

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/23/5
FROM: Cllr Jessie Carter - Cabinet Member for Housing	DATE OF MEETING: 10 th July 2023
OFFICER: Deborah Fenton – Director of Housing	KEY DECISION REF NO. N/A

Update on the Regulator of Social Housing referral and our current compliance position

1. PURPOSE OF REPORT

- 1.1 To share with members the update on our recent meeting with the Regulator for Social Housing. In addition, to give members an update and context on our compliance report.

2. OPTIONS CONSIDERED

- 2.1 None

3. RECOMMENDATIONS

- 3.1 That members note the report.

REASON FOR DECISION

To ensure that members and senior leaders of the councils have oversight over a journey with the regulator back to a position where we are compliant.

4. KEY INFORMATION

- 4.1 Central Government and the English Regulator for Social Housing are in the process of introducing new regulatory requirements on all social landlords, including local authority landlords of more than 1000 properties.
- 4.2 Following the diagnostic exercise on Compliance, which was started in 2020, a referral was made to the Regulator of Social Housing in November 2022 regarding concerns about compliance. As you are aware, this resulted in a regulatory judgement. The CEO, Deputy CEO and Director of Housing meet monthly with the regulator.
- 4.3 Following the commencement of our diagnostic around the compliance and the subsequent referral to the Regulator, significant progress has been made, including the following:
- Recruited a specialist to support us in carrying out procurement.
 - Ensuring we have more robust data across all compliance areas, helping us to manage our properties better.
 - Reduction in outstanding compliance actions.
 - Relocated the damp and mould work to the compliance team and agreed to outsource to a special contractor so urgent cases can be actioned promptly.
 - Completed the Compliance diagnostic, consulted with staff on the changes and started the restructure.

- Interim structural changes, resources and new processes.
- Appointment of external IT housing specialists.
- Recruitment of new roles to help lead the transition to excellence.

5. Regulator for Social Housing

5.1 The Regulator for Social Housing is pleased with our progress and continuing plans to deliver full compliance. Meetings are held each month and discussions include:

- Compliance
- Damp and Mould
- Transformation

5.2 Meetings will continue until the Regulator is confident of our return to compliance.

5.3 Our compliance will be reviewed by an external auditor to give us and the Regulator assurance. We are in the process of putting this in place.

6. Compliance update

6.1 The table below shows the updated compliance position as of 18th June.

6.2 It should be noted that the halt in progress in electrical testing, smoke alarm and CO installation is due to our current contractor failing. We have produced an exemption and issued an emergency contract. That has taken time and our progress has been delayed. The contract is now in place and letters have been sent to outstanding addresses. Progress has begun with the first appointments being executed. We can expect progress to be ongoing.

6.3 Our action plan can be found below.

7. Contractor Update

7.1 Members will be aware that our contract with Aaron Services (whole house contract) has been failing; after carrying out work internally to ensure we carry out the correct process, we have now given 13 weeks' notice to Aarons, informing them that we will be reducing the term of their contract.

We have two contractors ready to take on the servicing contract from Aarons and are working with those contractors to ensure that mobilisation is planned appropriately.

		NO. OVERDUE @ 26.03.23		NO. OVERDUE @ 02.04.23		NO. OVERDUE @ 09.04.23		NO. OVERDUE @ 16.04.23		NO. OVERDUE @ 23.04.23		NO. OVERDUE @ 30.04.23		NO. OVERDUE @ 07.05.23		NO. OVERDUE @ 14.05.23		NO. OVERDUE @ 21.05.23		NO. OVERDUE @ 28.05.23		NO. OVERDUE @ 04.06.23		NO. OVERDUE @ 11.06.23		NO. OVERDUE @ 18.06.23	
HEATING																											
1	GAS SAFETY CHECK (DOMESTIC) - BABERGH	52	↑	50	↓	48	↓	48	↔	48	↔	46	↓	45	↓	42	↓	42	↔	38	↓	36	↓	35	↓	35	↔
2	GAS SAFETY CHECK (DOMESTIC) - MID-SUFFOLK	27	↓	27	↔	31	↑	32	↑	31	↓	28	↓	23	↓	20	↓	18	↓	17	↓	15	↓	13	↓	12	↓
3	GAS SAFETY CHECK (COMMERCIAL) - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
4	GAS SAFETY CHECK (COMMERCIAL) - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
ELECTRICAL																											
5	ELECTRICAL TESTING - DOMESTIC DWELLINGS -BABERGH	98	↓	95	↓	92	↓	89	↓	79	↓	78	↓	68	↓	66	↓	65	↓	75	↑	74	↓	73	↓	69	↓
6	ELECTRICAL TESTING - DOMESTIC DWELLINGS - MID SUFFOLK	206	↓	199	↓	202	↑	201	↓	175	↓	167	↓	110	↓	105	↓	100	↓	95	↓	93	↓	92	↓	91	↓
7	ELECTRICAL TESTING - COMMERCIAL - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
8	ELECTRICAL TESTING - COMMERCIAL - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
FIRE SAFETY																											
9	FIRE RISK ASSESSMENTS - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
10	FIRE RISK ASSESSMENTS - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
11	FIRE RISK ASSESSMENT ACTIONS / WORKS BY PRIORITY - BABERGH																										
	(Immediate action) AA	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
	(Action within 8 weeks) A	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
	(Action within 18 weeks) B	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔	2	↔
	(Action within 52 weeks) C	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
12	FIRE RISK ASSESSMENT ACTIONS / WORKS BY PRIORITY - MID SUFFOLK																										
	(Immediate action) AA	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
	(Action within 8 weeks) A	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
	(Action within 18 weeks) B	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
	(Action within 52 weeks) C	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
13	SMOKE DETECTOR INSTALLATION - BABERGH	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	1002	↔	958	↓
14	SMOKE DETECTOR INSTALLATION - MID SUFFOLK	854	↔	854	↔	854	↔	854	↔	854	↔	854	↔	854	↔	854	↔	854	↔	854	↔	798	↓	779	↓	707	↓
WATER HYGIENE																											
15	WATER HYGIENE SERVICING / TESTING - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
16	WATER HYGIENE SERVICING / TESTING - MID SUFFOLK																										
ASBESTOS																											
17	ABSESTOS REINSPECTIONS - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
18	ABSESTOS REINSPECTIONS - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
19	ACTIONS ARISING FROM REINSPECTIONS - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
20	ACTIONS ARISING FROM REINSPECTIONS - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
LIFTS																											
21	LIFTS - SERVICING / TESTING - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
22	LIFTS - SERVICING / TESTING - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓
DETECTOR INSTALLATION PROGRAMME																											
23	DETECTOR PROGRAMME - BABERGH	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	788	↑	788	↔	788	↔	788	↔	788	↔	780	↓
24	DETECTOR PROGRAMME - MID SUFFOLK	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	0	✓	629	↑	629	↔	629	↔	606	↓	587	↓	585	↓

Timeline

The table below shows the action that will support our compliance journey; this will be presented to members and senior officers in line with the governance framework. In addition, it is shared with the Regulator of Social Housing when required.

LEGEND	TASK COMPLETION STATUS
	Action Not Commenced
	In Progress / Ongoing
	Completed

NO.	TASK	REASON	COST £	TASK COMPLETION STATUS RAG	Owner	Completion Date
1.	Continually review contractor capability to deliver service (inc., remedying backlog).	Service meets statutory and regulatory obligations.	n/a – cost will be incurred should we bring in additional contractors to assist Aaron's services in delivering contract requirements – possible reclaim and admin under whole house servicing contracts.	Contractors are being continually reviewed.	Interim Corporate Manager Paul Crow (PC) Interim Compliance Manager Sarah Connelly (SC)	Ongoing
2.	Undertake five yearly EICR to commercial (Communal).	Compliance with statutory requirements and best practices.	Annual electrical testing budget already in place.	Ongoing. A 12-month contract is now in place with a contractor. Plan in place with the contractor to complete in Feb 23	Senior M&E Surveyor Adam Gayford (AG) Supported By Interim Compliance Manager (SC)	28 th Feb 23
3.	Undertake data cleanse across all key compliance areas.	Data integrity and provide one version of the truth.	The budget has already agreed and is in place.	Complete	Building Services Administration Manager Nicola Anderson (NA)	31 st December 2022

4.	Risk Matrix of all outstanding actions and priority compliance works.	Priority of all works including addresses and areas such as vulnerability.	n/a	Commenced	Building Services Administration Manager (NA)	12th December 2022 compiled and then ongoing as continual review required
5.	Regulatory Team	Provide assurance and data to RofSH that we have the willingness and ability to put issues right.	n/a	Included as part of the remit of the current compliance working party.	Lead Director of Housing Deborah Fenton (DF) Supported By Interim Corporate Manager (PC) Interim Compliance Manager (SC) Building Services Administration Manager (NA)	Ongoing
6.	Build dashboards for key compliance areas and roll out training.	Accurate monitoring and KPI production.	n/a	Completed. However, Interim tracker is to be used until the data cleanse is completed and dashboards are producing reliable data.	Interim Corporate Manager (PC)	7 TH September 2022
7.	Commence record-keeping exercise (inc. transfer of detector information from certs).	Certification to support compliance assurance.	The budget has already agreed and is in place.	Ongoing	Building Services Administration Manager (NA)	28 th Feb 23
8.	Undertake contract review of whole house servicing contract	Clarity on roles & responsibilities. The agreed process mirrors contract requirements. Agreed KPIs in place (inc MLAPs)	£4.5k. The budget is agreed upon and in place.	FFT is undertaking an independent review of the contract to identify areas for improvement and make recommendations. The structure of the contract and specific contract requirements will form the basis of the agreement for other procurement activities.	Interim Corporate Manager (PC) Supported By Interim Compliance Manager (SC)	28 th Feb 23
9.	Change geographical service cycles to anniversary service cycles.	Ensure accurate monitoring and KPI reporting and reduce expenditure.	n/a – will reduce current costs as it removes the possibility of contractors undertaking multiple services within the same financial year.	Complete	Building Services Administration Manager (NA)	31 st December 2022

10.	Commence injunction action for no access issues.	Compliance with legal requirements to undertake safety checks.	The budget is already in place but has yet to be used.	Commence injunction applications on Dec 22. Interim Compliance Officer recruited to deal with no access issues and undertake legal action.	Interim Compliance Officer Kathleen Larkins (KL), supported by Interim Compliance Manager (SC)	9 th December 2022 and ongoing
11.	Compile data for the PAT programme and roll out the PAT programme.	Compliance with legal requirements. Staff/resident safety.	Annual PAT budget already in place.	The contractor has been procured and is in place. Undertaking testing when instructed until the programme is in place.	Senior M&E Surveyor (AG) Supported By Interim Compliance Manager (SC)	Data compilation 31 st November 2022. Roll out programme 31 st December 2022.
12.	Undertake analysis of current contracts in place and compile procurement plan, including procuring procurement support to deliver the plan.	Compliance with procurement regulations and financial standing orders. Roles and responsibilities are clearly defined.	TBC	Currently appointing FFT through framework as procurement consultant for procurement/re-procurement of compliance-related contracts.	Interim Asset Manager James Smith (JS) Interim Corporate Manager (PC)	Analysis completed 10 th October 2022. Procurement Consultants are to be appointed by 12 th December 2022.
13.	To agree to the dedicated HR resource for the interim and full transition plans.	A significant change to structures and high impact on job roles.	n/a	Complete	Head of Hr and Od – Suzanne Hughes (SH)	Timelines will be November 2022 for initial consideration of structure proposals to August 2023 with full implementation of the new structure.
14.	Deborah Fenton will be confirmed as the Lead Service Officer to work with the Social Housing Regulator.	Technical understanding of where we are and we are heading.	n/a	Complete	Transformation Owner Kathy Nixon (KN) and Housing Director Deborah Fenton (DF)	Approved by Transformation Board on 18 th November 2022
15.	Procure external IT housing solution specialist to undertake IT review.	Fit-for-purpose IT system. Operational efficiency. Minimise costs. Digital excellence. Provide assurance.	TBC	Compete – report being presented on 30 th May	Transformation Owner (KN) and Transformation Lead Richard Barker (RB)	To be in place by February 2023

16.	Commence consultation on proposed compliance structure, including presentation of the business case.	The fit-for-purpose team is able to meet current and future compliance requirements.	Costings will be in the draft format as a decision is required on the proposed structure.	Planning complete.	HR (TBC) Transformation Lead (RB) and Interim Corporate Manager (PC)	Full structure in place by June 2023
17	Draft future transition plan to excellence completed.	This will map out our journey to deliver future excellence.	Costings will be in the draft format as a decision required on the proposed structure	Complete	Transformation Lead (RB) and Interim Corporate Manager (PC)	31 ST December 2022
18	Recruitment of Head of Service for Assets and Compliance	Critical role in the development of a future excellence model.	Costings need to be agreed upon by Transformation Governance Board	Complete	HR (TBC) Director of Housing (DF)	In post by May 2023
22	Develop and implement policies and processes to meet proposed structure requirements.	Set expectations. Clear roles, responsibilities, and accountability. Compliance with BMSDC obligations. Commitment to BMSDCs values and mission. Set standards of behaviour, conduct and performance.	TBC – processes are to be LEAN, digital by design and customer-centric. (Also takes into account digital exclusion)	To be commenced following approval of the proposed structure	Interim Corporate Manager Paul Crow (PC) Interim Compliance Manager Sarah Connelly (SC)	To be in place in April 2023 to support the new structure.
23	The scale of the Transformation requires administration and project support. It's vital that we pull all information into one place and with so many activities occurring, support is critical.	The full transformation across Building Services is significant and delays are occurring around administration and support for the Transformation Lead and team. The request is for a full-time support person.	TBA	Oh, Hold pending discussions with DF and KN	Transformation Owner Kathy Nixon (KN)	Agreed at Transformation Board on 18 th November 2022. Recruitment to commence. Over the lifetime of transformation to an excellence plan. (December 2023)

8. LINKS TO CORPORATE PLAN

8.1 This report links with our ambition to ensure that *All our residents live in affordable and high-quality homes that enable them to build settled, safe and healthy lives.*

9. FINANCIAL IMPLICATIONS

6.1 Failure to improve and meet compliance could result in unlimited fines.

10. LEGAL IMPLICATIONS

10.1 Performance measurement is required to ensure members comply with the consumer regulations. Should the regulations be breached, the RSH may take action, including a fine or removal of assets.

11. RISK MANAGEMENT

11.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Information required by the regulator for compliance cannot be obtained on request, is of poor quality or lacks integrity	2	3	Ensure evidence is stored, updated and can be easily accessed through the completion of action plans.	Housing Transformation 004

**Name of risk register where risk is currently documented and being actively managed, and its reference number*

12. CONSULTATIONS

12.1 Consultation has been carried out with SLT, members and the Regulator of Social Housing.

13. EQUALITY ANALYSIS

NA

14. ENVIRONMENTAL IMPLICATIONS

14.1 None

15. APPENDICES

15.1 None

16. BACKGROUND DOCUMENTS

None