

**Name of meeting:** Ad Hoc Scrutiny (Council Housing Health and Safety Compliance)

**Date:** 21<sup>st</sup> September 2021

**Title of report:** Compliance Review and Improvement Plan: Summary Report

**Purpose of report:**

The following report updates Ad Hoc Scrutiny (Council Housing Health and Safety Compliance) on the progress against the ongoing compliance review and improvement plan. The report will set out the background to the review, the review itself, progress and the current position

Recommendations for Ad-Hoc Scrutiny:

- a) Consider the contents of the report and provide feedback on progress and the current position

<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>Not Applicable</b>
<b>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?</b>	<b>No Private Report/Private Appendix – No</b>
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	<b>Not Applicable</b>
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>  <b>Is it also signed off by the Service Director for Finance?</b>  <b>Is it also signed off by the Service Director for Legal Governance and Commissioning?</b>	<b>Naz Parkar, Service Director Homes and Neighbourhoods</b>
<b>Cabinet member <a href="#">portfolio</a></b>	<b>Cllr Cathy Scott</b>

**Electoral wards affected:** ALL

**Ward councillors consulted:** No

**Public**

**Has GDPR been considered?** Yes

## **1. Summary**

1.01 This report outlines the outcome of the recently commissioned independent review of safety compliance conducted by Robust Management Solutions (RMS) resulting in 48 recommendations with a focus on 6 key areas of priority with clear objectives to deliver significant improvements in:

- Compliance Governance and Oversight
- Management information and delivery of compliance services to Non HRA (Housing Revenue Account) properties
- Fire Safety
- Asbestos Management
- Water Hygiene
- Passenger Lift Safety

The report summarises progress and details the position against all recommendations

## **2. Information required to take a decision**

2.0.1 Compliance management remains a key organisational priority, since 2017 we have invested significantly in establishing a competency/resource and systems to better understand a reliable baseline position and effectively manage risk across the 6 key areas of compliance:

- Fire safety
- Asbestos Management
- Gas safety
- Electrical safety
- Water Hygiene
- Lifts and Lifting equipment

2.0.2 During this period, we introduced independent scrutiny through the appointment of a 3<sup>rd</sup> party auditor (Mazars) and established a performance reporting consistent to the Homes and Communities Agency (HCA) Home Standard.

2.0.3 Ongoing audits highlighted a number of common themes and made 37 key recommendations to improve the way we manage our data, demonstrate competency, establish and maintain a programme of statutory inspection/ reinspection and ramp up delivery of remediation and improvement programmes

2.0.4 In late 2020 major regulatory reform was announced in the publication of the White Paper on Social Housing, Draft Building Safety Bill and the Fire Safety Bill revision which prompted a further review into safety compliance ahead of the transfer of KNH to Kirklees Council as the newly created Homes and Neighbourhood function.

2.0.5 In January 2021 Kirklees Council appointed Anthony Brown of RMS consultants to undertake a root and branch review across all areas of compliance with a focus on:

- Governance and oversight arrangement for compliance activities
- The integrity and robustness of property and asset information
- Performance management of building safety
- Compliance performance across the big 6 and the risk being carried by the organisation

2.0.6 Officers spent 4 months in a series of workshops/meetings and shared significant amounts of information with RMS to assist in the review which resulted in the attached Compliance

### Findings of the Report

2..0.7 The report identifies a number of challenges placing significant risk on the organisation, namely:

- Lack of project management competency and overall compliance resource
- Poor data integrity and lack of system integration
- Overdue delivery of fire safety remedial actions to blocks
- Water Hygiene: lack of visibility of risk across domestic dwellings, completion of communal re-inspection programmes and review dwellings included, completion of remedial actions
- Asbestos management: poor data management, the timely completion of inspection and re-inspections programmes

2.0.8 The report sets out recommendations and agreed deadlines based on management responses and forms the basis of a recovery plan with the primary focus on a strong project management with clear accountability. If executed properly the plan will provide substantial assurance across all areas of compliance.

2.0.9 Overall the report makes recommendations to establish 3 lines of defence to avoid any future regulatory breaches:

**3<sup>rd</sup> Line of Defence:** Establish independent and objective assurance to the executive management team through internal and external audit that currently reports to the Building Safety Assurance Board (BSAB)

**2<sup>nd</sup> Line of Defence:** The delivery of operational compliance services underpinned through formally agreed policy and process, effective performance monitoring and guidance/training to the 1<sup>st</sup> line

**1<sup>st</sup> Line of Defence:** Establish the responsibility of operational line managers to effectively identify, manage and control risk, timely delivery of compliance inspection and remediation programmes, further ensuring adequately qualified resources to undertake the allocated compliance functions

2.4 A total of 48 individual recommendations form the basis of the recovery plan:

- Cross Cutting; Governance and Oversight: 7 recommendations
- Property and Assets in Management: 9 recommendations
- Compliance and Performance: 3 recommendations
- Fire Safety: 8 recommendations
- Electrical Safety: 3 recommendations
- Gas Safety: 2 recommendations
- Asbestos Safety: 6 recommendations
- Water Hygiene: 6 recommendations
- Passenger Lift Safety 4 recommendations

2.5 We further combined existing recommendations from previous Mazars' audits to give a total of 61 recommendations which in total form the basis of our ongoing compliance improvement plan

2.6 All recommendations have been assigned to lead officers and at the time of writing this report (10/09/21) I confirm the following progress:

**Completed Recommendations: 17no**

- 2no Asbestos Management: Reporting and reinspection programmes
- 4no Governance/performance: Culture, Reporting and structure
- 3no – Gas and Electrical Safety: Asset lists and QC
- 3no Fire Safety: Fire Risk Assessments (FRA`s), survey Quality Control (QC), publishing FRA`s
- 2no Passenger Lift Safety: Asset Lists, delivery resource
- 4no Water Hygiene: Process improvements, risk assessment of all assets

**Recommendations in Progress: 37no**

- 7no relating to asbestos management: 1 at risk (M.A1) due to long term officer absence but now underway – dependency on R11
- 4no relating to Governance/performance: 1 at risk (R17) dependency on R11
- 8no relating to Management information: 1 at risk (R16) but 126 asset surveys now underway
- 5no relating to Gas and Electrical Safety: all on track
- 6no relating to Fire Safety: all on track
- 4no relating to passenger lift safety: all on track
- 3no relating to water hygiene: all on track

**Recommendations not started: 5no**

None are due to start at the time of reporting

**Recommendations On Hold: 2no**

Both actions relate to historical Mazar audits and are under review to clarify if still required as may be superseded the latest compliance review

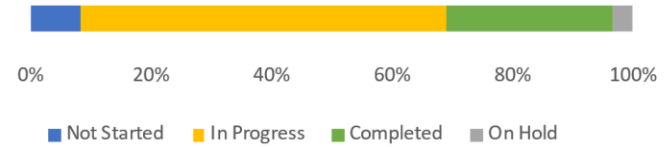
# 1 COMPLIANCE PROGRAMME DASHBOARD

Recommendations	Not Started	In Progress	Complete	On Hold	Total	% Complete
Compliance Review	5	28	15		48	31%
Mazars	0	9	2	2	13	15%
<b>All Actions</b>	<b>5</b>	<b>37</b>	<b>17</b>	<b>2</b>	<b>61</b>	<b>28%</b>

2

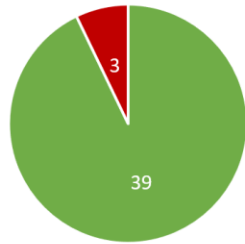
Updated: 09/09/2021

## COMPLIANCE PROGRAMME: OVERALL PROGRESS



3

### PROJECTS ON TARGET



■ ON TARGET ■ AT RISK

4

### PROJECTS AT RISK

	In Progress	Grand Total
<b>Compliance Review</b>	<b>2</b>	<b>2</b>
Compliance and Performance	1	1
Management Information / Agreements	1	1
<b>Mazars Audit Actions</b>	<b>1</b>	<b>1</b>
Asbestos Mgmt	1	1
<b>Grand Total</b>	<b>3</b>	<b>3</b>

## **Implications for the Council**

### **3.1 Working with People**

This is an ongoing major programme for Kirklees Council that provides assurance of compliance and safety to all stakeholders. The views concerns and opinions of residents and wider stakeholders are critical in shaping our approach

We continue to engage with residents to keep them informed of changes in regulation and what this means for their home, we are investing heavily in dedicated resource to maintain strong lines of communication with all residents to keep them informed of ongoing programmes of inspection and remediation as we develop a building safety case for each high-risk block and maintains a golden thread of information across all areas of compliance

### **3.2 Working with Partners**

A multi-agency approach is required for the successful delivery of compliance programmes, relationships internally, and with external partners are key to success. The Council cannot deliver programmes on its own; partners will play a vital part in shaping and delivering successful outcomes

### **3.3 Place Based Working**

Consultation plays a major part in our approach, we have carried major consultation on proposals to undertake major improvements to high rise blocks and in each case adopted the Place Model to capture and shape our decisions, the same approach will be applied to all other blocks in the compliance programme

### **3.4 Climate Change and Air Quality**

Remediation programmes and work activity conforms to the current environmental legislation and Construction, Design and Management Regulations 2015 (CDM). Products and materials are procured using sustainable methods and procurement routes

### **3.5 Improving outcomes for children**

The Council's approved housing strategy focusses on early intervention and prevention of homelessness thus leading to improved outcomes for all households who are at risk of, or experiencing, homelessness, including households with children, and young people. The compliance review considers the councils responsible approach for tackling the ongoing loss of Council housing through Right to Buy and hence establish one for one replacement to meet increasing affordable housing demand.

### **3.6 Other (eg Legal/Financial or Human Resources) Consultees and their opinions**

Regulatory reform will require ongoing investment to maintain and increase our programme of inspection, this will invariably lead to capital investment required to remediate blocks to ensure they continue to meet the building standards set out in regulatory guidance

The current 30-year Housing Revenue Account (HRA) business plan makes a capital provision to invest in high rise blocks and therefore set aside £21m for remediation. As we continue to commission detailed investigations into the building fabric of all blocks we will develop capital programmes and therefore expect the capital requirement to increase, as we complete remediation programmes we will increase the inspection regime and therefore require further revenue funding to maintain programmes

The recent compliance review has resulted in the formation of a dedicated building safety function with additional resource, capacity and competency. The additional resource has been stress tested in the HRA business plan and is affordable, we are therefore in the process of recruitment

#### **4. Next steps and timelines**

Continue to deliver the ongoing improvement plan ensuring there are no breaches in regulation while reporting progress against all recommendations

#### **5. Officer recommendations and reasons**

Consider the contents of the report and provide feedback on the current arrangements

#### **6. Cabinet Portfolio Holders Recommendations**

Keeping tenants safe is the Council's highest priority, we must ensure we meet the requirements of each regulation and demonstrate absolute compliance at all times. I fully support the approach to meeting our obligations detailed against the regulations and ongoing, inspection, repair and improvement programmes

#### **7. Contact officer**

Asad Bhatti: Head of Building Safety (Homes and Neighbourhoods)  
Tel: 01484 221000 and ask for Asad Bhatti  
Email: [asad.bhatti@kirklees.gov.uk](mailto:asad.bhatti@kirklees.gov.uk)

**8. Background Papers and History of Decisions**

Compliance Review Report January April 2021

**9. Service Director responsible**

Naz Parkar, Service Director Homes and Neighbourhoods