

**NOTTINGHAM CITY HOMES**

**REPORT OF ASSISTANT DIRECTOR HOUSING  
SERVICES AND ASSISTANT DIRECTOR  
COMMERCIAL DELIVERY**

**THE BOARD  
24 SEPTEMBER 2009**

**LETTABLE VOID REDUCTION**

**1 SUMMARY**

- 1.1 This report provides a progress update to Board members about the recovery actions in place to reduce lettable voids and achieve a reduction to 300 by March 2010.

**2 RECOMMENDATIONS**

- 2.1 It is recommended that the Board note the actions being implemented to recover the lettable void reduction for the year end.

**3 REPORT**

- 3.1 At the end of March 2009, the number of lettable voids had reduced to 382 with only 46 of those over 6 months old.
- 3.2 Since April 2009, there has been an increase in the number of lettable voids and at the end of August 2009, the lettable voids had increased to 538 with 32 of those over 6 months old.
- 3.3 In August 2009, financial forecasts indicated that if current void spending continued then void budgets would be exceeded unless corrective action was taken.
- 3.4 During July and August, officers benchmarked the NCH lettable standard and associated costs with peer organisations, including the Association of Public Service Excellence, and identified that the standard being delivered by NCH was of substantial difference in terms of cost and the volume of works undertaken whilst the property was empty compared to others.
- 3.5 Overall the number of properties becoming vacant has not increased. The time the voids are in the system has increased. Lettable voids have increased over the first five months of the year as a result of more voids (four times the number than in March 2009) being specified to a 25 day turnaround target due to their value, instead of the expected 10 day turnaround.

- 3.6 Despite the quantity of voids in works having been significantly increased, customer satisfaction has only increased by 0.22% since April 2009 and refusal rates continue to be an average of 28% per month. Satisfaction and refusal rates are monitored and analysed monthly. The satisfaction feedback suggests that the key areas of concern for new tenants are the cleanliness of their new home and follow up repairs being carried out on time. The refusal rates indicate that applicants refuse properties on the grounds of size of the bedrooms, local amenities or wrong part of area. Refusals on the grounds of condition are very small in number at only 2%.
- 3.7 A range of actions are now being implemented to ensure that the lettable voids are reduced month on month. Key changes include:
- 3.7.1 Works such as composite doors, decorations, replacement kitchens and bathrooms and rewires carried out presently as routine void works will be planned in as part of the decent homes programme. Discussions are to take place at a later date with the decent homes contractor to achieve the benefits of combining decent homes works with void properties.
- 3.7.2 A pilot decoration scheme has been introduced which offers greater decoration choices to tenants and with materials being delivered to their door steps. A group of 3 tenants have been working on this scheme for several months; it is called *You Decide We Provide*. It offers more choices to new tenants and greater value for money.
- 3.7.3 A new cleaning contractor has been awarded the void cleansing contract as from September 2009 and the quality and turnaround will be closely monitored to positively respond to customer feedback about cleaning standards.
- 3.7.4 Follow up repairs will be minimised and essential repairs will be carried out whilst the property is vacant however any non essential repairs identified prior to or at sign up with the new tenant will be undertaken post letting. A system is in place to ensure that post letting repairs are carried out on time and to the required standard but these are expected to be of a low volume.
- 3.7.5 Garden clearances will continue prior to letting as we need to ensure there is 'kerb appeal' for the prospective tenant.
- 3.8 Some of the above actions have now been implemented and voids specified at 25 days have now reduced by 70% with further work being undertaken on financial forecasts to assist in void expenditure being controlled within existing financial resources.
- 3.9 The forecast for lettable void reduction is as follows:

Month	Sept	Oct	Nov	Dec	Jan 10	Feb	Mar
No.	479	428	392	367	383	369	300

- 3.10 Regular meetings have been held jointly by the Assistant Director Housing Services and Assistant Director of Commercial Delivery with the Voids and Lettings team and tenant inspectors to ensure these changes are delivered efficiently and to highlight any concerns or ideas so matters can be dealt with at the earliest opportunity.
- 3.11 In August 2009, *Ad Esse Consultancy* was awarded the contract to undertake a LEAN System review. This review will examine the current void processes and associated costs to deliver the service. The review outcomes are to be presented to EMT at the end of September 2009.

#### **4 OTHER OPTIONS**

- 4.1 No other options considered viable.

#### **5 FINANCIAL AND RISK IMPLICATIONS**

- 5.1 Rent loss as a result of void properties needs to be minimised.
- 5.2 Void expenditure has to reduce to enable budgets to be achieved and to prevent the cost being transferred into responsive repairs. Discussions will take place with our decent homes partner to explore the opportunity to carry out decent homes works to void properties within the programme to achieve increased value for money. Early indications of the changes being implemented are very positive.
- 5.3 Further work will be carried out with peer organisations to introduce cost effective methods that will support increased customer satisfaction. In addition, responses from the Vision Management System will be monitored by the Voids and Lettings Quality Improvement Group.

#### **6 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

- 6.1 Streamlining voids, lettings and allocations is a company priority.

#### **7 VALUE FOR MONEY AND EFFICIENCY ISSUES**

- 7.1 Reducing lettable voids will have a positive impact on rent loss and the initiatives implemented will ensure budgets are more effectively controlled.

#### **8 EQUALITY AND DIVERSITY IMPLICATIONS**

- 8.1 Applicants on the Housing Register and those offered void properties will have less time to wait to move in to their property.
- 8.2 The pilot decoration scheme offers greater choice and service to new tenants.

**9 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS  
REFERRED TO IN COMPILING THIS REPORT**

9.1 None

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