
Report to: Council

Date of Meeting: 29 June 2023

Subject: Housing Operations Performance Update

Report by: Strategic Director (Place)

1.0 Purpose

- 1.1. This report provides council with an update on several key performance areas in the Housing Service. The focus is on performance in relation to Void property management, which falls under the HRA budget. A void is the term given to properties, where keys have been handed back to the landlord before they are re-let to another housing waiting list applicant.
- 1.2. As interrelated activities, the report also focusses on the recent challenges being faced by the Homeless Service and Housing Support functions of the Council, which are managed with the Councils General Fund Budget.

2.0 Recommendations

- 2.1 It is recommended that Council:
 - 2.1. Approves the increase in the HRA private contractors' budget of £960k within revenue, for 2023/24 to deal with the current backlog of voids,
 - 2.2. Notes the carry forward of £73k from last year's HRA capital programme, to enhance the off the shelf budget, has been approved by the Chief Executive in line with the Council Financial Regulations,
 - 2.3. Notes that the work on voids will be delivered within the HRA approved borrowing level for 2023/24,
 - 2.4. Notes engagement with Private Contractors will be done in accordance with the Councils approved procurement process,
 - 2.5. Approves the additional temporary and backfill staffing requests as detailed in the report (4.22 – 4.26),
 - 2.6. Notes the agreement of Trade union colleagues in the proposals contained within, including the use of additional overtime,
 - 2.7. Notes the consultation with the Clackmannanshire Tenants' and Residents' Federation,

- 2.8. Notes that a review of the Housing Service strategic response to the homeless pressures will take place during the summer recess and a members briefing held shortly afterwards.

3.0 Considerations

3.1 Background Void Performance

- 3.2. There are currently a large number of Void including Off The Shelf (OTS) buy back properties awaiting refurbishment works. At the time of writing the report the volume of these was one hundred and two (102). The loss in revenue for these properties is around £8,500 per week.
- 3.3. A number of years ago the service engaged with Vanguard Scotland to improve performance in the service. The baseline of how long it was taking for voids, from the point keys were returned to a property being re-let was 85 days or a little over 12 weeks. At that stage there were around 70 voids in a backlog, i.e. not all being actively worked upon.
- 3.4. By February 2019, just before COVID restrictions, the end to end time had dropped by 50 full days/ 7 weeks to an average of 35 days/ 5 weeks. However, even at that stage there were 39 voids, awaiting work. It is not uncommon for Housing providers to have voids awaiting work, and this can range from Utility meter updates to full house refurbishment work requiring to be done.
- 3.5. The Council at the presentation of last Local Government Benchmarking Framework (LGBF) for 2021/22, was still ranked 3rd for Void performance, measured by Void rent loss¹. The Council achieved a void rent loss of 0.66% compared with a national figure of 1.63%. Given that most social landlord's budget and/or target for void rent loss is around 1%, the Councils performance has been excellent in this area in recent years.

3.6 Current VOID Performance

- 3.7. At the time of writing, the present end-to-end time for voids being re-let is in excess of 79 days² and is getting poorer. At this early stage in 2023/24 financial year, void rentloss is already projecting a potential overspend of over £115k against budget, if the current level of performance is maintained.
- 3.8. Performance in relation to voids has been affected by a number of areas since 2019, firstly extended Covid Health and Safety restrictions which affected how many workmen could be in a house at the one time safely. As reported previously to Council, Housing (HRA) Staff being some of the last of all Council staff, responding to the covid response and helpline. Although the service has been refunded for this time clearly the opportunity costs was the fact that Housing work and priorities have not progressed as quickly as they could have.

1 20th April, 2023 Audit and Scrutiny Committee

² See Appendix 1

- 3.9. More recently the large number of transfer led applicants to the Primrose Street Development and the increase in Homeless caseloads, have all led to pressure in the system. This has been compounded by in some cases adjusting and not sticking to the agreed vanguard rules and principles, which, while clearly done for the right reasons, has not worked.
- 3.10. The above reasons have all resulted, combined and individually, in the detrition of performance. That volume is such that our own internal trade's resource does not have the capacity, as demonstrated by the throughput (Appendix 1) to undertake and complete the works, within a timeframe that is acceptable to either the Council or applicants waiting on a home.
- 3.11. Clearly work and action is needed to be taken on the system to improve matters.
- 3.12. **Void Action Proposal**
- 3.13. The proposal is to divert all voids in the current backlog and above our operating capacity (throughput), to an external contractor, utilising a whole house refurbishment framework contract. This will be done in accordance with the Councils procurement process. This will allow the in-house resource to focus clearly in line with the vanguard principles with a select number of properties, problem solve where possible and work to improve and maximise the throughput as much as possible.
- 3.14. The Council's own internal trades workforce will continue to provide the required resource provision to undertake refurbishment works to an estimated 375 void properties, that will pass through the housing and property service this year and will be fully employed in doing so. This is already budgeted for within the revenue repairs budget assigned to void repairs works.
- 3.15. In addition, when we start to receive these voids back from contractors this will place additional strain on the tenancy management team and resource and it is very likely that additional overtime, with possibility of weekend working will be required to make sure we can get applicants matched and into their new homes as quickly and comfortably as possible. This spend will be managed within existing budgets.
- 3.16. **Voids Other Considerations**
- 3.17. The delays to turning properties around has meant that staff, councillors and the Chief Executive's office have had a number of chasing and update requests relating to empty properties. This is clear failure demand and it is clear that the service needs to work on a communications strategy to ensure expectations are managed by those who have been matched to a property. This communication will be easier once engagement with a contractor has taken place and target dates for completion have been considered.
- 3.18. The situation has been discussed with trade union colleagues and they have agreed to the above proposal. They have also committed to work with management about making sure we can collectively seek to increase the throughput with the existing resources. TU colleagues are also willing to work with management to plan on how we can further increase internal resource to support this work going forward, in line with agreed organisational redesign

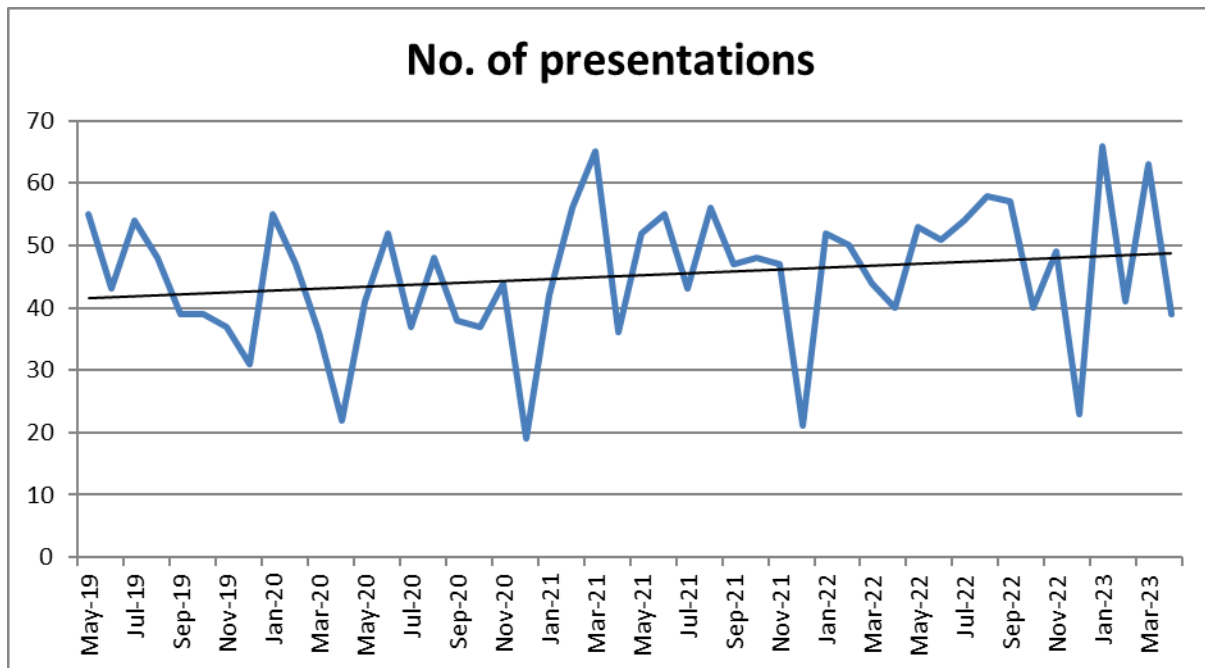
protocols. Union colleagues would like to see this situation addressed urgently. The service does feel like it is felt prudent to have an allowance with the framework arrangements, for financial year 2024/25 owing to the challenges relating to recruitment of suitable trained staff and minimising the risk of a future backlog (especially accounting for the return of decant properties for Westhaugh residents). Council will be kept updated in terms of progress of these actions, through the regular business plan reporting.

3.19. HRA funding requirement for the Proposal

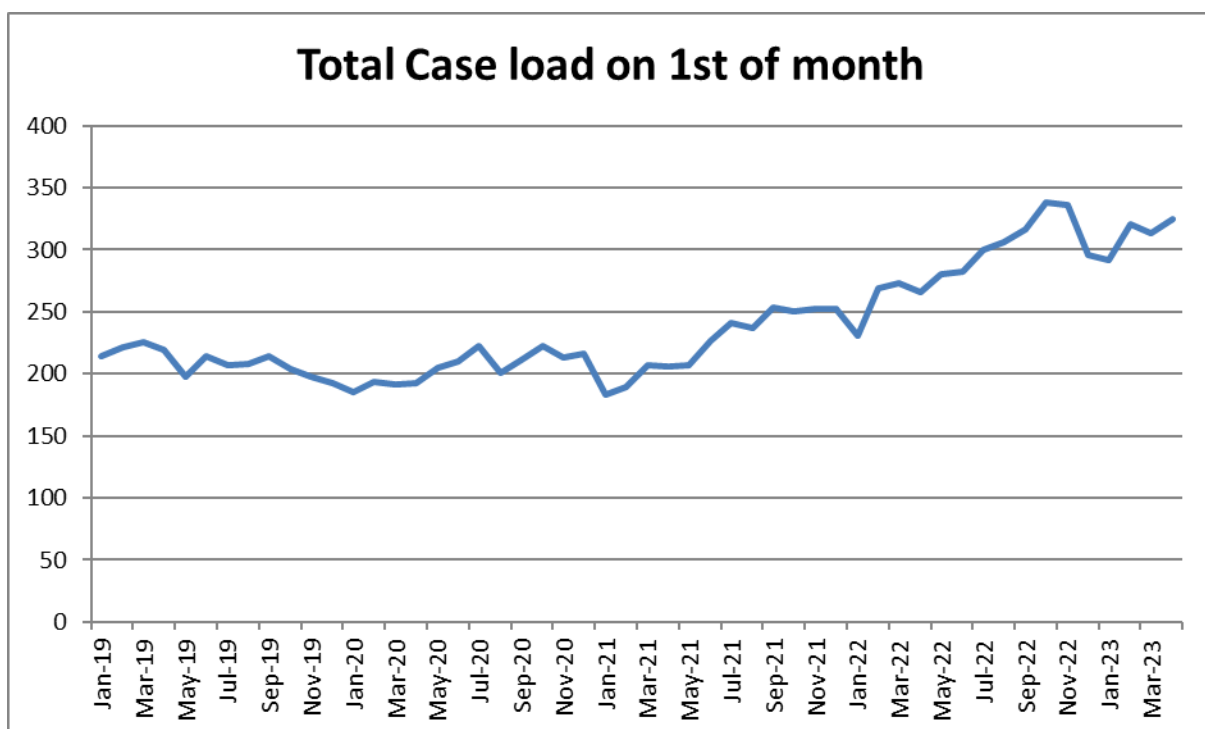
- 3.20. Council is therefore asked to approve an increase in the HRA 2023/24 revenue budget for private contractors of £0.960m, to be funded from the current HRA surplus. This will support the planned action of procuring a suitable external multi-trade contractor to refurbish an agreed number of void properties.
- 3.21. The Chief Executive has also approved (in line with Council financial regulations) the carry forward from last financial year of £0.073m capital underspend within the OTS buy back budget, to provide additional capital funding. This will support the £2.6m budget already agreed and within this years capital programme for OTS property purchase and refurbishment.
- 3.22. The proposed total spend with the contractor between revenue (£960k) and the capital refurbishment allowance (£909k) with the OTS HRA capital budgets equates to £1.87m, this forecast accounts for the variable condition of voids and OTS buy back properties. Although the extent of refurbishment works proposed is large, our anticipation is that this should be delivered within this budget.
- 3.23. The draft year end outturn position for HRA Revenue spend at 31 March 2023 is a surplus of £7.0m. Including the existing surplus of £9.6m from 2021/22, this brings the total surplus to £16.6m before earmarked reserves.
- 3.24. After allowing for the utilisation of reserves, earmarked reserves and minimum reserves totalling £2.2m, the HRA surplus available to offset capital expenditure in 2023/24 and future years equates to £14.4m.
- 3.25. The forecast as at December on the HRA capital programme for 2022/23 was projected at £8.8m, the draft final position is reporting a further reduced spend of £7.8m.
- 3.26. Reflecting the draft capital outturn position for 2022/23 together with a forecast reduction of £0.750m in the 2023/24 capital programme expenditure, relating to roof and render works and the additional investment in Westhaugh, of £1.305m approved by Council in May, means accounting for the required pressure in void and OTS property refurbishment, the HRA would now require borrowing of £4.6m after use of reserves as opposed to the £6.2m outlined in the HRA 2023/24 Budget Setting report approved by Council at its meeting in February 2023, to fund a £15.9m revised planned capital expenditure programme.
- 3.27. Therefore, crucially, with the variances approved at May Council (Westhaugh Investment) and those requested in this report, the HRA will still be within the overall approved HRA borrowing agreed by Council in February 2023.

4.1. Homelessness

4.2. The homeless team are currently under a significant amount of pressure due to the increasing caseload the team are facing. The presentation rate is only showing a slight increase as demonstrated with the chart below. It should be noted, applications do tend to reduce during December/January, primarily we suspect due to the office closure.



4.3. The number of open cases, which the team are required to manage has increased consistently over the last four years and is now 63% higher than it was in May 2019.



- 4.4. The increase in case load is greater than the increase in presentations which is also likely due to fewer voids becoming available. Total number of voids available for let during the previous four years is:

	Number of lets
2019/2020	417
2020/2021	335
2021/2022	353
2022/2023	351

- 4.5. At the same time as the reduction in lets, the Council has increased the percentage of lets going to homeless applicants from 47% in 2019/20 to being just over 60% in each of the corresponding last three years, in an attempt to dampen the homeless caseload.
- 4.6. The homeless team have also managed applications from Ukrainian families, where placements with host families have broken down or come to an end, this has resulted in the housing team helping an additional 20 families, so far.
- 4.7. The team resource has been fairly stable for a number of years. The eight members of staff had been managing until the recent spikes in caseloads, making the required well rounded person centred approach difficult now to service.
- 4.8. The main reasons for homelessness in the last year has been relationship breakdown and asked to leave.

Applicant terminated secure accommodation	9
Asked to leave	145
Discharge from prison / hospital / care / other institution	34
Dispute within household / relationship breakdown: non-violent	159
Dispute within household: violent or abusive	48
Emergency (fire, flood, storm, closing order from Environmental Health etc.)	1
Fleeing non-domestic violence	28
Forced division and sale of matrimonial home	1
Harassment	25
Loss of service / tied accommodation	4
Other action by landlord resulting in the termination of the tenancy	31
Other reason for leaving accommodation / household	53
Other reason for loss of accommodation	20
Overcrowding	10
Termination of tenancy / mortgage due to rent arrears / default on payments	25

- 4.9. The Council does not require those leaving care to be recorded as homeless, although seen as good practice, as part of the response to the Promise it does under represent our data and the work carried out by the Team.
- 4.10. The above table (4.8) is the area of practice that our collective intervention activities need to be focussed upon.
- 4.11. As detailed further below, these increases in demand are not unique to Clackmannanshire and are being felt across the country as per the Scottish Government report on Homelessness to September 2022. It is also expected that we have not yet reached the peak of applications. It is likely we will see further effects of the increase in mortgage interest rates and potential for repossessions. There has also been increased pressure on private landlords who have been affected by restrictions on evictions and rent increases over the last three years which is likely to lead to increases in applications once they are able to evict or increase rents. The Scottish Government are also planning to progress a Housing Bill through parliament this year which is expected to include further addition obligations on Local authorities to prevent homelessness.
- 4.12. **Homelessness National Picture**
- 4.13. ALACHO has recently carried out a RAG survey of all 32 Councils. This was issued, to support the work that COSLA and SOLACE have been doing to raise the profile of the challenges the sector is facing with the Scottish Government.
- 4.14. The overall situation has deteriorated since November 2021, the last time a similar survey was conducted (results from that survey included in Appendix 2 for context). The deterioration isn't universal; some local authorities feel that they have held their own or improved their position over the past 18 months. There also appears to be a regional shape to the problem with east central Scotland (Fife, Edinburgh and the Lothians, Dundee and the old Central Region) predominantly red. The picture in the west is more mixed with a number of rural and island Councils are clearly also facing significant challenges.
- 4.15. Some survey responses have acknowledged about the stress in the system where Incident Management Team type responses (last actioned during COVID) have been required to ensure Councils have been able to meet their legislative duties. The survey responses provide a clear sense that the system is under pressure to deal with the day-to-day presentations and caseload but the overall capacity to cope with anything more is very limited.
- 4.16. These are some of shared concerns/commentary from the whole of the sector;
- A general but not universal increase in presentations,
 - A reduction in the number of voids becoming available,
 - A slow down in the new build programme,

- Delays in returning voids to a lettable standards including those caused by the utilities but now with the added challenge of securing sufficient resource, internal or external, to complete the work,
- The additional pressures created by the demand from Ukrainian refugees,
- The sector's capacity to meet the Unsuitable Accommodation order has clearly declined and breaches are now common place across a number of Councils.

4.17. Housing Support

4.18. The Council's Housing Support Service is a service set up to meet the Council's statutory duties, set out at S32B of the Housing (Scotland) Act 1987, to provide support to persons found to be homeless and in need of such support. The team also play a central and pivotal role in supporting refugees coming to Clackmannanshire under the various humanitarian programmes set up by the UK government.

4.19. The service is required to be registered with the Care Inspectorate under the Public Services Reform (Scotland) Act 2010 and, for compliance, is required to operate with an individual named person operating as the registered manager for the service. The service is currently exploring options to ensure a "registered manager" is identified following recent resource challenges.

4.20. At the time of writing the report the service has had to temporarily close the service to new referrals pending the introduction of alternate arrangements for the "registered manager" position. The Care Inspectorate has been notified of this and we await further clarification relating to this matter and guidance from them relating to which qualifications that will enable someone to oversee this role on a temporary basis. This service is also marked for external inspection this year, the closure is allowing staff to prepare for that and ensure case files are updated for the inspection process.

4.21. Additionally, eligibility for assistance from the Scottish Welfare Fund for homeless people looking to move into permanent accommodation is contingent upon them receiving formalised support of the type provided by the Housing Support Team. Without access to support, homeless persons in need might find themselves unable to move on from temporary accommodation, exacerbating the temporary accommodation shortage, or will find difficulty in sustaining their new tenancy and potentially end up repeating the traumatic journey.

4.22. Homeless Team & Housing Support Resource Requirement

4.23. The service as reported to Council in December 2022 was already in statutory breach of its obligations in relation to homeless persons and those at threat of becoming homeless. This was in relation to the Unsuitable Accommodation Order. This has been further tested recently, most notably with no accommodation (either in our stock or outwith) available on some days, especially family accommodation. This is a further breach of the Councils statutory obligation. The service has had to lease accommodation from Ochil View Housing Association, this might provide some respite for family

temporary accommodation however, this charge is not covered in full by Housing Benefit and will result in a subsidy loss to the Partnership and Performance budget. Moreover, with staff challenges, the focus has been on providing homelessness assessments at the expense of welfare checks, given the focus on homeless deaths each year this is clearly an area of risk for the Council.

- 4.24. As detailed above there is therefore a risk facing the Council of potential intervention by either the Scottish Housing Regulator (SHR) and or the Care Inspectorate in relation to these matters. Given the further risk of critical and statutory service delivery failures outlined and the challenges facing staff, Council are requested to approve the recruitment of two full time temporary Housing Officers (up to two years) to work within the homeless team, providing targeted support to manage through the current case load. Council should note that this is outwith the agreed organisational redesign protocols.
- 4.25. The funding for these two GF roles will be met by the earmarked Homeless Reserve.
- 4.26. In addition, it is vital that the role of registered manager (as described in 3.45 - 3.50) be resolved as a matter of urgency. The Service proposes to Council that a temporary acting up be offered, ring-fenced to the support team members who can meet the registration requirements of the Care Inspectorate. The implications would mean that the team will require and seek Council decision as part of this report, to backfill the vacancy this will create. The funding for the additional support can be funded by the allowance provided by the Scottish Government for Homeless Prevention activities (2023/24).
- 4.27. **Homeless Prevention Strategic Response**
- 4.28. As detailed at table 4.8 our main collective prevention activities need to focus upon the reasons for presentation. The Council has received funding in year 2023/24, to prioritise homeless prevention activities. The service has limited capacity to focus on this strategic area and to review, the related, Rapid Rehousing Transition Plan (RRTP). Progress on implementation of the RRTP actions has been limited, again, due to limited resources and also to those resources having been redirected to Covid related activities during the pandemic. The primary focus, at this time, is to focus on statutory requirements relating to the Strategic Housing Investment Plan (SHIP) and Housing Need and Demand Assessment (HNDA).
- 4.29. It is proposed that during the recess, possible prevention activities are further examined with colleagues, primarily in the People Directorate including the Family Wellbeing Partnership, with a view of holding a members briefing soon after recess on what might be deliverable and actionable.
- 4.30. **Consultation**
- 4.31. The Service has a statutory obligation to consult with tenants, views have been sought from Clackmannanshire Tenants & Residents Federation (CTRF), with both the Senior Manager (Housing) and Team Leader (Housing) attending the CTRF management meeting on 2nd June 2023.

4.32. The CTRF, was disappointed that the situation with the Voids had reached such levels but recognise that there is a proposed plan to deal with the issues as quickly and efficiently as possible. CTRF did welcome that the Senior Manager for Housing will re-establish a monthly cross service Visual Measurement Board (VMB), so that performance can be more readily tracked and opens up transparency around performance management. CTRF is hopeful that elected members will also take up the opportunity to join the open sessions, to see performance analysed, issues monitored, actions actively tracked and recorded to improve performance for tenants and prospective tenants.

4.33. The agreed dates, locations and times for the VMB's are attached as an appendix (3) to this report, which will be led by either the Senior Manager for Housing or Property.

4.34. **Other Considerations**

4.35. The Council will need to be cognisant of the introduction of the further prevention requirement.

5.0 **Sustainability Implications**

5.1 The Housing Service is working to ensure its stock is as energy efficient as possible, within the funding and affordability envelope available.

6.0 **Resource Implications**

6.1 *Financial Details*

The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate.

6.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes

6.4 *Staffing*

6.5 Additional staffing as detailed in the report. A resource review of void management within the repairs service will be undertaken to increase throughput capacity and Council updated of the progression of this work.

7.0 **Exempt Reports**

7.1 Is this report exempt? Yes (please detail the reasons for exemption below) No X

8.0 **Declarations**

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(9) Our Priorities (Please click on the check box)

Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all

Our families, children and young people will have the best possible start in life.

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies** (Please detail)

Housing Revenue Account Budget 2023/24 and Capital Programme 2023/24 (February 2022),
Local Government Benchmarking Framework 2021-22 (April 2023),
Westthaugh (Travelling Persons Site) Redevelopment Capital Project – Capital Budget Commitment (May 2023),
Scottish Housing Regulator Annual Assurance Statement (December 2022)

9.0 Equalities Impact

9.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes

No

10.0 Legality

10.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

11.0 Appendices

11.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 – Voids Throughput

Appendix 2 – ALACHO Homelessness RAG Survey

Appendix 3 – VMB Housing Performance Meeting Schedule

Appendix 4 – Vanguard Methodology for Check

12.0 Background Papers

12.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered).

Yes No

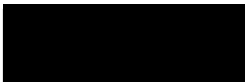
(please list the documents below)

As above Council policies

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
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Andrew Buchannan	Team Leader (Housing)	5169

Approved by

NAME	DESIGNATION	SIGNATURE
Pete Leonard	Strategic Director (Place)	

PURPOSE – GET PERSON A HOME AND SET THEM UP TO SUCCEED

THROUGH PUT - MAINSTREAM VOIDS

	KEYS IN\KEYS RET	
WB 06/03	13	7
WB 13/03	7	7
WB 20/03	7	8
WB 27/03	7	11
WB 03/04	8	5
WB 10/04	7	7
WB 17/04	4	6
WB 24/04	2	6
WB 01/05	2	5
WB 08/05	11	6
WB 15/05	10	7
WB 22/05	10	8
WB 29/05	7	10

THROUGH PUT – TEMP VOIDS

	KEYS IN\KEYS RET	
WB 06/03	10	6
WB 13/03	4	7
WB 20/03	7	7
WB 27/03	6	3
WB 03/04	3	10
WB 10/04	5	5
WB 17/04	1	4
WB 24/04	7	3
WB 01/05	2	3
WB 08/05	3	6
WB 15/05	5	5
WB 22/05	5	4
WB 29/05	4	5

	Baseline	March – May	June
End to End – Mainstream	85 days	64 days ↑ 4 days since last ¼	79 days
End to End – Temp @ Kelliebank		10 days ↓ = last ¼	2 days
Refusals	53%	35% - 91 lets 32 refusals	44% 9 lets 4 refusals

Current Mainstream Voids –77
Notice – 26

Current Temp Voids – 11 – including Chapelle Cres
Due In - 30

Customer Satisfaction

End of year 2021/22 – 96 %

January, 23 – 91%

February – 100%

March – 100%

April – 97%

May – 100%

RAG survey results 2023 onwards

(November 2021 for context)

ALACHO							
RAG survey results							
Council	November 2021				May 2023		
	Presentations	Meeting the UAO	Supply of permanent lets		Presentations	Meeting the UAO	Supply of permanent lets
Aberdeen	Green	Green	Green		Red	Red	Red
Aberdeenshire	Green	Green	Green		Green	Green	Green
Angus					Yellow	Red	Yellow
Argyll and Bute	Yellow	Yellow	Yellow		Yellow	/R	Yellow
Clackmannanshire	Yellow	Yellow	Green		Red	Red	Red
Comhairle Nan Eilean Siar	Yellow	Yellow	Yellow		Yellow	Yellow	Yellow
Dumfries and Galloway	Yellow	Green	Yellow		Red	Red	Red
Dundee	Yellow	Yellow	Yellow		Red	Red	Red
East Ayrshire	Yellow	Green	Yellow		Yellow	Green	Yellow

East Dunbartonshire							
East Lothian							
East Renfrewshire							
Edinburgh							
Falkirk							
Fife							
Glasgow							
Highland							
Inverclyde							
Midlothian							
Moray							
North Ayrshire							
North Lanarkshire							
Orkney							
Perth & Kinross							
Renfrewshire					/R	/R	/R
Scottish Borders							
Shetland						/A	
South Ayrshire							

South Lanarkshire			/G				
Stirling					/R		/R
West Dunbartonshire		/G					
West Lothian							

**VMB Housing
Performance Focus
Monthly Meeting Schedule**

Date	Time	Location
28/07/2023	10-11am	Council Chambers, Kilncraigs or via teams
25/08/2023	10-11am	Council Chambers, Kilncraigs or via teams
29/09/2023	3-4pm	Council Chambers, Kilncraigs or via teams
27/10/2023	10-11am	Council Chambers, Kilncraigs or via teams
23/11/2023	10-11am	Council Chambers, Kilncraigs or via teams
22/12/2023	10-11am	Council Chambers, Kilncraigs or via teams
26/01/2024	10-11am	Council Chambers, Kilncraigs or via teams
23/02/2024	10-11am	Council Chambers, Kilncraigs or via teams
29/03/2024	10-11am	Council Chambers, Kilncraigs or via teams
26/04/2024	10-11am	Council Chambers, Kilncraigs or via teams
31/05/2024	10-11am	Council Chambers, Kilncraigs or via teams
28/06/2024	10-11am	Council Chambers, Kilncraigs or via teams

Vanguard Methodology for Check

In 2015 the Council Housing Service engaged Vanguard Scotland experts in the transformation of services, as a strategic partner.

The leadership team gained an insight into the current performance of the service, from the customers' perspective. It also engaged staff at all levels in the change programme of what was working and what wasn't working. This ensured that staff, including Union representatives, saw for themselves the issues across the whole service and had an opportunity to shape the new design. Teams of front line staff and operational managers from each of the key areas used the Vanguard Model for 'check' (figure 1) to identify the root causes of wasteful practices and potential for improvement.

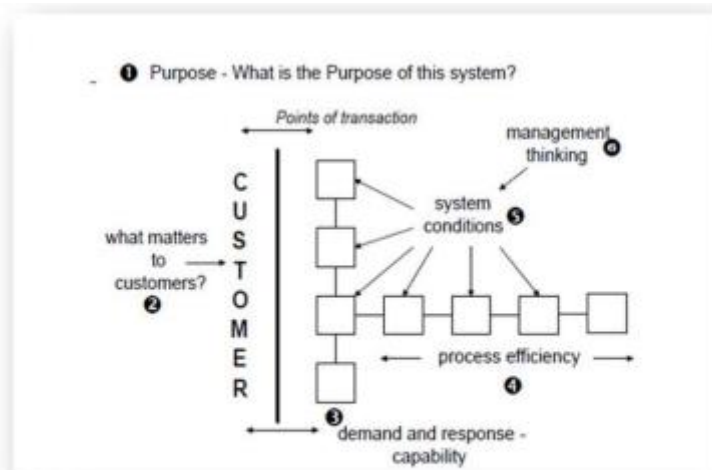


Figure 1 – The Vanguard model for studying a service organisation (Check)