

Agenda Item 10

Housing Management Services
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Report

Subject : Proposed Introduction of a New Void Letting Standard and End of Tenancy Incentive Scheme

Report to : The Cabinet

Date : Wednesday 28 March 2007

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Cabinet Member for Community and Housing : Councillor Cole-Morgan

1. Purpose of report:

- 1.1 The purpose of the report is to seek approval for the introduction of a Void Letting standard and approval to establish an End of Tenancy Incentive Scheme.

2. Background:

- 2.1 We currently own and manage around 5,500 residential properties of which between 350-500 become vacant each year. While the property remains empty there are two effective costs to the department: – a) loss of income for rent and b) the cost of repairs to bring it back to a lettable standard.
- 2.2 Currently when a property becomes void it is inspected by repairs inspectors who use their discretion in determining what work is required. They do this within the general guidance of minimising work to essential health and safety items and anything else required to bring the property up to a lettable standard. Any additional repairs, if required, are ordered when the tenant is in situ.
- 2.3 Over the last 12 months there has been a large turnover of repairs inspectors and it has become apparent that different interpretations of the general guidance are adopted by different inspectors. This could give rise to complaints from tenants about differing standards.
- 2.4 A significant proportion of the work undertaken in void properties could be deemed to be the responsibility of the tenants and whilst pre-move inspections are undertaken on transfers it is not possible to fully assess the state of decoration or the amount of clearance and cleaning that will be required until the tenant finally moves out.



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3. The Financial Situation:

- 3.1 In this financial year, April 2006 to 31st January 2007, £318,913.60 has been spent on the 369 voids, which equates to £864.64 per void. The two major areas of expenditure are clearance and cleaning of void properties - £51,850.11 and decoration - £186,887.53.

Some areas of expenditure on the void properties could be eliminated or reduced by the introduction of a Lettings Standard and End of Tenancy Incentive scheme

4. Proposals:

- 4.1 The Lettings Standard (Appendix 1 and 2.) will clearly set out the minimum level of standard expected of each void property when re-letting it to a new tenant. The standards are categorised into groups according to which aspect of the property they relate. It is appreciated that each property will not always fully meet the standard but it will be used to assess whether the property is fit to be let if it is known that programmed work will be carried or further non urgent work will be undertaken within a reasonable period of time – such as kitchen and bathroom modernisations.
- 4.2 The Void Letting Standard will:
- Confirm our commitment to meet statutory obligations
 - Set a standard that is seen to be fair across the department and district.
 - Set a standard that is fair for tenants.
 - Ensure that prospective tenants are aware of the minimum standard that their new homes will have to meet.
 - Ensure that future expenditure on void properties is kept to a minimum.
 - Minimise the amount of time that the property remains empty thereby reducing rental income loss.
 - Provide Repair Inspectors with clear standards for work to be undertaken in a void property.

5. End of Tenancy Incentive Scheme:

- 5.1 In order to combat the, sometimes, poor standard of properties being left by outgoing tenants an End of Tenancy Incentive Scheme is proposed.
- 5.2 This scheme would allow tenants to be awarded cash as an incentive for leaving their properties clean and tidy which will be judged against a specific and objective list of criteria which all tenants will be made aware of. Whilst not all those leaving would be influenced by a cash incentive, for those who were, it would reduce the amount of work for the contractor and the cost of repairs for the department.
- 5.3 It is suggested that £100 be offered as an incentive which is estimated to be at least cost neutral.

6. Recommendation:

- 6.1 That members approve the introduction of a Void Lettings Standard and End of Tenancy Incentive Scheme as outlined in 4 above.

7.0 Implications:

Financial : If the recommendation is followed expenditure on voids should reduce significantly allowing more resources to be targeted at priority areas.

Legal : None

Human Rights : None

Personnel : None

Community Safety : None

Environmental : None

Council's Core Values : Excellent service, Fair and Equal, Giving Value for Money

Wards Affected : All

THE VOID LETTING STANDARD

The purpose of the Letting Standard is to ensure that all homes are clean, and in a satisfactory state of repair before being let to a new tenant.

WE WILL GUARANTEE

Our inspection will ensure that every home we offer for letting is fully checked and passed as:

- Safe
- Secure
- Clean
- In good condition
- With all services in working order

Safety Checks

The Council will carry out safety checks, by properly qualified and skilled trades people, on an empty property as follows.

- Gas Safety Check
- Electric Safety Check
- Smoke/Fire Alarm Check
- Solid Fuel Enclosed Fires

The Council will ensure all window and door locks are secure and sound, and easy to operate.

Decoration Allowances

Decorations will be the tenant's responsibility. Decoration allowances will be awarded at the discretion of the Area Housing Manager and in accordance with the Council's policy.

We will try to assist tenants who are elderly and disabled if there is no one to help them.

External Condition of Property

- The garden should be cleared of rubbish and garden refuse. The grass and hedges should be cut back to a presentable standard.

- Paths and steps will be checked and repaired where they are in an unsafe condition.
- The external condition of the property will be checked through visual inspection of roof, rainwater goods, chimneys etc.
- External doors and windows will be inspected to ensure they are in a sound condition.
- External buildings will be sound and rubbish free, swept clean and all window and door locks serviceable.
- Gates and fencing will be the responsibility of the incoming tenant.



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Appendix 2

Internal condition of property

- The property must be clear of rubbish (including loft spaces) and be in a reasonably clean and tidy condition.
- Any debris from old floor – coverings such as adhesive/underlay must be removed. Gripper rods are normally left to cut down costs for the incoming tenant.
- Kitchen units and fittings, including drawers, hinges and cupboards should be in working order and fit for purpose. They must be clean and hygienic.
- A suitable cooker connection point will be provided (this could be Gas or Electric).
- Bathroom fittings (bath/shower/WC/wash hand basin) must be in working order and in a reasonable condition.

- A wet floor surface (vinyl) will be provided in the Kitchen and Bathroom
- Internal doors, skirting, facings, floors, stairs and banisters should be sound and secure.
- Glazed panels in communal areas will be fitted with safety glass.
- Central heating systems and other heating appliances must be in full working order.
- Defective plasterwork should be repaired. But hairline or minor cracks will be left for the tenant to fill during redecoration.
- Handsets/equipment for opening controlled doors to communal areas must be in working order.
- The stop tap will be clearly located and tested that it works correctly.
- In the winter period (1st October to 31st March) mains water to be turned off at the stop tap and the feed tank to be drained of water through

the kitchen taps. A notice must be left for incoming tenants advising them of this and of where the stop tap is.

Improvements installed by previous tenants (Sheds, patios, paths etc)

- Any improvements made by a previous tenant are normally recorded. The Incoming tenant will be given a choice of accepting responsibility for these (and all future maintenance) or having them removed by the council (such removal may have to take place after letting). Any improvements that are not in an acceptable condition will be removed and the costs charged to the outgoing tenant.