedures to achieve compliance with regulatory and legislative requirements. (Appendix D) |
| Asbestos | <ul style="list-style-type: none">- Asbestos survey and remedial work now completed within target.- Improved contractor performance management |
| Logistics | <ul style="list-style-type: none">- Roll out of mobile working devices on test to trades team.- Improving materials supplies to trades team- Hard to lets identified and actions to improve performance.- Scheduling of work for efficient BMBS trades team working. |
| Void Team Support | <ul style="list-style-type: none">- Recruitment to vacant posts and realignment of tasks to increase capacity and efficiency.- Additional external contractors to support peaks in demand. |
| Communications | <ul style="list-style-type: none">- Regular meetings and agreed actions tracked for implementation.- Improved liaison between teams, including client / contractor relationship.- New process maps to define roles and responsibilities.- Combining 4 void monitoring spreadsheets into 1 shared across all teams.- Streamlined customer contact channels. |
| Resources and Skillsets | <ul style="list-style-type: none">- New processes and procedures documented, implemented and embed within teams.- Coaching of staff to embed change.- Structure and project management tools introduced to meetings.- Reviewed and simplified void definitions.- New procedures for Homelessness and Acquired properties. |
| Culture | <ul style="list-style-type: none">- Review of existing trades team skills and gaps in skills filled by external contractors.- Reducing total voids under repair from over 100 to circa 30.- Introduction of individual performance targets.- Increased staff management and support. |

4.11 The project team continues to meet to further embed the new procedures and deliver the remaining items in the SIP.

4.12 Work activities ongoing and to complete includes:

Procurement	Improvements to supplier contracts for further improvements to access materials
I.C.T.	Developing available I.T to deliver real time reporting and reduce paperwork
Hard to Let	Sheltered voids - reduce delays in void re-let times and improved liaison with colleagues in sheltered housing.
Culture	Further work to embed change within teams

4.13 A new Void Action Plan is attached at Appendix F. This details the on-going work for the next 6 to 9 months to further improve performance and the efficiency of void management.

4.14 Employee Survey:
To measure success of the project, in particular, the change of culture and employee engagement, an employee survey was completed at the start of the project and then again at the end.

4.15 The table below shows the improved scores given by staff in the employee survey.

Table 2: Comparison Employee Survey Jan 2018 and July 2018

	Jan 2018	July 2018
Number of Responses to Staff Survey	12	18
Average Score - How do Staff Rate the Current Void Process (1-10, 10 good)	4	7
Void Target	1 person knew void target	10 staff know the void target
Number of Responses Rating Communication Between Teams as Excellent	0	3
Number of Responses Rating Communication Between Teams as Good	5	9
In Last 6 Months Have You Seen an Improvement in Managing Voids?	N/A	15 said YES

- 4.16 Achieving the required improvements in performance took 2 months longer than expected. When reviewing the reasons why, this was attributable to:
- a) Volume of voids awaiting repair and being unable to access additional resources from contractors to reduce this number (now resolved).
 - b) Embedding change. The introduction of new procedures and processes combined with the change to agile working resulted in a longer than expected time to embed change. Excellent progress has been made and further work will be detailed in the long-term action plan.
 - c) It was necessary to provide closer supervision and increased performance management to improve performance. This supervision helped to facilitate capacity and space for forward thinking rather than reactive management of voids. Appendix E provides an example of the weekly detailed monitored.
 - d) Communication between teams has taken significant work. Void management involves over 5 different teams and many individuals. The introduction of one working document, liaison meetings, procedure and process has helped to resolve this. Further work is on-going to reduce the silo working and focus on taking responsibility for actions and delivery.
- 4.17 The Project Plan was supported by a Project Board monitoring progress. The use of project management documents and regular reviews ensured focus and delivery. Appendix C is an example of the risk map used.

5. LINKS TO JOINT STRATEGIC PLAN

- 5.1 The services described in this report relate to the following strategic aim: Manage our housing assets effectively.

6. FINANCIAL IMPLICATIONS

- 6.1 The Void Improvement Project Plan Investment Appraisal defined the average rental income and loss due to properties being vacant.
- 6.2 The average rent is £11.43 per day. A 10-day reduction in void times would achieve additional income of $£11.43 \times 10 \text{ days} = £114.30$ per void.
- 6.3 With an average of 200 voids per annum, the Council would receive additional rental income of $200 \times £114.30 = £22,860$ per annum.
- 6.4 A Housing consultant oversaw the project and was supported by 2 field-based consultants to deliver the void improvement project. The total project spend was within budget to the original project plan.
- 6.5 The net gain to each Council for 2018/19 is circa £10k at present. Further improvement will be achieved as the 10-day target reduction is being exceeded. Table 3 summarises the net gain based on 10 days.

Table 3: Investment Appraisal for Void Improvement Project based

	2018/19	2019/20	2020/21
	£	£	£
Increased Rental Income (10 Day Improvement)	22,860	22,860	22,860
Decrease in Council Tax Cost	7,000	7,000	7,000
Less Project Cost	(20,500)	NIL	NIL
Net Effect	9,360	29,860	29,860
Cumulative Effect		39,200	69,080
Annual Increased Rental Income Based on 17 Day Improvement		33,556	33,556
Annual Increased Rental Income Based on 37 Day Improvement		83,916	83,916

- 6.6 Due to the high volume of voids, a decision was taken to outsource major works voids to sub-contractors, to allow the inhouse labour resource to focus on the standard voids work. Utilising this resource, whilst creating costs, does not affect the budget as all of the sub-contractors have agreed to work on the Schedule of rates with a negative percentage variance (they will do the work at a cheaper price than the cost of each individual item). This is work that BMBS are starting to retain (in the future it is envisaged that sub-contractors will only be utilised to support the peaks in such volumes of work that the in-house resource cannot cope with).

7. LEGAL IMPLICATIONS

- 7.1 There are no legal implications to this report.

8. RISK MANAGEMENT

- 8.1 See attached Risk Register (Appendix C)

9. CONSULTATIONS

- 9.1 Property Services have been consulted during the project and assisted with delivery of actions contained within the SIP.
- 9.2 Staff have been consulted and involved in the changes to procedures and processes. The staff surveys have provided valuable insight and assisted with targeted actions to improve specific areas.

10. EQUALITY ANALYSIS

- 10.1 Equality Impact Assessment (EIA) not required for this report as no recommendations have an impact on any of the equality strands.

11. ENVIRONMENTAL IMPLICATIONS

11.1 There are no environmental implications to this report.

12. APPENDICES

Title	Location
A. Void Definitions	Attached
B. Staff Update - June 2018	Attached
C. Risk Register	Attached
D. Procedure and Guidance Tracker Example	Attached
E. Example Weekly Void Summary	Attached
F. Draft Void Action Plan 2018 /19	Attached
G. Void Project Success - Summary	Attached

13. BACKGROUND DOCUMENTS

13.1 Project Plan – Void Improvement Project