

Report to Safer Neighbourhoods and Active Communities Scrutiny Board

5 December 2024

Subject:	Housing Improvement and Transformation Update
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1 Recommendations

- 1.1 To consider and comment upon the Housing Improvement and Transformation Update.
- 1.2 **To note the following:**
- 1.3 The broader remit of this report, to incorporate all aspects of Housing Improvement and Transformation, including progress towards compliance with the Regulatory Framework for Social Housing.
- 1.4 Progress towards achievement of compliance with the Regulatory Framework for Social Housing, as required by the Regulator of Social Housing (RSH).
- 1.5 The progress achieved on key housing transformation projects, including key software packages.
- 1.6 That a detailed Action Plan and Risk Register is in development to accompany the Housing Improvement and Transformation Programme,
- 1.7 The proposal to appoint an external consultant to identify best practice within the sector that is deliverable within Sandwell and the intention to augment the existing Improvement and Transformation Plan with deliverable projects identified as part of this commission.

- 1.8 That update reports be presented to this Scrutiny Board on a quarterly basis in order to monitor progress of the Improvement and Transformation programme.

2 Reasons for Recommendations

- 2.1 To ensure that Safer Neighbourhoods and Active Communities Scrutiny Board is fully briefed on the progress of the Housing service in relation to Regulatory Compliance and delivery of the Housing Improvement and Transformation Plan.

3 How does this deliver objectives of the Corporate Plan?

Growing Up in Sandwell	Strong management of our housing stock ensures that the council provides the right homes and estates for our children and young people to grow up, in an environment that is suited to learning and playing.
Living in Sandwell	Everyone has the right to live in a safe and well-maintained home. Providing good quality homes requires delivery of an effective programme of improvement and compliance with the regulatory framework for social housing, as outlined in this report.
Healthy in Sandwell	Many of our homes have, or are required to have, suitable adaptations to ensure that they are accessible. This information is stored and maintained within an asset management system that forms part of the Housing Improvement and Transformation Plan.

4 Context and Key Issues

Background

- 4.1 The social housing sector is undergoing major change, with two regulators in the housing sector each with its own set of requirements from landlords.
- 4.2 The Building Safety Regulator (BSR) and the Regulator of Social Housing (RSH) have made significant changes to the way landlords must build, manage, and maintain their properties, engage with tenants, maintain digital records, and report compliance and performance.

- 4.3 Non-compliance in some elements of these landlord requirements are now categorised as an offence in law, and a responsibility that sits with individual officers and 'Accountable Persons'.
- 4.4 These requirements cover the safety and standard of homes, performance on repairs, housing and tenancy management, complaint management and tenant engagement.
- 4.5 As a registered provider of social housing, the council must urgently establish the systems, data and processes needed to ensure that it can comply with these regulatory requirements.
- 4.6 Furthermore, the council must ensure that it is delivering a programme of housing improvement and transformation to ensure that the council continues to be an effective and high-quality landlord in relation to the 28,300 homes that it is responsible for.

Recommendation from Scrutiny Board - Remit

- 4.7 At its meeting of 10 September 2024, this Board recommended that regular reports be provided for consideration in relation to the housing repairs backlog. Housing related reports on associated issues were considered by the Budget and Corporate Scrutiny Management Board and the Audit and Risk Assurance Committee (in relation to Limited Assurance Internal Audit reports).
- 4.8 To avoid duplication, the council's monitoring officer has determined that this Board should receive all reports pertinent to Housing unless in relation to Limited Assurance Audit Reports which will be presented to Audit and Risk Assurance Committee in accordance with the council's agreed governance arrangements. As a result, this report provides updates on the broader housing remit to include compliance, improvement, and transformation.

Regulator of Social Housing (RSH) – Regulatory Judgement

- 4.9 On October 30, 2024, the RSH issued a Regulatory Judgement in relation to the council's adherence to the consumer standards regulatory framework. The council received a 'C3' classification, meaning that there are:

'... serious failings in the landlord delivering the outcomes of the consumer standards and significant improvement are needed....'

- 4.10 Key failings leading to the Judgement included the following.

- The council was only able to evidence that required asbestos management surveys or re-inspections had been carried out on around 2% of relevant buildings (target 100%)
- Although electrical safety inspections had been completed for 96% of council homes, we are unable to monitor or report on the completion of remedial actions arising from those inspections.
- The council has more than 14,000 overdue repairs, with over 90% of these yet to be assigned for completion, and further work is required to confirm that this information is accurate.
- The lack of effective stock condition data

4.11 As a result of the judgement, regular meetings are now held with the RSH in order that they may monitor our progress towards compliance with the Consumer Standards Framework.

4.12 The council agrees with the judgement and was already working to address the issues identified. In relation to the issues, current progress is as follows.

Asbestos

4.13 Data cleansing has been undertaken to obtain evidence demonstrating where required re-inspections have been carried out. Where no records have been identified a competent officer has carried out the re-inspection. Further data cleansing is required to ensure all relevant assets are being assessed accurately and this will be enhanced with the implementation of the compliance system and asbestos register.

Electrical Safety Inspections

4.14 All the highest priority remedial actions (C1 - danger to life) are carried out at point of inspection. Data has been extracted for the secondary priority (C2 - potentially dangerous) remedial actions and analysis is being undertaken as to the age of the work. An additional contractor has been mobilised who will be issued these works to complete in date order. A manual process is required to report on the C3 (improvement recommended) actions to ensure and this will be undertaken and works identified to be put on a planned programme.

Repairs Backlog

- 4.15 Data cleansing has been undertaken to identify the accuracy of jobs in the backlog. As of 19th November, there are 11678 outstanding jobs which consist of only routine or planned jobs. There are no overdue urgent or emergency jobs. Cleansing of Data is still ongoing, however outstanding works will be packaged up and outsourced to a third-party contractor with an anticipated start date of April 2025. The data cleansing will identify any works that are in properties occupied by vulnerable customers and these works will be priorities for completion via our in-house resource during evening and weekend overtime on a date convenient for the resident.

Stock Condition

- 4.16 Two incumbent contractors will deliver 50% of stock condition surveys by the end of 2025. A report to Cabinet is scheduled for December to agree a direct award to one of these incumbent contractors to deliver the remaining 50% of the stock condition surveys by the end of 2026.

Housing Improvement and Transformation - Operating Systems

Compliance Software

- 4.17 The RSH has already identified the lack of an effective 'compliance' software package as a major gap in the council's ability to maintain accurate records on compliance with the 6 major building safety attributes, namely.
- Fire Safety;
 - Gas Safety;
 - Electrical safety;
 - Water Management;
 - Asbestos Management;
 - Lift Maintenance.
- 4.18 As a result the council has commenced a procurement process to deliver an effective software package as soon as possible. The procurement process is progressing according to plan, and it is envisaged that a new package will be in place for April 2025.
- 4.19 In the meantime, work is progressing to cleanse and update data relating to the key safety factors, with current progress as follows.
- Fire Safety – 94.48% compliant.

- Gas Safety – 99.5% compliant
- Electrical safety – 96.5% compliant
- Water Management – 100% compliant
- Asbestos Management 59% compliant
- Lift Maintenance – 100% compliant

4.20 Significant progress has been made since the Board received its report in September, notably in terms of Asbestos Survey / Re-Inspections.

Asset Management Software

4.21 The implementation of a new Asset Management System will provide the necessary tools to ensure that the council can store and analyse its stock condition data alongside demonstrating and evidencing future strategic investment plans for its homes.

4.22 There is currently no dedicated system in place to manage asset condition information, with disparate and incomplete data stored in spreadsheets. This does not allow for accurate future investment planning, nor does it provide confidence that data held is robust and accurate.

4.23 This implementation ensures that the council can demonstrate to RSH that the results of the programme of whole-portfolio Stock Condition Surveys, currently being completed, can be stored, managed, and analysed. This will allow short, medium, and long-term investment planning to ensure a strategic approach is taken to appropriately maintain the council's homes. It is estimated that the new software will be in operation by March 2026.

Housing Management Software

4.24 The implementation of a replacement Housing Management System will ensure that the existing OpenHousing solution is replaced with a more modern and appropriate system to meet the ongoing and future needs of the council.

4.25 The current provider, Capita, no longer offers OpenHousing to the market as it has a new solution which has recently launched. The support and maintenance contract, which expires end-March 2025, has been extended to cover the period up to the operational 'go-live' of a new system.

4.26 In developing the specification for a Housing Management System, the opportunity to review, replace where necessary, and integrate several

other smaller systems into a single Integrated Housing Management System was taken. This work is progressing, and the new system is projected to be fully operational by September 2027.

Interim Data Maintenance

- 4.27 In order to ensure that only relevant data is collected and recorded, officers are undertaking a cleansing process at present, to verify and cleanse existing data and identify where updated data is required. This will enable the council to quickly 'lift and shift' data into the new systems when implemented, ensuring accurate information exists from the time of implementation.

Objective Verification of Progress

- 4.28 On the advice of the RSH, the council is seeking to extend the role and remit of its 'critical friend' partner consultancy, 'Pennington Choices', to carry out a review of updated information for the RSH, to provide independent and objective verification as to progress.

Housing Improvement and Transformation Plan

- 4.29 In addition to the work that is critical to ensuring compliance with the consumer standards regulatory framework, the council has developed additional and significant proposals to improve and transform the housing service. The activities planned and in progress are in the process of being consolidated into an action plan and a risk assessment / risk register, that will be presented to this Board at the next housing update.
- 4.30 A Housing Improvement and Transformation Board has been developed and succeeds the former Housing Transformation Board. The new Board is chaired by the Executive Director of Place and provides challenge and oversight of progress. The Board will report regularly to the council's Leadership Team and the intention is that moving forward, progress against actions will be reported to this Board on a quarterly basis.

Seeking to Identify and Implement Best Practice in the Sector

- 4.31 To ensure that the council's Housing Improvement and Transformation Plan delivers sector leading best practice, external consultants are in the process of being commissioned. Their role will be to identify best practice across the social housing sector that is applicable to the council. New Improvement / Transformation projects will be added to the existing

plan to ensure that the council not only achieves the minimum standards for regulatory purposes but strives for excellence as a social housing landlord. Future iterations of the Plan presented to this Board will incorporate the additional projects identified as part of this commission.

Tenant and Resident Engagement

- 4.32 The Consumer Standards require landlords to listen to and have effective communication with tenants. Tenants' views should be at the heart of landlord's different levels of decision-making about the delivery of landlord services. Councillors must assure themselves that tenants views have been actively sought and considered as part of their decision-making about their organisation's landlord services.
- 4.33 Tenants must have access to reliable and accurate performance information about landlord services to help ensure transparency and drive effective tenant scrutiny. We have developed a strong tenant engagement framework over the last 5-years in preparation for regulation but also because we acknowledge it as best practice for delivering good quality services. We have a range of engagement opportunities for our tenants ranging from completing surveys through to formal scrutiny structures, which also link into this overview and scrutiny board.
- 4.34 The Tenant & Leaseholder Scrutiny Group will receive regular updates at their formal meetings, which take place at least four times a year, on both actions in response to the regulatory judgement and the wider Housing Improvement & Transformation Plan. The first of these updates will be provided on 14 December 2024.

Action Plan and Risk Register

- 4.35 Given the scale and complexity of the activity under way to improve and transform the service while ensuring compliance with the Consumer Standards Regulatory Framework for Social Housing, a detailed action plan and associated risk register is currently under development. This will be used as a key tool to monitor progress by the Housing Improvement and Transformation Board and for this Scrutiny Board to monitor progress. The Action Plan and Risk Register will be completed and discussed with Scrutiny Board on the next occasion the Scrutiny Board receives a Housing Update.

5 Implications

Resources:	Resources implications have been considered. As a result, there are no specific resources implications arising directly from this progress update report. It is worth noting, however, that both dedicated and ad-hoc resources will be required to support implementation activity for all systems for the duration of the projects. This resource is expected to be from subject matter experts within Housing, alongside minimal expert external support for some elements. A resource plan is currently in development, which will become more detailed as providers are engaged.
Legal and Governance:	Legal and Governance implications have been considered. As a result, there are no specific legal and governance implications arising directly from this progress update report. It is worth noting, however, that Legal colleagues will continue to be consulted at appropriate stages of all systems projects. A structured Governance approach is in place with regular engagement with the Housing Improvement and Transformation Board for project leadership and steer.
Risk:	Risk implications have been considered. As a result, there are no specific risk implications arising directly from this progress update report. It is worth noting, however, that a detailed systems Risk Register is maintained to provide assurance and documented mitigating actions
Equality:	Equality implications have been considered. As a result, there are no specific equality implications arising directly from this progress update report.
Health and Wellbeing:	Health and Wellbeing implications have been considered. As a result, there are no specific social value implications arising directly from this progress update report.
Social Value:	Social Value implications have been considered. As a result, there are no specific social value implications arising directly from this progress update report.
Climate Change:	Climate Change implications have been considered. As a result, there are no specific climate change implications arising directly from this progress update report.
Corporate Parenting:	Corporate Parenting implications have been considered. As a result, there are no specific

	Corporate Parenting implications arising directly from this progress update report.
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6 Appendices

6.1 None.

7 Background Papers

7.1 None.