

Hinckley and Bosworth Borough Council

Housing Repairs Review

February 2019

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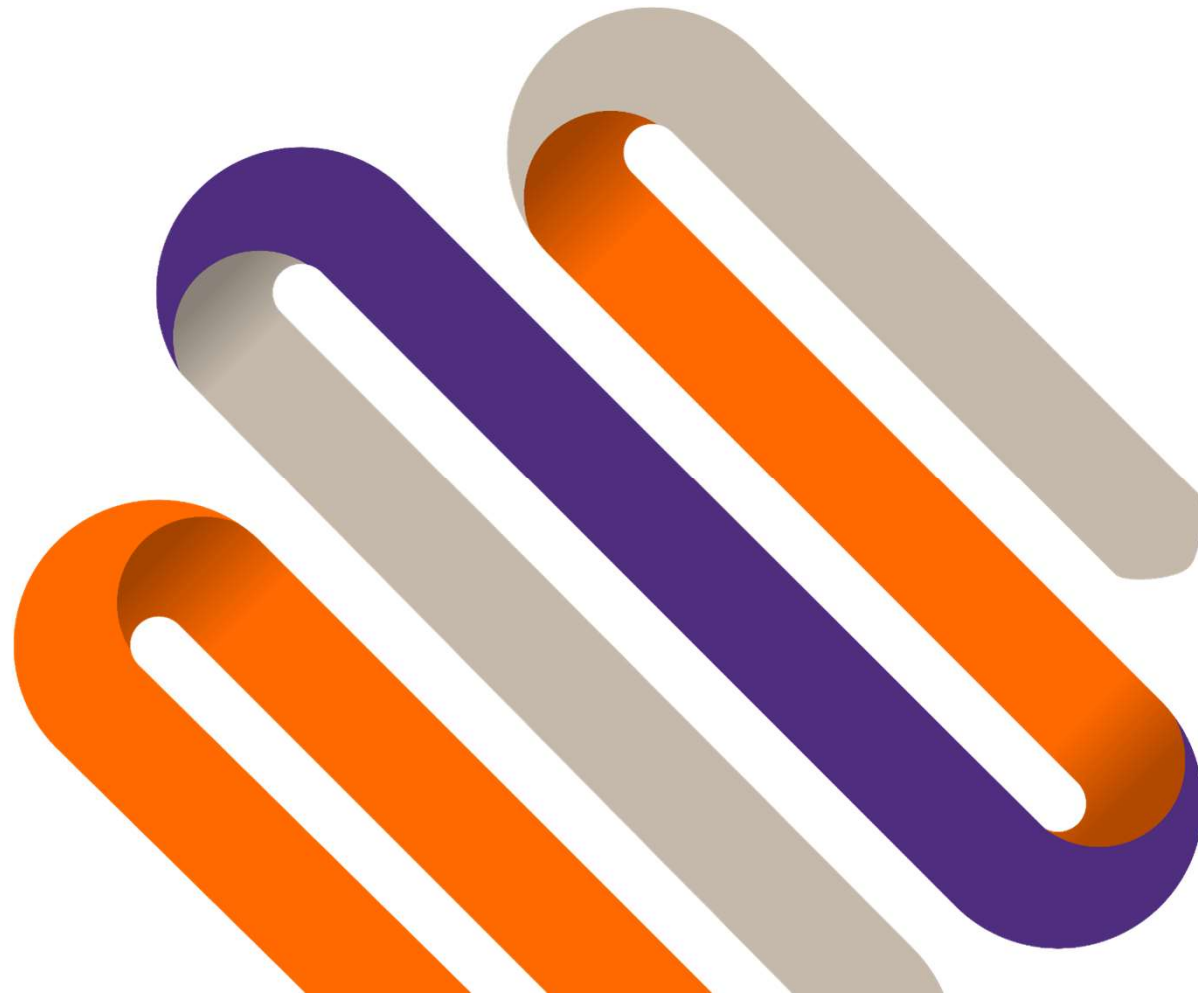
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Report distribution:

For action:

- Housing Repairs Investment Manager

Responsible Executives:

- Director (Corporate Resources)

This report is confidential and is intended for use by the management and directors of Hinckley and Bosworth Borough Council. It forms part of our continuing dialogue with you. It should not be made available, in whole or in part, to any third party without our prior written consent. We do not accept responsibility for any reliance that third parties may place upon this report. Any third party relying on this report does so entirely at its own risk. We accept no liability to any third party for any loss or damage suffered or costs incurred, arising out of or in connection with the use of this report, however such loss or damage is caused.

It is the responsibility solely of the Council's management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.

Executive Summary

Background

Hinckley and Bosworth Council have a number of sheltered and supported housing schemes, which include a variety of individual self-contained one bedroom flats, studio flats and a small number of bungalows.

As a landlord, the Council has responsibility to ensure that all electrical, gas and heating fittings as well as fire exits, water supply and the general state of the accommodation meet the required safety standards. In sheltered housing this includes communal areas such as hallways, gardens, kitchens etc.

The Council is required to undertake risk assessments in each location and have a programme of inspection, monitoring, testing and maintenance of appliances and accommodation to meet safety standards in all of its properties.

Annual fire risk assessment are undertaken by Hinckley and Bosworth's Council's Health and Safety Officer and these are audited by the Leicestershire Fire Service. To supplement the fire safety checks, the in-house repairs team undertake periodic preventative maintenance checks and works at the Council's seven sheltered housing schemes and the homeless unit which covers the other aspects of safety of its properties.

Management retains overall responsibility to design and approve policies and procedures to ensure appropriate safety standards are maintained within its properties and to be satisfied work is undertaken in line with these. Responsibilities should be clearly set out and appropriate records maintained to demonstrate that all work has been undertaken in line with procedures.

Objectives

The objective of the review is to provide an independent assessment of whether there are appropriate arrangements in place to ensure that the Council's six operational sheltered housing schemes and its homeless unit are being maintained to meet safety standards.

Our review considered the following potential risks:

- There are not clear policies and procedures in place for undertaking safety reviews at each identified location
- Inadequate records are kept to demonstrate that work has been undertaken on all appliances in line with agreed policies and procedures
- Management does not receive adequate or timely information to be assured that work undertaken is in line with the agreed timetables and covers all expected areas.

Limitations in scope

Please note that our conclusion is limited by scope. It is limited to the risks outlined above. Other risks exist in this process which our review and therefore our conclusion has not considered. Where sample testing has been undertaken, our findings and conclusions are limited to the items selected for testing. In addition, our assurance on the completeness of the declarations recorded in the register of interest is limited to the findings from our sample testing.

This report does not constitute an assurance engagement as set out under ISAE 3000.

Executive Summary

Overall Conclusion

Significant assurance with some improvement required

We have reviewed the processes and controls in place at the Council regarding safety checks carried out on its sheltered schemes and homeless unit. The controls tested are set out in our Audit Planning Brief.

We have concluded that the processes provide **SIGNIFICANT ASSURANCE WITH SOME IMPROVEMENT REQUIRED** to the Audit Committee.

Good practice

As part of our review we have identified the following areas of good practice:

1. The frequency and scope of checks carried out meets, and often exceeds, regulatory requirements. This demonstrates the Council's commitment to safety in its sheltered schemes and the homeless unit.

Areas requiring improvement

1. A single overarching policy should be drafted covering all safety checks to be carried out at sheltered schemes and the homeless unit, setting out the scope and frequency of works to be carried out and the associated record keeping and reporting requirements.
2. A copy of the Electrical Inspection Condition Report (EICR) should be held on-site. In addition, consumer units should have a sticker attached indicating the date of last inspection and recommended date of next inspection, to comply with BS7671 514.12.1
3. The Council should consider introducing regular reporting to management of the outcomes of preventative maintenance checks.

Recommendations

Based on the findings set out in the table below, where we detail three low recommendations, we feel that significant assurance can be provided to the Committee.

	High	Med	Low	Imp
Detailed findings	0	0	3	0

Acknowledgement

We would like to take this opportunity to thank your staff for their co-operation during this internal audit.

Key Findings & Recommendations

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Risk Area	Findings and Recommendation	Action Plan
There are not clear policies and procedures in place for undertaking safety reviews at each identified location.	<p>Key findings</p> <ul style="list-style-type: none"> The only formal policy in place is the Fire Precautions Approved Code of Practice from April 2017. The Code of Practice is clear on the frequency of checks to be carried out for emergency lighting, fire door and signage checks. It does not specify the scope of the checks to be carried out. Per discussion with the Housing Repairs Investment Manager, the scope of works is carried out in accordance with relevant industry regulations. As the Code of Practice only covers fire precautions, it does not cover the Electrical Inspection Condition Report (EICR), Portable Appliance Testing (PAT) testing or Gas checks. For these areas, the Council are following industry regulations which set out the required scope and frequency of works. The policy does not state when it is due for review. <p>Recommendations:</p> <p>Issue identified: The only formal policy in place is limited to fire precautions, it does not cover pre-preventative maintenance checks. The policy also does not state when it is due to review.</p> <p>Root cause: Historically, it has not been considered necessary to have a formal written policy covering the pre-preventative maintenance checks as they are already covered by regulation or statute.</p> <p>Risk: The lack of a single formal policy covering all aspects of safety checks makes it more difficult to monitor compliance.</p> <p>Recommendations: A single overarching policy should be drafted covering all safety checks to be carried out at sheltered schemes and the homeless unit, setting out the scope and frequency of works to be carried out and the associated record keeping and reporting requirements. The policy should also clearly state the date it was adopted and the next scheduled review date.</p> <p>Overall conclusion: Despite the lack of a formal policy covering all aspects of safety checks, we did not note any incidents of non-compliance with either the existing Fire Precautions ACOP, or with industry regulations. Therefore we consider this to be a low risk recommendation.</p>	<p>Actions:</p> <p>Create a Policy for safety checks in Sheltered Housing Schemes (Long corridor complexes)</p> <p>Responsible Officer:</p> <p>Corporate Safety, Health, Fire and Resilience Advisor</p> <p>Executive Lead:</p> <p>Director (Community Services)</p> <p>Due date:</p> <p>31 March 2020</p>

Key Findings & Recommendations

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Risk Area	Findings and Recommendation	Action Plan
Inadequate records are kept to demonstrate that work has been undertaken in line with agreed policies and procedures	<p>Key findings</p> <ul style="list-style-type: none"> We obtained copies of electronic and papers records covering checks of emergency lighting, fire doors and signage, Portable Appliance Testing (PAT) testing, Electrical Inspection Condition Report (EICR) and gas checks. We visited two sheltered schemes, Armada Court and Clarendon Court, to confirm whether records held on-site matched those held by the Council at Jubilee House. There was no on-site record of the EICR check having been carried out at Clarendon Court. Furthermore the sticker attached to the consumer unit showed that date of last inspection as 2016, despite the EICR being dated September 2018. <p>Recommendations:</p> <p>Issue identified: There was no on-site record of the EICR check having been carried out at Clarendon Court. Furthermore, the sticker attached to the consumer unit showed that date of last inspection as 2016, despite the EICR being dated September 2018.</p> <p>Root cause: Both issues were due to oversight.</p> <p>Risk: Non-compliance with BS7671</p> <p>Recommendations: A copy of the EICR should be held on-site. In addition, external contractors should be reminded that consumer units should have a sticker attached indicating the date of last inspection and recommended date of next inspection, to comply with BS7671 514.12.1</p> <p>Overall conclusion: Although there was no on-site record of the EICR having been carried out, the original EICR certificate was held at Jubilee House Therefore we consider this to be an low risk recommendation</p>	<p>Actions:</p> <p>Hard and electronic copies of EICRs should be forwarded to The Housing Assets and support Teams Manager (HASTM) who is responsible for Sheltered housing. The HASTM will ensure that the copies are then held on site along with other safety documentation for the scheme.</p> <p>EICR contractors will be reminded that the correct and up to date stickers should be adhered to Consumer Units on completion of the EICR tests.</p> <p>Responsible Officer: Property Compliance Officer.</p> <p>Executive Lead: Director (Community Services)</p> <p>Due date: 30 April 2019</p>

Key Findings & Recommendations

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Risk Area	Findings and Recommendation	Action Plan
Management does not receive adequate or timely information to be assured that work undertaken is in line with the agreed timetables and covers all expected areas.	<p>Key findings</p> <ul style="list-style-type: none"> Per discussion with the Housing Repairs Investment Manager, reporting on the results of safety checks and inspections varies depending on the type of check carried out. While gas and electrical inspection testing is reported to him on an agreed timetable, checks on fire doors and signage, Portable Appliance Testing (PAT) and emergency lighting, which is classed as preventative maintenance, is only reported by exception. <p>Recommendations:</p> <p>Issue identified: Reporting on the outcomes of safety and maintenance checks is inconsistent.</p> <p>Root cause: Reporting is undertaken based assessed need.</p> <p>Risk: Lack of consistent reporting makes it difficult to monitor compliance.</p> <p>Recommendations: The Council should consider introducing regular reporting of the outcomes of preventative maintenance checks.</p> <p>Overall conclusion: Although reporting is not consistent across difference checks, it is still carried out. Therefore we consider this to be a low risk recommendation.</p>	<p>Actions:</p> <p>The Housing Repairs Operation Manager will introduce regular reporting of the outcomes of preventative maintenance checks to The Housing Repairs Investment Manager who in-turn will ensure that the outcome of the monthly Preventative Maintenance checks for the Sheltered schemes are reported to The Senior Leadership Team</p> <p>Responsible Officer: Housing Repairs Investment Manager</p> <p>Executive Lead: Director (Community Services)</p> <p>Due date: 30 September 2019</p>

Appendices

Appendix 1 – Staff involved and documents reviewed

Staff involved

- Housing Assets & Support Teams Manager
- Housing Repairs Investment Manager
- Housing Repairs Operations Manager
- Property Compliance Officer
- Senior Electrical Engineer

Documents reviewed

- Fire Precautions Approved Code of Practice July 2017

Appendix 2 - Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Description
Significant assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are suitably designed to achieve the risk management objectives required by management.</p> <p>These activities and controls were operating with sufficient effectiveness to provide significant assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by no weaknesses in design or operation of controls and only IMPROVEMENT recommendations.</p>
Significant assurance with some improvement required	<p>Overall, we have concluded that in the areas examined, there are only minor weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by minor weaknesses in design or operation of controls and only LOW rated recommendations.</p>
Partial assurance with improvement required	<p>Overall, we have concluded that, in the areas examined, there are some moderate weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide partial assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by moderate weaknesses in design or operation of controls and one or more MEDIUM or HIGH rated recommendations.</p>
No assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are not suitably designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were not operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by significant weaknesses in design or operation of controls and several HIGH rated recommendations.</p>

Appendix 2 - Our assurance levels (cont'd)

The table below describes how we grade our audit recommendations.

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> ▪ Key activity or control not designed or operating effectively ▪ Potential for fraud identified ▪ Non-compliance with key procedures / standards ▪ Non-compliance with regulation
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> ▪ Important activity or control not designed or operating effectively ▪ Impact is contained within the department and compensating controls would detect errors ▪ Possibility for fraud exists ▪ Control failures identified but not in key controls ▪ Non-compliance with procedures / standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	<ul style="list-style-type: none"> ▪ Minor control design or operational weakness ▪ Minor non-compliance with procedures / standards
Improvement	Items requiring no action but which may be of interest to management or which represent best practice advice	<ul style="list-style-type: none"> ▪ Information for management ▪ Control operating but not necessarily in accordance with best practice

