

## **CLYDESDALE HOUSING ASSOCIATION LIMITED**

**Policy:** **Void Management Policy**

**Date:** **30 October 2019**

**Lead Officer:** **Depute Chief Executive**

**Review Date:** **October 2022**

**Regulatory Standards:** **Standard 1**

The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.

### ***Guidance***

- 1.1 The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's business plan to achieve its purpose and intended outcomes for its tenants and other service users.
- 1.2 The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.
- 1.3 The governing body ensures the RSL complies with its constitution and its legal obligations. Its constitution adheres to these Standards and the constitutional requirements set out below.
- 1.4 All governing body members accept collective responsibility for their decisions.
- 1.5 All governing body members and senior officers understand their respective roles, and working relationships are constructive, professional and effective.
- 1.6 Each governing body member always acts in the best interests of the RSL and its tenants and service users and does not place any personal or other interest ahead of their primary duty to the RSL.
- 1.7 The RSL maintains its independence by conducting its affairs without control, undue reference to or influence by any other body (unless it is constituted as the subsidiary of another body).

## **The Scottish Social Housing Charter**

### **4: Quality of housing**

Social landlords manage their businesses so that:

- tenants' homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) by April 2015 and continue to meet it thereafter, and when they are allocated, are always clean, tidy and in a good state of repair.

### **13: Value for Money**

Social landlords manage all aspects of their businesses so that:

- tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

**Clydesdale Housing Association will provide this policy on request at no cost, in large print, in Braille, in audio or other non-written format, and in a variety of languages.**



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## 1. Introduction

1.1 The purpose of this Policy is to set out how Clydesdale Housing Association manages its empty properties. When a property becomes empty it is defined as a “void”

1.2 A property can become void for a number of different reasons:

Formal Termination – The Tenancy Agreement requires tenant(s) to provide 28 days written notice that they intend to leave the property.

Death of a Tenant – The Tenancy Agreement comes to an end upon the death of a tenant.

Abandonment – The tenant(s) leave the property without giving the required notice.

Eviction – Where decree has been granted for re-possession and the property has been recovered.

Decants – Where the tenant cannot live in the house because the house is temporarily uninhabitable due to extensive repairs being required.

New Builds – Where a new housing development is handed over and before it is allocated.

## 2. Policy Objectives

2.1 Our primary objective is to have an efficient and effective void management process.

2.2 There are over-arching principles which are translated into the following policy objectives.

1. To ensure that all legal and statutory obligations are carried out
2. To consult with tenants and prospective tenants to develop the re-let standard to be adopted
3. To let homes which are in a good state of repair at the time of allocation.
4. To reduce the number of people refusing our properties.
5. To minimise re-let times by starting the allocation process as quickly as possible.
6. To protect the financial viability of the Association by reducing void rent loss.
7. To assist in meeting house need.
8. To maintain our properties to a standard which makes them desirable properties to live in and which helps to sustain our

- communities
9. To gather customer feedback on the quality of our service and respond to the needs of our tenants.
  10. To ensure equality and diversity is achieved in accessing the range of maintenance services

### **3. Achieving Policy Objectives**

- 3.1 The Association will use The Scottish Social Housing Charter performance indicators for Void Management as well as a number of associated performance measures which are set by the Management Committee. Performance against these is reported through a Balanced Scorecard. The specific indicators will change from time to time.
- 3.2 The Management Committee sets targets annually for the range of performance indicators agreed.
- 3.3 As well as the performance indicators other sources of information will be used as follows:
  - Analysis of demand by area and house type
  - Analysis of turnover by area and house type.
  - Reasons for refusal
  - Results of exit surveys
  - Customer feedback results
  - Complaints analysis

### **4. Calculating Re-Let Times and Void Rent Loss**

- 4.1 The Scottish Housing Regulator publishes “Technical Guidance” which requires to be followed when submitting the Annual Return on the Charter.
- 4.2 The Re-let time is the time taken when the property becomes empty until it is subsequently re-let after deducting days based on the permitted exclusions.
- 4.3 The void rent loss is calculated based on the amount of lost rent as a percentage of the gross rent receivable for the year. The void rent loss is derived from the number of calendar days the property has been empty for with the permitted exceptions.
- 4.4 The guidance includes details of what needs to be included when carrying out the calculations and what can be excluded. It is permitted to exclude from the re-let time and the subsequent void loss the following:
  - The time taken to undertake major improvement/modernisation works (only the amount of time for the actual repairs to be completed).

- A reasonable amount of time to clear the house following a tenant's death. It is proposed to make this 14 days

4.5 There are other inclusions/exclusions but these do not require any form of adjustment.

## 5. Managing the Risk of Difficult to Let Properties

5.1 Properties which are difficult to let require can on occasion, require a more strategic approach. To be able to do this, it is important that the Association gathers information about the turnover of its stock and puts in place some initiatives to minimise the risk of lost rent and the development becoming less desirable for future tenants.

### 5.2 Low Demand Strategy

Stock which is classified as difficult to let is likely to change over time. This will largely depend on how successfully these properties are managed. Low demand properties can be the properties which are frequently rejected or accepted reluctantly even by those people in urgent housing need.

5.3 The reasons why properties can be difficult to let include:

#### Environmental Factors

The research carried out by the Audit Commission and Communities Scotland suggests that the reputation of a property or estate can have a major impact on the demand level and this is one of the hardest issues to overcome. (Managing housing voids: The impact of low demand properties. Communities Scotland and Audit Scotland, July 2004)

This can be because of high crime rates and anti-social behaviour in the area.

#### Aspirational Factors

The research also suggests that people may be moving away from renting and buying their house on the open market. While the quality of housing association stock is generally very good, it may be that where there was a large uptake of right to buy historically, it reduces the available stock left, some of which may not be as desirable or of such a good quality.

#### Management or Policy Factors

It is important to note that the allocations policy could have been a determining factor in properties becoming difficult to let, for example, where the occupancy standards do not allow under-occupation. This could have the effect of falsely restricting demand.

### 5.4 Low Demand Initiatives

There are a number of things which can be done to minimise low demand properties, and include:

- Providing incentives – this can be the payment of a decoration grant or tidying up the garden for the incoming tenant.
- Marketing properties – this can be done through advertising to stimulate demand or providing more detailed information to prospective applicants on the surrounding amenities such as schools, transports links, hospitals etc.
- Lettings initiatives – can be used or developed where there is a need to alter the balance of the community. They are usually only in place for a limited period of time and can provide an element of flexibility in allocating properties by:
  - The allocation of properties to applicants in non-priority groups
  - Allow under-occupation to promote longer-term tenancies and reduce child density

5.5 Lettings initiatives should only be put in place where there is a clear definition of the problem which is backed up by evidence; the method contained in the initiative is likely to address the problem; some analysis of potential adverse impact; how the initiative will be monitored and by whom; and proposals for reporting and review it.

## 6. Re-Let Standard

6.1 We have a re-let standard which has been prepared following a review by the Tenant Scrutiny Panel.

6.2 The re-let standard we have goes beyond providing a wind and watertight property which is safe and fit for habitation.

6.3 It is important to note that when developing a relet standard, there needs to be a balance between the aspirations of prospective tenants and the cost to ensure the re-let standard is good but not prohibitively expensive.

6.4 A re-let standard should include the following:

- It should be clear and easy to understand
- It should be given to incoming tenants so they know what to expect
- It should always cover health and safety issues such as essential gas and electrical safety checks
- It should cover cleanliness and the state of repair we expect the property to be returned to us in
- It needs to be monitored to make sure it is being implemented and to make sure the costs are being kept under control

6.5 Incentive Schemes

It is unfortunate, but despite tenants being reminded of their responsibilities at the end of tenancy visit, not all houses are left clean and clear of possessions. This results in an additional cost to the

Association which can be very difficult to recover from the former tenant.

6.6 A tenant consultation exercise was carried out some time ago and it was agreed that we should offer tenants £50 to remove all of their belongings and clean out the property. There are conditions attached to this which are explained below:

1. The payment will only be made once the property has been pre-inspected and it has been confirmed the property is clean and clear of possessions.
2. Where there are rent arrears, the payment will be used to offset the arrears in line with the first condition.
3. The payment can be used to offset any rechargeable repairs which have been agreed with the tenant.

6.7 Information will be gathered on how successful the incentive scheme is at reducing void repair costs, and the Association reserves the right to withdraw it if it becomes too expensive.

## 7. Void Management

7.1 Void management covers a range of different activities as detailed below.

### Weekly/Monthly Void Meetings

The range of issues which are discussed at void meetings are:

- Current and pending voids in relation to the pre-allocation process
- Reasons for refusal
- Issues from the pre-termination visits
- Turnover rates
- Properties being held up for repair
- Major repairs required (if applicable)

7.2 End of Tenancy Visits

Where it is deemed necessary and if resources permit, a visit is carried out by a Housing Officer to:

- Make sure tenants are aware of how the property should be left – clean, clear of personal belongings and in a good state of repair
- To identify and agree visible re-chargeable repairs.
- To agree with the outgoing tenant what if anything is acceptable to leave behind for the incoming tenant.

7.3 Void Inspections

These are carried out by a member of the Technical Services Team to identify the repairs necessary to ensure the property meets the re-let standard.

7.4 Pre-Allocation

The Housing Officer will always start the allocation process as soon as the termination notice is received. This is to minimise the amount of



time the property remains empty after the keys are handed back.

#### 7.5 Accompanied Viewings

Where the Housing Officer feels the vacant property may be difficult to let, an accompanied viewing is arranged to provide information and advice to the prospective tenants and to minimise the number of refusals.

### 8. Customer Feedback

8.1 Customer feedback is an integral part of service delivery. Any proposals to change an aspect of service delivery can only be implemented following tenant consultation.

8.2 Every month a tenant satisfaction survey is carried out based on the satisfaction questions contained in the ARC.

8.3 Every three years a comprehensive satisfaction survey is carried out which provides valuable information about how tenants feel about our range of services, the area they live in and the condition of their property. There are also questions on value for money and affordability.

### 9. Equality and Diversity

9.1 Clydesdale Housing Association operates under the overarching duty of a Registered Social Landlord to provide housing accommodation and related services in a manner which encourages equality of opportunity. In particular the observance of equal opportunity requirements as specified in the Housing (Scotland) Act 2001 and the Equality Act 2010.

9.2 We do not discriminate against applicants in any way either directly, indirectly or by association because of their age, disability, gender identify (reassignment), marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

### 10. General Data Protection Regulations

10.1 Any information that we hold regarding an individual must be treated lawfully and correctly in line with the safeguards outlined in the General Data Protection Regulation 2016 (GDPR) which requires data to be:

- lawfully, fairly and transparently processed
- processed for limited purposes
- adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed
- accurate and kept up to date
- kept no longer than the period necessary and
- kept securely against unauthorised or unlawful processing and protected against accidental loss, destruction or damage.

Further information is available by viewing the Association's Privacy Policy.

## 11. Revision Period

11.1 This Policy will be revised every 3 years, or earlier if required either by changes in legislation, or customer feedback.

<b>Approved by the Committee of Management on:</b>	
<b>Signed:</b>  <b>Secretary/Chairperson</b>	<b>Signed:</b>  <b>Staff Member</b>