



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Rural and Communities Overview and Scrutiny Committee

07 October 2021

Report of: Councillor Robert Reid

Cabinet Member for Housing and
Property



Compliance update

This report seeks to update Committee on actions to ensure regulatory compliance of the Council's social housing landlord function following the non-compliance notice issued by the Regulator of Social Housing.

Report Author

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Corporate Priority:	Decision type:	Wards:
Housing that meets the needs of all residents	Non-Key	All Wards

Reviewed by:	Ken Lyon (Assistant Chief Executive)	23 September 2021
Approved by:	Alan Robinson (Deputy Chief Executive)	28 September 2021
Signed off by:	Councillor Robert Reid (Cabinet Member for Housing and Property)	28 June 2021

Recommendation (s) to the decision maker (s)

1. That the Committee notes the latest compliance position following the ongoing meetings with the Regulator of Social Housing.
2. That the Committee receives a further update report at its next scheduled meeting.

1 The Background to the Report

- 1.1 The Committee will be aware the Chief Executive determined, in consultation with the Leader and Cabinet Member for Housing and Planning, to self-refer the Council to the Regulator of Social Housing. Since this referral Officers have been providing further data and details relating to the core issues of non-compliance for the Regulator to consider and review.
- 1.2 Monthly meetings have been taking place with the Regulator to cover issues of focus in terms of the regulatory framework, focussing on the Homes Standard; at the time of writing the report, the next scheduled meeting is on 24 September 2021. Any issues of importance raised will be verbally reported to this meeting. The discussions and requests for information have been provided as required, and this has allowed the Regulator to continue to work with Officers in a constructive and helpful way.
- 1.3 The Committee has now received three update reports since March 2021 that have confirmed the Regulatory Notice served on the Council and provided an outline of the work that officers would continue to complete to ensure we logically and methodically progressed through a programme of improvement.
- 1.4 The Committee determined that it would wish to receive update reports on progress at each of its meeting to ensure that Members had oversight of broad progress around the key areas of activity and could engage with Officers and scrutinise work where required. It identified the following core headings as a means of updating Members and would identify the following information to assist this process. In addition, at the meeting on 01 July 2021, Committee requested sight of the Improvement Plan and this is appended to this report (Appendix 2).
- 1.5 **Updating Tenants and Members:** Following on from previous briefings, on 07 July 2021 an 'All Member' briefing session was undertaken, this presentation including a detailed update on ongoing progress around compliance, updating of the Improvement Plan, and indications of service improvements such as IT project implementation and contract works to progress the journey to full compliance. Further all member briefings will be arranged to ensure Members are fully informed on progress and continued challenges.
- 1.6 Tenants have been kept informed throughout by a variety of methods, most recently the "Skyline" tenants' magazine. A full tenant consultation exercise is planned in this financial year – "The Big Listen". This will involve several questions on both the current experience of tenants in terms of the services the Council offers as a landlord, and what they would like to see prioritised in the Housing Revenue Account Business Plan, which will require a complete review in 2022/23.
- 1.7 A key activity to support that Business Plan review is up-to-date information on the Council's housing stock. The last full Stock Condition Survey was completed in 2009; good practice suggests comprehensive Stock Condition survey should be completed every 5 years, usually by undertaking a survey of 20% of the stock each year. Early results should be available from September/October 2021 to allow a one-year capital programme for 2021/22 to be developed and agreed, with full data ready for the Business Plan Review in 2022/23.
- 1.8 The new IT solution platform to provide 'tenant feedback' in real time (Rant and Rave) is anticipated to become live by the end of October 2021. This initiative along with the Big Listen will form a critical contribution to meeting the new Charter for Social Housing

Tenants White Paper requirements and will demonstrate to the Regulator a clear intent by the Council to embrace full tenant participation.

- 1.9 **Audit Review Process:** as Committee will be aware, the original Audit report completed and submitted to this Committee and then subsequently submitted to Governance and Audit Committee which was held on the 18 March 2021. The Audit Workplan for 2021 included a further detailed audit for housing services during the summer of 2021, which has concluded, and the draft report is awaited. The objective of this work is to intensively review the necessary compliance and service improvements required to provide assurance to Members around process and regulatory compliance. This Committee will of course be engaged in reviewing and scrutinising this report and further recommendations as they come forward.
- 1.10 **Regular Meeting with the Regulator:** Monthly meetings between the Chief Executive, Director of Housing and Property Services, and the Regulator's Officers take place as scheduled; the last meeting was completed on the 03 September 2021. These meetings cover specific core areas of compliance progress (attached as Appendix 1 to this report), the implementation plan (attached as Appendix 2), and updates on planned asbestos removal works for the Earlesfield Estate. The Regulator has been satisfied with the actions in hand in relation to Earlsfield, and no longer requires weekly update reports on core activities around the Earlesfield initiative. Work continues on this project, including budget calculations, following the appointment of a Project Manager to lead on this.
- 1.11 Committee may find additional comment on Appendix 1 helpful:
- 1.11.1 Asbestos – this shows 100% compliance in terms of asbestos inspections
- 1.11.2 Electrical testing – this shows the position in relation to properties (both dwellings and communal areas) with an up-to-date electrical certificate. Given the poor quality of record keeping previously, it was decided to re-test all properties. It is more efficient for this testing to be done on an estate/area basing, hence the number of properties shown as compliant has dipped as some properties go out-of-date. The approach adopted will see full compliance achieved by the end of the financial year, and meets the Regulator's expectations. Any urgent remedial works are being undertaken as part of the testing.
- 1.11.3 Fire Risk Assessments – this shows all communal blocks assessed as “higher risk” have been inspected, and corrective actions are being programmed and completed. It is consistent with the Council's Fire Safety Management Plan.
- 1.11.4 Gas – 99.16% of properties have an up-to-date gas certificate. Of the 39 properties without, 2 have recently become void and will be tested as part of the re-let works, 12 have warrants to be served to force access, and the remainder are awaiting Court dates to obtain warrants.
- 1.11.5 Legionella – all properties are currently compliant.
- 1.11.6 Lift inspections – all properties are currently compliant.
- 1.12 The Regulator has also been updated regarding the work being undertaken to launch the new compliance software known as Propeller, which is now operational within Housing Technical Services, and the Regulator has confirmed satisfaction with the project progress and planned objectives officers have outlined. Similarly, work has been reported to the Regulator in relation to the management of the Council's Sheltered Housing Schemes and, again, the Regulator has expressed satisfaction.

- 1.13 The Council has featured in the Regulator's *Consumer Regulation Review 2020 to 2021* (the report in its activities in 2021), and an extract is copied below:

...the Council had failed to meet statutory health and safety requirements in relation to fire, electric, asbestos and heating appliances...In response, the Council has strengthened its senior capacity, demonstrating appropriate leadership and ownership and has developed an action plan to address the underlying weaknesses in its systems. A programme of work has commenced, and the Council has provided assurance that it has taken immediate and appropriate action to ensure the safety of tenants while the programme was being delivered...

- 1.14 A full copy of the report can of course be made available to Committee Members if they would find it helpful.
- 1.15 **Leadership Compliance Meetings:** Chaired by Cabinet Member for Housing and Planning and attended by the Leader of the Council, the Chief Executive, and the Director of Housing and Property, these meetings have been a continued feature of the more detailed compliance review process being undertaken. These are now held fortnightly, reflecting the stronger position in relation to compliance, with the option to revert to weekly if this is felt necessary. Members of this group ensure specific responses to the changing compliance review process and manage tenant and the communication responses to actions associated with key service and regulatory responses such as agreeing the scope and nature of key issues to be covered by the Skyline magazine publication.
- 1.16 **Regular Reports to Committees and Cabinet:** the necessary reporting to appropriate committees will continue. Members are invited to comment on this report content and confirm their views and observations relating to the detail contained within this report.

2 Consultation and Feedback Process, Including Overview and Scrutiny

- 2.1 The necessary consultation with the tenants and Members of the Council has been undertaken through timely reporting, dispatch of letters to advise tenants of progress, and the latest Skyline publication, dedicated customer telephone enquiry line, and an updated web site detailing compliance issues and signposting services. This process will continue as required and the engagement with tenants particularly will be amended to reflect changing needs and requirements.

3 Available Options Considered

These will be further determined through work with the Regulator, the adjusted Improvement Plan, and consideration of key outputs by Members, Leadership Compliance meetings, and All Member briefing sessions as arranged.

4 Preferred Option

- 4.1 To proceed in conjunction with the support and guidance of the Regulator, and to ensure audit and regulatory requirements are fully met by way of timely actions, reporting, and agreed improvement plan activity and regular reports to this committee, Audit and Governance Committee and Cabinet as required. Additional contact and reporting has been introduced for the Regulator and if necessary the HSE, and again this will continue as necessary.

5 Reasons for the Recommendation (s)

- 5.1 To secure as determined by the Regulator a return to full compliance in respect of housing services, including the identification of appropriate resources, funds, and service improvements in a timely manner.

6 Next Steps – Communication and Implementation of the Decision

- 6.1 To continue to build upon the Improvement Plan process, seek to secure a deliverable work plan with the Regulator, and provide timely and necessary information for Members such as this update report, so that robust decision making, and customer improvements can take place and be implemented as required.

7 Financial Implications

- 7.1 The financial considerations arising from the compliance requirements have been substantially incorporated in the HRA budgets presented and approved by Council on 1 March 2021. There are however anticipated to be further significant financial implications associated with the Earlesfield Estate asbestos management, removal, and property improvements works. These will be presented for consideration at the appropriate time.

Financial Implications reviewed by: Richard Wyles, Assistant Director of Finance and s151 Officer

8 Legal and Governance Implications

- 8.1 The updates to Committee allow members to track progress against key risk areas, which is to be welcomed from a governance perspective. The legal implications for non-compliance are incorporated within the risk ratings.

Legal Implications reviewed by: Mandy Braithwaite, Legal Executive

9 Equality and Safeguarding Implications

- 9.1 All the necessary safeguarding and equality issues will be identified and complied with as the necessary compliance and improvement activities take place. Each equality and safeguarding impact are carefully considered when actioning a compliance or regulatory change. This is especially so when managing such matters for vulnerable households and particularly those occupying specialist accommodation such as designated sheltered accommodation.

10 Risk and Mitigation

- 10.1 The necessary risk issues, logs, and mitigations will be identified through the necessary work plans, and any work outputs agreed with the Regulator. Clearly dealing with significant compliance matters requires a comprehensive approach to risk management, particularly in respect of assessing priorities and critical actions. The necessary and agreed risk assessment process will be discussed and agreed with the Regulator at the appropriate time to ensure outcomes are as far as possible managed and objectives achieved.

11 Community Safety Implications

- 11.1 These will be identified as part of the compliance mitigation and implementation plans.

12 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?

- 12.1 Any capital improvement plans especially in the context of dealing with essential gas, electrical and other works will aim to maximise energy efficiency measures, and reductions in carbon emissions.

13 Other Implications (where significant)

- 13.1 None currently.

14 Background Papers

- 14.1 Previous reports, and correspondence with Regulator.
14.2 Report to Governance and Audit Committee and Rural Overview and Scrutiny Committee.

15 Appendices

- 15.1 Appendix 1 - Summary Paper relating to core compliance areas.
15.2 Appendix 2 – Improvement Plan September 2021.