



Report to:

Northwards Housing Board

11 March 2008

Item No:

15d

Title:	Void Process Review Update		
Date:	28 th February 2008		
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Confidential:	Yes/No	No	
For: (Please tick action required)	NOTING √	DISCUSSION	APPROVAL
PURPOSE OF REPORT			
To update the Board on the Void Property Process Review that has been carried out over the past 8 months. To share the successes of this project with the Committee and to inform them of the next steps to continue to improve performance.			
RECOMMENDATION			
That Sub-Committee note the progress that has been made in implementing the recommendations from the void process review and notes the work that is still being undertaken to continue to prioritise this area of work and to improve performance further. That the Board notes the improvement in performance to date and the work needed to get to become a top quartile organisation by 2010.			
IMPLICATIONS			
Equality & Diversity:	In lowering the time it takes us to re-let properties we can help those applicants that are currently in need more quickly.		
Financial:	There will be significant savings to be made in rent loss on the improvement of performance. There are also possible implications for the cost of the current void process and areas where costs of void work may be reduced.		
Staffing:	Staffing structures are to be reviewed in key areas of the void process and recommendations from the report will be evaluated and brought to Sub Committees for approval		
Decency Target:	There are recommendations from the void report around how Decent Homes work is carried out on voids.		
Governance:	Good governance will drive performance management.		
Risk Assessment:	There are risks in continuing to not perform to our potential in this area of the business of continued rent loss and a breakdown of trust between organisations. There will also be risks involved in making some changes and these will need to be evaluated and assessed as we move the project forward.		

Equality & Diversity Implications (Please tick where relevant):

BME	<input checked="" type="checkbox"/>	Lesbian/Gay/Bisexual/Transgender	<input type="checkbox"/>
Gender	<input type="checkbox"/>	Single Parents	<input type="checkbox"/>
Age	<input type="checkbox"/>	Domestic Violence	<input type="checkbox"/>
Disability	<input type="checkbox"/>	Alcohol / Drug Mis-users	<input type="checkbox"/>

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	Yes	Procurement and Property	27.02.08
Area Panel:			
Task Groups:			
Ward Councillors:			

1.0 Introduction

- 1.1 The Board will remember a report that was noted by this Board in July 2007 detailing the outcomes of the void property process review and the detailed recommendations that needed to be implemented to improve performance significantly. The approved aim was to work towards top quartile performance in this area of work.
- 1.2 Following the void process review that was carried out by Enterprise PLC, a project board was set up in June 2007 consisting of Executive Directors and Senior Managers from both Northwards Housing and Manchester Working Ltd to drive through the recommendations made. This board has met on a monthly basis since this time, meeting for the final time in January 2008.
- 1.3 This report summarises the successes that the project has had, the challenges faced and the work still to be carried out to ensure that performance is continually improved.

2.0 Project Successes

- 2.1 Enterprise PLC in their project report highlighted a number of themes that were detrimental to the void process and adding significant time to the process. These included a lack of ownership and consistency, limited accountability and responsibility by teams and unclear roles and responsibilities.
- 2.2 One of the major successes of this project has been to ensure the clarity of vision and accountability across all teams. This has been done in a number of ways:
 - To ensure that everyone know their part in the process.
 - To map out all parts of the process to ensure there is no duplication and wasted time.

- To ensure that a sense of urgency has been instilled across teams as to the importance of completing parts of the void process. i.e. moving keys/ reoffering within 24 hours when a property is refused.
- To set overall high level and local targets for teams to work towards.
- To ensure better communication between teams through weekly void reconciliation meetings between Local services, Surveying, Manchester Working and Re-housing.
- To have visual performance information in offices published on a weekly basis.
- To have a “Void Tracker” system so it is possible to break down the whole void process and see where blockages still exist.

2.3 There have been other notable successes over the past 8 months to improve performance within the surveying team and MWL and these include:

- Providing surveyors with new equipment.
- Reviewing surveying team structures so they now carry out work on a geographical basis.
- Joint working to improve the accuracy of surveys and list of materials needed.
- Joint office space for MWL, the surveying team and the Wolsely Group to improve communication and “right first time” orders and deliveries.
- Joint asbestos training and awareness raising for surveyors and operatives.
- Developing an updated void standard which is fully understood by both teams.
- Better processes for dealing with a void that may need Decent Homes work.

There have also been a number of improvements within Neighbourhood Services that include:

- Enforcing a 4 week notice period where necessary.
- Developing a move-out standard and move-out visit procedure for those tenants who give us notice they are leaving.
- Restructuring the Re-housing Team so a dedicated team are making offers and improving the quality of information on the Choice Based Lettings website. This team will also start carrying out the accompanied viewings from the beginning of March.

2.4 All these improvements to the void process have brought us much closer to having a stable process, however there are still some areas where there is still work to do. These include:

- Ensuring there are no blockages through any part of the process and properties are “turned round” as quickly as possible and handed over to the next stage.
- Improving the performance information that we have to be able to find problems quickly so they can be resolved.
- To improve some of the Choice Based Lettings procedures so this does not delay the re-letting process.

- To be able to access performance information to look at reasons for, and areas of refusals to be able to understand why properties are not accepted on first offer.

3.0 Current Performance

- 3.1 To measure our performance in relation to voids we use 3 main high level indicators. These are:
- % or rent loss through dwellings becoming vacant.
 - % of properties empty in relation to total stock.
 - Average re-let time in days – BVPI212.
- 3.2 Our performance on rent loss has improved significantly over the financial year to date. The outturn for this indicator at the end of 2006/07 was 3.2%. Current cumulative performance for the year to the end of December 2007 is 2.6%. The monthly performance in January was even better than this at 2.1%. This indicator is particularly important due to it measuring the money that the City Council lose through not re-letting properties quickly, and even though we are still some way from top quartile performance (which is 1.28% for ALMO's), we have made significant improvement in the 9 months from April – Dec 2007.
- 3.3 For the percentage of stock that is empty we are now at a figure of 1.78% (225 voids) as at the 18th February 2008. The cumulative figure for the year for this indicator is 2.81% and reflects the poorer performance earlier in the year. Performance improved significantly for this indicator when the void challenge was carried out in November 2007 and a number of longer term empty properties were let during this two week period. The percentage of voids has now stabilised at less than 2% for the past 3 months and as more longer term voids are let it is likely that this performance will improve further over the next year.
- 3.4 The average re-let time in days is still an area where we need to improve performance substantially and the 3rd Quarter cumulative outturn in December 2007 had disappointingly not improved on the 2006/07 cumulative figure of 71 days. It is though important to note that performance in the 3rd Quarter of 2007/08 was 58 days and therefore there is a positive direction of travel. The final quarter of this year needs to see the letting of a number of longer term voids that are still empty to ensure that these properties do not impact on performance in 2008/09. The improvement on the 2 indicators above gives a good basis for the improvement of this indicator over the final quarter of the year and in 2008/09 and beyond. A series of stepped targets will be set for top quartile performance by 2010 for this and the above indicators.

4.0 Next Steps.

- 4.1 As this report outlines, while there have been a number of significant successes from the void process review, there is still other work that needs

to be done to ensure that we continue to improve across all of the relevant indicators. Other plans for 2008/09 include:

- Working towards a single void cost.
- Accompanied viewings before a property is ready to let.
- Looking at what work can be done when a property is tenanted.
- Looking at other technology to improve processes.
- Developing comprehensive performance management information to aid the close management and monitoring of the process.
- Working as a close partner with Manchester City Council to implement a new Choice Based Lettings scheme in 2008/09.

4.2 It is vitally important that this area of work remains a high priority for all the teams involved over the next year due to the importance that it has both financially and on the look and feel of our neighbourhoods. Therefore we will continue to monitor performance closely and ensure that everything is done to remove blockages from the process.

5.0 This report was discussed and noted at Procurement and Property Sub Committee on 27 February 2008.

6.0 Recommendations

6.1 That Board notes the progress that has been made in implementing the recommendations from the void process review and notes the work that is still being undertaken to continue to prioritise this area of work and to improve performance further. That the Board notes the improvement in performance to date and the work needed to get to become a top quartile organisation by 2010.