



Committee Name: Cabinet

Committee Date: 14/09/2022

Report Title: An update on Health, Safety and Compliance in Council Homes and Buildings

Portfolio: Councillor Harris, Deputy leader and cabinet member for social housing

Report from: Executive director of community services

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

To provide an update to members about health, safety and compliance management and improvement in council homes and buildings.

Recommendation:

It is recommended that members note the content of this report.

Policy Framework

The Council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report addresses the following corporate priorities

- People live independently and well in a diverse and safe city.
- Norwich has the infrastructure and housing it needs to be a successful city.

The Council's Housing Strategy '*Fit for the Future*' A Council Housing Strategy for Norwich sets priorities for the Council's homes and estates for the period 2020 to 2026. It identifies four primary goals, these are:

- Delivering new homes
- Maintaining and improving condition of existing housing
- Improving the use and management of our existing housing stock
- Improving our neighborhoods

The Council's Strategic Asset Management Framework 2022 sets out the policy, strategy and action plan for management of non-housing property assets. This sets

out six policy themes including 'compliant and financially resilient management of assets'.

Report Details

1. Norwich City Council (NCC) is landlord of approximately 14,500 council homes and the freeholder for the buildings in which approximately 3,000 leaseholder homes are situated. It also owns more than 900 assets held on the general fund.
2. Registered providers of social housing (including councils and housing associations) are governed by the Regulator of Social Housing (RSH). The objectives of the RSH are set out in the Housing and Regeneration Act 2008. At the core of the RSH regulation is a set of standards which registered providers landlords must comply with.
3. In November members considered the outcomes of a review by the RSH following the self-reporting by NCC on 28th July 2021 of a possible breach of the home standard. The RSH found that NCC had breached the Homes Standard and published a Regulatory Notice. The RSH did not feel it necessary to take any enforcement action against NCC because they have confidence in NCC's plans to improve services and return to full compliance.
4. The steps being taken, and progress are set out in the remainder of this report which is the third of the quarterly reports requested following the report to Cabinet in November 2021.

Oversight and Governance

5. Governance is provided by the Compliance Board. The Board has been established since November 2021 and is meeting monthly to receive updated information, to consider progress, and agree further actions to be taken. The Board has oversight of both housing and non-housing property compliance within the NCC property estate. Board members include the portfolio holders of both social housing and resources, the Chief Executive, the Executive Directors of Communities and Development and City Services, the Monitoring Officer and the s.151 Officer or their Deputy.
6. A monthly meeting is held between officers and the RSH to report and discuss progress. The RSH is satisfied with the progress being made and arrangements in place.
7. The Council entered into a voluntary undertaking with the RSH in July 2022. This is an agreement which confirms the steps that will be taken by NCC to achieve full compliance and when completed will help to inform the RSH in their decision to lift regulatory supervision.
8. The delivery of the voluntary undertaking is supported by the Compliance Delivery Group (CDG) which includes three independent experts from outside the Council. This group advises the Compliance Board in delivering the compliance improvement plan. The CDG held their first meeting in August 2022.

Compliance Improvement Plan

9. Good progress has been made in achieving the actions incorporated in the compliance improvement plan. This live document has been updated as information has been clarified and progress has been made to complete tasks. An update of the priority actions in the compliance improvement plan is provided below. This shows that considerable progress has been made since November.
10. There is also a compliance improvement plan for the general fund assets. Given that compliance will vary between assets, and depending on landlord and tenant obligations, assets are being mapped to assess landlord and tenant obligations and liabilities.
11. General Fund (non-housing) properties were prioritised to ensure that resource is focused on high risk, high liability assets first. Work has now been completed to map the compliance responsibilities on the high priority general fund assets of which 75 have been identified. Tenants are being written to in order to outline their compliance responsibilities and provide compliance documentation back to the Council. Initially this will be for high priority assets followed by medium and low priority assets later in the financial year. Compliance reporting and remedial actions where responsibility falls on the landlord is ongoing for high priority assets with the aim of completing this work by the end of the year. Once this has been completed work will commence on medium and then low priority assets for which responsibilities will typically fall to tenants.
12. A further aspect of the compliance improvement plan is the review of existing programmed maintenance of non-housing assets to ensure that annual maintenance regimes are fit for purpose. This will take place alongside the mapping exercise. Financial resources for general fund compliance activity will be from the commercial property and repairs reserves as agreed by cabinet in November. A separate compliance dashboard for general fund assets has been developed alongside the mapping exercise.

The table below provides an update of the current priority actions in the compliance Improvement plan. Six actions that were reported to the Cabinet as complete at the last update have been removed from this report. Two new actions have been added and others have been updated.

Project/Activity	Position in Nov 2021	Current Position May 2022	RAG May 2022
Undertake a mapping exercise of non-housing assets and compliance requirements	Review identified	Work has commenced	Yellow
Undertake a compliance audit on contractors working in council homes	Work was commissioned	As contractors appointed all necessary checks undertaken prior to work commencing.	Blue
Undertake a competence and capacity review of all employees involved in this area	To be commenced	Commenced since staff transferred to the council in April 2022. Program of training is being implemented and will continue	Yellow
Ensure the staffing structure is fit for purpose and will deliver a high quality compliance services	Not reported	Initial work to identify future structure completed. Further review to be undertaken by CLT before plans finalised	Yellow
Establish Health & Safety governance Board	To be commenced	Ongoing and meeting monthly to monitor progress	Blue
Establish the Compliance delivery Group to advise the Compliance Board	Not reported	Group established with 3 independent members	Green
Review all compliance policies and Procedures	To be commenced	Review commenced April 2022. All P&P's mapped and work program created	Yellow
Review non-housing programmed maintenance schedules	Not reported	Timescales revised to tie in with amendments to the improvement plan with the aim of completing by January 2023	Green
Undertake a quality review, back 5 years, of all Fire Safety improvement works	To be commenced	Validation of existing data started through the annual inspection program and targeted surveys.	Yellow
Appoint appropriately accredited asbestos surveyors and contractors to undertake re-inspections and remedial works	Not reported	Contractors appointed April 2022 and specialist recruited to oversee the program	Green

Housing Compliance Dashboard

13. As reported in February, the overdue work and current work are monitored separately to provide clarity on the progress being made in reducing the overdue backlog work. All inspections and remedial works not completed in accordance with the established timescales by 31 December 2021 are deemed overdue and these are reported below. All actions since then are being monitored with the intention they will be completed within the required timescales.
14. Overall good progress has been made in the last quarter with overdue inspections and remedial works reducing in all areas.
15. All overdue inspections and remedial works have been completed in the following areas
 - Gas safety


- Communal Electrical safety
- Lifts

16. Please note the following:

- HRRB – High Risk Residential Building
- SpH – Specialised Housing
- SpH LL – Specialised Housing Landlord service
- SpH Dom – Specialised Housing domestic property
- LRB – lower risk Buildings
- FRA – Fire risk assessment








** Properties are compliant if they have a safety certificated or are being managed in accordance with the councils no access process.

Gas Safety

	Position in Nov 2021	June 2022	August 2022	RAG
Gas Safety	Compliant**	Compliant**	Compliant **	

17. All overdue gas safety inspections have been completed.







Electrical Safety (EICRs)

	Position in Nov 2021	June 2022	August 2022	RAG
Electrical Safety	105 Communal EICR's overdue	0 Communal EICR's Overdue	0 Communal EICR's Overdue	
	806 Domestic EICR's overdue	13 HRRB inspections overdue	13	
		4 SpH inspections overdue	2	
		164 LRB inspections overdue	142	
	Remedial actions position to be confirmed	7 HRRB remedial actions overdue	4	
		11 SpH remedial actions overdue	3	
		528 LRB remedial actions overdue (see explanation below)	374	

18. All overdue communal electrical safety checks have been completed.

19. The HRRB and SpH inspections outstanding are all cases where the contractor has not been able to gain access to the property; these are being progressed through the housing team where additional focused resources are now in place. Legal action to gain access will be taken where necessary.
20. All priority 1 and 2 remedial actions arising from inspections are now being completed at the time of the inspection to enable certification to be achieved without delay. Overdue remedial actions in all areas are reducing







Water Hygiene

	Position in Nov 2021	June 2022	August 2022	RAG
Water Hygiene	Up to 500 Water Hygiene surveys required	5 HRRB inspections outstanding	0	
		2 SPH LL inspections outstanding	0	
		368 SpH Dom inspections outstanding	35	
		3 HRRB remedials actions overdue	0	
		9 SpH LL remedials actions overdue	0	
		SpH Dom remedials actions overdue: Unknown until inspections	0	

21. Good progress has been made in the last quarter with all HRRB and Specialist housing inspections and priority remedial work have been completed
22. Specialist housing domestic inspections have progressed quickly with the small number outstanding programmed to be completed by mid-September. Any remedial actions are being completed at the time of the inspection.



Fire Safety

	Position in Nov 2021	June 2022	August 2022	RAG
--	----------------------	-----------	-------------	-----

Fire Safety	All HRRB FRA's completed	0 HRRB inspections outstanding	0	
	2 SpH overdue FRA's	0 SpH inspections outstanding	0	
	650 LRB FRA's outstanding	1615 LRB inspections outstanding	1615	
		21 HRRB remedial actions overdue	18	
		14 SpH remedial actions overdue	14	
		189 LRB remedial actions overdue	189	


23. Fire risk assessment (FRA) for all high-risk residential buildings and specialist housing have been completed.
24. Contractors have been appointed to undertake the outstanding remedial works and these are gradually reducing although there are some access issues to individual properties.

Asbestos

	Position in Nov 2021	June 2022	September 2022	RAG
Asbestos	68 inspections required in communal areas	11 HRRB management Surveys outstanding	0	
		24 SpH management Surveys outstanding	17	
		1615 LRB management Surveys outstanding	1252	
	Remedial Actions - position unknown	HRRB – position unknown	No Remedial actions identified	
		1 SpH remedial action overdue	0	
		133 LRB remedial action overdue	50	

25. Good progress has been made and all asbestos management surveys of communal areas in HRRB are completed with only a small number outstanding in specialist housing which are expected to be completed by the end of August.
26. A program of inspections has been put in place to undertake the surveys in the LRB over the coming months. An interim asbestos management officer has been appointed to lead this work.

Lifts

	Position in Nov 2021	June 2022	September 2022	RAG
Lifts	Compliant	Compliant	Compliant	

27. All safety inspections have been completed as required.

Non housing assets data

28. A priority since November has been to clarify information and data to provide assurance. This is ongoing and good progress has been made. The information was held on a number of different systems and was managed by NPSN who administered the asset management data base for the council, including compliance data. Since 1st April 2022, when housing asset management transferred into the council, data is being held on the new housing IT system (NEC).
29. For non-housing property, data has been migrated from Codeman, Total, Agency Pilot and C2 as part of the transfer of services from NPSN. This has been migrated to an updated version of Agency Pilot, NEC and shared folders. A significant amount of compliance information is also held in hard copy on property files. The compliance dashboard is being developed alongside the mapping exercise previously described and will allow tracking of improvements in compliance data.

Compliance Risk Register

30. The Compliance Board has developed a risk register that is reflected through into the Council's corporate risks. The register is regularly reviewed by the Compliance Board and was updated in July. A summary from the register highlighting the significant risks is provided in Appendix 1.

Resources

31. Capacity and expertise are being monitored by the Compliance Board to ensure the level of resources is sufficient to address the identified issues. An interim Head of Housing Compliance and Building Safety, and an interim

Head of Asset Management and Compliance have been in post since December 2021. These individuals have brought considerable skills and expertise into the Council and have driven forward the actions to address the issues identified.

32. A compliance manager has been appointed to provide additional resource to support the non-housing mapping exercises and compliance review.

Next Steps

33. A training program is now in place and being delivered, this will continue over the coming months. This will ensure increased skills and knowledge in the compliance team. This includes key compliance legislation and contract management.
34. The compliance team will work closely with colleagues in housing management to ensure access is gained to properties to carry out the necessary inspections and works.
35. Work has commenced to review all compliance policies and procedures to ensure they are up to date and incorporate best practice. This work will be ongoing for several months.
36. Tenants and leaseholder information on compliance issues has been reviewed and a plan for additional communication and information will be developed.
37. Contractor capacity has been increased with the appointment of appropriate skilled contractors. Longer term contracts are being procured via Eastern Procurement Ltd (EPL) and other framework providers.
38. Further development of the NEC IT system will be undertaken to continue to improve the capture and reporting of data, and the management of the compliance function
39. The Building Safety Act places additional responsibilities on the council in building safety in relation to Fire. An additional specialist resource is being recruited to support the Council's preparation for the introduction of the new requirements.
40. Work has started on recruiting permanent staff to oversee the compliance function. This will conclude with appointments in the Autumn.

Engagement

41. Communication with our 17,000 tenants and leaseholders has been ongoing following the initial communication through two letters sent by the council to inform them of the situation in October 2021.

42. Web content has been kept up to date to provide additional information and helpful FAQ's relating to the key issues.
43. Residents have a number of different options to get in touch with us about compliance and to raise and questions or concerns
44. The Tenant Involvement Panel will continue to be kept informed of key aspects of the program of works where applicable.
45. Future proactive communications on the compliance program will be delivered to the relevant stakeholder(s) via targeted communications (eg direct mailouts, council publications, social media, news releases) as required
46. For tenanted non-housing properties tenants will be contacted to ensure they are familiar with their compliance responsibilities and that these are aligned with the Council's responsibilities as landlord.

Implications

Financial and Resources – position at 30 June 2022

47. This report is to provide an update on the expenditure against the additional resources allocated to the compliance budgets.
48. On 12th November 2021, Cabinet approved budget virements to create additional 2021/22 revenue budgets of £1.272m to support the CIP and also approved the creation of a new HRA Compliance earmarked reserve that enabled any unspent revenue budgets at the end of the 2021/22, to be carried forward and utilised in 2022/23. In addition, on 30th November 2021, Council approved an increase to the 2021/22 HRA capital programme of £1.000m, with the intention that approval would be sought for any underspend to be carried forward through the usual capital carry-forward process for utilisation in 2022/23.
49. On 8th June 2022, the 2021/22 provisional financial outturn relating to the CIP was reported to cabinet as shown in the table below:

Revenue Cost	Required Funding (£)	2021/22 Forecast Outturn (£)	Remaining Budget to Form Earmarked Reserve (£)
Additional Specialist Resource	671,800	111,143	560,657
Compliance Remedial works	600,000	320,747	279,253
Total	1,271,800	431,891	839,909

Capital Cost	Required Funding (£)	2021/22 Forecast Outturn (£)	To Request to Carry-Forward (£)
HRA Major compliance upgrades	1,000,000	0	1,000,000

50. The revenue underspend of £0.840m was moved to an earmarked reserve and is available to spend in 2022/23. The capital underspend of £1.000m has been carried forward and is available to spend in 2022/23.

51. In addition, HRA revenue budgets totaling £0.662m plus an HRA capital budget of £1.000m have been agreed as part of the 2022/23 HRA budget to support the ongoing additional compliance work. This has been included within the figures shown in the table below.

Revenue Cost	2022/23 Compliance Budget (£)	2022/23 Q1 Actual (£)
Additional Specialist Resource	663,053	102,067
Compliance Remedial works	838,857	0
Total	1,501,909	102,067

Capital Cost	2022/23 Compliance Budget (£)	2022/23 Q1 Actual (£)
HRA Major compliance upgrades	2,000,000	0

52. This shows that in quarter 1, expenditure has been incurred in relation to additional specialist resources being used to oversee and manage the compliance works.

53. Significant compliance work has been undertaken as is demonstrated through the compliance performance information, but invoices are yet to be received. There is a considerable time lag between work being undertaken and confirmed as completed, and invoices being issued.

54. Over recent weeks the new additional contracts have come into place and additional works to catch up the backlog are now being carried which will result in the reserves being utilised in the future.

55. In November 2021, the Cabinet approved, the remit of the General Fund Commercial Property Reserve and General Fund Repairs Reserve be extended to enable the funding of any necessary compliance works to General Fund properties. In quarter 1 no virement has taken place from these reserves and any works have been funded from within existing budgets.

Legal

56. The legal implications of the RSH notice and process were established in the report to Cabinet on 12 November 2021. The position remains unchanged for the purpose of this update report.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address
Equality and Diversity	None
Health, Social and Economic Impact	None
Crime and Disorder	None
Children and Adults Safeguarding	None
Environmental Impact	None

Risk Management

57. The critical risk register for this project is attached in Appendix 1.

Other Options Considered

58. This is an update report following decision made by cabinet in November 2021.

Reasons for the decision/recommendation

59. No decision is required.

Appendices: 1

Contact Officer: Consultant – Compliance and Transformation

Name: Vivien Knibbs

Telephone number: 07510 522393

Email address: vivienknibbs@norwich.gov.uk

Appendix 1

Risk Management

A detailed project risk register has been developed and its being adapted to align to the corporate risk register approach. Set out below are the overarching and most critical risk to the compliance program.

Risk	Consequence	Controls Required
Inadequate systems to record and manage data.	Inaccurate information resulting in insufficient progress in key areas and ineffective management of Health and Safety Compliance. Serious detriment to tenants/ leaseholders.	Risk based programme in place. NEC system implementation. Skilled additional capacity.
Lack of contractor supply chain capacity.	The CIP cannot be delivered swiftly, and tenants remain at risk for an extended period.	Widen the pool of contractors being used. Work with EPL to identify potential contractors.
Skills and expertise not sufficient to manage the program in NCC.	Delayed decision making and inability to progress the work required. Tenants remain at risk for an extended period.	Recruit skilled temporary resources to oversee the programs of works. Undertake permanent recruitment of key posts.
Loss of experienced staff currently delivering compliance activity.	Compliance catch up works not progressed in a timely way.	Review the roles and implement a new structure as required Undertake required training of key staff.
Incomplete or out of date policies and procedures.	Actions are incorrect, not meeting statutory requirements. Inadequate support for staff.	Identify an appropriately skilled resource and update all policies and procedures.
Undertake a quality review, back 5 years, of all Fire Safety improvement works	Poor quality work does not meet the required standard. Tenants remain at risk	Validation of existing data through the annual inspection program. Targeted surveys by specialist Fire safety contractor.