



NORWICH City Council

Committee Name: Cabinet

Committee Date: 08/06/2022

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 council's 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 second of the quarterly reports requested following the report to Cabinet in November 2021, the first was presented in February 2022. This report follows the same format and presentation as the previous report in February to assist members in understanding how the position has been developed.

Oversight and Governance

5. Governance is provided by the Compliance Board. The Board has been established since November 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 RSH have suggested the council enters a voluntary undertaking. This is an agreement which confirms the steps that will be taken to achieve full compliance and when completed will result in the lifting of regulatory supervision. This undertaking proposes bringing in a small number of independent experts from outside the council to support the Compliance Board in delivering the compliance improvement plan. This undertaking is currently being developed and agreed with the RSH.

Compliance Improvement Plan

8. 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.
9. The compliance improvement plan also captures general fund assets. Given that compliance will vary between assets, and depending on landlord and tenant obligations, there is a need to map assets and fully understand liabilities.
10. General Fund (non-housing) properties were prioritised to ensure that resource is focused on high risk, high liability assets first. Work is now underway to map the compliance responsibilities on the high priority general fund assets of which 75 have been identified. This mapping exercise will be complete by the end of June and will guide further compliance reporting and remedial actions. Once this has been complete work will commence on medium and then low priority assets alongside delivery of the Asset Management Framework and action plan, which was presented to Cabinet in March.
11. 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 purposes. 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 is being developed alongside the mapping exercise.
12. The table below provides an update of the priority actions in the compliance Improvement plan

Project/Activity	Position in Nov 2021	Current Position May 2022	RAG May 2022
Commission an in-depth audit of all compliance areas	Completed	Findings informing the development of the long term improvement plan	C
Recruit a Head of Service for Compliance & Interim Lead Asset Management & Compliance	Seeking Head of Building safety & Compliance And Head of Asset Management and Compliance	Completed – both in post from 06/12/2021	C
Recruit a compliance manager to take forward non-housing workstreams	Not reported	Completed – in post from April 2022.	C

Undertake a mapping exercise of non-housing assets and compliance requirements	Review identified	Work has commenced	A
Undertake a compliance audit on contractors working in council homes	Work was commissioned	First phase of new contractor procurement completed working with Eastern Procurement Limited. All necessary checks undertaken prior to work commencing.	G
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 identified.	A
Establish Health & Safety governance Board	Completed	Ongoing and meeting monthly to monitor progress	G
Establish a Key Performance Indicator dashboard for the governance Board	In development	Completed In place covering all key areas of Health and Safety compliance	C
Review all compliance policies and Procedures	To be commenced	Resources recruited to undertake this review commenced April 2022.	A
Review non-housing programmed maintenance schedules	Not reported	Resources being secured to undertake this	Not due until Aug/Sept 2022
Put in place appropriate systems, processes, control and management information to manage compliance	Not reported	Rollout of Northgate NEC contractor management system went live on 01/04/2022.	C
Review previous government guidance dating back to June 2017 to ensure full compliance	NPSN undertaking the review – scheduled completion Jan 2022	Completed	C
Undertake a quality review, back 5 years, of all Fire Safety improvement works	To be commenced	Validation of existing data will be through the annual inspection program, cross checked with stock condition data	A
Appoint appropriately accredited asbestos surveyors and contractors to undertake re-inspections and remedial works	Progressing	Contractors appointed April 2022	G


Housing Compliance Dashboard

13. As was reported in February, it was decided to separate the overdue work and current work and monitor them separately, to enable clarity on the progress made in reducing the backlog of work. All inspections and remedial works not completed in accordance with the established timescales by 31 December 2021 are deemed overdue. All actions since then are being monitored with the intention they will be completed within the required timescales.
14. 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 property

Gas Safety

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

15. All overdue gas safety inspections have been completed

Electrical Safety (EICR's)

	Position in Nov 2021	Feb 2022	June 2022	RAG
Electrical Safety	105 Communal EICR's overdue	105 Communal EICR's overdue	0 Communal EICR's Overdue	
	806 Domestic EICR's overdue	29 HRRB inspections overdue	13 HRRB inspections overdue	
		29 SpH inspections overdue	4 SpH inspections overdue	
		550 LRB inspections overdue	164 LRB inspections overdue	
	Remedial actions position to be confirmed	15 HRRB remedial actions overdue	7 HRRB remedial actions overdue	
		26 SpH remedial actions overdue	11 SpH remedial actions overdue	
		516 LRB remedial actions overdue	528 LRB remedial actions overdue (see explanation below)	

16. All communal electrical safety checks have been completed as required
17. Additional contractors have been procured to carry out electrical testing resulting in the number of overdue electrical checks in domestic properties significantly reducing. 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

18. The number of low risk building remedial actions has increased since February due to a change in reporting. Unsatisfactory inspections are now included in the remedial action figures.
19. 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 have reduced in high rise blocks and specialist housing






Water Hygiene

	Position in Nov 2021	Feb 2022	June 2022	RAG
Water Hygiene	Up to 500 Water Hygiene surveys required	8 HRRB inspections outstanding	5 HRRB inspections outstanding	↑
		22 SpH LL, inspections outstanding	2 SPH LL inspections outstanding	↑
		430 SpH Dom, inspections outstanding	368 SpH Dom inspections outstanding	↑
		3 HRRB, remedials actions overdue	3 HRRB remedials actions overdue	→
		9 SpH LL, remedials Actions overdue	9 SpH LL remedials actions overdue	→
		SpH Dom remedials actions overdue: Unknown until inspections	SpH Dom remedials actions overdue: Unknown until inspections	

20. Additional contractors have been procured to carry out water hygiene testing, this commenced during March 2022. Specialist Housing has been prioritised and good progress is being made

Fire Safety

	Position in Nov 2021	Feb 2022	June 2022	RAG
Fire Safety	All HRRB FRA's completed	0 HRRB inspections outstanding	0 HRRB inspections outstanding	✓

	2 SpH overdue FRA's	0 SpH inspections outstanding	0 SpH inspections outstanding	
	650 LRB FRA's outstanding	171 LRB inspections outstanding	1615 LRB inspections outstanding (see note in paragraph 21)	
		34 HRRB, remedial actions overdue	21 HRRB remedial actions overdue	
		26 SpH, remedial actions overdue	14 SpH remedial actions overdue	
		LRB remedial actions overdue: information incomplete	189 LRB remedial actions overdue	

21. As part of ongoing work during the quarter, concerns were identified about the accuracy of the (FRA) data relating to low-risk buildings following checks that inspections may not have been completed by suitably qualified individuals. As a result, a full re-inspection program has now been put in place and therefore the numbers showing as outstanding have increased. The RSH is aware and is satisfied with this approach.
22. Fire risk assessment (FRA) for all high-risk residential buildings and specialist housing have now been completed
23. The number of remedial works outstanding in these blocks is gradually reducing


Asbestos

	Position in Nov 2021	Feb 2022	June 2022	RAG
Asbestos	68 inspections required in communal areas	Information incomplete	11 HRRB management Surveys outstanding	
			24 SpH management Surveys outstanding	
			1615 LRB management Surveys outstanding	

24. In previous reports to Cabinet asbestos management has been raised as an area for further investigation. It was included in the original referral to the RSH.

25. An asbestos register is in place and being used, but it is not possible to validate all the data contained within it through reference to the original surveys and it is considered to be incomplete. As a result, all communal areas of blocks will be resurveyed to ensure comprehensive and up to date information is available and to meet our statutory obligations.
26. Specialist contractors have been procured to carry out asbestos surveys and remove asbestos where required; work commenced in April 2022. An interim asbestos management officer has been appointed to lead this work.

Lifts

	Position in Nov 2021	Feb 2022	June 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 administer the asset management data base for the council, including compliance data. Since 01st 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 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. The Council now has full oversight of property services including the compliance function following the transfer of the compliance team from NPSN to the Council. This will enable direct management of this activity and better control and prioritisation of the work going forward.
34. A service improvement program is being developed. This will support the development of a vision for the service and provide clarity skills and competence.
35. A training program will be developed to underpin increasing skills and knowledge within the team transferring. This will include key compliance legislation and contract management.
36. Work will commence on reviewing all compliance policies and procedures to ensure they are up to date and incorporate best practice. This work will be ongoing for a number of months.
37. Contractor capacity in the short term will continue to be 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 has recently been passed which places additional responsibilities on the council in building safety in relation to Fire. Work is underway to analyse the impact of these new requirements and will be incorporated into a separate plan that will sit alongside the current work. This will be monitored by the compliance board.

Engagement

40. 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.
41. Web content has been kept up to date to provide additional information and helpful FAQ's relating to the key issues.

42. Residents have a number of different options to get in touch with us about compliance and to raise and questions or concerns
43. The Tenant Involvement Panel is being kept informed of key aspects of progress at their regular meetings where applicable and the Executive Director, Operations Director and the Portfolio Holder for Housing will be attending future meetings on a regular basis.
44. Articles will be published about our compliance improvement in the Tenants' and Leaseholders' Community magazine and Citizen Magazine.
45. 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

46. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan and Budget.

Revenue Cost	Approved Funding (£)	2021/22 Provisional Outturn
Additional Specialist Resource	671,800	111,143
Compliance Remedial works	600,000	320,747
Total	1,271,800	431,891

Capital Cost	Approved Funding (£)	2021/22 Provisional Outturn
HRA Major compliance upgrades	1,000,000	0

47. The table above provides the provisional outturn position for the 2021/22 financial year against the agreed compliance budgets. The Council's final out-turn for 2021/22 is being finalised and as such figures may be subject to minor variances.
48. This shows that expenditure to 31/03/2022 is lower than originally expected. This has been for a number of reasons
 - a. Some costs have not been as high as initially envisaged
 - b. Procurement and mobilisation of the necessary contractors and employees to carry out the work has taken longer to put in place than initially thought

49. Upon approval of the budgets to support the CIP in November 2021, Cabinet also approved the creation of a new HRA Compliance earmarked reserve in order that any unspent revenue budgets at the end of the 2021/22 may be carried forward and utilised in 2022/23. For capital budgets, approval will be sought for the 2021/22 underspend to be carried forward through the usual capital carry-forward process for use in 2022/23.
50. In addition, HRA revenue budgets totaling £0.662m plus a further HRA capital budget of £1m have been agreed as part of the 2022/23 HRA budget to support the ongoing compliance work.
51. As approved by Cabinet in November 2021, the scope of the General Fund Commercial Property Reserve and General Fund Repairs Reserve was extended to enable the funding of any necessary compliance works to General Fund properties. At this stage there have been no calls on these reserves as it has been possible to meet these costs from existing budget provision. The extent of any additional consultancy support and contract resource required for remedial actions is being scoped as part of the mapping exercise.

Legal

52. 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

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

Other Options Considered

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

Reasons for the decision/recommendation

55. No decision is required.

Appendices: 1

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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. Compliance Tracker. 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.
Loss of experienced staff currently delivering compliance activity.	Compliance catch up works not progressed in a timely way	Review the roles and structure to ensure it is fit for the future.
Incomplete or out of date policies and procedures.	Actions are incorrect, not meeting statutory requirements. Inadequate support for staff.	Develop a plan to update all policies and procedures