

DECISION-MAKER:	GOVERNANCE COMMITTEE
SUBJECT:	HOUSING VOIDS UPDATE
DATE OF DECISION:	22 nd APRIL 2024
REPORT OF:	COUNCILLOR FRAMPTON CABINET MEMBER FOR HOUSING

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

BRIEF SUMMARY

An internal audit review of Southampton City Council's housing void process and procedures was completed on the 5th June 2023 as part of Southampton City Council's 2022/23 Audit Plan. Due to the length of time our properties remain void, limited assurance was provided.

A progress report was presented to Governance Committee on 13th November 2023. This set out the plans to address the areas of limited assurance in the audit report. The plans were noted and a further progress report required as significant progress was not being demonstrated from the implementation of the plan.

This report sets out the progress being made in the number of voids and the actions to address all the areas given limited assurance.

RECOMMENDATIONS:

	(i)	To note the progress being made to improve housing Void performance and require a further report on progress in July 2024
	(ii)	To accept and endorse the Voids Action Plan

REASONS FOR REPORT RECOMMENDATIONS

1.	To inform the Governance Committee of the current performance on voids in the council's housing stock and the progress being made to reduce the number of voids following implementation of the action plan.
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2.	To inform the Governance Committee of the progress on the plan to improve and reduce the number of voids held by the council
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.	The internal audit identified a clear framework, sufficient procedures, and checklists for complete management trails. However, the length of time properties were vacant, not available to relet and therefore not collecting rent, was identified as having a significant impact on the Housing Revenue Account and limited assurance given.
6.	<p>Work has progressed on the action plan and is showing impact although it is too early to quantify an overall reduction in the immediate number of voids. The number of voids at the end of Q3 2023/24 was 412 properties and at the end of Q4 2023/24 there were 416 void properties.</p> <p>To support the work a detailed piece of work has been completed by consultants, LEAN. They have supported the team to complete a full review of the Voids process and have developed a detailed plan which includes challenging targets to continue to improve the performance of the voids, improve the average time to have property ready to relet, improve the overall stock condition and minimise the loss of rent income.</p> <p>The report provides positive updates on the void reduction efforts, even though the overall number hasn't significantly decreased yet. The action plan is showing positive impact, although the full effect on void reduction is not yet quantifiable.</p> <p>The number of voids is stabilising and the early indication is that we are starting to see voids reducing as they peaked in January 2024 at 446 and reduced to 416 at the end of March 24.</p> <p>The focus is on long-term improvements and we are unlikely to see trends reduce until later in the new 2024.</p>
7.	At the end of Q4 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. This is the trend we would expect to see long term voids are being tackled and brought back into use. The actions being implemented will take time to embed and are being subject to significant management action.
Table 1. Void to let performance	

		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 Q3 23/24	Void to let actual as at End Q3 23/24
		Routine	29 days	94 days	130 days	133 days
		Major works	106 days	225 days	270 days	278 days
8.	The 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 and the supporting action plan developed with LEAN is attached at Appendix 2					
RESOURCE IMPLICATIONS						
<u>Capital/Revenue</u>						
9.	Impact on the HRA set out in the report. Any void property will not have rent paid and delays in reletting have a direct impact on the income of the HRA.					
<u>Property/Other</u>						
10.	None					
LEGAL IMPLICATIONS						
<u>Statutory power to undertake proposals in the report:</u>						
11.	Local Government At 1972 and all other enabling legislation					
<u>Other Legal Implications:</u>						
12.	None					
RISK MANAGEMENT IMPLICATIONS						
13.	None, save for the impact on HRA rental income targets					
POLICY FRAMEWORK IMPLICATIONS						
14.	None					
KEY DECISION?			No			
<u>SUPPORTING DOCUMENTATION</u>						
Appendices						
1.	Void project plan					
2.	LEAN project 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)