

DECISION-MAKER:	GOVERNANCE COMMITTEE
SUBJECT:	HOUSING VOIDS UPDATE
DATE OF DECISION:	13 TH NOVEMBER 2023
REPORT OF:	COUNCILLOR FIELKER CABINET MEMBER FOR ADULTS, HEALTH AND HOUSING

<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY	
An internal audit review into Southampton City Council's void process and procedures completed on the 5 th June 2023, formed part of Southampton City Council's 2022/23 Audit Plan. Due to the length of time our properties remain void, limited assurance was provided.	
This is an update to the report, setting out progress made and outstanding action that is still required to help address the areas of limited assurance.	
RECOMMENDATIONS:	
(i)	For the Governance Committee to accept this report
(ii)	For the Governance Committee to accept and endorse the Voids Action Plan
REASONS FOR REPORT RECOMMENDATIONS	
1.	To inform the Governance Committee of the current data relating to the voids in SCC Housing stock
2.	To inform the Governance Committee of the plan to improve and reduce the number of voids held by SCC
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	None

DETAIL (Including consultation carried out)

4. A "Void" in housing terms is when a property is unoccupied for a period of time. For Housing Authorities, the aim is to keep voids to a minimum thus maximising the income generated from occupied properties.
5. While the internal audit identified a clear framework, sufficient procedures, and checklists for complete management trails. The length of time properties are vacant, and therefore not collecting rent, is having a significant impact on the Housing Revenue Account.
6. The total rent loss and void to let time continues to deteriorate.
7. At the end of Q2 the total rent loss was £1,513,612 (Table 1)

Table 1. Rent loss (culminative)

	Quarter 1			Quarter 2		
	Apr (£)	May (£)	Jun (£)	Jul (£)	Aug (£)	Sept (£)
Voids (Not including newbuild not let, dev or short-term host)	159,001	368,150	535,550	769,878	947,388	1,128,637
DEV	53,083	119,896	174,554	229,848	284,339	342,057
All voids inc newbuild, dev & short-term host	216,335	499,670	727,102	1,024,490	1,267,688	1,513,61

8. At the end of Q2 the total void to let time had increased. A routine void is now taking a further 30 days on average to complete and properties requiring major works is taking 45 days longer compared to 6 months earlier. (Table 2)

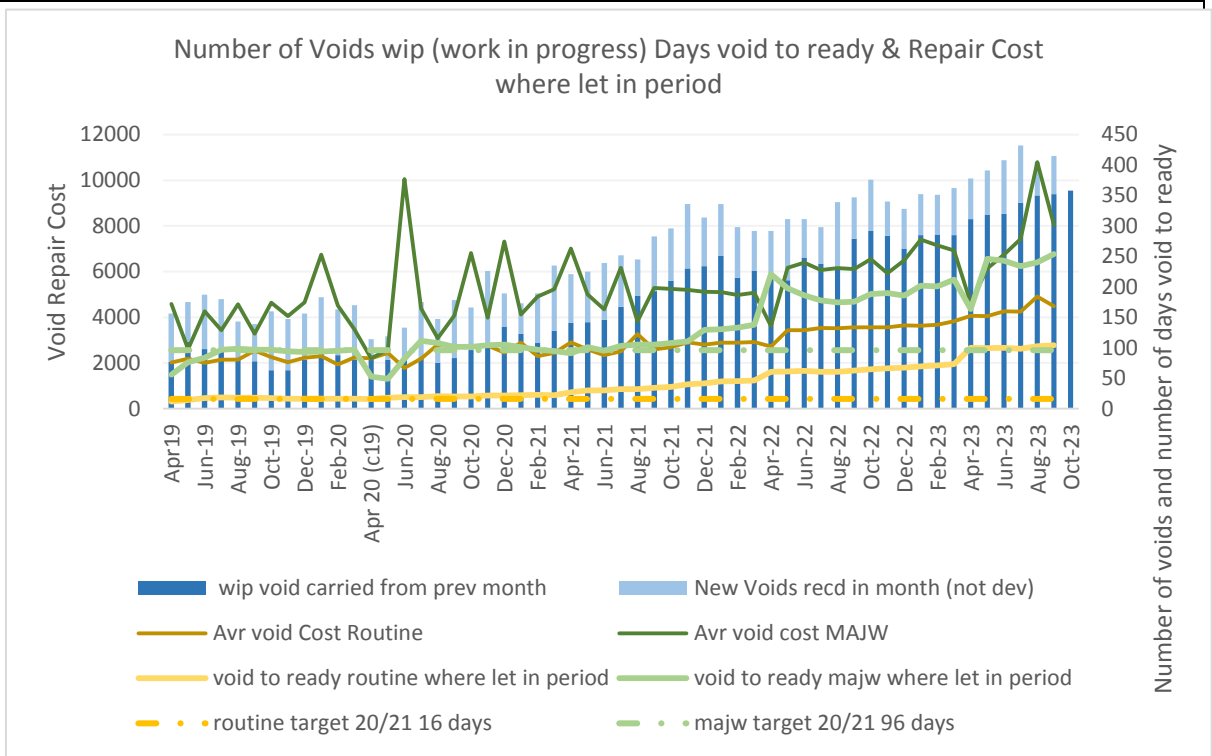
Table 2. Void to let time

All voids regardless of property type	Void to let target	Void to let actual at Year End 22/23	Void to let actual as at End Q2 23/24
Routine	29 days	94 days	124 days
Major works	106 days	225 days	270 days

9. The Department for Levelling Up, Housing and Communities (DLUHC) in the Local Authority Housing Statistic Returns ranked SCC as the second worst authority in England, with non-Decent Homes at 39% (6,411 properties). As of January 2023, the number of non-Decent Homes has increased to 46.6%. Stock Condition data on 'non-decent homes' is therefore showing an increased decline in the quality of resident's homes at the same time the length of time it takes to get properties up to standard before letting is increasing.
10. The requirement to replace kitchens, bathrooms, gas boilers, windows and doors at the point properties become vacant is having a material impact on the length of time

taken to prepare a property for reletting. Other impacting factors include the lack of continued maintenance work undertaking during COVID-19 as well as the increased complexity of void turnaround requiring multiple visits from different tradesman before completion due to the specialised nature of the Void teams.

11. Addressing the lack of investment at the point properties become vacant, is not only having a detrimental impact on the council’s ability to reverse the current trends. It is also leading to reactive costs associated to repairs escalating as set out in the graph below



12. The void audit identified four key actions to address the limited assurance and drive forward improvements. The actions and progress made is set in detail in Appendix 1

RESOURCE IMPLICATIONS

Capital/Revenue

13. None currently

Property/Other

14. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

15. None

Other Legal Implications:

16. None

RISK MANAGEMENT IMPLICATIONS

17. None

POLICY FRAMEWORK IMPLICATIONS

18. The report is for information only, no decision is required

KEY DECISION?	No
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Void Action Plan
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)