



Internal Audit Report  
Housing & Community Care  
Voids Management Assignment No. 13-12  
December 2013

## Final Report

Chief Executive's Service  
Finance Division  
Perth & Kinross Council  
2 High Street  
Perth PH1 5PH

## Background and Introduction

An audit of Voids Management was included in the audit plan for 2013/14, which was approved by the Audit Committee on 27 March 2013.

The agreed scope of the audit was to review arrangements for managing empty council houses i.e. housing owned by the Council which is between tenancies. During such periods it is necessary to undertake some essential works / repairs to ensure that the property meets the let-able standard prior to letting the property to the next tenant. It is the responsibility of Housing & Community Care (HCC) to manage voids in order to ensure that properties are made available for let and are let in the shortest possible time.

In August 2013, Housing Management instigated a series of workshops to focus on the process of turning around voids to minimise the time taken between houses becoming vacant and being rented to new tenants, and therefore minimising loss of rent income. The workshops involved staff from across HCC's Repairs and Improvements, Allocations, Neighbourhood Services, Performance Management and Finance. This holistic approach was adopted in order to find different ways of working thereby improving performance, reducing rent loss and providing housing of a consistent standard available for let. The workshops and subsequent meetings resulted in Action Plans with a number of actions and targets to be achieved during 2013/14 to ensure that housing stock which was vacated was turned around quickly whilst maintaining standards.

Internal Audit was not involved in this process but was made aware of the management review in October 2013. The management review is currently ongoing and changes to working practices are being developed. Due to the wide-ranging nature of the changes being developed, there would be insufficient opportunity for the new processes to become embedded to enable Internal Audit to undertake the originally planned review within 2013/14. Voids Management will however be considered as part of the Internal Audit planning process for future audit review.

Internal Audit amended the detailed work to be undertaken in this area to advice and consultancy to Housing Service management. The focus was therefore to provide assurance on the adequacy of the proposed changes to the processes, procedures and governance arrangements surrounding voids management to ensure the achievement of Service objectives.

## Work Undertaken and Findings

Some deterioration in the Spring of 2013 in the Performance Indicators for voids and changes in Housing management provided the impetus for the Service undertaking a review of the process for managing voids.

On the basis of the documents presented detailing the work undertaken up to end of October 2013, Internal Audit found that the Service had adopted a structured and systematic approach to the review. Action plans identifying areas for improvements had been devised. These action plans are geared towards driving the improvements in achieving the objectives of ensuring that properties are made available for let and

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are let in the shortest possible time and therefore minimising the loss of rent income through voids. The Service is in the process of implementing these action plans.

Internal Audit also reviewed in detail the performance management framework and the revised let-able standards. Clarifications were sought and advice given in order to enhance the clarity of the arrangements and controls in these areas. In addition, Internal Audit provided the Service with analysis on national performance information to enable focus on areas of weakness.

The consultancy process is ongoing and will continue throughout the project with Internal Audit feeding back to the Service to confirm that changes are directed to achieve improvements in performance.

No specific action plan will arise from Internal Audit's involvement in this area due to the consultative nature of the assignment.

### Acknowledgements

Internal Audit acknowledges with thanks the co-operation of Clare Mailer, Senior Service Manager (Housing) and Housing staff during this work.

### Feedback

Internal Audit welcomes feedback from management, in connection with this work or with the Internal Audit service in general.

### Distribution

This report has been distributed to:

B Malone, Chief Executive

J Walker, Executive Director (Housing & Community Care)

L Cameron, Head of Housing and Strategic Commissioning

J Symon, Head of Finance

C Mailer, Senior Service Manager (Housing)

G Taylor, Head of Democratic Services

P Dickson, Complaints & Governance Officer

External Audit

### Authorisation

The auditor for this assignment was A Gallacher. The supervising auditor was M Morrison.

This report is authorised for issue:

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Jacqueline Clark  
Chief Internal Auditor  
Date: 17 December 2013

