

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 8 NOVEMBER 2000

VOID MANAGEMENT

Report by the Director of Homes and Technical Services

1. PURPOSE OF REPORT

- 1.1 To advise members of the actions needed to address the problem of void properties in East Ayrshire.

2. BACKGROUND

- 2.1 Housing Committee of 13 September 2000 considered the budgetary control position of the HRA for the period ended 28 July 2000 and instructed the Director of Homes and Technical Services to (1) prepare an action plan to address the problem of void properties for submission to the Budget Monitoring Group and (2) submit a report to the next meeting of this committee on medium and longer term options to address the problem.
- 2.2 A statement and action plan for improved voids management, prepared by the Director of Homes and Technical Services, was considered by the Budget Monitoring Group meeting of 27 September 2000.

3. HOUSING DEMAND

- 3.1 Registered demand for council housing has declined significantly over recent years, both in the North and South of the council's area. There are three pieces of data which confirm the evidence supplied by the Council's own area staff, who continue to experience difficulties in letting houses in a number of areas. There is also difficulty with a number of house types.
- 3.2 Firstly the Council has recently carried out a review of the waiting list to ensure that our information was updated for the implementation of the new Allocations Policy. Fewer than 50% of the 4500 review forms sent out to previous applicants were returned for registration. While a reduction in the list is not unexpected, a reduction of this scale is unprecedented.
- 3.3 Secondly information available from the Census confirms that East Ayrshire is experiencing the lowest population growth in Scotland. Only two authorities are in a worse position, and both of these are experiencing actual reductions.

- 3.4 Finally the Council and Scottish Homes have together produced a Local Housing Systems Analysis covering a wider area than the Council. This indicates that the reduction in demand is not an East Ayrshire phenomenon and many other authorities in the West of Scotland are reporting similar difficulties. Over recent months, the Council and Scottish Homes have been working together to produce the first Local Housing Systems Analysis (LHSA). The results of this exercise will be used to inform the Councils next housing plan and other housing investment strategies involving Scottish Homes and other partners. However, the initial findings of the LHSA offer a helpful insight into the structure and operation of local housing market areas within East Ayrshire and focuses attention on a number of key issues to be considered for future housing planning, policy and investment. Overall an analysis of economic trends and population/household projections suggest that future housing investment should focus on improving quality and addressing supply and demand imbalances within the stock rather than an increase in gross numbers. The attached Appendix A denotes the void houses at Period 6 analysed by Area, and by house type.

4. ACTION PLAN

- 4.1 The number of empty council houses at period 6 totalled 831. The department is committed to acting promptly to improve this situation. These actions fall into two main areas. Firstly, the department is committed to do whatever is necessary to improve its own performance in terms of voids administration. Secondly, in recognising that void management alone is not the answer to low demand problems, the department will develop a wider and a more comprehensive strategy aimed at improving demand and if need be considering more radical options in terms of stock diversification, marketing and clearance.

5. IMPROVING VOIDS ADMINISTRATION PERFORMANCE

- 5.1 In order to achieve improvement in the short to medium term the department will:

- ***Identify those houses which can be easily let and concentrate resources on these.*** In the past voids have been categorised as long term or routine. This is not particularly useful and in future individual voids will be considered either as suitable for early re-let or for inclusion in a future initiative as appropriate.
- ***Appoint dedicated officers in each team to chase progress and liaise with contractors.***
- ***Introduce penalties for contractors who fail to meet targets for completing repairs.***
- ***Improve weekly and monthly monitoring reports for senior managers.***
- ***Review in detail the letting process and modify this as appropriate, as well as setting improved targets for each stage.***
- ***Review procedures for tenants giving up tenancies and consider introducing incentives for adequate notice and for properties left in good condition.***
- ***Improve marketing of empty houses through advertising, local offices and "property shops".***

6. DEVELOPING A MORE COMPREHENSIVE STRATEGY

6.1 The Chartered Institute of Housing in Scotland has investigated the problem of low demand housing in Scotland and has published its findings and conclusions. There is strong evidence that housing is neither the sole cause of low demand, nor the sole solution. Wider economic considerations underpin all the problems of local low demand. There are clear relationships between factors of low demand and social exclusion including low-income levels and limited training and employment opportunities. Low demand areas exhibit high turnover of tenancies for reasons related to these economic factors and to other social factors linked to anti-social behaviour, fear of crime, and poor quality or unpopular housing.

6.2 The department will continue to press the Scottish Executive on the need to comprehensively research the relationship between housing demand and changes in the economy. For its part, the department will conduct further research to establish local patterns and reasons for low demand and to determine public attitudes to certain areas and types of housing. Taking into account the reasons for low demand, on an area by area basis and subject to approval by the housing committee, the department will:

- ◆ ***Actively and aggressively market selected properties and wider neighbourhoods.***
- ◆ ***Exploit housing investment opportunities to improve the local economy particularly where housing is in low demand.*** Examples will include local employment initiatives and local materials purchase schemes.
- ◆ ***Support the council's social inclusion policy by improved targeting of housing expenditure plans to those areas most at risk.*** Until area based exclusion is successfully tackled, there will continue to be low demand for housing in many of our communities.
- ◆ ***Introduce new local letting initiatives, where appropriate, which concentrate on the aspirations of local populations as well as basic housing need.*** These will be developed following consultation with tenants and residents groups, and the wider community. This approach can help the creation of mixed and sustainable communities without the risk of concentrating households with similar circumstances in one locality.
- ◆ ***Demolish low demand housing where this is considered appropriate taking account of local demand levels and the reason for its unpopularity.*** Demolition will also be considered where properties are identified beyond cost effective repair.
- ◆ ***Examine the scope for stock transfer where this can bring in new investment and provide a sustainable future for the community in the longer term.*** The department will re-examine the demand amongst potential buyers for low cost home ownership by way of homesteading schemes.
- ◆ ***Strengthen relationships with local police services to tackle the problems of crime and anti social behaviour including targeting funds to improve community safety in housing areas.***

7. FINANCIAL IMPLICATIONS

- 7.1 The majority of actions required to improve voids administration performance can be funded within approved HRA revenue budgets. Regular reports on progress and any financial implications arising thereto will be submitted to future meetings.
- 7.2 Proposals to target improvement funding to low demand areas will be submitted to future meetings of the Housing Capital Sub Committee with a view to these being included within the HRA Capital Programme for 2001/2002 and beyond.
- 7.3 There will continue to be close and careful monitoring of the HRA in relation to voids, and every opportunity will be taken to reduce expenditure and to remain within budget, without cutting across essential Council services.

8. POLICY AND LEGAL IMPLICATIONS

- 8.1 None at this time. Specific proposals to amend council policies on house allocation, approve demolition or stock transfer proposals will be submitted to future meetings for approval.

9. RECOMMENDATIONS

- 9.1 It is recommended that members:
- i. Consider the proposals outlined in this report
 - ii. Approve the short term action plan for improving voids administration performance as detailed in Para 5.1
 - iii. Approve the medium term and long term proposals to develop and implement a long term comprehensive strategy for dealing with the problems of low demand housing as detailed in Para 6.3
 - iv. To note that further regular reports on progress will be submitted by the Director of Homes and Technical Services

James Lavery
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CMcA/AB
24 October 2000

LIST OF BACKGROUND PAPERS

Nil

Anyone wishing further information should contact Chris McAleavey – Head of Homes on 01563 - 554876

AGENDA