

Appendix 1



Resident Scrutiny Panel Report November 2015

The Void Standard at Town & Country Housing Group

Review by the Town & Country Housing Group Resident Scrutiny Panel

Panel Members involved: Cicilia Bannister, Jennifer Blackburn, Laura Dullar, Michelle Kerwin, Emma Lovell, Len Lewis, Francesca O'Neill and Barbara Twiss

Executive Summary

The Resident Scrutiny Panel (RSP) is pleased to present the outcomes of its review of the Void Standard to the Group Board. Our review has taken a detailed look at Town & Country Housing Group's (TCHG's) Void Standard, the works carried out to an empty property before it is re-let to a new tenant. The review has focussed solely on this element, not on the whole pre-void, void and re-let process. We have worked with TCHG staff, new residents and the two voids contractors, Countrywise & Mears, to reach our conclusions. The review took place over the period from July – November 2015.

The review identified a number of key findings and makes recommendations for changes to or review of processes, these include:

- Improving the information provided to tenants
- Reviewing the voids standard to ensure clarity and consistency across the two voids contractors
- Reviewing how the voids process is delivered
- Reviewing the recharge process

The review also recognises that a number of processes work well. These include:

- The weekly void meetings between TCHG teams and contractors
- The new tenant visits carried out 6 weeks after the tenancy starts
- Giving paint packs to help new tenants with decorating costs and maintaining property standards

Given the current financial climate; the likely impacts of the government's four year rent reduction programme and ongoing welfare benefit reforms, we have been especially mindful of value for money considerations and not incurring potential additional costs. Our recommendations are intended to help improve the processes around the void standard and void works and to improve new tenants' satisfaction with the condition of their property whilst ensuring flexible, cost effective services.

1. Introduction

The RSP was set up by TCHG in October 2013; our first annual scrutiny review programme was completed in June 2015. This review is the first review of our 2015/16 programme. It was intended to be a shorter review than those carried out to date, looking at a very specific element of the service delivered by TCHG, rather than the wider ranging reviews of customer service and day to day repairs that have preceded it.

2. Background information:

The review took place between July and November 2015. The void standard was selected from a shortlist of potential topics. The void standard was identified as an area in need of review because:

- Quarterly satisfaction reports show that KPI targets are not being achieved in relation to voids. Satisfaction with the condition of the home was below target throughout 2014/15 and remains below target in this financial year with a considerable dip in satisfaction in quarter 2:

Satisfaction with the condition of the home			
2014/15	Target 96%	2015/16	Target 96%
Quarter 1	95.6%	Quarter 1	91.7%
Quarter 2	86.7%	Quarter 2	82.4%
Quarter 3	93.6%		
Quarter 4	94.9%		
Total	91.7%		

- Void loss performance is below target and we wanted to investigate the reasons for this. Void income loss YTD = 0.8% (July 2015) Target = 0.6%
- The satisfaction survey report also showed that there were expressions of dissatisfaction from some new tenants about the standard of repairs to their new home and lack of information given about property/repairs standards when moving in

2.1 Scope of review

The review considered the void standard, looking at what happens from the point at which an empty property is handed to the contractor to carry out the void works to the point when it is re-let to a new tenant. The review looked at both voids contractors: Countrywise Repairs and Mears. The review focussed solely on general needs properties as different processes are in place for Living properties and we understand that void sheltered properties tend to have more decoration works carried out during void works.

New Tenant Visits, which take place six weeks after the new tenancy has started, were also included in our investigations in order to get first hand feedback from new tenants and establish any themes in relation to property condition and the void standard.

2.2 Specific areas for investigation

To facilitate the review the RSP wanted to fully understand:

- The void standard
- Whether the condition of re-let properties consistently meets the published void standard
- Legislation and budgetary issues impacting on void standards – including the Decent Homes standard
- Costs & budget
- Benchmarking with other organisations
- The recharge process (charging out-going tenants for any damage/neglect of the property)

2.3 Aims of the review

The aims of our review were:

- To achieve a clear understanding of the void standard and associated costs
- Improved information & communication to residents about the standards residents can expect when moving into a property and what they and the landlord are responsible for in terms of property upkeep
- New tenants having the opportunity to agree that the property they are moving into meets the void standard
- A consistent but flexible high quality service across all property types and contractors
- Reduced complaints/expressions of dissatisfaction about the voids standard process
- To establish clear information about officer/team responsibilities
- To ensure that the new tenancy visit picks up any outstanding void standard issues

3. Methodology

We used a structured process to carry out the review, starting with selection and scoping of the review topic as described above.

3.1 Desk Top Review

The desk top review looked at the void standard and the relevant sections of the Void Management Procedure. We also requested some initial information from Kevin Thorne, Head of Contracts and Compliance and from Debbie Fitzgerald, Housing Options Manager. On-line benchmarking against other organisations, including Orbit HA and Medway Council, was conducted. New tenant survey feedback and performance information were also reviewed along with the TCHG website.

It was noted that;

- There appear to be different void standards in use
- There is not a published void standard that is easily accessible to tenants or prospective tenants.
- No information is given to tenants before or at sign up about the void standard
- Void standards can be quite non-specific and open to individual interpretation
- Average cost of service = £2046.53 per void (CWR = £2160.06, Mears = £1933)
- There is no quality control role built in for TCHG. The current system relies on

- contractors carrying out their own post-work sign offs and Neighbourhood Housing Managers (NHMs) or new tenants reporting back any issues
- It was queried if the process could be more efficient if there was a specialist voids team
 - Recharges – further investigation was needed to see if there is an efficient process to ensure these are enforced. We wanted to establish the value of recharges raised on void properties
 - Paint packs – further investigation was needed for the RSP to fully understand how this system works

3.2 Reality Checks

This phase of the review involved meeting with both TCHG staff and contractors.

Activities included:

- Visits to void properties before and after voids works are completed
- Meeting with the voids supervisors from Mears and Countrywise
- Meeting with the Performance Information Co-Ordinator to better understand information laying behind KPIs and satisfaction surveys
- Accompanying NHMs on new tenant visits
- Meeting with the Housing Options Manager and her team
- Attending a weekly voids meeting

A full list of information sources and reality check activities is provided at appendix 2.

4. Findings

The key findings of our review are:

- **Written void standard** - There is no one consistent void standard used by all contractors, in terms of policies and processes. Slightly different void standards are built into each contract and the Void Management Procedure.
- **Information to Tenants**
 - No written information is given to residents about void standards either before they move into a property or at the point of sign up. There is no void standard on the TCHG website. New residents' expectations about property condition could be more effectively managed. Tenants are not currently given the opportunity to agree that their new home meets the void standard.
 - New tenants often receive limited, information about their home and the community they are moving into (parking, heating, trees, stopcocks, bin-days etc.)
- **Achieving consistency** - there are some inconsistencies around the contractors' approach to voids, or the void standard is not specific enough in respect of:
 - Blown window panes (Mears state that they change these, Countrywise don't). The void standard does not mention failed double glazing units.

- Slip resistant flooring in bathrooms and kitchens – there are different approaches re using tiles or sheet flooring and the RSP would like further assurance that all flooring used is slip resistant.
- Further clarification is needed so that there is a consistent approach to which strong paint colours contractors will skim over as part of the void works.
- Window keys – current standards are vague about what is required
- Gardens – visits to void and newly let properties suggest that there is an inconsistent approach to what garden works are carried out
- Missing doors are a common theme in void properties
- **Specialist cleaning teams** - Cleaning and clearing of void properties by skilled tradesmen was identified as a potential issue. Countrywise do not have a specialist cleaning team. The RSP would like to consider the viability of a separate voids cleaning team when forming their recommendations.
- **Pre –void checks** - NHMs currently carry out pre-void checks. Our investigations suggest that further training is needed for NHM's who generally do not have any technical experience, and to try to ensure that the out-going tenant's responsibilities are fulfilled.
- **Specialist voids officer** - The voids process involves a number of different teams, who have varying levels of technical expertise. Good practice examples from other landlords show that a dedicated voids team is employed to carry out the process from pre-void inspection to re-let. Consideration should be given to employing a specialist voids officer/ team.
- **Roof insulation** – it is unclear which home inspection process (EPC, stock condition survey, gas safety) should be used to ensure compliance with regulations. The void inspection presents an opportunity to inspect insulation levels and ensure compliance with regulations.
- **Carpets** – we witnessed some instances of good quality carpets being removed and heard further evidence from staff, contractors and residents about instances when carpet could have been 'gifted' to incoming tenants . Carpet can be a huge cost to incoming tenants.
- **White goods spaces** - One void visited evidenced no fridge freezer space in the kitchen, just room for a small under counter fridge (the expectation was that the incoming tenant would remove, cut and replace the work surface to make space to accommodate a fridge freezer) and only space for a slim line cooker. We suggest that the void standard about white goods space be more specific so a full size cooker space and space for a fridge freezer (or a fridge and freezer) is provided where the layout of a property allows.

- **Transfers** – both contractors commented that they often do quite extensive works on transfer properties. There is a process in place where tenants can be prevented from moving or recharged for works that they do not complete before moving. Clarification is needed as to how effectively this process is being implemented.
- **Recharges** – A revised process has recently been put in place to recharge outgoing tenants for any void repairs needed due to damage or neglect. However it was difficult to establish clear information about the total value of recharge works and the percentage of monies that are recovered; anecdotal evidence from staff involved in the process suggests that a small percentage of recharges are currently recovered.
- **Property Checks** - (stock condition surveys/tenancy audits/staff and contractor visits). A review is suggested to see if and how these are/could be utilised to ensure that property standards are maintained and void costs reduced as a result.
- **Void meetings** – members attended the weekly void meeting which reviews progress on voids works and found that this appeared to be an efficient and useful process facilitating effective communication.
- **6 week new tenant visits** – this process was found to work well giving new tenants the opportunity to resolve any outstanding issues.
- **Paint Packs** – The paint packs currently given to new tenants to help meet the cost of re-decoration were assessed to be a positive benefit both in terms of helping tenants and ensuring that TCHG's properties are kept to a reasonable standard. However it was questioned whether all tenants needed to receive the allowance, if the current supplier was cost effective and if delivery options should be reviewed.

5. Recommendations

Our recommendations are attached at Appendix 1 of this report.

6. Way Forward/Next Steps

As required by the Scrutiny Panel Constitution this report has been included on the agenda of the next available meeting of the Board following its completion (December 2015). Before the report was submitted to the Board it has been submitted to the appropriate managers and the Executive management team for comment.

The managers' responses have been included in the Management Response column of the recommendations table at appendix 1.

It should be noted that since we embarked on this review there have been Board decisions (necessitated by the forthcoming reduction of TCHG's income, brought about by the government rent reductions and welfare reforms) which will impact on the repairs service going forward. The delivery of the repairs service will be reviewed over the next 15 months with the aim of services to all tenants being delivered by one Joint Venture contractor by April 2017, rather than the East/West split between contractors that exists

at present. We understand that the management response to our recommendations is made with this in mind and that the suggested target implementation dates for some of our recommendations are timed to coincide with the launch of the new service (although we are also pleased to note that interim solutions have been suggested where possible). We appreciate that the organisation needs to consider efficiencies and ensure the most cost effective service possible, especially in the current economic climate. We are pleased to note that there will be resident consultation to help shape the revised repairs service and have been advised that the recommendations from this review will be fed into that consultation.

We request that the Board considers our recommendations and the timescales suggested by EMT and provides a formal response, detailing the process by which accepted recommendations will be implemented. The Resident Scrutiny Panel Constitution states that “Where recommendations are agreed by the Board an action plan will be implemented by the Head of Service, who will provide the RSP with an update on progress every 6 months.

Where the Board does not agree with any of the RSP’s recommendations, the reasons will be explained in the response to the RSP.”

Agreed recommendations will be formulated into an action plan. Progress against these will be reported to the RSP and publicised to residents, staff and other stakeholders via Spotlight, TCHG’s website and intranet, information to resident panels and team meetings.

We would like to thank all the staff from Mears, Countrywise and TCHG who contributed to this review, finding time in their schedules to talk to us about their work and take us on property visits. Their openness and positive approach to the scrutiny process is much appreciated.

Appendices

Appendix 1 – Recommendations

Appendix 2 – Information Sources and Scrutiny Activities