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| **Report of Housing Repairs and Asset Manager** **to** **Governance and Standards Committee****30th March 2022** |
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| **Management of HRA Assets Update** |

**1 SUMMARY**

* 1. This report provides an update on the various compliance programmes overseen by the Housing Repairs service against the council’s risk and opportunities strategy and specifically the action relating to the management of Housing Revenue Accounts assets.

#### **2 RECOMMENDATION**

1. That the content of this report detailing the various compliance programmes ongoing in respect of the management of HRA assets be noted.

**3 BACKGROUND**

3.1 The oversight of all matters of compliance across the council’s housing stock rests within the Housing Repairs and Assets service in the main with contributions from the ASSIST service and Housing Management service depending upon property type and use. The service recognises the importance of robust regulatory compliance not only to protect its tenants but also to drive future investment decisions. Compliance includes the ‘big 6’ issues including fire safety, gas, electrics, asbestos, legionella and lifts and requires the best use of data and having the correct skills in place as an organisation.

3.2 In advance of future regulatory changes likely to impact the council’s housing service the resources aligned to compliance work within Housing have been reviewed and methods of monitoring and managing the work updated. The Compliance and Capital works team now consists of an Operations Manager supported by a Quantity Surveyor and technical roles to assist with contract management, quality and cost control across key capital contracts and asset management responsibilities. There are currently a number of vacancies within this team as the changes were completed recently as part of a wider service review, recruitment processes are in place and all roles are currently being undertaken by temporary staff on an interim basis.

**4 Lifting Equipment**

4.1 The testing, inspection and servicing of passenger lifts is managed by the Corporate Facilities team under the umbrella of the corporate contract covering lift servicing and maintenance. The Facilities Management team have therefore been advised of where such lifts exist throughout the housing stock to ensure they are included in the ongoing programme. With regards to any stair lifts or other such hoists and access equipment within dwellings, hoists are maintained by Nottinghamshire County Council and stairlifts are replaced and maintained by the housing management team. New stairlifts are fitted by the Private Sector Housing team via a Council House Adaptation grant on receipt of an Occupational Therapy referral. Where there are any platform or stair lifts within complexes or tenant meeting rooms the Facilities Management team are looking to identify if such equipment is included within the passenger lift contract.

**5 Legionella Management**

5.1 Ongoing legionella flushing regimes are in place at all complexes and at Vale Road depot in accordance with the council’s legionella policy. Legionella management is being reviewed as part of a wider desktop compliance review being undertaken by Savills, this exercise commenced in December 2021 with the council committing to providing Savills with any data required before the end of March 2022. Processes have being implemented to void properties, in particular long term voids to ensure that the relevant actions are taken and logged such as draining down or flushing of water systems, this is dependent upon length of time the property is void. Second Element are the current contractors used for legionella works to the schemes and depot facility with assistance from in-house staff. All void legionella procedures are carried out by the in-house trade team.

**6 Fire Risk Assessments (FRA) & Fire Upgrade and Refurbishment Work**

6.1 The Housing service are nearing the end of reviewing a Fire Policy covering all sheltered schemes and general needs blocks of flats in conjunction with Bassetlaw Health and Safety team, ASSIST, Housing Management and Repairs. The policy sets out arrangements for responsible persons, evacuation, Personal Evacuation Plans, Person Centred Fire Risk Assessments and risk assessment. It also includes references to housing management related issues including scooter storage, testing of alarms and equipment, rehousing and allocations e.g. where resident mobility deteriorates.

6.2 There is now a need to review fire risk assessments to the in-scope premises, (i.e. those that have shared/common areas such as sheltered schemes and blocks of flats). To this end, all FRA data currently held is being compiled into one Fire Safety & Refurbishment delivery programme. This information will be used to create a component within QL for fire risk assessment with the required frequency cycles that we agree in the fire policy. All assets will then be listed within a central database with the date of the last fire risk assessment. This creates a central repository for information and moves away from a spreadsheet driven programme.

6.3 A planned FRA delivery programme will be developed and a procurement exercise to engage a competent fire risk assessor for delivery of that programme. There will be a need to discuss further the competency aspect and training needs if we wish to deliver reviews of FRA’s in-house with alignment to the new fire policy approach. The need to escalate any inspections to that of a type 3 or type 4 fire risk assessment will be driven by the fire policy and aligned to the void programme and resulting actions from the fire risk assessment.

6.4 A programme for fire upgrade works such as fire stopping works, fire detection, emergency lighting, fire door inspection and suppression systems to sheltered schemes has been developed with the support of the Design Services team. A Fire Upgrade and Refurbishment Project Group exists and meets monthly to oversee the progression of this programme of work with support from Design Services and Finance. The Project Group has initially focused its work on the progression of fire upgrade and refurbishment work to sheltered schemes with close working with Nottinghamshire Fire and Rescue Service. Regular meetings take place with the Fire Service at the schemes to ensure they are familiar with the progress being made and satisfied with the council’s response to, and management of, fire risk.

6.5 The Savills stock condition survey included a partial survey of every block of general needs flats, of which the council owns circa 350, as a means of logging the presence of fire controls such as emergency lighting, fire detection and fire-fighting equipment for example. The information gathered will assist the council in designing a programme of works to the blocks for the future and may also include wider refurbishment work as part of the housing capital programme.

6.6 A total budget of £8,923,000 has been allocated from years 20/21 to 23/24 for the fire upgrade and refurbishment programme using known and estimated costs. The current update on the status of complexes upgrade and refurbishment project is as follows:

**Willingham Court Phase 2**

Works began on Site 2nd August 2021 including:

* External works taking place of new ramps, new paths, improvements to bin store and buggy store.
* Upgrade works to 10Nr dwelling units.
* Common works to consist of new flooring, and upgrade to the laundry and a disabled WC.

**Beech Court**

The tender process identified the preferred bidder to be Mercer Building Solutions. Work commenced on the 30th Jan 2022 including internal work to void dwellings and external works in progress with an expected duration on site of 52 weeks.

**Roston Court**

A tender competition has been undertaken with contracts being prepared and an expected start on site from May 2022.

**Tideswell Court**

Application for the procurement exercise was agreed on the 18th Feb 2022. The scope of works and tender delivery documents are being developed with an estimated programmed start on site in August 2022.

**Future Works**

New England Way and Vale Court will be prepared and drafted up in the future.

6.7 Actions arising from fire risk assessments, aside from the fire upgrades of sheltered schemes and blocks of flats, will be packaged into their various categories such as management, fire detection, door maintenance etc. and a programme of both reactive and planned remediation works established.

**7 Electrical Testing**

7.1 In line with the council’s landlord repairing obligations in the Housing Act 1985 and the requirements of the Homes (Fitness for Human Habitation) Act 2018, the council is required to ensure that electrical installations within domestic dwellings are tested and deemed safe prior to any tenancy beginning. The electrical team within the Housing Repairs service are responsible for overseeing and managing regular Electrical Installation Condition Reports (EICR’s).

7.2 The allocated budget for electrical testing and compliance works is typically £450,000 per year. Due to slippage caused by the impact of Covid, which included contractors placing staff on furlough as well as restricted access to properties the current budget for 21/22 is £571,814 which includes carry forwards from 20/21. This budget is for the programme of electrical testing and dealing with any required compliance works as a result of the testing. All housing stock is included within this electrical testing programme. All certificates come into the DMS (Document Management System) and this gives information on the work required and how urgent the work is.

 The electrical testing programme is managed by our Electrical Manager with the testing works contracted to PK Group. The findings from the test report dictate future programmes of work where upgrades and remedial works are required.

Work is categorised into Code 1’s, 2’s and 3’s with an explanation of the code categories shown below:

Code 1 Danger Present, requires immediate remedial action. Remedied usually by the person carrying out the test.

Code 2 Whilst there is a deficiency it is not considered to be dangerous at the time of the periodic inspection.

Code 3 Improvement would contribute to a significant enhancement of the safety of the electrical installation.

7.3 Electrical safety will also be included within the Savills Compliance Review in terms of policy and procedure to ensure the council complies with all current legislation and good practice from other councils.

**8 Gas Servicing**

8.1 Gas servicing is delivered and managed by the gas safety team in-house. Any properties without a gas safety certificate follow a process including legal proceedings where necessary to gain access. Gas safety will also be included within the Savills Compliance Review in terms of policy and procedure to ensure the council complies with all current legislation and good practice from other councils.

**9 Asbestos**

9.1 The current allocated budget for asbestos surveys is £162,500. A contract is in place with Environtec Ltd for the completion of surveys and is currently managed by the Operations Manager (Servicing and Support). All surveys, both management and refurbishment, will be recorded within the QL asset management module to develop an asbestos register and will be updated on an ongoing basis.

**10 Stock Condition Survey and Compliance Review**

10.1 A stock condition survey on 30% of the current housing stock has been undertaken to understand the council’s repair and maintenance liabilities, which in turn will feed into the development of the council’s HRA business plan. It is recognised that reliable and up-to-date stock condition data is critical for investment planning in the medium to long term.

10.2 The service is currently liaising with QL about further developing the QL asset management database in view of the stock condition survey along with further development of the asbestos register within the software. We are in the process of arranging some consultancy days with QL to build out the system in line with the Savills stock condition survey this will assist the council with data transfer and the use of data to model future capital programmes.

10.3 Once all data has been collected and recorded, future profiling of the capital programme will begin and this will then inform the council’s HRA business plan.

**11 New Smoke and Carbon Monoxide Alarm requirements**

11.1 On the 9th March 2022 the Department for Levelling Up, Housing and Communities sent a letter to all council leaders in England advising that they would be bringing forward changes to smoke alarm and carbon monoxide alarm requirements in the autumn of 2022. The changes, subject to parliamentary approval, will mean social landlords must:

* Install at least one smoke alarm on every storey of their homes; and
* Install carbon monoxide alarms in every room which contains a fixed combustion appliance (excluding gas cookers)

11.2 In preparation for the changes coming in to place the council has already begun the process of installing mains-powered CO alarms in all void properties and any property where electrical works or modifications are required to the existing smoke alarm circuits. We are also looking at how we can install battery-powered CO alarms to the housing stock in properties that do not currently meet the change in requirements as a short term solution with further planning taking place to meet these requirements.

12 OPTIONS AVAILABLE

12.1 The option available is to note the current position regarding the management of the HRA assets in respect of compliance programmes as detailed in this report.

13 RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

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| **Risk** | **Risk Assessment** | **Risk Level** | **Risk Management** |
| Legal | There are potential legal risks to the Council if it does not have effective risk management arrangements  | Medium | Effective management of the Council’s strategic risks and opportunities are a key element in delivery of its Corporate risk and opportunity management strategy  |
| Financial | There are potential financial risks to the Council of either significant unplanned expenditure or unrealised income generation opportunities if it does not have effective risk management arrangements  | Medium | Effective management of the Council’s strategic risks and opportunities are a key element in delivery of its Corporate risk and opportunity management strategy  |
| Reputation | There are potential reputational risks to the Council if it does not have effective risk management arrangements  | Medium | Effective management of the Council’s strategic risks and opportunities are a key element in delivery of its Corporate risk and opportunity management strategy  |

14 IMPLICATIONS

(a) Relevant Legislation

 Regulation 3 of the Accounts and Audit Regulations 2015 specifically requires that a relevant authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk.

(b) Human Rights

 The Human Rights Act 1998 is not engaged as no particular individual is directly affected by the decision.

(c) Equality and Diversity

 An initial impact assessment has been completed for the risk and opportunity strategy which concludes that the proposed actions are fair and equitable in their content and are not discriminative on the grounds of equality and human rights.

(d) Climate change and environmental sustainability

 The proposed actions in the report do not have any environmental implications and have no effect on the climate.

(e) Crime and Disorder

 There are no implications for crime and disorder

(f) Budget/Resource

 The cost of the compliance programmes are set out within the report and are with the HRA budget.

**15. COMMENTS OF STATUTORY OFFICERS**

11.1 Monitoring Officer - Effective risk management provides assurance that effective control of the risk is in place.

11.2 Section 151 Officer – No specific comment.

**16. CONSULTATION**

12.1 None.

**17. BACKGROUND PAPERS**

13.1 None.

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