

COVID-19 Impact Monitoring

Executive Summary – April 2021

Housemark's COVID-19 impact analysis has remained the only report to cover the whole of the UK social housing sector. As we come to the end of the year-long impact analysis, demand has remained strong with widespread participation across all types and sizes of providers from across the UK.

2020-21: A year of change

Working patterns

27% Fewer days to be spent in offices in 2021-22 than pre-pandemic

£2k Potential average saving per previously office based WTE

82% Sector staff are satisfied with their employer

In the spring of 2020 working from home very quickly became the new normal as 70% of sector employees became home-based. Throughout this period of change our research showed productivity and morale remained high as landlords prioritised staff wellbeing while employees gained a better work-life balance.

In a fundamental shift in the way that the sector conducts business, many have put plans in place for hybrid working while 1 in 12 intend to move back office workers into fully home-based roles. This move could result in significant savings for landlords in a sector that spends £950 million each year on office premises.

Customer engagement

1.3m Residents identified as vulnerable to COVID-19

70% Of landlords have offered additional support to tenants

82% Perception satisfaction with the landlord's service overall

Having a positive relationship between landlords and residents has always been key, but the pandemic has added a whole new dimension to this connection. During the first lockdown, when vulnerable people were urged to stay at home, landlords in our sector used their unique datasets to identify where these people were, what they needed and how they could help.

In this period, landlords identified 1.3 million vulnerable residents. By the time of the second wave in November 2020, 70% of landlords had improved the way they identify and help vulnerable residents access services. Customer Experience is the number one strategic priority for landlords in 2021. The pandemic has shown the importance of knowing, understanding, and meeting the needs of all customers.

Service transformation

90% Of landlords accelerated their digital journey in 2020

75% Of landlords are reimagining service delivery in 2021-22

#2 Organisation design is the 2nd most important strategic priority for 2021

In a sector where over 80% of customer contact took place over the telephone, the pandemic has brought in a unique opportunity to really start to shift services onto digital platforms. Through the course of 2020, we found that over 90% of the sector has been working on developing a better digital offer – both to customers and colleagues. The enforced suspension of face-to-face contact has encouraged everyone to think differently about how, when and where they need to interact with customers and each other.

This change looks to form part of a permanent move towards digital interaction with 75% of landlords planning to retain these different approaches once lockdown restrictions ease – and less than 10% predicting a return to the 'old normal'. This transformation not only affects systems – but also structures as we found organisation design to be the sector second-highest strategic priority in 2021.

Staff sickness levels

While sickness levels remain 14% higher than we'd expect in an average year, absentee rates are now lower than when we first collected this measure in November 2020. This shows the effect of the second COVID wave, with the peak in January of 5.6%.



Current tenant arrears (%)

The quick turnaround of our analysis means we can exclusively reveal that average arrears across the sector ended 2020/21 at 3.5% - 17% higher than at the end of 2019/20. Around half the sector ended 2020/21 with better arrears balances than 2019/20 while 1 in 5 landlords are still struggling with increases of over 20%.



Proportion of units let (%)

Since the first lockdown eased, the sector has been struggling to catch up. 12 months on, vacancy rates are 46% higher despite increases in lettings activity. Lettings activity for the average landlord will need to be higher than 'normal' for some months to come to clear the backlog.



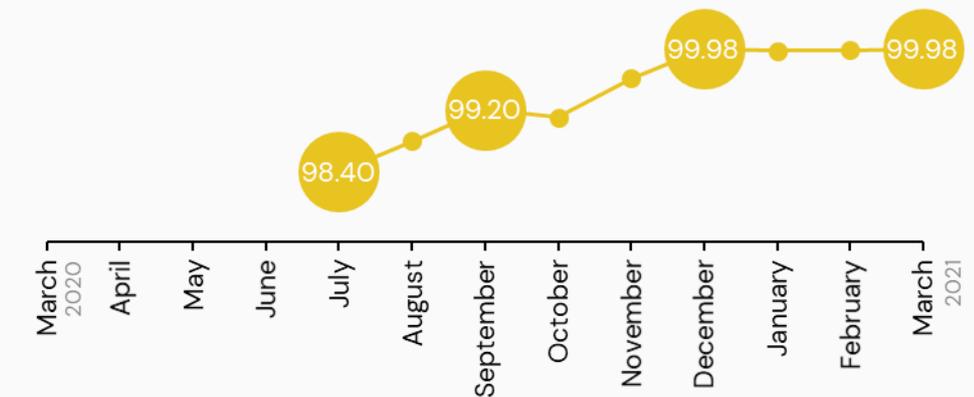
Non-emergency repairs reported per 1k properties

In 2020/21, the sector recorded 5 million fewer repairs than expected. The bulk of the reduction in repairs volumes relates to non-emergency repairs. In a typical year, we'd expect tenants to report around 2.51 non-emergency repairs per property - in 2020/21 this dropped by 37%.



Proportion of properties with a valid gas safety certificate (%)

Whilst access and safety equipment issues had a significant impact on gas safety during the first lockdown, we found the sector was able to stabilise gas servicing programmes. Our year-end snapshot in March 2021, continues this trend, with 99.98% of properties having up-to-date compliance records.



- Lockdown in place
- Restrictions eased
- Restrictions tightened

