

# Public Document Pack



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14 February 2020

Dear Councillor

NOTICE IS HEREBY GIVEN THAT a meeting of the **OVERVIEW AND SCRUTINY COMMITTEE** will be held in the HMS Brave Room at these Offices on Monday 24 February 2020 at 6.00 pm when the following business will be transacted.

Members of the public who require further information are asked to contact Rebecca Brough on 01304 872304 or by e-mail at [democraticservices@dover.gov.uk](mailto:democraticservices@dover.gov.uk).

Yours sincerely

A handwritten signature in black ink, appearing to read "Nicky", written over a white background.

Chief Executive

## Overview and Scrutiny Committee Membership:

L A Keen (Chairman)  
C D Zosseder (Vice-Chairman)  
D G Beaney  
S H Beer  
T A Bond  
J Rose  
M Rose (Controlling Group Spokesperson)  
C A Vinson  
R S Walkden  
P Walker

## AGENDA

- 1 **APOLOGIES**  
To receive any apologies for absence.
- 2 **APPOINTMENT OF SUBSTITUTE MEMBERS**  
To note appointments of Substitute Members.

3 **DECLARATIONS OF INTEREST** (Page 3)

To receive any declarations of interest from Members in respect of business to be transacted on the agenda.

4 **PUBLIC SPEAKING**

Please note that in accordance with the agreed Protocol for Public Speaking at Overview and Scrutiny, the right to speak only applies to agenda item 5 (Housing Management Options Appraisal).

Members of the public wishing to speak must register to do so by no later than 2.00 pm on the second working day (Thursday) before the meeting.

5 **HOUSING MANAGEMENT OPTIONS APPRAISAL – OUTCOME OF FORMAL CONSULTATION** (Pages 4 - 114)

To consider the attached report of the Strategic Director (Corporate Resources).

6 **LOCAL HEALTH SERVICES**

To receive answers in respect of the key questions submitted by the committee.

**Access to Meetings and Information**

- Members of the public are welcome to attend meetings of the Council, its Committees and Sub-Committees. You may remain present throughout them except during the consideration of exempt or confidential information.
- All meetings are held at the Council Offices, Whitfield unless otherwise indicated on the front page of the agenda. There is disabled access via the Council Chamber entrance and a disabled toilet is available in the foyer. In addition, there is a PA system and hearing loop within the Council Chamber.
- Agenda papers are published five clear working days before the meeting. Alternatively, a limited supply of agendas will be available at the meeting, free of charge, and all agendas, reports and minutes can be viewed and downloaded from our website [www.dover.gov.uk](http://www.dover.gov.uk). Minutes are normally published within five working days of each meeting. All agenda papers and minutes are available for public inspection for a period of six years from the date of the meeting.
- If you require any further information about the contents of this agenda or your right to gain access to information held by the Council please contact Rebecca Brough, Democratic Services Manager, telephone: 01304 872304 or email: [democraticservices@dover.gov.uk](mailto:democraticservices@dover.gov.uk) for details.

**Large print copies of this agenda can be supplied on request.**

Declarations of Interest

Disclosable Pecuniary Interest (DPI)

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:

Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

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<b>Subject:</b>	<b>HOUSING MANAGEMENT OPTIONS APPRAISAL – OUTCOME OF FORMAL CONSULTATION</b>
<b>Meeting and Date:</b>	<b>Special Cabinet – 20 February 2020</b>
<b>Report of:</b>	<b>Mike Davis, Strategic Director (Corporate Resources)</b>
<b>Portfolio Holder:</b>	<b>Councillor Derek Murphy, Portfolio Holder for Housing and Health</b>
<b>Decision Type:</b>	<b>Key</b>
<b>Classification:</b>	<b>Unrestricted</b>

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**Purpose of the report:** To remove the management of DDC's housing stock from East Kent Housing Limited (EKH) and to bring it back in-house.

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**Recommendation:** It is recommended that Cabinet:

1. Receives and notes the report.
2. Having noted the results of the tenant and leaseholder consultation, the cost/benefit analysis and the risk analysis, agrees that the management of the Council's housing stock be brought back in-house.
3. Delegates to the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Housing and Health, the authority to take such decisions as may be necessary to facilitate the process of bringing the housing service in-house.
4. Authorises the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Housing and Health, to terminate the whole or part of the services provided by EKH under the management agreement and to terminate the management agreement with EKH as soon as practicable.
5. Delegates to the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Housing and Health, authority to transfer from the HRA reserves into the 2020/21 HRA revenue budget in order to meet the potential costs of service transfer.
6. Delegates to the Strategic Director (Corporate Resources) authority to discharge the powers and functions of the Council in relation to housing management set out in the management agreement.

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## 1. Summary

- 1.1 East Kent Housing manage the housing stock of DDC under the terms of a management agreement dated 1 April 2011, and also the housing stock of Canterbury City Council, Folkestone & Hythe District Council and Thanet District Council.

- 1.2 Concerns have arisen over the performance of EKH, mainly in relation to compliance<sup>1</sup>, procurement, contract management and delivery of the capital programme. An options appraisal was completed in October 2019, reviewing the delivery of housing management services provided by East Kent Housing (EKH) on behalf of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council.
- 1.3 The four councils agreed that tenants should be consulted on whether housing management should become an in-house service. This report sets out the outcomes from the formal consultation exercise undertaken with EKH tenants and leaseholders. It proposes that officers from across the four councils be instructed to negotiate ending the agreement with EKH and to make preparations for the housing management service to be brought in-house.
- 1.4 Each of the four councils will be presenting reports to their decision-making groups recommending the return of housing management functions to their respective councils.

## **2. Introduction and Background**

- 2.1 The four councils of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council are neighbouring district councils located in East Kent.
- 2.2 In January 2011, the councils established EKH and with effect from 1 April 2011 under section 27 of the Housing Act 1985, delegating the management of its housing stock of approximately 17,000 homes. EKH is an Arms-Length Management Organisation (ALMO), jointly owned, in equal share, by the four councils. EKH was managed by an independent board up until 12 December 2019, when it was replaced by a new board consisting of the Chief Executives of the four councils.
- 2.3 In early 2019, the four client councils raised concerns about a number of key areas of the services provided by EKH in relation to asset management, procurement and delivery of the capital programme, which were further exacerbated by serious health and safety compliance issues by EKH in relation to a number of areas including fire safety, electrical safety, lift safety, legionella testing and gas safety.
- 2.4 The four councils agreed to self-refer to the Regulator for Social Housing (RSH), confirming that the councils, through EKH, had failed to meet statutory health and safety requirements across a range of areas. In September 2019, the RSH's investigation concluded that the four councils (under their statutory landlord responsibilities) were non-compliant, resulting in a Regulatory Notice being issued. The notice remains 'live' for 12 months or until full compliance is achieved.
- 2.5 As a result of the above, the four councils have continued to present reports to their various governance groups explaining why they have concerns about the way in which EKH has been managing council owned homes.
- 2.6 On 1 July 2019, DDC's Cabinet endorsed a review of the potential future options for the management of the housing stock. On 2 September DDC's Cabinet approved a report regarding the performance of EKH and the arrangements for consultation with the district's tenants and leaseholders regarding future housing management arrangements. The following recommendations were agreed:

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<sup>1</sup> This is tenant health and safety relating to fire safety, electrical, gas, water, asbestos and other testing and maintenance.

- a) That the commencement of engagement (in the form set out at paragraph 4.10 of the report) with tenants (and leaseholders as required) on withdrawal from East Kent Housing be approved.
  - b) That Cabinet delegates to the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Housing and Health, the details and basis of the engagement and also of any subsequent formal consultation.
  - c) That Cabinet delegates to the Strategic Director (Corporate Resources) authority to approve additional management fee payments to East Kent Housing, in consultation with the Portfolio Holders for Finance & Governance and Housing & Health, providing that this remains within overall Housing Revenue Account resources for 2019/20 and the Budget and Policy Framework.
- 2.7 Pennington Choices housing consultancy service was appointed by the four councils to investigate the circumstances leading to the compliance failures, the main underlying causes, the effectiveness of the recovery action plans put in place and to make recommendations to ensure that the identified compliance failures do not happen again. The final report was published on the Dover District Council website on 13 December 2019. Each council endorsed the production of an ‘action plan’ to implement the recommendations outlined in Pennington’s report. The action plan, which is being compiled by Pennington Choices, will seek to bring improvements in the operation and performance of EKH, such that the Regulator of Social Housing (RSH) is in a position to remove the Regulatory Notices served on the four councils.

### 3. Tenant and Leaseholder Consultation

- 3.1 All four councils provided their formal endorsement of the preferred option to withdraw from EKH and return housing management services back in-house under direct management of each council, subject to consultation with all EKH tenants and leaseholders to satisfy the requirements of Section 105 of the Housing Act 1985.
- 3.2 The consultation exercise was administered by Canterbury City Council, running for 8 weeks from Tuesday 22 October to Friday 20 December 2019 and sought a test of opinion, rather than a formal ballot, in order to achieve consistency with the process used prior to the formation of EKH.
- 3.3 A programme of consultation was implemented across the four councils. All EKH tenants and leaseholders were written to by letter on 22 October 2019, informing them of the consultation survey and provided with a Frequently Asked Questions information sheet. Tenants and leaseholders were given the option to complete the consultation survey online or by post (using a pre-paid envelope).
- 3.4 Consultation drop-in sessions were organised and hosted in Canterbury, Dover, Folkestone & Hythe and Thanet between October to December 2019. The sessions were staffed and attended by council members and officers. All EKH tenants and leaseholders, including sheltered schemes, were invited and attendance was as follows:

<b>Local authority</b>	<b>No. of attendees (tenants and leaseholders)</b>
Canterbury City Council	167
Dover District Council	77
Folkestone & Hythe District Council	50
Thanet District Council	11

- 3.5 The Corporate Consultation Manager at Canterbury City Council dealt with 45 tenant and leaseholder enquiries across the four council areas during the consultation,

providing help and support, for example if someone needed information in a different format or additional information regarding the consultation. Other enquiries included tenancy, leaseholder, performance and repairs issues.

- 3.6 Considerable efforts were made during the consultation to consult harder to reach groups. Of note, consultation meetings were held in the council's sheltered schemes and responses to the consultation could be provided online, by telephone or by post. Therefore, we can be confident that all council tenants and leaseholders were given the opportunity to participate in the consultation.
- 3.7 People on low incomes, older people and more vulnerable households are all over-represented among council tenants. Therefore, any changes to the service which will deliver efficiencies and improvements will benefit these people and households with these protected characteristics. A copy of our equality impact assessment is attached as Appendix 10.

#### 4. **Result of the Test of Opinion**

- 4.1 The purpose of the consultation was to gauge opinions and gather feedback from tenants and leaseholders, evaluate their attitudes towards the proposal and identify any concerns they might have. This is usually referred to as a test of opinion.
- 4.2 The test of opinion consultation closed on 20<sup>th</sup> December 2019. Tenants and leaseholders were asked to provide their level of agreement with the proposal to bring the service back in house. The consultation documents are attached as Appendix 4.
- 4.3 At the close of the consultation, across the four districts, 17,201 questionnaires were issued and 2,603 completed and returned. 332 of these were submitted online and 2,271 were paper copies.

##### 4.4 Dover District Council

In total, 4,694 consultation surveys were issued. Of these, 731 were returned (16%). In terms of who has responded:

- 707 tenants and leaseholders
- 13 other individuals
- 11 respondents did not say in what capacity they were responding.

##### 4.5 Canterbury City Council

In total, 5,510 consultation surveys were issued. Of these, 843 were returned (15%). In terms of who has responded:

- 821 tenants and leaseholders
- 4 other individuals
- 18 respondents did not say in what capacity they were responding.

##### 4.6 Folkestone & Hythe District Council

In total, 3,575 consultation surveys were issued. Of these, 602 were returned (17%). In terms of who has responded:

- 588 tenants and leaseholders
- 4 other individuals
- 1 Shepway Tenants and Leaseholder Board
- 1 Age UK Hythe and Lyminge
- 1 shared ownership resident
- 7 respondents did not say in what capacity they were responding.

#### 4.7 Thanet District Council

In total, 3,422 consultation surveys were issued. Of these, 427 were returned (12%). In terms of who has responded:

- 403 tenants and leaseholders
- 17 other individuals
- 1 Addington Street Community Group
- 1 Newington Community Association
- 1 shared ownership resident
- 1 former tenant
- 3 respondents did not say in what capacity they were responding.

4.8 Across the four councils, the majority of respondents strongly agree or tend to agree with the proposal to bring the housing service back in house. In Dover 81% of respondents agree to some extent to the proposal, Canterbury 81%, Folkestone & Hythe 74% and Thanet 81%. The breakdown of responses is detailed below.

#### 4.9 Dover District Council

	<b>All respondents</b>	<b>Tenants and leaseholders</b>
Strongly agree	62% (445)	62% (433)
Tend to agree	19% (138)	19% (135)
Neither agree nor disagree	12% (84)	12% (82)
Tend to disagree	3% (20)	3% (20)
Strongly disagree	5% (36)	5% (33)

#### 4.10 Canterbury City Council

	<b>All respondents</b>	<b>Tenants and leaseholders</b>
Strongly agree	60% (492)	60% (487)
Tend to agree	21% (171)	21% (167)
Neither agree nor disagree	12% (96)	11% (92)
Tend to disagree	4% (30)	4% (30)
Strongly disagree	4% (37)	4% (37)

#### 4.11 Folkestone & Hythe District Council

	<b>All respondents</b>	<b>Tenants and leaseholders</b>
Strongly agree	54% (323)	54% (316)
Tend to agree	20% (120)	20% (119)
Neither agree nor disagree	13% (76)	13% (75)
Tend to disagree	4% (21)	4% (21)
Strongly disagree	9% (53)	9% (51)

#### 4.12 Thanet District Council

	<b>All respondents</b>	<b>Tenants and leaseholders</b>
Strongly agree	60% (257)	60% (243)
Tend to agree	21% (91)	22% (88)
Neither agree nor disagree	9% (37)	9% (35)



Tend to disagree	3% (12)	3% (11)
Strongly disagree	7% (28)	6% (25)

4.13 The DDC full consultation report is attached as Appendix 6. However, a snapshot of comments made by respondents who strongly agree or tend to agree with the proposal is below:

- Lack of action by East Kent Housing to deal with repair and maintenance issues;
- The council would be more responsive in dealing with issues;
- The council would be more accountable than East Kent Housing;
- The service provided by East Kent Housing has deteriorated in the last few years;
- Lack of communication from East Kent Housing;
- The council ran the service well before East Kent Housing was created;
- Unhappy with the general standard of service provided by East Kent Housing;
- Bringing the service back under council control would be more cost effective;
- The council could build stronger relationships with its tenants.

#### 4.14 What the Council should focus on for housing services

Respondents across the four council areas were asked what they feel are the three most important things for the council to focus on for housing services from the following list:

- Dealing with repairs and maintenance
- Dealing with anti-social behaviour
- Providing value for money for your rent and service charges
- Building new council homes
- Estate services (such as grass cutting, cleaning communal areas etc)
- Dealing with customer enquiries and complaints
- Involving and listening to residents

Other:

- Maintain reasonable rent charges
- Improve efficiency
- Improve consultation with residents
- Improve dialogue with disabled residents
- Dealing with communal repairs

At the close of the consultation, respondents highlighted the three most important areas of focus for Dover, Canterbury and Thanet as (in order of priority):

1. Dealing with repairs and maintenance
2. Dealing with anti-social behaviour
3. Providing value for money for your rent and service charges

In Folkestone & Hythe, respondents highlighted the three most important areas of focus as (in order of priority):

1. Dealing with repairs and maintenance
2. Dealing with anti-social behaviour
3. Dealing with customer enquiries and complaints

#### 4.15 Government Guidance on ALMO Consultation

Government issued guidance in 2011 to Local Authorities (see Appendix 1) considering the future of their ALMO housing management services. Councils are asked to undertake cost-benefit and risk analysis exercises before reaching a final decision. These exercises have been completed and the results are given in Appendix 2 (Cost/Benefit Analysis) and Appendix 3 (Risk Analysis). Cabinet is invited to consider the two documents before reaching decision on the report's recommendations.

## **5. Proposed Implementation Process**

- 5.1 The Secretary of State is not required to consent to the transfer of landlord functions from the EKH ALMO to the Council.
- 5.2 It is intended that the four councils will mutually agree a termination of the contract with the EKH Board. This does not have to be a once and for all termination of the contract, the management services provided by EKH can be withdrawn from EKH and taken back in-house service by service. It is proposed that an in-house service be established through a two-stage process, as follows:
  - Taking the minimum legal and administrative action needed to wind up EKH and pass responsibility to each council. This will involve transferring the housing management service from EKH to each council without significant change.
  - Drawing up proposals for the future housing service, which will cover new governance arrangements, organisational structures, integration with existing council services (e.g. call handling, property and grounds maintenance, community safety, communications) and the priorities and plans of the new service.
- 5.3 The management agreement currently authorises EKH to discharge the housing management functions of the council which are set out in it. When the management agreement was entered into, the delegations to council officers to exercise these functions was withdrawn. As the services are brought back in house it will once again be necessary for officers to discharge those housing management functions. It is therefore recommended that authority to discharge these functions be delegated to the Strategic Director (Corporate Resources) in accordance with recommendation 6, This will not remove the authority of EKH to discharge the functions whilst it remains responsible for delivering the housing management services. Rather, the authority of EKH to discharge those functions will be withdrawn as the services associated with them are taken back in house by the Council.
- 5.4 Officers from the four councils will establish a board to co-ordinate the overall East Kent Housing project. It is anticipated that officers within each council will also establish a corporate project management group to oversee the legal, financial, human resources and IT work necessary to wind up EKH and to create a new in-house service.
- 5.5 A communications strategy will be of critical importance. The corporate project management group in each council will have responsibility for overseeing the communications necessary with tenants, leaseholders, staff, elected members and other stakeholders. There are many tenants and leaseholders who have expressed their views strongly at many of the consultation meetings, and it will be important to address the concerns that they raised at those meetings.
- 5.6 It will be necessary to look at how effective resident engagement will be addressed, and support for existing local tenant and leaseholder representative groups will need to continue pending the outcome of a full review of the service. Opportunities for tenants and leaseholders to help shape future service delivery arrangements need to be explored and wider opportunities to be involved considered. This may overcome the loss of the EKH Board under the in-house option.

## 6. **Issues Needing Further Decision**

6.1 The transition process set out above will give rise to the need for decisions on a number of key issues:

- a) How to ensure we protect the health and safety of tenants and leaseholders and maintain continuity of services.
- b) The name or branding to be used for the new in-house service (if required).
- c) The transfer/recruitment of staff.
- d) Arrangements for leadership and management of housing (both strategic and housing management) through the transition and beyond.
- e) Decisions on the potential for the integration of EKH and council services which are currently provided separately.
- f) The establishment of new Tenant and Leaseholder engagement opportunities as quickly as possible to sustain resident involvement in key housing management decisions.
- g) Decisions about the winding up of East Kent Housing Limited, as a separate company once the contract transfer has occurred (as required).
- h) Decisions about the novation of any contracts currently held by EKH to the council, such as ICT contracts

6.2 These issues are discussed further in Appendix 2, the Cost/Benefit analysis.

6.3 These decisions will either be taken by officers in consultation with the Portfolio Holder or reported to Cabinet for decision as appropriate.

## 7. **Conclusion**

7.1 At the close of the tenant and leaseholder consultation, across the four districts 17,201 questionnaires were issued and 2,603 completed and returned. 332 of these were submitted online and 2,271 were paper copies. 2,037 (78%) respondents strongly or tend to agree with the proposal to bring the service back in house.

7.2 The level of responses to the consultation was very good and the considerably greater support amongst tenants and leaseholders for the preferred option to bring the service in-house is considered to be significant and decisive. However, independently of the consultation, joint work has already begun to improve the service now, plan for a more fundamental transformation of the service and a smooth period of transition if the four councils decide to formally adopt the preferred option in February 2020.

7.3 The EKH Board, consisting of the four council Chief Executives, retains accountability for the service, but additional measures have been put in place to advance joint working to improve the service now, and to plan for the future. It also ensures that there is a collaborative and inclusive approach and that we communicate a single message to tenants, leaseholders, EKH employees and council officers and members.

7.4 Bringing the service in-house provides each of the four councils with the opportunity to re-position the housing service with the aim of improving a broad range of outcomes for over 17,000 households. This is not necessarily the "lift and shift" of a self-contained housing service into each council's structure. This option provides the opportunity to engage the housing service with each councils' wider corporate agenda in order to secure improved outcomes for residents.

7.5 The four councils will each be able to redesign the corporate approach and consider afresh the opportunities that arise from having the housing management unit under

direct council control. There is a desire to progress an overarching plan for returning EKH in-house, which is being developed by council officers.

7.6 The Strategic Director (Corporate Resources), supported by a DDC delivery team, will oversee and plan for a smooth period of transition and a more fundamental transformation of the service, if the Cabinet decides to formally adopt its preferred option when it meets on 20 February 2020.

7.7 2020 would then be a transition year for EKH and the four councils. Establishing an in-house service, if agreed, is complex and will take time to set up, with an assumption that this would need to be completed and the new in-house service fully operational by 1 April 2021.

## 8. Identification of Options

8.1 Option 1 - Continue to allow EKH to manage Council owned housing stock.

8.2 Option 2 - Withdraw from EKH and return housing management functions to the District Council.

## 9. Evaluation of Options

9.1 Option 1 - The provision and management of housing management by EKH has deteriorated to such an extent that leaving the service with EKH would not be a responsible course of action.

9.2 EKH has experienced serious performance problems and health and safety non-compliance issues. Tenants and leaseholders have expressed their views clearly, that they would prefer their homes to be managed by the individual councils rather than retain the existing Arms-Length Management Organisation structure. For these reasons this is not the recommended option.

9.3 Option 2 - Tenants and leaseholders have expressed their views clearly, that they would prefer their homes to be managed by the individual councils rather than retain the existing Arms-Length Management Organisation structure.

9.4 The integration of the housing management service with each council's remaining housing services would provide a more transparent and accountable structure for the housing service. For these reasons this is the recommended option.

## 10. Resource Implications

10.1 This proposal will incur one-off transition costs to implement the changes. These will include staff resources (including existing DDC staff, backfilling of posts and additional roles), professional and technical advice and other areas as appropriate. The 2020/21 Budget papers forecast an HRA surplus of £1.9m in 2020/21 to be transferred to the Housing Initiatives Reserve. It is recommended that delegation is given to the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Housing and Health, to transfer from this surplus into the 2020/21 HRA revenue budget in order to meet the potential costs of service transfer.

10.2 It is difficult to determine the level of transition costs at this stage. The requirements will be continually monitored throughout the process and will be reported to Members via the quarterly budget monitoring report as appropriate.

10.3 As required by guidance issued in December 2011 by the Government, a Cost/Benefit analysis has been prepared and is given as Appendix 2.

10.4 The HRA is a ring-fenced account used for the management and maintenance of the HRA stock and for the repayment of the HRA debt. The funding for each council to EKH is shown in the table below and includes the annual management fee, as well as

additional improvement plan and staffing costs identified by EKH and approved by the four councils.

	<b>2019/20</b>	<b>2020/21 (Provisional)</b>
	<b>£000</b>	<b>£000</b>
Canterbury City Council	3,312	3,428
Dover District Council	2,580	2,717
Folkestone & Hythe District Council	2,384	2,480
Thanet District Council	1,734	1,896
<b>Total</b>	<b>10,010</b>	<b>10,521</b>

- 10.5 The annual cost of returning the service in-house is yet to be determined as part of the transition process will be to determine detailed organisational structures and associated requirements. These will lead to detailed forecasts being developed and incorporated into future budget processes.
- 10.6 EKH have initially assessed their one-off costs for transition to total c.£900k across the four councils. EKH have therefore requested an additional £900k funding for 2020/21 to cover these estimated costs, should the decision to be to bring the service back in house. No additional funding has been agreed at this stage, as:
- It is dependent upon the decision taken about the future of the service;
  - Not all the estimated costs would necessarily fall to EKH, some may be direct costs to the council;
  - Costs associated with service risks may not materialise.
- 10.7 The council section 151 officers have been collectively consulted on this and any additional payments required for EKH to support the transition will, if agreed, be funded from the HRA in line with the proposal above.
- 11. Corporate Implications**
- 11.1 Comment from the Director of Finance (linked to the MTFP): Finance have been consulted on this report and have no further comments to add. (HL)
- 11.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 11.3 Comment from the Equalities Officer: The report includes an equality impact assessment which refers to the consultation with tenants and concludes a positive impact for all the protected characteristic groups. Members are reminded that, in discharging their responsibilities they are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010: <http://www.legislation.gov.uk/ukpga/2010/15/section/149>.
- 11.4 Comment from Human Resources (CG/PR) - A decision to bring the ALMO back in house may result in a TUPE transfer of staff from EKH to DDC. This will be the case where, at the point of transfer, there is an organised grouping of staff whose main purpose is the provision of the housing service to DDC residents. The main effect of TUPE is that staff employed or assigned to work in the areas of the relevant business transfer functions and services (e.g. all those employed or engaged at the point of transfer by EKH) will be covered under the Regulations. The TUPE regulations effectively provides that staff affected by relevant business transfers have their terms and conditions protected from change following the transfer.
- 11.5 In light of the above, the implications of TUPE for bringing EKH back in-house may be summarised in the following terms:

- All staff employed by EKH at the point of transfer may have a right to transfer under TUPE to the four council owners.
  - Staff who transfer to DDC under TUPE will have their EKH differential employment terms and conditions protected from harmonisation or standardisations that may be connected to the transfer of the service in-house.
  - It is essential that relevant staffing information is gathered in regard to current terms and conditions (all formal and informal contractual terms) of relevant staff so that an assessment can be made of likely costs in preparation for moving towards a new delivery model for the eventual in-house service.
- 11.6 Staff affected by TUPE will need to be determined. A HR work-stream will need to support the above to ensure that there is early identification of staff likely to be affected and appropriate consultation with all staff affected and trade unions.
- 11.7 Not all EKH staff are employed for the main purpose of providing services on behalf of a single council. Some staff are organised on a functional basis, providing services across all four councils. As a result, it is unlikely that TUPE will apply to all EKH staff. That said however, the councils will want to retain as many staff as possible with key specialist skills that will be required in the new in-house services and local arrangements to facilitate the transfer of staff not protected by TUPE will be needed.

## 12. **Appendices**

Appendix 1 – ALMO guidance note December 2012

Appendix 2 – Cost/Benefit analysis

Appendix 3 – Risk analysis

Appendix 4 – DDC consultation material

Appendix 5 – CCC consultation response

Appendix 6 – DDC consultation response

Appendix 7 – FHDC consultation response

Appendix 8 – TDC consultation response

Appendix 9 – Pennington Choices report

Appendix 10 – Equality impact assessment

## 13. **Background Papers**

Cabinet 1<sup>st</sup> July 2019 – Gas Safety Records

Cabinet 2<sup>nd</sup> September 2019 – Tenant Engagement on Withdrawal from East Kent Housing Arm's-Length Management Organisation

Contact Officer: Louise Taylor, Strategic Housing Manager

## **Updated guidance for councils considering the future of their ALMO housing management services.**

### ***Purpose***

1. About half of all council housing is managed by ALMOs. ALMOs have successfully delivered much of the Decent Homes investment programme. ALMOs have proved very popular with tenants and residents and in many areas have become key local providers of neighbourhood services.
2. As a number of the original management delegations and funding contracts between councils and ALMOs are now drawing to a close, councils are considering how best they can deliver their ongoing housing investment and management services into the future.
3. The reform of the HRA subsidy system will also bring major changes to the system of council housing finance and to the way in which councils view stock management. It is therefore timely to remind those councils who intend to review their housing management of the need for thoroughness and openness.
4. Councils are continually having to reassess how best to deliver all their services, including the provision of housing management. ALMOs are not immune from the need to drive value for money savings and spend taxpayers money wisely.
5. When determining the future of their ALMOs, councils will need to consider a number of important and competing factors. These include the wider financial, organisational and local political landscape within their councils, alongside the views of tenants.
6. This document sets out the Government's guidance on the processes that councils should undertake when considering taking housing management functions back in-house. This note strengthens previous guidance issued by the Department.

### ***Current Position***

7. The Government believes that the decision to take ALMO housing management functions back 'in-house' should remain a local one. Councils in England are currently required to seek consent from the Secretary of State under section 27 of the Housing Act 1985 where it seeks to transfer all or part of its housing management functions to an ALMO. There is no requirement for a council to seek consent when taking ALMO housing management functions back in-house. Government does not propose to alter these

arrangements.

8. Guidance issued by the Department in 2004 was consolidated after the Review of Arms Length Housing Management Organisations issued in June 2006. The Review considered a number of scenarios for taking forward the work of ALMOs, including the process should a council decide to take housing management back in-house following a consultation with tenants.
9. The Review recommended that any change in housing management arrangements should be the subject of a test of opinion no less rigorous than the test undertaken on transferring housing management functions to the ALMO.
10. The document went on to emphasise the importance of consulting and working with tenants and outlined the possible consultation mechanisms, including questionnaires, telephone surveys and ballots. A combination of options rather than a single favoured option was considered to be appropriate. This remains the case.

### ***Future arrangements***

11. Government does not believe in imposing any unnecessary additional regulations or burdens on councils. The Government does not consider it necessary to impose upon all councils with ALMOs a mandatory duty to hold a ballot of their tenants when considering taking housing management functions back from their ALMOs.
12. However, in line with the principles set out in the Review document, Government considers that in the interests of fairness and consistency, councils that had held ballots to gauge tenant opinion before transferring their housing management functions to an ALMO should also similarly hold a ballot when considering taking housing management functions back from the ALMO. This is important as it allows tenants to express their opinion in a similar manner to the original ballot.
13. For those councils that did not hold a ballot to test tenants' opinions but chose to use an alternative method, they may of course choose to hold a ballot. There are no plans to require those councils to follow a particular course of action.
14. However, it is expected that the consultation exercises undertaken by all councils considering the future of their ALMOs should be as comprehensive as that undertaken when transferring those functions to the ALMO originally. This could be either through a ballot or a full survey or other locally appropriate method.

<sup>1</sup> Review of Arms Length Management Organisations DCLG June 2006 [Link]



15. Ballots and other tests of opinion should not however be seen as a “be all and end all” solution, but as part of an ongoing, process of engagement. Any council considering undertaking an options review of its housing management arrangements should notify the Department as soon as possible in the process, as part of its wider commitment to demonstrate the openness of the process.

### **Tenant Engagement & Consultation**

16. There are a range of steps that councils will need to consider and undertake when consulting their tenants on the future for their ALMOs. The list is not definitive and councils will wish to undertake the level of consultation which they consider is appropriate locally.
17. Councils should ensure that the information provided to tenants must be accurate and impartial. Tenants should have the opportunity to make a meaningful contribution to process leading to the final decision.
18. All tenants should have the opportunity to have a say in the final decision, either through a ballot or other comprehensive consultation process, and the process should be overseen by an external organisation, to ensure that it is fair and valid. Tenants could also be provided with an Independent Tenants Adviser (ITA) paid for by the ALMO/Council.
19. Councils should ensure that tenants have the opportunity to shape the options, and consulted from the outset. Tenants should be given the opportunity to be included in any project group leading the work and be allowed to scrutinise the council’s process.
20. The aims and objectives of the review, plus timescales, processes, and criteria for short listing options and the final decision making, should be clearly set out and be publicly accessible.
21. Councils should carry out a full cost-benefit assessment exercise and risk analysis of the implications for the councils’ wider housing service. Preferably, this should be externally validated. *(Risks should include potential loss of key staff and how that might affect implementation of self financing and major capital programmes, including decent homes, so that they fully understand the financial rationale for any decision they take).*
22. The council must clearly set out the pros and cons of the various options reviewed, demonstrate the potential impact on residents, and explain the reasons for recommending its final option(s).
23. The ALMO Board and employees should be allowed to contribute fully in any housing management review process. ALMOs and councils should work collaboratively towards an agreed outcome.
24. ALMO officers and their boards should cooperate fully with any review and assist their council to undertake any review in a timely and professional

manner. In that way, any call on costs and resources can be minimised.

### **Conclusion**

25. It is clear that the best run councils and ALMOs are those where both parties work together collaboratively on behalf of tenants to ensure that the services they provide are efficient and value for money. Undertaking a thorough consultation exercise on the future of an ALMO and housing management is no different.
26. The Department recognises that there will be local differences in the way councils and ALMOs undertake their tenant consultation exercises. It is imperative that the views of tenants should be at the centre of these considerations.
27. If the Council intends to support the ALMO going forward, then clear funding streams for this must be identified, and a council decision ratifying such expenditure should be included in any consultation material.
28. ALMO housing management option reviews should be transparent and tenants should have all the information available so that they have the opportunity to be fully engaged in the process from the outset. The underpinning rationale remains that the level of consultation and engagement should be at least as comprehensive and robust as undertaken to transfer the housing management functions to the ALMO originally.
29. The Department does not intervene directly in disputes between councils and their ALMOs but will provide assistance and support as appropriate to try to ensure that reviews are conducted satisfactorily.

**December 2011**

## APPENDIX 2

### Cost/Benefit Analysis

#### **An in-house housing management service: cost/benefit analysis of the options of creating an in-house service and retaining East Kent Housing (EKH), Arm Length Management Organisation (ALMO)**

An options appraisal was completed in October 2019, reviewing the delivery of housing management services provided by East Kent Housing Limited (EKH) on behalf of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council. The four councils agreed that the preferred option for future service provision to the four councils' tenants and leaseholders is that it should become an in-house service, subject to consultation. Between 22 October and 20 December 2019, EKH tenants and leaseholders were invited to express their views on the future of the council's ALMO, East Kent Housing, through a test of opinion.

The council has considered the establishment of an in-house service through a process involving three stages:

1. Taking the minimum legal and administrative action needed to close down EKH and pass responsibility to the council in a stable and effective manner.
2. Drawing up proposals for the future housing service, and consulting on the key issues. The plans will cover new governance arrangements, organisational structures, possible integration with existing council services (e.g. customer services, property and estate management, community safety, communications), and the priorities and plans of the new service.
3. Implementing change to the service, based on the outcome of the tenant and leaseholder consultation.

These stages may progress in parallel. This cost / benefit analysis focuses on those issues where there may be opportunities to review the way services are provided.

Issue	In-house service	Retention of EKH	Comments on benefits
1) Management arrangements cost and quality issues.	If the service were brought in-house, a decision would need to be made as to which EKH posts are in scope and what process will be undertaken for those posts not in scope. For those staff that transfer to the four councils, there may be scope to review the arrangements for both former EKH staff and council staff. This will give the ability to look at the arrangements and focus on the efficiencies of the service.	<p>If EKH were retained the senior structure in EKH would need to be reviewed. The positions of Chief Executive, supported by Directors and a Head of Finance are likely to remain but further recruitment to increase the number of Operations Manager roles in the establishment could be expected.</p> <p>The total cost of the existing EKH senior structure is £477,000 (top of the scale, not including on-costs). This would be likely to increase if full staffing levels were achieved.</p>	For quality to be maintained housing will need highly skilled leaders in sufficient numbers to avoid overloading individuals. Leaders will need to be sufficiently rewarded to retain their services. The current separation of EKH from the council creates significantly more work for both EKH and council senior staff than would be the case in an integrated service.
2) Management arrangements: implications of leadership changes on staff teams.	As noted above, if the service is brought in-house there is a danger of reduced senior manager input during the transition. This would coincide with a period when staff particularly need leadership. In order to prevent a drop in performance during the transition, additional resources may have to be put in. This may take the form of interim managers or acting up arrangements. The potential cost cannot be quantified at this stage.	If EKH were to carry on providing the service, there would be a concern over their ability to attract and retain good senior managers.	The danger of disruption and loss of performance is a feature of any major change process. The impact can be minimised by anticipating where leadership will be needed, and deploying the resources required.

Issue	In-house service	Retention of EKH	Comments on benefits
3) Management arrangements, implications for HRA financing	The council employs a number of senior staff with expert knowledge of HRA financing. If the service is brought in-house this expertise will still be needed. It will be important to encourage key individuals to remain in the organisation.	The council currently and will continue to oversee management arrangements for the HRA.	Although it would be possible to replace key individuals if they left, the loss of their local knowledge should be avoided if possible. As this is already provided in-house, there are no additional costs.
4) Governance: cost and quality issues	If the service is brought in-house, the EKH Board would cease to operate. Instead decisions would be taken by Members and senior council officers. This change would simplify the decision making process. This simplification would save staff time and contribute to any savings required.	If the service remained with EKH, the EKH Board and its committees would continue to operate. The EKH Board typically deals with a greater level of detail than Members deal with in the council. A significant proportion of EKH senior management time is spent reporting to the Board.	During the consultation on the future of EKH, some tenants and leaseholders expressed concern about the accountability of the EKH Board. They felt accountability through the local democracy would be preferable. Many tenants and leaseholders said they would prefer to take their individual issues to their ward Member than to an EKH Board Member. Bringing the service in-house has the benefit of meeting tenants and leaseholders wishes.
5) Governance: implications for tenants and leaseholder involvement	In order to sustain tenant and leaseholder involvement in an in-house service, it is proposed that a new tenant and leaseholder strategy and structure be developed. Ongoing support will be offered to the established	If the service remained with EKH, tenants and leaseholders would continue to be involved in governance through their seats on the EKH Board and extensive participation in other meetings. The cost of servicing the current	The proposed opportunities to become involved have the advantage of engagement with a wider group of tenants and leaseholders. It would however have the disadvantage of being an advisory body only, in

Issue	In-house service	Retention of EKH	Comments on benefits
	tenant group, supplemented with a 'menu' of opportunities to become involved ranging from low level participation through on-line surveys to formal representation at District Group meetings. This would give tenants and leaseholders a voice in housing management issues. The establishment of these arrangements will have modest cost implications.	governance structure would remain high.	contrast to the decision making role undertaken by Tenant and Leaseholder Board members in the current EKH structure.
6) Client /contractor split	If the service is brought in-house the current complex arrangements for the management of the agreement with EKH will no longer be required. This would save senior staff time contributing to any savings required.	If EKH were to be retained, the current complex client contractor relations would have to be sustained.  A likely consequence of the breakdown in service delivery arrangements is that each Council will increase their 'Client' side management of EKH at additional cost.	The removal of the client/contractor relationship would make it easier for senior managers to concentrate on delivering high quality services to tenants and leaseholders.
7) Integration of services	Bringing the service in-house may enable the council to simplify structures and eliminate duplications with existing council services in a number of areas. The detailed work on the extent and nature of potential integration	The existence of EKH as an independent body gives rise to separation of services such as call handling. If EKH were retained many of these duplications would continue.	Integration of services offers the potential for service improvements through faster decision making and a greater focus on outcomes. There is also the potential for savings.

Issue	In-house service	Retention of EKH	Comments on benefits
	has yet to be carried out, and so savings cannot yet be quantified. Redundancy and pension costs will need to be considered.		
8) Accountability	Bringing the service in-house would simplify and unify the way housing is governed. This would make for more transparent accountability at senior management and elected member level. No saving would be achieved but tenants and leaseholder wishes would be met.	The retention of EKH would mean continuing with the current division of responsibilities. This causes some confusion among tenants and leaseholders and leads to blurring of responsibilities.	There is evidence of a degree of confusion among tenants and leaseholders about responsibilities. Bringing the service in-house would assist considerably in addressing this.
9) One-off costs	A decision to bring housing management in-house will create a number of one-off transition costs. Examples include (but are not limited to): <ul style="list-style-type: none"> <li>• Legal, HR and financial advice and resources,</li> <li>• IT resources and support,</li> <li>• Changes to structures,</li> <li>• Redundancy &amp; pension implications,</li> <li>• Changing signage/stationary,</li> <li>• Project management.</li> </ul>	If the service is left with EKH there would be no transition costs. However, the four councils have and will continue to need to invest substantially into a programme to address performance and health and safety compliance issues.	The exact cost of these items has yet to be calculated, and it will depend to some extent on decisions about the new service which have yet to be taken.

## APPENDIX 3

### Risk Analysis

#### **Dover District Council housing management service: Risk analysis of a decision to create an in-house service**

An options appraisal was completed in October 2019, reviewing the delivery of housing management services provided by East Kent Housing (EKH) on behalf of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council. The four councils agreed that the preferred option for future service provision to the four councils' tenants and leaseholders is that it should become an in-house service, subject to consultation. Between 22 October to 20 December 2019, EKH tenants and leaseholders were invited to express their views on the future of the council's ALMO, East Kent Housing, through a test of opinion.

The format of this document will ensure compliance with the Government guidance on the consideration of the future of local councils' ALMOs dated December 2011 (Appendix 1). The risks identified in the document reflect the guidance. The table below analyses the risks and shows the steps which need to be taken to mitigate them. (In the table 1 is low).

	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
1.	Short term loss of key senior level staff within EKH with impact on service quality.	2	2	4	Internal DDC Client team have housing management experience at strategic and operational level. Further recruitment to team has been undertaken to improve resilience.  New interim CX appointed to EKH to oversee operational issues.  EKH Board monitoring staffing resources regularly
2.	Short term loss of key EKH technical staff with impact on stock condition.	3	3	6	DDC internal secondment and interim resource provided to support asset management function.



	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
					<p>Technical support for procurement secured through external consultant</p> <p>New interim CX appointed to EKH to oversee operational issues.</p> <p>EKH Board monitoring staffing resources regularly</p> <p>Implementation of an effective staff communication strategy.</p>
3.	Loss of focus on services and reduction in performance during transition.	2	4	6	Implementation of an effective performance management and monitoring strategy / scrutiny arrangement.
4.	Stability and therefore performance of EKH is affected by lack of staff / reliance on interims.	2	4	6	<p>Each council continues to measure and manage performance.</p> <p>Identifying specialised staffing support to address any issues arising.</p> <p>Implementation of an effective staff communication and engagement strategy.</p>

	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
5.	Revised governance arrangements leading to less tenant and leaseholder involvement.	1	4	5	Ongoing active involvement with district tenant and leaseholder groups  Early creation of resident engagement structure and strategy.
6.	Loss of service quality arising from reduced staff morale.	2	4	6	Implementation of an effective HR strategy to support staff, ensuring necessary training and development is in place.  Implementation of an effective staff communication and engagement strategy.
7.	Loss of service quality arising from IT complications.	2	3	5	Early meeting with IT to identify issues (e.g. the full implementation of the single system) and develop a project action plan.
8.	Impact on DDC provided services as a consequence of resources used to support transitional process.	2	3	5	Appointment of specialist interims if necessary.
9.	Cost of transition uncertainty	2	2	4	The finances of EKH (which is a limited company) are currently structured on the basis that its operations in managing the housing stock of the councils will continue. It is possible that the closure of the company will give rise to additional costs and liabilities falling on the company (or existing liabilities crystallising) which the company will not be able to discharge from its existing

	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
					<p>revenues and reserves. Should this situation arise, the councils, (as owners of the company), will need to consider whether to take such measures as injecting further financial resources into the company to avoid it being wound up as insolvent and/or themselves assuming some of the liabilities of the company.</p> <p>Both EKH Board and the councils, (as owners of the company), should seek specialist legal/financial advice regarding this to identify all options available to resolve this.</p> <p>Project management to include cost management.</p>
10.	The council's consultation and decision making process are challenged.	2	1	3	Continue to comply with statutory guidance and good practice.
11.	Changes in Government guidance of statutory requirements during the transition.	1	2	3	None possible.
12.	Excessive short-term expectations from tenants and leaseholders.	4	3	7	<p>Manage expectations via published material and meetings with tenants and leaseholders.</p> <p>Implementation of a tenant and leaseholder communication strategy.</p>

	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
13.	Unreasonable expectations of the future service arising from consultation.	2	2	4	Manage expectations via published material and meetings with tenants and leaseholders.  Implementation of a tenant and leaseholder communication strategy.
14.	Insufficient senior staff capacity to support the transition project.	2	2	4	Internal project delivery/implementation team created and arrangements for backfilling to be considered.
15.	Changes in the required extent of reintegration of services made after reorganisation has started.	2	4	6	Identify the risks clearly at the start of any reorganisation.
16.	One or more of the four councils begins an aggressive recruitment campaign from EKH prior to the transfer date.	4	4	8	The four council Chief Executives currently and will continue to meet fortnightly to discuss EKH.  Regular transition monitoring by the four council Chief Executives.  Co-ordinated and effective implementation planning to pinpoint decisions points and milestones throughout the transfer.
18.	Redundancy costs are unaffordable due to the pool of staff subject to TUPE being very small and many of the remaining staff are not interested in being recruited by the Councils.	2	4	6	Regular transition monitoring by the four council Chief Executives and HR teams.

	<b>Risk</b>	<b>Likelihood</b>	<b>Impact score</b>	<b>Combined score</b>	<b>Mitigation</b>
		<b>1-5</b>	<b>1-10</b>	<b>1-10</b>	
					Co-ordinated and effective implementation planning to pinpoint TUPE implications throughout the transfer.
19.	No / limited EKH staff want to work for the four councils.	2	3	5	<p>Comprehensive HR communication plan to keep EKH staff informed of the project timescales, job opportunities, staff benefits etc. if they chose to transition to one of the four councils.</p> <p>Talent management plan developed identifying key people and knowledge and put measures in place to secure these key people.</p>



Dover District Council  
White Cliffs Business Park  
Dover  
CT16 3PJ

Website: [www.dover.gov.uk](http://www.dover.gov.uk)

Our ref: EKH Consultation

Your ref:

Date: 21 October 2019

«Title\_1» «Initial\_1» «Surname\_1» and «Title\_2» «Initial\_2» «Surname\_2»  
«Address\_1»  
«Address\_2»  
«Address\_3»  
«Address\_4»  
«Postcode»

Dear «Dear» and «Dear1»

### **Have your say on how we look after your home**

Your home is currently looked after by East Kent Housing on our behalf. They carry out safety checks, manage repairs, collect your rent etc.

Earlier this year we discovered serious problems with a range of safety checks at some properties looked after by East Kent Housing. I am sorry if that caused you to worry.

I am pleased to say we have made an enormous amount of progress in fixing those problems.

To make sure the same thing does not happen again, we have asked a range of experts to look into what went wrong.

We have also looked at how we should manage our council housing in the future.

continued/

## APPENDIX 4: DDC Consultation Material

We have come up with four options:

- **Option 1:** Keep East Kent Housing and improve the way they work
- **Option 2:** Close East Kent Housing and create a team at each council to look after your home
- **Option 3:** Close East Kent Housing and work with nearby councils to look after your home
- **Option 4:** Ask an outside organisation such as a housing association to look after your home

We think **Option 2** is the best way forward which means closing East Kent Housing leaving council staff to look after your home instead.

The advantages and disadvantages that we see of each way of doing things is explained in the attached information sheet.

We want to know what you think about our proposal and would ask you to spend a couple of minutes taking part in our survey.

You have until Friday 20 December and the easiest way to reply is online at **[dover.gov.uk/consultation](https://dover.gov.uk/consultation)**

We have enclosed a paper copy and freepost envelope in case you prefer to do it that way.

If you want to find out more or have a chat about our proposals before making up your mind, we are holding some drop-in events:

- Monday 28 October, 11.30am to 2.30pm:  
The Meeting Room, The Guildhall, Sandwich, CT13 9AH
- Saturday 9 November, 11am to 2pm:  
The Ark, Noah's Ark Road, Dover, CT17 0DD
- Monday 18 November, 4pm to 7pm:  
Aylesham and District Community Workshop Trust, Ackholt Road, Aylesham, CT3 3AJ
- Tuesday 19 November, 11.30am to 2.30pm:  
Betteshanger Sports and Social Club, Cavell Square, Deal, CT14 9HN

If you need any help or support, for example if you need this information in a different format such as large print or Braille, or you'd like to talk to someone about the proposals over the phone or in person, please contact us at **[consultations@canterbury.gov.uk](mailto:consultations@canterbury.gov.uk)** or on **01227 868 580**.

We will tell councillors, the people you vote for to run the council on your behalf, how you feel about the plans early next year before they make any final decisions.

When councillors have taken those views on board and decided on what they think is the best way forward, we will write to you again.

We look forward to hearing from you.

Yours sincerely



Nadeem Aziz  
Chief Executive



## Have your say on how we look after your home

You can either:

- Complete the questionnaire online at [dover.gov.uk/consultation](https://dover.gov.uk/consultation)
- Fill in this paper copy and either:
  - Send it back to us in the freepost envelope provided
  - Bring it to us at one of our consultation events
  - Bring it to the council offices at Dover District Council, White Cliffs Business Park, Dover, CT16 3PJ

**Please make sure you read the enclosed information sheet before filling in the survey.**

1. **Which of the following best describes you?** Please tick one box only

- Council tenant or leaseholder
- Other individual
- A business, organisation or community group, please provide the name:  
\_\_\_\_\_
- Other, please state: \_\_\_\_\_

2. **To what extent do you agree or disagree with the proposal to close East Kent Housing and leave it to people working at the council to look after your home (Option 2)?** Please tick one box only

- Strongly agree
- Tend to agree
- Neither agree nor disagree
- Tend to disagree
- Strongly disagree

2a. **Please tell us why:**



3. **What do you feel are the most important things for the council to focus on for your housing services?** Please tick up to three options

- Dealing with repairs and maintenance
- Dealing with anti-social behaviour
- Providing value for money for your rent and service charges
- Building new council homes
- Estate services (such as grass cutting, cleaning communal areas etc)
- Dealing with customer enquiries and complaints
- Involving and listening to residents
- Other, please state: \_\_\_\_\_

4. **If you are a tenant or leaseholder, would you like to be more involved in the management of your council home?**

If you would, and you are happy for the council to contact you about becoming more involved, please tick the box to indicate your consent to your email address being used to contact you in this regard:

Please provide your email address:

5. **Do you have any other comments on your housing services?**

Thank you for taking the time to give us your views.

## **What is East Kent Housing?**

East Kent Housing is a company that looks after council housing on behalf of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council. It does not make a profit because it was designed to provide a service rather than make money for the councils.

The four councils jointly own East Kent Housing which manages approximately 17,000 homes.

East Kent Housing is overseen by an independent board which is made up of an elected councillor for each council area, a tenant from each council area and four independent members.

East Kent Housing was created on 1 April 2011 and is now in its ninth year of operation.

## **Why was East Kent Housing set up?**

The four councils felt it would provide better quality services for tenants and leaseholders, increase efficiency and save money.

## **Why are we thinking about the way the system works?**

Before the problems with safety checks were discovered, the four councils were worried about how East Kent Housing was performing.

Concerns included how they managed a number of contracts, how they were collecting rent and the progress they were making on getting a new computer system up and running.

The four councils and East Kent Housing all signed up to an improvement plan aimed at fixing these problems.

In May this year, it then became apparent gas safety checks were not being carried out.

This led to the discovery of problems with electrical checks, lift inspections, legionella checks and delays in fire prevention work being carried out. Action has been taken on all of these and they have been fixed or are in the process of being fixed.

By now, the four councils had reported themselves to the government body that oversees council housing, the Regulator of Social Housing. In September, the regulator issued formal notices against all four councils telling them improvements needed to be made.

## **Why are we saying East Kent Housing should be closed and the four councils should look after council homes themselves?**

This is what is known as **Option 2** in our covering letter. We think the advantages of the councils taking back control are:

- The councils would be able to make decisions about their council homes more quickly
- The councils would be able to rebuild the strong relationships they had with tenants before East Kent Housing was created and talk directly to their tenants again
- The decisions around council housing would be made locally
- There could be opportunities to increase investment in council homes
- There could be cost savings from removing duplicated jobs

We think the disadvantages are:

- Performance around repairs and maintenance might dip while the changes are made
- Key staff might not want to work for one of the councils

## **Why did we rule out the other options?**

**Option 1** involves East Kent Housing continuing to manage council housing on behalf of the councils with improvements to the way they work

We feel the advantages of this approach are:

- The risks are reduced if smaller changes are being made to the service being provided and this is the least complicated option
- There would be no need to ask tenants for their views
- There is the opportunity for East Kent Housing to improve

We think the disadvantages are:

- The councils, who are paying for East Kent Housing's services, would have less control than if they were running things themselves.
- The extra layer of management provided by East Kent Housing could get in the way of necessary changes
- Lots of people, including councillors, have lost trust in East Kent Housing carrying out safety checks when they need to
- East Kent Housing has struggled to carry out its work and manage the people carrying out work for it. It would cost money to put this right

**Option 3** is to close East Kent Housing and for some or all of the councils to work together to manage council housing.

In our view, the advantages are:

- The councils would have more control over the service being delivered

- The councils would be able to save money by not duplicating jobs and taking advantage of their greater buying power to reduce the prices of the goods and services they buy

We feel the disadvantages are:

- The councils would lose a little bit of control over buying decisions
- Disagreements between the councils could hamper efficiency and improvements

**Option 4** involves asking an outside provider like a housing association to manage council homes.

We think the advantages of this option are:

- An outside organisation might be more efficient because it operates more like a private company and might have more buying power to reduce the prices of the good and services they buy
- Any extra money generated can be ploughed back into other council services

The disadvantages are:

- Any savings that are made might be lost if the council cannot persuade the outside provider to alter the way it delivers its services when things go wrong
- It will take the councils a lot of work to ensure the outside provider manages council housing in the way councillors, and ultimately, tenants want
- Tenants and councillors may not trust an outside provider
- An outside provider would be exposed to the same risks as a private company

**What happens if one or two of the four councils decide to stay with the current arrangements while the remaining councils take direct control of their housing service?**

If the majority of councils decide to close East Kent Housing, it will close. The remaining councils would have to consider their next steps.

**If the councils decide to bring the service back under their direct control, would this affect the service I receive?**

No, the intention is it would simply be delivered by staff at the council instead of at East Kent Housing. They may be the very same staff you deal with at the moment. You would still be able to access housing services at the council office, by telephone or via the council website.

**Would the proposal affect the amount of rent and service charges I pay?**

No.

### **Would the proposal affect the work due to be done to my home?**

No, all programmed work will continue as planned. The council will continue to keep your home to a decent standard.

### **Would staffing levels change?**

There is a chance that levels would change overall but staff would still be delivering services and work within the community. The big difference is their employer would change and they are likely to be based in the council's offices.

### **Would the quality of housing provided change?**

The four councils are committed to providing high-quality housing services to all tenants and leaseholders. The aim would be direct management by the four councils would lead to improvements.

### **Would the transfer affect how I report housing issues?**

No, each council has a customer contact centre to provide a single access point for council services including housing.

### **When will you make a decision on whether to bring the service back under council management?**

Consultation closes on Friday 20 December 2019. What you tell us will be reported to councillors early next year. They will use your feedback to decide how your housing service should be delivered in future.

As soon as a decision has been made, we will write to you again to let you know.

### **If you decide to bring the service back under direct council control, what happens next?**

If the council decides to do this, more work would need to be done to manage the process and keep any disruption to a minimum. We would keep you informed on progress.



## **Future options for managing council housing Analysis of consultation responses**

### **1. Introduction**

Consultation on future options for the management of housing services across East Kent took place between 22 October and 20 December 2019.

All council tenants and leaseholders across the district were sent a letter, information sheet and questionnaire inviting them to give their views, and an online version of the questionnaire was available on the council's website.

Additionally, key stakeholders including district councillors, county councillors, MPs, Citizens Advice Bureaux, Canterbury Housing Advice Centre, Civica, Kent County Council Social Services, Kent Police and the NHS were emailed directly inviting them to respond to the consultation.

### **2. Questionnaire responses**

A total of 843 completed questionnaires have been received. 76 of these were submitted online and 767 paper copies were returned.

In terms of who responded:

- 821 tenants and leaseholders (15% of all tenants and leaseholders)
- 4 other individuals
- 18 respondents did not say in what capacity they were responding

#### **2.1. Level of agreement with the proposal to bring the service back in house**

As shown below, 81% of respondents agree to some extent with the proposal:

	All respondents	Tenants and leaseholders
Strongly agree	60% (492)	60% (487)
Tend to agree	21% (171)	21% (167)
Neither agree nor disagree	12% (96)	11% (92)
Tend to disagree	4% (30)	4% (29)
Strongly disagree	4% (37)	4% (36)

The following comments were made by respondents who agree with the proposal:

- Unhappy with the general standard of service provided by East Kent Housing:  
131 comments

## APPENDIX 5: CCC Consultation Response

- Lack of action by East Kent Housing to deal with repair and maintenance issues: 128 comments
- Lack of communication from East Kent Housing: 96 comments
- The council is more local so can deal with issues more quickly: 76 comments
- The council would be more accountable than East Kent Housing: 65 comments
- The council would build stronger relationships with tenants: 48 comments
- The council ran the service well before East Kent Housing was created: 40 comments
- It would be more cost effective if the service was delivered directly by the council: 32 comments
- Lack of safety inspections from East Kent Housing: 25 comments
- The council knows its own housing stock: 23 comments
- East Kent Housing do not provide us with a dedicated Housing Officer anymore: 19 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 18 comments
- East Kent Housing no longer provide rent statements: 10 comments
- The council would keep better records: 4 comments
- East Kent Housing is too large so too many people are involved in managing the service: 3 comments
- Trust the council to deliver a good service: 3 comments
- Inconvenient repair times being given: 2 comments
- Strongly support returning the service to the council: 2 comments

Respondents who disagree with the proposal made the following comments:

- East Kent Housing provide a good service: 25 comments
- Concern that neither the council nor East Kent Housing would deliver a good service: 6 comments
- East Kent Housing provide a better service than the council did before East Kent Housing was created: 4 comments
- Concern costs may increase if the service is brought under direct council control: 4 comments
- The council would find the service unmanageable: 4 comments
- East Kent Housing and Canterbury City Council are both to blame for the recent failings: 3 comments
- The council would need to employ new staff who would not necessarily know the local area: 2 comments

General comments received regarding the proposal:

- No preference on who runs the service as long as it is delivered effectively: 21 comments
- Don't feel able to give an opinion: 14 comments
- Concern that if East Kent Housing staff simply transfer to the council, the service would not improve: 4 comments
- Happy for other tenants to decide the best way forward: 2 comments
- Would oppose the service being managed by an external provider (option 4): 2 comments

## 2.2. What the council should focus on for housing services

Respondents were asked what they feel are the three most important things for the council to focus on for housing services. The following responses were received:

Dealing with repairs and maintenance	79% (667)
Dealing with anti-social behaviour	32% (271)
Providing value for money for your rent and service charges	32% (269)
Building new council homes	26% (215)
Estate services (such as grass cutting, cleaning communal areas etc)	24% (205)
Dealing with customer enquiries and complaints	30% (252)
Involving and listening to residents	22% (189)
Other: <ul style="list-style-type: none"> <li>● Improve estate services x2</li> <li>● Focus on capital works x2</li> <li>● Improve parking x2</li> <li>● Bin store needs to be installed x1</li> <li>● Provide help with decorating and carpeting x1</li> <li>● Build more sheltered housing x1</li> <li>● Improve street cleaning services x1</li> <li>● Provide more support to tenants seeking to move x1</li> <li>● Install electric vehicle charging points x1</li> <li>● Focus on front door replacements x1</li> <li>● Focus on employing staff with knowledge of the local area x1</li> <li>● Focus on maintaining staff levels x1</li> <li>● All of the above x1</li> <li>● Provide more practical support to residents who are unable to maintain their homes and gardens x1</li> <li>● Improve security at sheltered housing schemes x1</li> <li>● Improve accountability x1</li> <li>● Provide more support to residents with mental health issues x1</li> <li>● Allow tenants to make more improvements to their homes themselves x1</li> <li>● No details given x3</li> </ul>	3% (24)

## 2.3. Resident involvement

Tenants and leaseholders were asked if they would like to be more involved in the management of their council homes. 127 tenants and leaseholders said they would, and provided their contact details.



## 2.4. Other comments

The following additional comments were received:

- Not enough attention is given to maintaining council estates: 27 comments
- Parking problems: 7 comments
- The council needs to listen to tenants: 7 comments
- Make it easier for tenants to contact the housing service: 6 comments
- Desire for a greater Independent Living Manager presence: 5 comments
- The council needs to build more homes: 4 comments
- Concern over contractor performance: 4 comments
- Concern over how leasehold service charges are calculated: 4 comments
- Procedure for tenants wishing to transfer to another property is complicated: 4 comments
- Would like follow-up visits from council officers to check repairs have been completed correctly: 3 comments
- Concern over the criteria for ensuring properties are suitable for prospective tenants before they are allocated: 3 comments
- Too many properties on council estates are now Houses in Multiple Occupation: 2 comments
- The council needs to undertake a full audit of its housing stock: 2 comments
- Concern the council would reduce service levels and/or staff if option 2 is implemented: 2 comments
- Concern the council would try to use the service to make a profit if they managed it directly: 2 comments
- Concern about potential data loss if services transfer back to the council: 1 comment
- Concern over the length of time taken to deal with aids and adaptations: 1 comment
- Letters sent by East Kent Housing are difficult to understand as they are not in plain English: 1 comment
- Query over whether the council would use the same contractors as East Kent Housing currently use: 1 comment
- Feeling that East Kent Housing was set up to fail: 1 comment
- Concern tenants would have to sign a new tenancy agreement if the service is brought under direct council control: 1 comment
- Concern rents would increase if the service is brought under direct council control: 1 comment

## 3. Events

### 3.1. Drop-in events

#### 3.1.1. Spring Lane Neighbourhood Centre, Canterbury, 4 November 2019

This event was staffed by Sarah Randall, Alexis Jobson, Mike Bailey and Jon Crwys-Williams and 5 residents attended. Two residents who are members of the Tenant Consultative Group also attended.

The main issues discussed were:

- Support bringing the service back in house: 4 comments
- Concerns over contractor performance: 3 comments
- East Kent Housing no longer provide a dedicated Housing Officer: 2 comments
- Feeling tenants are not properly involved in decision making: 2 comments
- Lack of action by East Kent Housing to deal with repair and maintenance issues: 2 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 1 comment
- Lack of communication from East Kent Housing: 1 comment
- Lack of resident involvement from East Kent Housing: 1 comment
- Grounds maintenance issues: 1 comment
- Proposal for a committee structure for the new service to consist of 50% tenants/25% non-management staff/25% management staff: 1 comment
- Concern that the council would not necessarily deliver a better service than East Kent Housing: 1 comment

### **3.1.2. Baptist Church, Herne Bay, 9 November 2019**

This event was staffed by Alexis Jobson, Mike Bailey and Tasha Love and 4 residents attended. Councillor Dekker and one resident who is a member of the Tenant Consultative Group also attended.

The main issues discussed were:

- Support bringing the service back in house: 3 comments
- Lack of communication from East Kent Housing: 3 comments
- Issues with fire prevention works not being completed as per what was originally promised to residents: 3 comments
- Concerns over contractor performance: 2 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 2 comments
- Lack of action by East Kent Housing to enforce fire regulations: 2 comments
- Unhappy that East Kent Housing no longer provide a dedicated Housing Officer: 2 comments
- Issues with flytipping: 2 comments
- Happy with East Kent Housing: 1 comment
- Unhappy that residents were promised central heating which has not been installed: 1 comment
- Would oppose a housing association taking over: 1 comment

### **3.1.3. The Horsebridge Centre, Whitstable, 19 November 2019**

This event was staffed by Sarah Randall, Mike Bailey and Lizzie Norcott and 6 residents attended. Councillor Caffery, Councillor Kenny and two residents who are members of the Tenant Consultative Group also attended.

The main issues discussed were:

- Support bringing the service back in house: 4 comments
- Lack of action by East Kent Housing to deal with repairs and maintenance: 2 comments

- Lack of communication from East Kent Housing: 1 comment
- East Kent Housing's complaints procedure is not fit for purpose: 1 comment
- Desire for the Housing Appeals Committee to be reinstated, and for at least one member of the committee to be a tenant: 1 comment
- Query over whether Tenancy Agreements would change if the service were to come back under direct council control: 1 comment
- Query over whether succession rights would change if the service were to come back under direct council control: 1 comment

### **3.2. Question and answer sessions for sheltered housing tenants**

#### **3.2.1. Lang Court, Whitstable, 28 October 2019**

This event was staffed by Mike Bailey and Lizzie Norcott and 15 residents attended.

The main issues discussed were:

- Lack of action by EKH to deal with repair issues
- Concerns over how EKH manage the performance of contractors
- Query as to whether support staff that were in place pre-2015 would be reinstated
- Query as to whether the same Independent Living Manager would be retained
- Tenants want their homes to be managed by the council
- Query as to whether rent levels would change
- Query as to how long it would take to implement option 2 if agreed
- Query as to whether night support and laundry staff would be retained

#### **3.2.2. Seaview House, Herne Bay, 29 October 2019**

This event was staffed by Mike Bailey and Tasha Love and 7 residents attended.

The main issues discussed were:

- Unhappy that the scheme is served by 3 Independent Living Managers rather than having a dedicated Independent Living Manager solely for their scheme
- Concerns regarding the application/selection process on who is allowed to move into sheltered housing
- They feel that have to make all the reports about repairs themselves instead of a service manager who does this for them
- Query when the process of bringing the service back under council control would start if it is decided to do this
- Query as to how long it would take to implement option 2 if agreed
- Query on whether residents would notice a difference in service levels in the interim if option 2 is agreed
- Query on whether residents would receive more attendance from staff on site
- Query on whether management staff from EKH will just transfer over to the council and if so, concern as to whether there would be any difference in service

### **3.2.3. Cranmer House, Canterbury, 4 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 8 residents attended.

The main issues discussed were:

- Query as to whether residents would notice a difference in service levels if option 2 is agreed
- Query as to whether there would be any cost savings if option 2 is agreed
- Happy with the service provided by Mears
- Support the proposal to bring the service back under direct council control

### **3.2.4. St Gregory's Court, Canterbury, 6 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 9 residents attended.

The main issues discussed were:

- Query on why the council is consulting tenants when an in principle decision has already been made
- Query over rent free weeks
- One resident commented he had lived there for five years and never had any problems
- Query as to which organisation would employ the Independent Living Manager
- Query as to whether residents would notice a difference in service levels if option 2 is agreed
- Query when the process of bringing the service back under council control would start if it is decided to do this
- Query as to how long it would take to implement option 2 if agreed
- Query on which organisation receives the rent money tenants pay
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Two residents stated their support for bringing the service back under direct council control

### **3.2.5. Windsor House, Whitstable, 7 November 2019**

This event was staffed by Mike Bailey and Lizzie Norcott and 23 residents attended. Councillor Cornell and Councillor Kenny also attended.

The main issues discussed were:

- Strong support for bringing the service back under direct council control (21 residents)
- Lack of action by East Kent Housing to deal with anti-social behaviour
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Tenants not being kept informed of timescales on the work currently being undertaken on the building
- Concerns over insufficient scooter storage once the works to the building are complete
- Concerns over insufficient car parking
- Concerns over accessibility of bin storage area, and residents not using the recycling and residual waste bins correctly

- Concerns regarding the application/selection process on who is allowed to move into sheltered housing
- Query as to whether Independent Living would be retained or whether the service would be rebranded as Sheltered Housing
- Query as to whether the same Independent Living Manager would be retained
- Unhappy that rent statements are no longer provided
- Residents' support plans are not being regularly reviewed and updated
- Desire to retain and improve the Independent Living Forum if the service is brought back under direct council control

### **3.2.6. Franklyn House, Sturry, 8 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 10 residents attended. Councillor Dekker and Councillor Harvey-Quirke also attended.

The main issues discussed were:

- Query on why the council is consulting tenants when an in principle decision has already been made
- Query as to whether Independent Living would be retained or whether the service would be rebranded as Sheltered Housing
- Query as to whether residents would notice a difference in service levels if option 2 is agreed
- Desire to retain and improve the Independent Living Forum if the service is brought back under direct council control
- Query as to whether the handyman service would be retained
- Concerns over contractor performance
- Query on how rent and service charges are calculated
- Query as to whether tenants' rights under their tenancy agreements would change
- Query on whether the choice based lettings system would be retained
- Concerns over building security
- Concerns over lack of adequate cover when the Independent Living Manager is absent
- Concerns over emergency evacuation procedure for disabled residents as no wheelchair or stairlift is provided
- Concerns over accessibility of bin storage area
- Query as to whether it would be easier to contact staff at the council than it is to contact staff at East Kent Housing

### **3.2.7. Longfield Court, Whitstable, 11 November 2019**

This event was staffed by Mike Bailey and Lizzie Norcott and 12 residents attended.

The main issues discussed were:

- Strong support for bringing the service back under direct council control (9 residents)
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Lack of communication from East Kent Housing
- Query as to why East Kent Housing was created
- Concerns over contractor performance

- Query as to whether the same Independent Living Manager would be retained

### **3.2.8. Ellen Court, Littlebourne, 11 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 11 residents attended.

The main issues discussed were:

- Query as to whether residents would notice a difference in service levels if option 2 is agreed
- Query over whether rents would reduce if it costs the council less to deliver the service than it currently costs East Kent Housing
- Concern over whether the council actually deliver a better service than East Kent Housing
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Query on whether staff currently employed by East Kent Housing would transfer to work for Canterbury City Council
- Desire for a greater Independent Living Manager presence in the scheme
- Lack of communication from East Kent Housing
- Lack of action by East Kent Housing on fire safety issues
- What would happen if one or more of the councils wanted to keep East Kent Housing
- Query on health and safety checks being carried out at weekends but tenants not notified
- Concerns over emergency evacuation procedure for disabled residents as no wheelchair or stairlift is provided
- Concerns over building security
- Residents unable to access their electricity meters as they are in a locked cupboard

### **3.2.9. Maple House, Rough Common, 12 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 6 residents attended.

The main issues discussed were:

- Residents being told they are in rent arrears only to subsequently be told East Kent Housing have made a mistake and they are not in arrears
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Residents being given misleading reasons for work not being carried out
- Support bringing the service back under direct council control as the council would be more accountable and provide more a local focus
- Query as to how long it would take to implement option 2 if agreed
- Access problems to the car park caused by an overgrown hedge

### **3.2.10. Whitgift Court, Canterbury, 14 November 2019**

This event was staffed by Mike Bailey and Tasha Love and 19 residents attended.

The main issues discussed were:

- Concern that the council is consulting on its preferred option rather than asking for tenants' views on all four options referred to in the information sheet
- Unhappy with general standard of service provided by East Kent Housing
- Issues with missed bin collections
- Lack of communication from East Kent Housing
- Difficulties contacting the Independent Living team on the number provided when staff are not on site
- Problems with lift maintenance
- Desire for a greater Independent Living Manager presence in the scheme, particularly at weekends
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Query as to how long it would take to implement option 2 if agreed
- Query as to whether the council might look to outsource the service again in the future
- Issues with parking

### **3.2.11. Churchill House, Bridge, 15 November 2019**

This event was staffed by Mike Bailey and Lizzie Norcott and 10 residents attended.

The main issues discussed were:

- Lack of action by East Kent Housing to deal with repairs and maintenance, particularly issues with the communal washing machine, lift and communal boiler
- Lack of communication from East Kent Housing
- Query over why residents of the bungalows adjoining the main building are allowed to use the communal areas of the scheme
- Concerns over contractor performance, particularly window cleaners and grounds maintenance
- Query as to whether Independent Living would be retained or whether the service would be rebranded as Sheltered Housing
- Concerns over building security
- Feeling East Kent Housing ignore Churchill House
- Desire for a greater Independent Living Manager presence in the scheme,
- Query as to how long it would take to implement option 2 if agreed

### **3.2.12. Collard House, Canterbury, 19 November 2019**

This event was staffed by Mike Bailey and Tasha Love and 9 residents attended.

The main issues discussed were:

- Query as to whether the process for existing tenants wishing to submit transfer applications would change
- Query as to what would happen if the majority of tenants wanted to keep East Kent Housing

- Query as to whether rents would increase if the service is brought back under direct council control
- Query as to whether staffing levels would increase if the service is brought back under direct council control
- Query as to how much savings the council could make by bringing the service back under its direct control
- Concerns over the performance of contractors, particularly grounds maintenance
- Lack of action by East Kent Housing to deal with repairs and maintenance, particularly lift maintenance
- Lack of communication from East Kent Housing
- More confidence in the council to deliver a good service
- Issues with the Kent Homechoice system
- Query as to whether Mears would be retained as the repairs contractor
- Happy with the service from Mears, particularly the handyman service

### **3.2.13. Shalmsford Court, Chartham, 28 November 2019**

This event was staffed by Mike Bailey and Jon Crwys-Williams and 8 residents attended.

The main issues discussed were:

- Query as to whether the same Independent Living Manager would be retained
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Parking problems
- Issues with fly tipping
- Support the proposal to bring the service back under direct council control
- Concerns over contractor performance
- Desire to retain and improve the Independent Living Forum if the service is brought back under direct council control

### **4. Contact with the consultation team**

The consultation team dealt with enquiries from 16 Canterbury residents:

- Repairs reported to EKH but not dealt with x7
- Tenant wanting to complete questionnaire over the phone x2
- Unhappy with the general standard of service provided by EKH x2
- Lack of action by EKH on potential tenancy fraud x1
- Request for electronic copies of the consultation documents x1
- NHS CCG wanting to discuss the proposal over the phone x1
- Tenant requesting a home visit to discuss the consultation x1
- Query regarding a tenancy succession issue x1

*NB: Four of these tenants also said they support bringing the service back in house, and one said he would prefer to keep EKH.*



**5. Written submission from Canterbury Housing Advice Centre**

Canterbury Housing Advice Centre sent an email in response to the consultation, in which they made the following comments:

*"Canterbury Housing Advice Centre most strongly supports option 2 which is to close East Kent Housing and create a team at Canterbury City Council to look after Canterbury City Council homes. We would also strongly support keeping all housing services under the direct control of Canterbury City Council and to not contract out any of these services to anybody else".*



## **Future options for managing council housing Analysis of consultation responses**

### **1. Introduction**

Consultation on future options for the management of housing services across East Kent took place between 22 October and 20 December 2019.

All council tenants and leaseholders across the district were sent a letter, information sheet and questionnaire inviting them to give their views, and an online version of the questionnaire was available on the council's website.

Additionally, key stakeholders including district councillors, county councillors, MPs, Citizens Advice Bureaux, Civica, Kent County Council Social Services, Kent Police and the NHS were emailed directly inviting them to respond to the consultation.

### **2. Questionnaire responses**

A total of 731 completed questionnaires have been received. 93 of these were submitted online and 638 paper copies were returned.

In terms of who responded:

- 707 tenants and leaseholders (15% of all tenants and leaseholders)
- 13 other individuals
- 11 respondents did not say in what capacity they were responding

#### **2.1. Level of agreement with the proposal to bring the service back in house**

As shown below, 81% of respondents agree to some extent with the proposal:

	All respondents	Tenants and leaseholders
Strongly agree	62% (445)	62% (433)
Tend to agree	19% (138)	19% (135)
Neither agree nor disagree	12% (84)	12% (82)
Tend to disagree	3% (20)	3% (20)
Strongly disagree	5% (36)	5% (33)

The following comments were made by respondents who agree with the proposal:

- Unhappy with the general standard of service provided by East Kent Housing: 159 comments
- The council would be more responsive in dealing with issues: 153 comments
- Lack of action by East Kent Housing to deal with repair and maintenance issues: 140 comments
- The council ran the service well before East Kent Housing was created: 124 comments
- Lack of communication from East Kent Housing: 91 comments
- Don't trust the contractors to deliver an effective service: 47 comments
- Each of the four councils should have sole responsibility for their own housing stock: 37 comments
- The council would be more accountable than East Kent Housing: 34 comments
- The council would build stronger relationships with tenants: 32 comments
- It would be easier for residents to deal directly with the council: 29 comments
- Bringing the service back under council control would be more cost effective: 26 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 14 comments
- Don't feel that East Kent Housing keep us safe in our homes: 11 comments
- Agree, providing we retain the same Independent Living Manager: 4 comments

Respondents who disagree with the proposal made the following comments:

- East Kent Housing provide a good service: 34 comments
- Don't see the need to change: 8 comments
- Keeping East Kent Housing would mean less work for the council: 3 comments
- Bringing the service back under direct council control would be a waste of money: 2 comments

General comments received regarding the proposal:

- Never had any problems: 24 comments
- No preference on who runs the service as long as it is delivered effectively: 13 comments
- Don't feel able to give an opinion: 5 comments

## 2.2. What the council should focus on for housing services

Respondents were asked what they feel are the three most important things for the council to focus on for housing services. The following responses were received:

Dealing with repairs and maintenance	85% (618)
Dealing with anti-social behaviour	29% (213)
Providing value for money for your rent and service charges	37% (268)
Building new council homes	26% (191)
Estate services	20% (148)

(such as grass cutting, cleaning communal areas etc)	
Dealing with customer enquiries and complaints	35% (253)
Involving and listening to residents	21% (153)
Other: <ul style="list-style-type: none"> <li>• Provide more of a focus on supporting disabled and vulnerable residents x4</li> <li>• All of the above x2</li> <li>• More attention needed on safety inspections x1</li> <li>• Improve parking x1</li> <li>• Retain and improve independent living services x1</li> <li>• No details given x2</li> </ul>	2% (11)

### 2.3. Resident involvement

Tenants and leaseholders were asked if they would like to be more involved in the management of their council homes. 93 tenants and leaseholders said they would, and provided their contact details.

### 2.4. Other comments

The following additional comments were received:

- More should be done to support elderly and disabled tenants: 14 comments
- Concern over the criteria for ensuring properties are suitable for prospective tenants before they are allocated: 5 comments
- Parking problems: 4 comments
- The council needs to build more homes: 3 comments
- Concern leasehold service charges would increase if the council managed the service directly: 1 comment

## 3. Events

### 3.1. Drop-in events

#### 3.1.1. Guildhall, Sandwich, 28 October 2019

This event was staffed by Louise Taylor and Talha Islam and residents from 7 properties attended.

The main issues discussed were:

- Concerns over maintenance issues
- Had problems over rent arrears
- Complaint with efficiency of service
- EKH are not managing ASB
- Strongly agrees to bring the service back to the council
- Leaseholder of a property has arranged his own boiler services for the 15 years he has been there as EKH does not help
- Query over who is in charge of the maintenance on leasehold properties
- Query over how ASB would be managed by the council

### **3.1.2. The Ark, Dover, 9 November 2019**

This event was staffed by Louise Taylor, Talha Islam, Naomi Palmer and Lizzie Norcott and residents from 3 properties attended.

The main issues discussed were:

- Lack of cleaning in external areas
- Complaint over efficiency of service provided by East Kent Housing
- Query if East Kent Housing staff would transfer over to work for Dover District Council
- Health and safety concerns within property

### **3.1.3. Community Trust, Aylesham, 18 November 2019**

This event was staffed by Louise Taylor, Talha Islam and 2 residents attended.

The main issues discussed were:

- Concern over whether tenants will be kept informed of when works will take place.
- Lack of action by East Kent Housing to deal with repairs and maintenance
- Support bringing the service under direct council control
- Query over whether independent living manager will be retained
- Lack of communication from East Kent Housing
- Concerns over contractor performance

### **3.1.4. Betteshanger Sports Club, Deal, 19 November 2019**

This event was staffed by Louise Taylor, Naomi Palmer and Talha Islam and 7 residents attended.

The main issues discussed were:

- Difficulties contacting Dover District Council
- Want to keep East Kent Housing
- Concern if the council do take the service back it will be managed by the same staff responsible for poor performance of East Kent Housing
- Lack of action from East Kent Housing to deal with repairs and maintenance
- Lack of communication from East Kent Housing
- Concern that the council may outsource the service to a housing association
- Lack of resident involvement
- Support bringing the service under direct council control
- Lack of safety inspections from East Kent Housing
- Query what difference it will make back under council control

## **3.2. Question and answer sessions for sheltered housing tenants**

### **3.2.1. Barnesende Court, Sandwich, 23 October 2019**

This event was staffed by Louise Taylor and residents from 13 properties attended.

The main issues discussed were:

- Query on whether they would still have the same Independent Living Manager
- Query on whether their landlord would be a different council
- Query on whether rent would increase
- Query on whether it would be easier to get through on the phone
- Says it is hard to know who is in charge of what

### **3.2.2. Lambert House, Deal, 4 November 2019**

This event was staffed by Louise Taylor and Tasha Love and residents from 15 properties attended.

The only issue discussed was one resident who commented that he was not worried by the proposal.

### **3.2.3. Reece Adams House, Capel-le-Ferne, 20 November 2019**

This event was staffed by Louise Taylor and Lizzie Norcott and 11 residents attended.

The main issues discussed were:

- Lack of repairs and maintenance by East Kent Housing
- Lack of communication from East Kent Housing
- Concerns if contractors will change
- Concerns over not having a community atmosphere within the property
- All residents wanted to keep their independent living manager

### **3.2.4. Sunny Corner, Aycliffe, 25 November 2019**

This event was staffed by Lizzie Norcott and Pat Turley and 9 residents attended.

The main issues discussed were:

- Lack of action to deal with anti-social behaviour from East Kent Housing
- Repairs and maintenance not being dealt with
- No heating within the communal areas and some flats, has been on-going for a few months
- Lack of communication from East Kent Housing.
- Concerns over rent increasing
- Concerns if they will keep their Independent Living Manager

### **3.2.5. Eastry Court, Aylesham 11 December 2019**

This event was staffed by Lizzie Norcott, Naomi Palmer and Talha Islam and 10 residents attended.

The main issues discussed were:

- Lack of action to deal with repairs and maintenance
- Lack of communication from East Kent Housing
- Concern over losing their Independent Living Manager
- Concerns over health and safety, lifelines haven't been working for months.
- Worries over checks of the property, they don't have any senior staff from East Kent Housing or Dover District Council attending the property.

### **3.3. Dover District Tenant Group Meeting, 17 October 2019**

This meeting was arranged by East Kent Housing, and Louise Taylor attended to discuss the consultation with residents.

The main issues discussed were:

- The residents think that EKH are being treated unfairly by the council
- Why had EKH's planned door knocking exercise been cancelled in DDC?  
Explained it would be confusing to do this at the same time as this consultation is taking place
- Why wasn't there an event for Elvington?
- Could residents attend meetings to defend EKH?
- Feel material is biased
- Feel council has taken credit for EKH's hard work
- Asked if material is available in different formats
- Feel that press coverage is biased
- Concerned people would lose their jobs

### **4. Contact with the consultation team**

The consultation team dealt with enquiries from 12 Dover residents:

- Repairs reported to EKH but not dealt with x4
- Leaseholder querying how the proposals would affect her x2
- Lack of communication from EKH x1
- Concerns over P&R performance x1
- Tenant feels she has been unfairly treated by EKH and DDC x1
- Tenant wanting to complete questionnaire over the phone x1
- Query regarding change in gas contractor x1
- Confirming EKH have dealt with repair issue following our team's intervention x1

*NB: Three of these tenants also said they support bringing the service back in house.*



## **Future options for managing council housing Analysis of consultation responses**

### **1. Introduction**

Consultation on future options for the management of housing services across East Kent took place between 22 October and 20 December 2019.

All council tenants and leaseholders across the district were sent a letter, information sheet and questionnaire inviting them to give their views, and an online version of the questionnaire was available on the council's website.

Additionally, key stakeholders including district councillors, county councillors, MPs, Citizens Advice Bureaux, Kent County Council Social Services, Kent Police and the NHS were emailed directly inviting them to respond to the consultation.

### **2. Questionnaire responses**

A total of 602 completed questionnaires were received. 72 of these were submitted online and 530 paper copies were returned.

In terms of who responded:

- 588 tenants and leaseholders (16% of all tenants and leaseholders)
- 4 other individuals
- 1 response from the Shepway Tenants and Leaseholders Board
- 1 response from Age UK Hythe and Lyminge
- 1 shared ownership resident
- 7 respondents did not say in what capacity they were responding

#### **2.1. Level of agreement with the proposal to bring the service back in house**

As shown below, 74% of respondents agree to some extent with the proposal:

	All respondents	Tenants and leaseholders
Strongly agree	54% (323)	54% (316)
Tend to agree	20% (120)	20% (119)
Neither agree nor disagree	13% (76)	13% (75)
Tend to disagree	4% (21)	4% (21)
Strongly disagree	9% (53)	9% (51)



The following comments were made by respondents who agree with the proposal:

- Lack of action by East Kent Housing to deal with repair and maintenance issues: 104 comments
- The council is more local so can deal with issues more quickly: 93 comments
- The council would be more accountable than East Kent Housing: 82 comments
- Unhappy with the general standard of service provided by East Kent Housing: 72 comments
- Lack of communication from East Kent Housing: 53 comments
- The service provided by East Kent Housing has deteriorated in the last few years: 50 comments
- The council ran the service well before East Kent Housing was created: 41 comments
- It would be easier for residents to deal directly with the council: 29 comments
- The council knows its own housing stock: 20 comments
- The council could build stronger relationships with its tenants: 20 comments
- East Kent Housing do not provide us with a dedicated Housing Officer anymore: 18 comments
- Any money saved from bringing the service under direct council control could be used to improve housing services: 11 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 10 comments
- Bringing the service under direct council control would minimise the risk of an alternative provider seeking to make a profit: 9 comments
- Agree, providing a dedicated housing department is created at the council: 3 comments
- Agree, providing our existing Independent Living Manager is retained: 1 comment

Respondents who disagree with the proposal made the following comments:

- East Kent Housing provide a good service: 35 comments
- Concern that neither the council nor East Kent Housing would deliver a good service: 10 comments
- Concern the council would reduce service levels and/or staff if option 2 is implemented: 6 comments
- Concern it would be harder to contact the council than it is to contact East Kent Housing: 4 comments
- Concern the council would not provide front line staff with the support needed to deliver the service effectively: 3 comments
- Concern we would not keep our existing Independent Living Manager: 2 comments
- Concern bringing the service under direct council control would cost more money: 2 comments

General comments received regarding the proposal:

- No preference on who runs the service as long as it is delivered effectively: 17 comments

- Don't feel able to give an opinion as only recently became a tenant: 3 comments
- Don't feel there is any point giving an opinion as they feel it would not be listened to: 3 comments
- The decision should be made by experts: 2 comments
- Concern the council has already decided on its preferred option: 1 comment

## 2.2. What the council should focus on for housing services

Respondents were asked what they feel are the three most important things for the council to focus on for housing services. The following responses were received:

Dealing with repairs and maintenance	79% (473)
Dealing with anti-social behaviour	22% (130)
Providing value for money for your rent and service charges	40% (240)
Building new council homes	24% (142)
Estate services (such as grass cutting, cleaning communal areas etc)	21% (129)
Dealing with customer enquiries and complaints	36% (218)
Involving and listening to residents	24% (142)
Other: <ul style="list-style-type: none"> <li>• Improve dialogue with all residents x3</li> <li>• Maintain reasonable rent charges x1</li> <li>• Improve efficiency x1</li> <li>• Improve consultation with residents x1</li> <li>• Improve dialogue with disabled residents x1</li> <li>• Dealing with communal repairs x1</li> <li>• Listen to East Kent Housing x1</li> <li>• Be more accountable x1</li> </ul>	2% (10)

## 2.3. Resident involvement

Tenants and leaseholders were asked if they would like to be more involved in the management of their council homes. 89 tenants and leaseholders said they would, and provided their contact details.

## 2.4. Other comments

The following additional comments were received:

- The council needs to listen to tenants more: 25 comments
- Estate services need improvement: 22 comments
- Unhappy that East Kent Housing no longer provide rent statements: 10 comments
- The council needs to build more properties: 6 comments
- Problems with parking: 4 comments

- Problems with the way East Kent Housing have calculated leasehold service charges: 3 comments
- Would be happy to pay a higher leasehold service charge if it meant more repairs would be carried out: 2 comments
- Concern over the criteria for allocating properties to residents on the housing register: 1 comment
- Problems with items left in communal areas: 1 comment
- Would oppose the service being outsourced to a housing association: 1 comment

### **3. Events**

#### **3.1. Win Pine House, Hythe, 7 November 2019**

This event was staffed by Adrian Hammond, Sandra Sainsbury and Tasha Love and 21 residents attended. Five councillors also attended.

The main issues discussed were:

- Lack of communication from East Kent Housing
- Lack of action by East Kent Housing to deal with repair and maintenance issues
- Issues with parking bays
- Issues with recycling bins
- Sheltered tenants would like a greater Independent Living Manager presence

Additionally, all but one of the attendees stated their support for the service returning to the council.

#### **3.2. All Souls Church Hall, Cheriton, 9 November 2019**

This event was staffed by Adrian Hammond and Sandra Sainsbury and 11 residents attended. Six councillors and a tenant who is a member of the Shepway Tenant and Leaseholder Board also attended.

The main issues discussed were:

- Lack of parking bay markings at sheltered scheme, worried about vehicles being damaged
- Repairs not carried out even though contractor had visited to measure up
- Wished to downsize but could not get in touch with anyone

#### **3.3. Assembly Rooms, New Romney, 20 November 2019**

This event was staffed by Adrian Hammond, Sandra Sainsbury and Lizzie Norcott and 3 residents attended. Two councillors and a tenant who is a member of the Shepway Tenant and Leaseholder Board also attended.

The main issues discussed were:

- Lack of action by East Kent Housing to deal with repair and maintenance issues
- Concern over issues with contractors
- General lack of a good service from East Kent Housing
- Lack of communication from East Kent Housing
- Need for regular rent statements

### **3.4. Salvation Army, Folkestone, 4 December 2019**

This event was staffed by Adrian Hammond, Sandra Sainsbury and Lizzie Norcott and 5 residents attended. Three councillors also attended.

The main issues discussed were:

- Lack of action by East Kent Housing to deal with repair and maintenance issues
- Support for East Kent Housing
- Lack of communication from East Kent Housing
- Concern of rent increasing

### **3.5. Nailbourne Court, Lyminge**

This event was staffed by Sandra Sainsbury and 8 residents attended. One councillor also attended.

The main issues discussed were:

- Concerned about trees surrounding the building - very overgrown and move about a lot when windy
- Residents keep asking for things to be done, repairs are outstanding for months and when they are carried out, the problem is not always sorted
- Concerns over very elderly residents not receiving a daily call when the Independent Living Manager is on leave

## **4. Contact with the consultation team**

The consultation team dealt with enquiries from 8 Folkestone & Hythe residents:

- Repairs reported to EKH but not dealt with x4
- Tenant's son seeking clarification on how the consultation would affect his mother x1
- Tenant querying how the proposal would affect her x1
- Leaseholder querying whether both leaseholder names are recorded on the system x1
- Leaseholder querying why her deceased husband is still recorded on the system x1

*NB: One of these tenants also said she supports bringing the service back in house.*



## **Future options for managing council housing Analysis of consultation responses**

### **1. Introduction**

Consultation on future options for the management of housing services across East Kent took place between 22 October and 20 December 2019.

All council tenants and leaseholders across the district were sent a letter, information sheet and questionnaire inviting them to give their views, and an online version of the questionnaire was available on the council's website.

Additionally, key stakeholders including district councillors, county councillors, MPs, Citizens Advice Bureaux, Civica, Kent County Council Social Services, Kent Police and the NHS were emailed directly inviting them to respond to the consultation.

### **2. Questionnaire responses**

A total of 427 completed questionnaires were received. 91 of these were submitted online and 336 paper copies were returned.

In terms of who responded:

- 403 tenants and leaseholders (12% of all tenants and leaseholders)
- 17 other individuals
- 1 response from Addington Street Community Group
- 1 response from Newington Community Association
- 1 shared ownership resident
- 1 response from a former tenant
- 3 respondents did not say in what capacity they were responding

#### **2.1. Level of agreement with the proposal to bring the service back in house**

As shown below, 81% of respondents agree to some extent with the proposal:

	All respondents	Tenants and leaseholders
Strongly agree	60% (257)	60% (243)
Tend to agree	21% (91)	22% (88)
Neither agree nor disagree	9% (37)	9% (35)
Tend to disagree	3% (12)	3% (11)

APPENDIX 8: TDC Consultation Response

Strongly disagree	7% (28)	6% (25)
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The following comments were made by respondents who agree with the proposal:

- The council knows its own housing stock: 111 comments
- Lack of communication from East Kent Housing: 100 comments
- The council would be more accountable than East Kent Housing: 80 comments
- Unhappy with the general standard of service provided by East Kent Housing: 72 comments
- Lack of action by East Kent Housing to deal with repair and maintenance issues: 71 comments
- Poor value for money provided by East Kent Housing: 31 comments
- Lack of action by East Kent Housing to deal with anti-social behaviour: 30 comments
- East Kent Housing do not provide us with a dedicated Housing Officer anymore: 9 comments

Respondents who disagree with the proposal made the following comments:

- East Kent Housing provide a good service: 14 comments
- Concern that neither the council nor East Kent Housing would deliver a good service: 12 comments
- The council has not managed contracts effectively: 5 comments
- Concern costs may increase if the service is brought under direct council control: 4 comments
- East Kent Housing and Thanet District Council are both to blame for the recent failings: 4 comments
- Unclear on how things would be run if East Kent Housing no longer existed: 3 comments

General comments received regarding the proposal:

- The decision should be made by experts rather than residents: 5 comments
- Concern over the amount of work involved in bringing the service back under direct council control: 2 comments
- No preference on who runs the service as long as it is delivered effectively: 2 comments
- Don't feel able to give an opinion as only recently became a tenant: 2 comments

**2.2. What the council should focus on for housing services**

Respondents were asked what they feel are the three most important things for the council to focus on for housing services. The following responses were received:

Dealing with repairs and maintenance	77% (328)
Dealing with anti-social behaviour	44% (189)
Providing value for money for your rent and service charges	35% (149)
Building new council homes	24% (103)

Estate services (such as grass cutting, cleaning communal areas etc)	21% (89)
Dealing with customer enquiries and complaints	26% (113)
Involving and listening to residents	20% (85)
Other: <ul style="list-style-type: none"> <li>• No details given x4</li> <li>• All of the above x3</li> <li>• Community cohesion x1</li> <li>• Street cleaning x1</li> <li>• Deal with aids and adaptations more quickly x1</li> <li>• Fire safety x1</li> <li>• Improve leaseholder services x1</li> <li>• Allow tenants to carry out more repairs themselves x1</li> <li>• Provide more support to disabled residents x1</li> <li>• Provide more support to residents with mental health issues x1</li> <li>• More robust action to tackle anti-social behaviour x1</li> <li>• Compliance with health and safety law x1</li> </ul>	4% (17)

### 2.3. Resident involvement

Tenants and leaseholders were asked if they would like to be more involved in the management of their council homes. 81 tenants and leaseholders said they would, and provided their contact details.

### 2.4. Other comments

The following additional comments were received:

- Concerns over the performance of contractors: 40 comments
- Support Option 2 (closing East Kent Housing and bringing the service under direct council control): 36 comments
- Support Option 1 (keeping East Kent Housing and improving the way they work): 21 comments
- The council needs to listen to tenants more: 5 comments
- Would like to be more involved in how properties are managed: 5 comments
- Concern over the criteria for ensuring properties are suitable for prospective tenants before they are allocated: 2 comments
- Opposed to Option 4 (asking an outside organisation to look after homes): 1 comment

## 3. Drop-in events

### 3.1. St John's Community Centre, Margate, 2 November 2019

This event was staffed by Amena Matin, Lyn Forster and Tasha Love and 1 resident attended.

The main issues discussed were:

- Query on how frequently fire precautions are updated

- Query over works not carried out despite leasehold service charge having been paid
- Lack of action by East Kent Housing to deal with repair and maintenance issues
- Lack of communication from East Kent Housing
- Support bringing the service back under direct council control

### **3.2. SureStart Millmead, Margate, 7 November 2019**

One resident attended this event. They reported concerns with East Kent Housing writing to them regarding rent arrears but they were then subsequently unable to make contact with East Kent Housing. They also reported a lack of action by East Kent Housing to deal with repairs and maintenance.

### **3.3. Brunswick Hall, Ramsgate, 13 November 2019**

This event was staffed by Ashley Jackson and 5 residents attended.

The main issues discussed were:

- Lack of action by East Kent Housing to deal with repair and maintenance issues
- Concerns over communal cleaning
- Lack of action by East Kent Housing to deal with anti-social behaviour

### **3.4. Newington Community Centre, Ramsgate, 23 November 2019**

This event was staffed by Bob Porter, Ashley Jackson and Lizzie Norcott and 4 residents attended.

The main issues discussed were:

- Lack of communication from East Kent Housing
- Repairs and maintenance not being done
- Reports of ASB being ignored and not dealt with
- Repairs on community building not being done, left to disrepair

## **4. Contact with the consultation team**

The consultation team dealt with enquiries from 9 Thanet residents:

- Repairs reported to EKH but not dealt with x4
- Tenant querying how the proposal would affect him x3
- Tenant wanting to complete questionnaire over the phone x1
- Leaseholder requesting a replacement consultation pack x1

*NB: One of these tenants also said she supports bringing the service back in house, and one said he would prefer to keep EKH.*



# East Kent Housing Compliance Investigation

Mark Seaborn and Rebecca Glover  
November 2019



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ISO 9001  
Quality Management



ISO 14001  
Environmental Management



OHSAS 18001  
Health and Safety Management



CHAS  
Contractors Health and Safety Scheme accredited



RICS  
Corporate member of the RICS



Gas Safe  
Gas Safe registered



Exor  
Compliance and procurement policies



NAPIT  
Approved contractor



Constructionline  
Registered firm



BAFE  
Provision of Fire Risk Assessments in compliance with BAFE SP205 Part 1



Institute of Fire Engineers  
Affiliate organisation of the Institute of Fire Engineers



Fire Protection Association  
Corporate member



SafeContractor  
SafeContractor accreditation



RISQS  
Asbestos Testing and Consultancy (Special Assessment)



Elmhurst Energy  
Green Deal Approved

## Mission, Vision and Values

Our company brand is an integral part of how and why we do what we do. It is important to us that any ‘new recruits’ share our values and are onboard with these and our sense of purpose for the organisation which are captured in our:



We live our **Values** every day at Pennington Choices Ltd; they serve as a compass for our actions and describe our behaviours.

### We have

#### Integrity

We encourage and inspire others to learn and grow

#### Fun

We respect everyone’s individual differences, values and beliefs. We create an open, positive and inspiring working environment

### We are

#### Ambitious

Our ambition is to be the best at what we do

#### Resilient

We are flexible and proactive to meet objectives

#### Professional

We treat others as we would like to be treated ourselves

#### Responsible

We have a ‘right first time’ culture

#### Collaborative

We collaborate and build lasting relationships

### We

#### “Can do”

We have the right people, doing the right things.

We are passionate about developing new ideas and approaches to meet demand

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## Preface

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Pennington Choices provides property surveying and consultancy services to organisations nationwide. We have a wealth of experience working with more than 150 public and private sector organisations across social housing, NHS, education and rail over the past 18 years. Our breadth of services make us unique and provides a cost and time-effective solution to our clients.

Our advisory, professional and out-sourced services are:

- Housing and finance consultancy
- Recruitment services
- Asbestos - surveying, analysis and management
- Chartered building and quantity surveying
- Stock condition and asset management
- Fire safety and compliance
- Energy - EPCs and sustainability services
- Gas and electrical - auditing, inspection and management
- Professional training and qualifications

We develop lasting professional relationships and partnerships with all our clients. We do this by helping them to meet their strategic objectives by adding real value to organisations and projects. Many of our long term clients are contractors, social housing organisations, local authorities, health and social care organisations, private landlords, homeowners and the education sector.

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## Prepared By Mark Seaborn and Rebecca Glover

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### Version Control

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Version	Date modified	Modified by	Reason for Modification
V1	11/11/2019	MS & RG	
V2	26/11/2019	MS & RG	
V3	5/12/2019	MS & RG	<i>Ammendments following client feedback.</i>
Final	6/12/2019	LW	<i>Final Review</i>

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## 1.0 INTRODUCTION

- 1.1 This report sets out the results of an investigation conducted by ourselves to examine the causes of the events that have led up to the four councils of Thanet, Canterbury, Folkestone and Hythe and Dover being censored by the Regulator for Social Housing (RSH). The Regulator has previously issued regulatory notices concluding a breach of the 'Home' standard part of the consumer standards framework for social housing.
- 1.2 The issues investigated by this report came first to light following service failures in relation to gas safety and the associated contractual withdrawal of the appointed gas maintenance contractor. Thereafter an audit of the wider property health and safety compliance management service delivered by East Kent Housing (EKH) was undertaken by East Kent Audit Partnership (EKAP). We would comment that we found the EKAP audit report to be a high quality piece of work in the context of seeing lots of similar internal audit type reports produced by non-technical expert authors.
- 1.3 This investigation was intended to consider the circumstances leading up to the identified service failures, the main underlying causes, the effectiveness of recovery action plans put in place and recommendations to ensure that similar situations do not recur in the future.
- 1.4 We were aware that the councils are also undertaking a review of the potential future options for the management of their housing stock and are presently consulting on the option of returning the housing service to each of the four councils.
- 1.5 The investigation was undertaken by reviewing a number of documents and documented information sources, interviewing key personnel from EKH, the four councils and some of their service contractors. We also tested data and a sample of records. We are grateful for the support and practical assistance provided, particularly by the staff employed by EKH in conducting this piece of work.
- 1.6 The four councils have ultimate responsibility for ensuring compliance with both statutory health and safety requirements and the RSH Home Standard requirements. However at a practical level EKH are responsible for putting in place the management arrangements needed to effect compliance and are accountable for the level of property health and safety compliance achieved. In some circumstances they may also have a statutory legal obligation as 'managing agent' acting on behalf of the councils.

## 2.0 CURRENT COMPLIANCE POSITION

### 2.1 Discovery

The figures referenced within this report were correct at the time of the site visit, which took place during the week commencing 21 October 2019. Appendix one contains the full details of the data validation undertaken during this time.<sup>1</sup>

#### 2.1.1 Asbestos

EKH have committed to recommissioning a new Asbestos Management Survey (AMS) from its new contractor, to all of its communal blocks which currently have an AMS dated before January 2017. This is because they have identified that the dated surveys completed by previous contractors, are of notably poor quality and cannot be relied upon to provide full assurance of the asbestos risks. The target for completion of this exercise is March 2020, and therefore there are currently 327 blocks to be completed before this time. There are an additional 715 blocks which do not have any survey in place and which need one.

Our asbestos consultants conducted a desk-top review of a sample of management surveys, as detailed in Appendix One, and noted the poor quality of the dated surveys completed by the old contractor. However, the newer surveys, completed by PA Group, also contained a number of weaknesses and it is our view that the councils should ensure that either all, or a sample of AMS's, are quality assured on an ongoing basis by appropriately qualified persons to ensure surveys effectively identify and manage all asbestos risks.

Currently there are 9432 domestic properties without an asbestos management survey, and although it is not a legal requirement to have one in place for these assets, the councils do have an obligation to keep their tenants safe, and therefore should consider a programme of works for completing these to prevent tenant exposure to ACMs.

Council	Asbestos - Communal Blocks				
	Total number of communal assets	Number on asbestos programme	Number of assets on the programme without an AMS	Number not on asbestos programme	Number of AMS's dated before Jan 17
CCC	500	478	365	22	69
DDC	414	297	170	117	100
FHDC	251	147	36	104	94
TDC	266	212	144	54	64
<b>TOTAL</b>	<b>1431</b>	<b>1134</b>	<b>715</b>	<b>297</b>	<b>327</b>

Council	Asbestos - Domestic			
	Total number of domestic assets	Number of assets on the asbestos programme	Number of assets on the programme without an AMS	Number of assets not on the programme
CCC	5459	5459	1939	0
DDC	4772	4768	3497	4
FHDC	3619	3619	1750	0
TDC	3420	3418	2246	2
<b>TOTAL</b>	<b>17270</b>	<b>17264</b>	<b>9432</b>	<b>6</b>

<sup>1</sup>Our work has identified fundamental issues with the quality and reliability of data held by EKH and as such analysis in this report should be read on that basis.



### 2.1.2 Water Hygiene

EKH manage 876 communal blocks which have not been assessed for water hygiene risk, therefore they need to assess all of these blocks, to either remove them from the programme, or to commission a Legionella Risk Assessment (LRA) if one is required. There are also an additional two blocks, which do not currently have an in date LRA in place but that need one.

Council	Water Hygiene - Communal Blocks				
	Total number of communal blocks	Number of blocks on the programme	Number of non-compliant blocks	Number of blocks not on the programme	Number of blocks with an unknown compliance obligation
CCC	500	33	0	179	288
DDC	414	24	1	100	290
FHDC	251	23	0	76	152
TDC	269	22	1	101	146
<b>TOTAL</b>	<b>1434</b>	<b>102</b>	<b>2</b>	<b>456</b>	<b>876</b>

### 2.1.3 Fire Safety

EKH has a Fire Risk Assessment (FRA) for all of their communal blocks which require one, however the FRAs for two of their blocks are not held on Pyramid. EKH were able to evidence these two separate records, however the fire protection assessment evidenced for Windsor House was not dated and did not provide full assurance that the necessary fire safety risks have been mitigated, therefore we would not categorise this block as compliant.

We are confident that EKH has effectively reconciled the main asset list with the assets on the fire safety programme, since when we tested this by requesting evidence for why 20 assets had been removed from the programme, they were able to provide evidence that the block had been visited and that no FRA was required. This evidence log is held within their master FRA block checker.

Council	FRA - Communal Blocks			
	Total number of communal assets	Number of assets on FRA programme	Number of non-compliant assets	Number of assets not on FRA programme
CCC	500	399	1	101
DDC	414	222	0	192
FHDC	251	180	0	71
TDC	266	167	0	99
<b>TOTAL</b>	<b>1431</b>	<b>968</b>	<b>1</b>	<b>463</b>

### 2.1.4 Gas Safety

There are currently nine assets which require a Landlords Gas Safety Record (LGSR), but that do not have an in date record in place, and therefore the contractor needs to complete all of these gas safety checks in order to report 100% compliance.

We tested the reliability of the reconciliation between the master asset list and the assets on the gas safety programme, and EKH were able to explain why each of the ten missing assets were not on the gas programme. EKH confirmed that all properties are inspected annually for Gas, Solid Fuel, Oil and Renewables, and that if there is a gas meter in the property, whether connected to a supply or not, the property is inspected annually. This ensures that any new gas appliances installed in a property since the last inspection are reported to EKH through the annual check. GCS currently hold this data as part of their gas management service. We would also expect EKH to hold an

evidence log to explain how they are assured that the properties which are not on the annual gas safety programme, do not have a gas supply, and do not need to be on the annual programme.

This evidence can be provided from historical knowledge or a site visit, but the information should be held by EKH.

Council	Gas Safety - Domestic & Communal Blocks			
	Total number of assets	Number of assets on gas programme	Number of non-compliant assets	Number of assets not on gas programme
CCC	5959	4533	3	1426
DDC	5186	4039	2	1147
FHDC	3870	2962	0	908
TDC	3686	2757	4	929
<b>TOTAL</b>	<b>18701</b>	<b>14291</b>	<b>9</b>	<b>4410</b>

### 2.1.5 Electrical Safety

There are currently 543 communal blocks which do not have an in date Electrical Installation Condition Report (EICR) in place which can be evidenced, therefore an electrical safety check is required to all of these communal blocks in order to gain 100% compliance.

A number of domestic properties being reported as compliant on the EICR portal, SAM, do not have an EICR which can be evidenced, therefore EKH/the councils need to check all domestic EICR records currently being reported in order to understand where a new condition report needs to be completed.

Notwithstanding the need to check all of the domestic records which are being reported to check they can be evidenced, there are an additional 7966 domestic properties without a current EICR, therefore an electrical safety check needs to be commissioned to all of these properties.

We were not provided with full assurance that the 231 communal blocks and 1432 domestic properties not on the programme had a documented evidence base to explain why they had been removed. We would expect EKH to hold accurate information to evidence why a property is not on the electrical safety programme. EKH has confirmed that only 30% of properties have been inspected, through stock condition surveys, since EKH was created and that a plan to increase this percentage through stock condition surveys has been proposed to each of the councils. However, we would expect immediate action to be taken to confirm that properties not on the electrical safety programme do not have an electrical supply.

Council	EICR - Domestic			
	Total number of domestic assets	Number on electrical programme	Number of non-compliant assets	Number not on electrical programme
CCC	5459	5106	2611	353
DDC	4772	4317	1465	455
FHDC	3619	3404	1771	215
TDC	3420	3011	2119	409
<b>TOTAL</b>	<b>17270</b>	<b>15838</b>	<b>7966</b>	<b>1432</b>

Council	EICR - Communal Blocks			
	Total number of communal blocks	Number on electrical programme	Number of non-compliant blocks	Number not on electrical programme
CCC	500	480	181	20
DDC	414	374	242	40
FHDC	251	142	9	109
TDC	266	204	111	62
<b>TOTAL</b>	<b>1431</b>	<b>1200</b>	<b>543</b>	<b>231</b>

## 2.2 Taking action

### 2.2.1 Fire Safety

#### Outstanding Actions

At the time of the site visit, there were 4767 outstanding actions. There is a catch up programme in place which prioritises these based on both archetype (e.g. sheltered or high rise) and the risk rating of the FRA, which is an approach which ensures that actions are completed based on the assessors recommendation of the overall buildings fire risk. However, there is a risk that an FRA which has an overall risk rating of, for example, substantial, has actions which require immediate attention, however due to the current approach these actions will not be prioritised based on the recommended timescale for completion. This is evidenced in Table One.

Although the current approach is logical, given the number of outstanding actions, we would recommend that Board and Leadership teams are made aware of the significant risk to tenant safety that has arisen as a result of some actions not being completed at the recommended timescales due to the current prioritisation approach. The actions which have not been completed within the recommended timescale are highlighted in red in Table Two.

Many of the actions are considerably in excess of their target completion dates including works which have the highest risk categories. Some of the highest risk actions date back to 2018, representing a significant risk to residents and a fundamental failure in the management system to undertake these remedial actions.

Current compliance reporting does not identify the risk rating of the actions completed each week. However we would recommend that this is included in order to allow EKH and the four councils to track the extent to which actions have been completed in the timescales envisaged by the risk assessor and to provide the organisations with a clear understanding of the progress being made.

A desktop review of a sample of FRAs identified a number of weaknesses with the content and layout of the FRA documents, as detailed in Appendix One. We would therefore suggest that a quality assurance audit is undertaken on either all, or at least a sample of FRAs, to ensure that the documents are fit for purpose and meet the required standards e.g. British Approvals for Fire Equipment (BAFE).

Table 1 - the risk rating and action priority for each outstanding actions.

Risk Rating of the FRA	Action Priority					
	Immediately	1 week	1 month	3 months	6 months	Blank
Intolerable	8	4	1	0	0	0
Moderate	315	588	844	1547	1035	2
Substantial	114	68	55	80	37	0
Tolerable	0	7	1	3	17	0
Trivial	0	0	0	0	5	1
No risk rating	4	2	10	10	8	1

Table 2 - the date at which each action was created.

Date of FRA	Action Priority					
	Immediate	1 Week	1 Month	3 months	6 months	Blank
2018	175	261	494	912	585	1
Jan-19	22	30	101	163	114	
Feb-19	12	9	54	175	184	1
Mar-19	1	3	21	62	48	
Apr-19	21	11	5	20	5	
May-19	12	11	3	7	4	
Jun-19	5	1	7	14	8	
Jul-19	18	37	24	24	5	2
Aug-19	44	17	14	19	3	
Sept-19	40	110	113	168	72	
Oct-19	91	179	75	77	74	

## 2.2.2 Water Hygiene

### Outstanding Actions

There is a total of 1722 outstanding actions, 46% of which are high risk and which must be prioritised. Table 3 positively shows that the majority of the completed works so far have been high risk. However Table 4 highlights that the large majority of the outstanding high risk actions have been outstanding for up to 3 years. EKH and the four councils must recognise the urgency to complete these actions as it is apparent that the associated risks have not previously been recognised and they should be prioritised as a matter of urgency.

A sample of legionella risk assessments, completed by Envirocure, were reviewed by one of our qualified water hygiene consultants who confirmed that the risk assessments are robust, undertaken by LCA registered consultants and provide assurance that all water hygiene risks are identified. The risk assessments contained detailed written control regimes and conformed to the Approved Codes of Practice (ACOP) L8 requirements.

Table 3 - the number of completed and outstanding remedial works separated by risk rating.

Council	High Risk		Medium Risk		Low Risk	
	Completed	Outstanding	Completed	Outstanding	Completed	Outstanding
CCC	32	148	5	131	0	26
DDC	9	266	1	239	0	9
FHDC	49	269	48	313	0	65
TDC	45	111	30	118	0	27
<b>TOTAL</b>	<b>135</b>	<b>794</b>	<b>84</b>	<b>801</b>	<b>0</b>	<b>127</b>

Table 4 - the number of outstanding actions for each council and the date of the LRA from which the action was raised.

Date of LRA	Number of Outstanding High Risk Actions			
	CCC	DDC	FHDC	TDC
No Date	-	-	-	89
2016	-	5	-	-
2017	-	26	26	-
2018	142	235	243	22
Jan-19	-	-	-	-
Feb-19	-	-	-	-
Mar-19	-	-	-	-
Apr-19	6	-	-	-

### 2.2.3 Asbestos

#### Outstanding actions

At the time of the site visit there was just one piece of outstanding remedial work which needed to be completed. However this had already been actioned and passed onto the asbestos contractor for completion.

The four councils currently use the same asbestos contractor, PA Group, for all stages of the asbestos programme (surveying, analysis, completion of follow up works and reinspection). We would usually expect separate contractors to be used across the asbestos programme, as there is a risk that by using the same contractor to both carry out the survey and review their own removal works, asbestos risks could be overlooked.

### 2.2.4 Electrical Safety

#### Outstanding Actions

Since it was not possible to extract the outstanding C2 remedial works from the current system Strategic Asset Management (SAM), we do not have assurance there are no outstanding remedial works. However, since EKH is implementing a new system within a few weeks of the site visit which will have the ability to extract the outstanding works, we are satisfied that this issue will shortly be resolved and will provide Board and leadership teams with full oversight of the remedial works programme. However they must ensure that the remedial works tracker includes the recommended timescale for completion of follow up works in order to provide full oversight of the programme and to ensure actions are completed within the required timescales.

### 2.2.5 Gas Safety

#### Outstanding Actions

At the time of the site visit there were 1578 outstanding actions, and 10 of these had been outstanding since 2017, as shown in Table Five. As detailed in Appendix One, the gas compliance manager was able to explain that these had been completed. However, in order to prevent such issues from arising again, we would recommend that when actions are added into the remedial spreadsheet, that either the recommended time period for completion or the repair type (e.g. immediately dangerous (ID) or at risk (AR)), is included. This will provide EKH and each of the four councils with complete oversight of the repair programme, and prevent any essential repairs from being completed outside of the recommended time period.

We reviewed a sample of the outstanding actions from the spreadsheet and all were identified, by our gas safety consultant as being recommendations rather than essential actions. This provides some assurance that there are currently no outstanding immediately dangerous or at risk actions. However for full assurance we would still expect the repair type to be specified within their monitoring spreadsheet moving forward and for all the outstanding actions to be reviewed to determine and record their priority status.

*Table 5 - the number of outstanding actions and year of the corresponding LGSR.*

Year of LGSR Date	Number of outstanding actions
2017	10
2018	278
2019	1290
<b>Total</b>	<b>1578</b>

## 2.3 Legal exposure

### 2.3.1 Fire Safety

Both EKH and each of the four councils have a legal obligation under the Regulatory Reform (Fire Safety) Order to carry out a fire risk assessment for the purpose of identifying the general fire precautions and other measures in the common parts of premises. As a result, they are potentially in breach of this requirement by having one communal block without an in-date FRA.

They are also required to implement all necessary general fire precautions and any other measures identified by a fire risk assessment, including taking the appropriate steps to resolving the actions which arise from FRAs within a reasonable timescale. The current action plan which has been put into place to resolve the outstanding actions has resulted in some actions not being completed within the timescales stated by the fire risk assessor which is a significant fire risk, particularly for those actions noted as requiring immediate attention. Therefore EKH and the four councils should be aware that they are in breach of the legislative requirements and need an appropriate system in place to deal with these actions.

### 2.3.2 Water Hygiene

Under ACoP L8, EKH and each of the four councils have a duty to carry out a risk assessment to identify and evaluate potential sources of risk from exposure to legionella bacteria by undertaking a legionella risk assessment (LRA). There is also a requirement to regularly review LRAs and make any necessary changes as a result of the review.

They are currently in breach of these requirements since they do not currently have a risk assessment in place for two of their communal blocks. There is also risk that some of the 876 communal blocks which have not been assessed for water hygiene risks are also breaching this requirement, and it is important to understand that the discovery of more non-compliant blocks is an expected outcome of the on-going work to reconcile the main asset list with the water hygiene programme. Likewise, there is a total of 1722 outstanding actions, 794 of which have been identified as high risk and have not been actioned for up to three years. This is a direct breach of the requirement for EKH and each of the four councils to make the necessary changes which arise from LRAs and which should be prioritised as a matter of urgency.

### 2.3.3 Asbestos

In accordance with the Control of Asbestos Regulations 2012 (CAR), EKH and the four councils have a duty to manage all non-domestic premises (e.g. communal blocks, offices etc.) to find out if there



are asbestos containing materials (ACMs) within those premises. Where ACMs are found to be present, they are required to prepare a written asbestos management plan (which should be subject to periodic review) and carry out periodic asbestos reinspections, typically annually. Since there are 715 communal blocks which do not currently have an AMS in place, and 327 older surveys of poor quality which do not adequately identify the asbestos risks, they are in breach of these requirements and are at risk of prosecution by the HSE under the Health and Safety at Work Act 1974. It is also our view, that EKH's Asbestos Management Plan requires improvement as it should set out the exact detailed procedures which will take place as part of the inspection programme of works in the required organisational and regulatory timeframes.

### 2.3.4 Electrical Safety

The Landlord and Tenant Act 1985 requires the electrical installation in a rented property is safe when the tenancy begins and maintained in a safe condition throughout the tenancy. In order to demonstrate compliance with this (and other legislation including the Health and Safety at Work Act 1974, Electricity at Work Regulations 1989 and Housing Act 2004, etc.), the four councils must adopt periodic electrical inspection and testing programmes for all of their properties. Since there are currently 543 communal blocks and 7966 domestic properties which do not have a valid Electrical Inspection Condition Report, they are in breach of the legislation, and are subsequently at risk of a range of sanctions including prosecution by the Health & Safety Executive.

### 2.3.5 Gas Safety

Under the Gas Safety Regulations 1998, the four councils must ensure an annual gas safety check is carried out by a qualified Gas Safe registered engineer, to ensure all gas installation pipework, gas appliances (other than tenants' own appliances) and flues serving those appliances are maintained in a safe condition. As a result of the nine domestic properties which do not currently have an LGSR which meets these requirements, EKH and the four councils are in breach of the legislation and at risk of prosecution by the Health & Safety Executive.

EKH and the four councils are also legally required to complete the Immediately Dangerous (ID) or At Risk (AR) actions which arise from LGSRs in order to ensure that appliances are maintained in a safe condition and therefore there is a risk that they are in breach of these requirements through having 1578 outstanding actions. However this cannot be confirmed since the type of action is not identified within the remedial works spreadsheet.

## 2.4 Policies

### 2.4.1 Gaps

In general, we would recommend all property compliance policies follow the same format, to ensure consistency. We would normally expect to see the following sections within a compliance policy and we would not expect the policy to exceed 15 pages.

- Introduction
- Scope
- Regulatory standards, legislation and codes of practice
- Additional legislation
- Obligations
- Statement of intent
- Compliance risk assessment/ inspection programmes
- Compliance follow-up work
- Record keeping

- Key roles and responsibilities
- Competent persons
- Training
- Performance reporting
- Non-compliance
- Approval

### 2.4.2 Asbestos Safety

The document titled 'Asbestos Management Policy & Procedure' is being used as both the policy document and the Asbestos Management Plan. Although we would usually recommend that, for clarity and ease of understanding, these are separate documents, EKH and the four councils must ensure that in whatever format, it is clear the policy document is also acting as the management plan, since they have a legal obligation to have an asbestos management plan which meets the requirements of the Control of Asbestos Regulations 2012. We would expect an asbestos management plan to include details of the end to end process for each stage of asbestos delivery, and to include a statement around the legal obligation to establish an Asbestos Management Plan to comply specifically with regulation 4 of the Control of Asbestos Regulations 2012, which came into force on 6th April 2012. The current document does not include this.

We would expect the policy to reference that failure to discharge their responsibilities properly could lead to a range of sanctions including prosecution by the Health & Safety Executive under the Health & Safety at Work Act 1974, prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007 and via a serious detriment judgement from the Regulator of Social Housing. We recommend that the policy sets out the full detail of its reporting criteria within Board reporting and also includes the frequency of reporting to the Board (e.g. quarterly) for absolute clarity.

Although the competency requirements of staff involved in asbestos management are outlined within an appendix titled 'Roles and Responsibilities', we would recommend this is included within the main body of the policy for complete clarity.

We would also expect to see statements around internal and external quality auditing regimes for the management of asbestos.

### 2.4.3 Water Hygiene

The water hygiene policy states a commitment to complete a legionella management plan for all communal blocks. However we were notified this is still in draft form and is not currently in place, therefore this should be reflected within the policy.

In addition, we would expect the policy to set out timescales for completion of remedial works to ensure any required actions are completed at a rate relative to the level of risk. The current process, with no set timescales, creates a risk that some high-risk actions could remain outstanding for long time periods.

### 2.4.4 Fire Safety

We would expect the fire safety policy to include reference to the relevant fire safety legislation and codes of practice, as well as state the obligations which these place upon the four councils, to demonstrate they are clear about their compliance obligations. This includes referencing the Regulatory Reform (Fire Safety) Order 2005 (FSO), LACORS - Housing - Fire Safety and the National Fire Chief Council's Guidance (NFCC). The current policy does not include reference to this relevant legislation.



Although the policy sets out what EKH and the four councils intend to do across their fire safety programme, it does not cover the level of detail which we would usually expect. For example, we would expect the policy to cover the process for non-compliance and escalation in particular how issues will be formally reported and who to. This should also acknowledge cases of serious non-compliance that might need to be disclosed to the Regulator of Social Housing in the spirit of co-regulation.

#### 2.4.5 Gas Safety

The gas safety policy clearly sets out the legal obligations which are placed upon EKH and the four councils with regard to their gas safety programme. However we would expect the policy to include reference to all of the relevant legislation and codes of practice, relevant to gas safety, such as the Health and Safety at Work Act 1974, since failure to discharge their responsibilities properly could lead to a range of sanctions including prosecution by the HSE under the Health and Safety at Work Act 1974.

Although the policy states their obligation to attempt to fix all faults identified at the time of the gas safety check, it does not state a clear process for the completion of follow up works which can't be completed during the time of the inspection. We would expect the policy to state a clear procedure for the completion of follow up works, with set timescales for completion.

We would also expect the policy to include reference to a commitment to the frequency and percentage of internal and external third party auditing taking place to all LGSRs. Best practice suggests that third party auditing should review 5% of LGSRs to ensure compliance with the legislation and best practice requirements.

#### 2.4.6 Electrical Safety

There is no standalone electrical safety policy. Rather, EKH covers its electrical safety obligations within a document titled 'Planned Cyclical Maintenance Policy and Procedure Manual'. The level of detail covered within this document is not what we would expect from a standard electrical safety policy and excludes relevant legislation and codes of practice. The limited legislation which is referred to, is out-dated, and by referring to the Electrical Equipment Safety Regulation 1994 rather than the updated version dated 2016, does not provide full assurance that EKH is clear of its obligations or that their review process is robust to ensure that legislative changes are regularly updated within their policy documents.

The policy document does not outline the commitment to delivering follow-up (and close out) of recommended actions, but we would expect the approach to be clearly outlined within the policy, with roles and responsibilities also clearly set out.

In addition, the policy does not cover the escalation process which will take place in cases of non-compliance, and does not cover the frequency of compliance reporting, or the KPIs which will be included in these reports.

#### 2.4.7 Role of the councils

As the landlord, each of the four councils has overarching responsibility for meeting the requirements of legislation and codes of practice, as evidenced within the Regulators 2017-2018 Consumer Regulation Review, which specifies that *"As a landlord, registered providers are responsible for ensuring that tenants are safe in their homes. Contracting out delivery of services does not contract out responsibility to meet the requirements of legislation or standards, and so registered providers need robust systems to give boards assurance of compliance"*. As a result, we would recommend EKH ensure each of the four councils are involved in the policy approval process

to ensure that the policy principles and the approaches undertaken by each compliance team are aligned with each of the council's requirements.

The current policies do not provide assurance that the present review process is robust. The EKH leadership team should set the context for compliance (in respect of the organisation's risk management strategy and approach) by making the strategic decisions for each area of compliance (i.e. obligations, inspection programmes, follow up actions, competencies, KPIs etc.) which should form the policy principles to be approved by each of the four councils and EKH Board. The strategic and cross-cutting nature of these decisions can be missed if led by technical operators at EKH alone particularly where legislation is ambiguous and cost versus risk needs to be considered. We would recommend a robust review process is implemented across all five compliance areas and that this is set out within the policy documents to ensure it is clear who holds responsibility for review and approval, including the board, strategic lead, responsible person and each of the four councils.

## 2.5 Staff matters

Our experience of working with EKH staff was overwhelmingly a positive one. Those individuals we interacted with were clearly engaged in resolving the issues within their relevant service areas to the best of their abilities. They were positive, helpful and largely clear on what needed to be done. Where weaknesses in the recovery process exist, they largely arise due to the relative under-developed competencies of individuals, clarity of planning, the data management tools and historic records available to them and the leadership approach to problem definition and solving that was being applied. The staff we interacted with appeared resilient and motivated to resolve the situation despite the context in which they are working.

There was a recognition of the proposals to return the service to each local authority, but it wasn't a pivotal part of their thinking or an apparent active distraction.

Our conclusion is that where 'good work' is being undertaken it is because of the competence and commitment of the operational staff rather than because of any robust, stable and mature process or system. There is therefore an inherent risk that any loss or demotivation of said staff could have a significant impact on the recovery process and thereafter property health and safety compliance performance.

## 2.6 Auditing

There is no legal requirement to undertake routine auditing of completed compliance activity. It has however been best practice in relation to gas safety at least since the 'Best Value' and Audit Commission inspection era. An increasing, but nonetheless, minority of social housing organisations are now undertaking some level of technical, routine quality assurance auditing activity across all of the main compliance areas.

EKH and/or the four councils are undertaking quality assurance of their gas safety activity, via Gas Contract Services, who provide a monthly PDF report via monthly meetings, although the results of this are not routinely available to either EKH or the local authorities. The purpose of this type of auditing is to test if the activity has been done 'properly' as well as 'has it been done' which tends to be the focus of much of property compliance activity. We would recommend the routine auditing of completed gas safety checks, electrical condition reports, fire risk assessments, asbestos surveys and analytical testing and water hygiene risk assessments. An exception for lifts would be reasonable, reflecting the statutory inspection regime required by law in addition to the routine servicing and maintenance activity which is undertaken.

## 2.7 Lessons from the current approach to recovery

Our work has identified that there remains a material ‘gap’ in what EKH know about the extent of the challenge before them (discovery) as well as the arguably more expected gap in taking remedial action (taking action). There is no prescriptive, detailed, time lined plan in place to close the gaps in compliance. Anecdotally, staff suggested Christmas for completion of the discovery phase. The East Kent Audit Partnership report was published in May 2019. Staff reported to us they were aware of significant gaps in compliance earlier than that (Jan / Feb) and these gaps were communicated to at least some senior leaders within EKH. The first conclusion must be that this has taken far too long. With appropriate ‘will’ there is no reason why discovery could not have been completed in 2-3 months even allowing for the complexity of the EKH model and a comprehensive search for existing records.

The absence of a recovery plan that is both detailed and time lined, and that represents ‘one version of the truth’, is a significant omission. EKH has an action plan in place, but it is too high level to act as either a ‘driver’ of activity or to facilitate progress reporting. There is also a wider ‘improvement plan’ that overlaps with the EKH compliance action plan, as well as an action plan within the East Kent Audit Partnership. In talking to staff it is apparent that at least some of them have their own service specific action plans orientated to tackling their respective ‘discovery’ and ‘taking action’ challenges. The presence of multiple action plans is a source of confusion at worst and duplicated effort at best. The absence of a plan that is appropriately detailed is hindering the collective ability to tackle the backlog of compliance issues as quickly as possible and provide assurance to the governing bodies of the four council’s.

At no stage during our investigative work did anyone articulate a clear ‘goal’ for recovering compliance. The presence of such a clear goal that all parties have signed up to would act as a ‘North Star’ for the team involved with the practical recovery and the wider stakeholder community. Human beings are fundamentally motivated to achieve things. Goal and second-tier objectives help people to understand their role in the whole and provide motivation by achieving objectives or milestones. We would expect this to convey what state of health compliance should attain and by when, with reference to appropriate milestones. Detailed planning would then be set within the context of achieving the agreed goal and second tier objectives and decision making would be enhanced by focusing on problem solving to achieve the goal / objectives.

The current performance reporting regime that is in place is positively unhelpful. It doesn’t provide anyone with information which is informative and likely to facilitate good decision making or action. It consumes considerable resources on the part of EKH staff to produce. Inaccuracy in the data, real or perceived, is a regular source of anxiety on the part of the local authority client officers resulting in both parties consuming another quantity of time in unpicking and resolving the same. Leaders need to be mindful of the propensity for people to focus on ‘what gets measured’, in this case for little or no material benefit. While it might be relevant to a ‘steady state’ service environment, which has arguably is close to achieving, it is not appropriate to the services which are in recovery.

EKH has directed considerable staff resource to the recovery programme, particularly latterly as staff have been recruited as either interims or permanent employees. However, overall resourcing has been slower to become available than we would expect considering the extent of the compliance problems reported in the East Kent Audit Partnership report. Progress would have been enhanced by quicker provision of staff resource to tackle the problems. This staff resource could have come from other functions within EKH, other departments within the council’s or by buying it in.

## 2.8 Next steps

We would suggest that the recovery action, which is well underway and should be nurtured and protected, would be enhanced by:

- One clear, but detailed, recovery action plan with granular milestones focused on ‘discovery’ and ‘taking action’ within each compliance work stream. This should become the focus of progress / performance reporting until each service has reached an agreed level of ‘steady state’.
- Optimising the available resource in terms of both money and people to progress the recovery plan in a timely manner so that a steady state level of compliance is achieved as soon as possible.
- Achieving a system of ‘Assurance’ rather than ‘Reassurance’. This means the team within EKH would be dealing increasingly with factual knowledge, with the ability to evidence and demonstrate reported compliance. Equally the councils and the board of EKH on their behalf would be exhibiting behaviour which is about testing the position at a factual level. This may require some training and/or support to obtain the development of different behaviours and techniques in relation to holding the EKH staff team to account.
- Evaluate property health and safety compliance risks outside of the ‘big 6’. These would include issues such as Radon, playgrounds, lightening conductors, housing health and safety rating system (HHSRS) etc., and will require a thorough property audit to identify, scope, assess and address.
- We were specifically not assured that the management arrangements in place to deliver the programme of fire safety remedial works arising from Fire Risk Assessments will be effective. Questions remain about the approach being taken to undertake detailed passive fire safety surveys (compartmentation and fire doors) and to action what can be expected to be a significant scope of works arising from the same, the actioning of remedial works already identified in the Fire Risk Assessments, procurement of contractor capacity to undertake works, the evidencing and certification of remedial works including the long term storage of these records and the approach to linking the results of routine electrical testing of fire alarms etc., with the fire safety programme. Fire safety remains the most significant immediate risk to the residents and consequentially in terms of corporate risk to the councils. More needs to be done to ensure that a clear strategic plan is in place for identifying and actioning physical works to buildings and that this plan is transparently understood and is capable of being tested with progress being evidenced to provide assurance to stakeholders.

## 3.0 FUNDAMENTAL CAUSES

### Tier 1

We have set out our conclusions in two tiers. Tier one failures are the most fundamental and to a degree have allowed the environment for Tier two failures to exist. Nonetheless, Tier two failures are worthy of specific comment in their own right.

#### 3.1 Purpose

The formal report considered by elected members in 2011 makes reference to achieving a number of ambitions for EKH, namely:

- Delivering excellent customer service - aiming for 3 stars
- Realising greater efficiencies and savings for reinvestment
- Encouraging stronger and more prosperous communities
- Improving procurement capacity
- Providing additional investment for council housing estates
- Ensuring longer term resilience for the councils' individual Housing Revenue Accounts (HRAs)
- Establishing a stronger housing role for the councils
- Developing a stronger role for tenants in shaping housing services
- Improving career opportunities for staff.

In reading the reports provided to members at the time it is hard to get a sense of the collective ambition that existed at the time that would in turn bring to life the above objectives, which could have easily applied to virtually all local authority housing services at the time. The absence of clear, compelling purpose that resonated with housing service staff, addressed the needs of residents and talked directly to the wider housing strategies of the four council's might well have provided a better platform for EKH to work from.

In talking to staff within EKH it is apparent there is a belief that cost savings were and continues to be a major driver and focus for the service. There is a sense amongst staff that 'cost' and process associated with procurement and value for money is the most important thing, providing that there are no demonstrable issues or problems within the housing service. Whether based on fact or not, this perception has been allowed to grow and cement so that it is arguably now a part of the housing service fabric. The absence of a positive and compelling vision which inspires and is relevant to the housing service is in part a reason why this cost focused culture has come to exist. The behaviour of the council client officers and procurement staff in seemingly focusing more on 'value for money' both in terms of actual cost but principally in terms of procurement process than in delivery of the service and reducing service failure risk has been interpreted through the prism of a cost and process focused culture and has acted to re-inforce this belief. In essence 'leadership behaviour' in terms of both act and failure to act, has allowed this belief to impact on the culture of EKH.

#### 3.2 Governance

The Board of EKH should have been the main vehicle through which the four councils effected oversight and executive accountability. Instead the Board seems to have little meaningful role. It is clear from our discussions with some Board members that if the Board were fulfilling the role it should have been, it would not have had the competence to do so. While board appraisal has been carried out, this has seemingly made little difference to the leadership effectiveness of the Board. We suspect the role of the Board from the outset was not understood by any of the parties, including the then senior staff. There is no apparent evidence the role has been defined. More pointedly, if the councils accepted the Board should be the main vehicle to effect oversight and accountability,



the role of the council client officers and their individual 'scrutiny' committee's should have been defined to recognise the primacy of the Board. In practice the council client officers appear to be 'contract managing' EKH while the council scrutiny arrangements appear to be treating EKH as an internal department of the council. As a result, the Board is effectively redundant and there is unnecessary duplication and some level of distraction and confusion caused by EKH having multiple accountability channels (the Board of EKH, the council client officers, the council scrutiny arrangements, the EKH / resident panels and arguably the council chief executives).

If the role of the Board is to effect oversight, executive and organisational accountability then the skills of the Board would need to reflect that. Appointments to the Board should be made in that context. If the councils had concerns about the performance or capability of the Board the more appropriate response would have been to develop that performance or capability, rather than create another way of doing this.

### 3.3 Leadership

Ultimately all problems are solvable assuming there is a will, and leadership is sufficiently effective to do so. None of the issues that have caused or are part of the back story to these events are unusual in the housing sector or otherwise 'difficult' to solve. It is our conclusion that notwithstanding the other Tier 1 causes that we have articulated, ineffective leadership is a significant issue. It is not part of our brief to evaluate the performance of any particular leader and it could be argued that no leader however effective could have overcome the challenges that the housing service faced. Collectively, however, leadership has failed to keep residents safe and the four councils compliant. We would highlight the following specific issues, albeit in the context of the generality of this conclusion:

- Much of the decision making both in the run up to these events and following them, appear to be tactical in nature with a short term focus. There is little evidence of leadership driving a longer-term and more strategic perspective. Where decisions have been made which have a long-term impact, such as the 'single IT system' they appear to have lacked any sound strategic context or objectives which ultimately derive benefits for residents or progress the wider missions of the four councils. While business case documents may well have been produced as part of decision making they have lacked the robustness to ensure that proposals addressed the specific, well understood priorities of EKH and the councils and made material contribution to the achievement of the organisational objectives.
- Problem-solving has lacked depth. In addressing examples of service failure for example around the capital programme or more recently that associated with compliance, leadership has not apparently got to grips with the root causes of issues and worked at an appropriate level to resolve these so that the efforts of frontline staff are more effective.
- Organisational awareness is a key leadership role, which seems to have broken down in this instance such that leaders were slow to understand the issues within the service and to consequently understand the action needed to be taken. Challenge and effective holding to account of both individuals, EKH and the actions of officers within the councils has not been as strong as it needed to be, which has contributed to this lack of organisational awareness. The loss of staff knowledge as a result of the 2017 EKH reorganisation and the risks that this represented in terms of compliance being not apparently understood nor mitigated against, would be a good example of this lack of organisational awareness.
- Taking urgent action has been ineffective. Using the outstanding fire safety remedial works as an example, the need to undertake this work was known many months prior to the issue of the East Kent Audit Partnership report. Much of the remedial work represents a direct threat to the health and safety of residents, yet it has taken circa 12 months to get a contractor appointed and in place despite them being procured via a national, highly credible social housing procurement consortia framework. There is undoubted operational 'fault' on the part of EKH and the councils in terms of the delay in getting this contract

going. However it is a leadership role to ensure that time and mission critical things 'happen'. Residents could quite reasonably see this failure in leadership as unforgiveable considering the seriousness of the safety issues in question and the wider context of the Grenfell tragedy.

### 3.4 EKH as a shared ALMO

EKH is the only shared ALMO in existence. All other ALMO's have a direct 1-on-1 relationship with their parent council. The complexity of EKH working with four separate councils with competing political, strategic and operational perspectives and priorities has undoubtedly proved a major stumbling block. It is factually the case that, on occasions, the councils have not been of one mind and have not had the management arrangements in place to speak in a cohesive way with the sort of seniority which would have made a difference to decision making. The shared nature of EKH is not an insurmountable problem. However there are very few examples of multiple local authorities collaborating successfully to deliver a core local service such as housing. This should have been a concern to the councils at the inception of EKH and at the very least, thought should have been given to how this fundamental challenge would be overcome through appropriate governance structures and leadership. While the risks associated with this are documented in the formal reports considered by elected members in resolving to proceed with EKH, there is no evidence of this issue being actively worked on at a practical level.

EKH was established at a time where the creation of a combined 'East Kent Council' through merger of the four council's looked highly likely. It is foreseeable that this environment made the creation of a shared housing service in the form of EKH appear entirely logical and that the governance arrangements would in turn be simplified by EKH working to one council, the newly created 'East Kent Council'.

ALMOs have differing relationships with their parent councils. The degree of autonomy that each ALMO enjoys varies and for most has changed over time as the model has been shown to work, to drive up standards in service delivery and facilitate investment in the housing stock. EKH operates much more like an outsourced service provider than it does an ALMO and shows signs of being conflicted as a result; between trying to be the trusted partner to the councils while focused on services to residents and driving harmonisation, while in turn trying to respond to the individual needs and requirements of each council. There is no evidence to suggest that EKH have the skills and capability to successfully operate as an outsourced service provider in terms of commercial and contract management and their service delivery operating model.

While originally envisaged, the extent to which the housing services of the four local authorities have been harmonised and integrated inside the vehicle of EKH is limited. This has undoubtedly caused duplication of effort, complexity and scope for misunderstanding and confusion. While we cannot evidence or quantify this, it is also likely that some economies of scale savings have been foregone as a result of this continuing lack of harmonisation within both EKH and the councils.

The scale of the potential risk arising from a failure to create a harmonised service focused around a clear purpose was assessed as part of the business case to establish EKH. However it was not seen as a major concern, a view which with the benefit of hindsight appears somewhat optimistic.

There is ambiguity as to the roles and responsibilities of the councils and EKH. This is a more fundamental issue than simply being associated with the 1-to-4 relationship of EKH and the councils. However, the presence of four councils has amplified this. For most ALMOs, having both clarity and a mature, trust based approach on roles and responsibilities over issues such as procurement, contracting and associated decision making, asset management strategy and compliance management, can be an early and sometimes problematic challenge. These challenges continue to exist for EKH and are a constant source of conflict between the parties and ultimately service

failure. While the management agreement sets out the split of responsibilities, little has been done subsequent to this to make this a real world reality. Staff within EKH and the councils have levels of ambiguity as to roles and responsibilities, there are differences in actual behaviour between the councils in this respect and there are examples of behaviours from staff which arguably conflict with the ‘accepted’ position on the roles of the parties.

### 3.5 Relationships

The relationship between the parties is dysfunctional. This has hindered the collective effort to both prevent the recent compliance issues from arising and in responding to them.

The four councils have reasonable relationships but they also disagree on some issues, have made decisions which have not been mutually supportive on occasions and clearly have their own local political contexts and organisational priorities. As a ‘four’ they do not speak with one voice in relation to EKH. The presence of four separate ‘council client officers’ makes this more of an issue. Each brings their unique, individual perspective as to their role and undoubtedly each interacts with and asks for different things from EKH.

The relationship between the councils and EKH is poor. Trust is in short supply. There is an absence of a clear sense of ambition or goal for the service that all parties are committed to. Interactions between the parties are not driving change and positive outcomes for residents in the way in which all involved would undoubtedly want.

We have not specifically tested ‘culture’ within EKH. However the perception of the EKH culture is that ‘blame’ is a significant aspect and that consequently people avoid taking responsibility particularly around making decisions. Despite this we found good examples where staff engaged with recovering the compliance position appear aware of the wider culture but are choosing to behave differently, using their best endeavours to make a difference.

The four councils and EKH should be working as one, albeit large, team to deliver the required service outcomes for residents and further the council’s wider strategic missions (all of which should be set out in an agreed ‘Vision’ for the service). As a team the parties are not being effective. We would refer to the “5 Dysfunctions of a Team” model by Lencioni as a way of understanding the nature and extent of the issues in this respect, which we have set out below:





## Tier 2

In this next section we have commented on issues which are mostly practical in nature which have had a significant impact on the service, over a prolonged period of time. They are secondary to the fundamental issues (Tier 1) which we have set out below but are nonetheless significant and are worthy of specific comment against on that basis.

### 3.6 Data

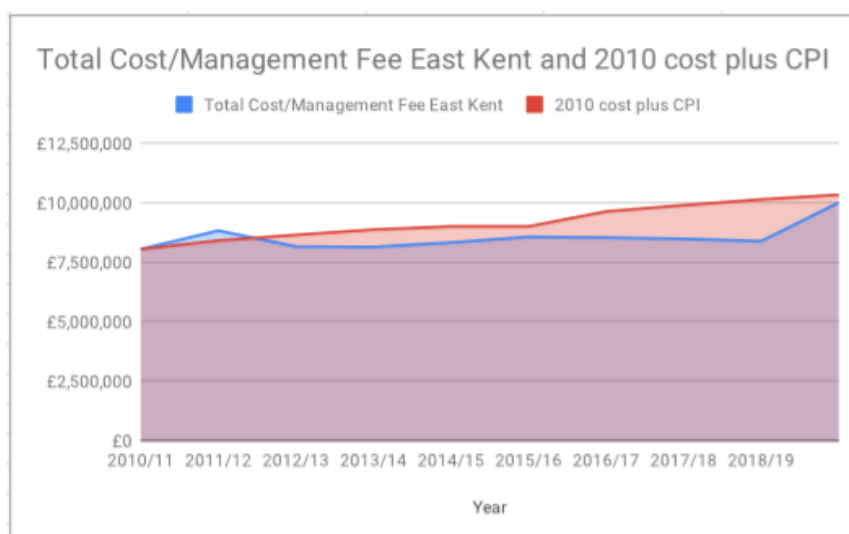
The data held by EKH is not in a state of health that would reflect a robust, mature organisation that has a solid grasp of what is needed to deliver services. We believe this to be a longstanding issue and would appear, at least in some instances, to track back to the quality of data originally handed over by the councils at the inception of EKH. The data held by EKH in relation to compliance had, and still does have, significant gaps, albeit these are being closed by EKH. We understand that stock condition data is also limited with a sample survey of circa 30% having been completed relatively recently.

The records held by EKH is in a corresponding limited position. Anecdotally we were advised of records being discarded during the process of reorganisation, that other records such as survey reports either cannot be found (electrical inspections) or are of such limited usefulness as to be unreliable (asbestos communal management surveys).

The data and record management capability of EKH is very limited. Spreadsheets are being widely used to record data and manage compliance. This is an approach which is highly risky and vulnerable to service failure. The system used to hold stock condition is limited in functionality. EKH rely on contractors to hold records and data for key areas of compliance activity which represents a practical limitation on service delivery and also a significant risk in terms of both compliance management and service delivery. We understand that Northgate does not have the capability to deliver this task.

### 3.7 Funding

The use of EKH as the delivery vehicle for the housing service has saved the councils a material amount of money over the lifetime of the arrangement, albeit with areas of significant service failure existing. Initial costs were reduced as part of moving into the ALMO and then costs have not had inflationary increases until fairly recently such that a real term saving to the councils has arisen. The extent of this is shown below:



The management costs of EKH are low in comparison to peers.

We cannot conclude that there is a cause and effect relationship between the relatively low cost of the EKH management service and the service outcomes that have been experienced. However it is something the parties will want to consider in the context of making decisions about the future delivery arrangements for the service. More significant is the way in which the level of funding has played out within the culture of EKH. It has arguably been one of the issues which has helped to cement the ‘belief’ within EKH that the focus for the service from the councils has been about cost saving. The interests of the parties would have been better served by adopting a strategic review and zero based budgeting approach to resetting the resources needed by EKH to deliver the councils’ ambitions for the housing service rather than the somewhat piecemeal approach which has played out more recently.

### **3.8 Procurement**

The successful procurement of appropriate suppliers has been a cause of delay and service failure. This has manifested itself within compliance but elsewhere within the range of services provided by EKH as well. The causes of this are many. Neither the councils or EKH are without fault in this context, some of which is accepted by the party concerned, some of which is not, nor rather is it being seen as being caused by the other parties’ failure. The collective failure to get successful contracts / suppliers in place in a timely manner is an undisputable fact and has directly led to some of the compliance issues which the councils have been censored for by the regulator. There has been considerable effort and resources deployed to solve this problem. Some of this has given a level of improvement, but arguably not enough to allow to meet the collective needs of the parties. Procurement as an issue has been known about for some time and was held out as a reason for why weaknesses in capital programme delivery and associated contract management existed. Procurement itself is not an intrinsically difficult thing. Failure to solve this problem is therefore a symptom of more fundamental problems, which we have already commented on.

### **3.9 Recruitment challenges**

We are advised that EKH struggle to recruit staff, particularly good quality property related people. This is not a problem that is unique to the east Kent area, but we recognise the specific challenges that would appear to exist. Solving this problem should have been a strategic priority for EKH, either through improving the attractiveness of EKH as an employer, re-thinking its recruitment processes or examining alternative service delivery options. EKH are aware of the need to address this challenge and it is included within organisational planning. However there is no evidence of the sort of problem analysis and creative thinking that might have provided a meaningful solution to this this.

## 4.0 SPECIFIC ISSUES

During the course of our work we identified a number of issues which are worthy of commenting on, but which are not 'causes' of the service failure within compliance. We have done so below.

### 4.1 Issue 1 - The failure of the P&R gas contract

Our perception is that this was largely seen as a 'poor contractor' issue and that the compliance issues that arose as a result were in essence caused by the contractor failing. With the benefit of hindsight it is clear that it wasn't just a contractor issue and that many of the issues already commented on in our report were also a factor. The failure to properly understand the issues which were the responsibility of EKH such as data, data management and records, missed an opportunity to understand the wider compliance issues in existence.

### 4.2 Issue 2 - The HQN report

This work was commissioned by EKH in response to the failure of the P&R contract. The councils dispute some of the content which presents itself to the reader as 'fact'. The HQN report asserts conclusions on questions set by the brief issued by EKH about the councils. In the absence of having met with or sought specific input from the councils, the HQN conclusions are not credible in relation to these specific aspects. As a result the report itself has had very limited impact in terms of learning, at least on the part of the councils.

The report itself is largely a record of events with some analysis of the reasons for decisions particularly where they resulted in delay. It suggests to the reader that generally EKH acted in a timely and appropriate manner and that the causes of the compliance issues were due to the failure of P&R. We now know that there were wider issues that related directly to gas and to the wider property compliance service. The report would have had more impact and consequentially greater learning capability had it recognised the inherent risks associated with the systems and processes being used by EKH to manage compliance and the wider organisational relationship issues which were at the root cause of the operational problems.

The councils have subsequently questioned whether EKH were appropriately candid about the gas compliance position and the timelines of doing so. An analysis of this could have helped the parties to identify and tackle some of the relationship issues which have consequentially held them back in tackling the wider compliance issues.

### 4.3 Issue 3 - The performance track record of EKH

This is reported as being 'good'. Costs are low and routine operational housing management performance is good in comparison to peers as assessed through House mark benchmarking.

There is some unease within individuals as to whether this performance reporting can be relied upon. This is a problem, both practically and by virtue of the impact it has on the relationship between the parties. If there was concern about the integrity of the performance information it should have been subject to forensic audit and testing to discover what, if any, weaknesses existed. Leaders cannot make sound decisions without reliable information. There has to be 'one version of the truth'.

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Had performance data been subject to detailed test, it should have given one of two possible outcomes:

- The discovery of material deficiencies in the data management process that in turn might have led to the discovery of the undoubted data and record issues which have impacted negatively on the compliance service. Leaders could have then addressed the same earlier.
- Acceptance of the performance management information, which should have led to consideration as to why EKH was 'good' in some areas of activity but clearly struggling in others. This might have given leaders an earlier opportunity to identify some of the conclusions of our work and to take action.

## 5.0 CONCLUSIONS

The fundamental reasons for the failure in the property health and safety compliance service managed by EKH can be summarised as:

- The nature of EKH as a shared ALMO, working for four councils with their own differences and priorities.
- The lack of a clear, inspirational and relevant purpose for EKH that in turn directed the efforts and decision making of the organisation and its interaction with the four councils.
- Ineffective Governance.
- Ineffective leadership.
- A dysfunctional relationship between EKH and the councils.

None of the above are technical or operational matters. As ‘problems’ they all belong with the governing bodies and leadership teams of EKH and the councils to resolve.

A significant practical cause was the substantial weaknesses in data, data management including IT capability and record keeping. Levels of resourcing available to EKH may have been a factor. The presence of a ‘cost saving’ culture was also a factor.

We are aware that the councils are respectively consulting on the future management arrangements for their housing service. It is hard to conclude anything other than that the current EKH model is fundamentally broken. To retain the present arrangement would require a very substantial renewal of the model, the purpose of EKH, the relationship between EKH and the councils and ultimately the governance and leadership capability, principally within EKH.

# Appendix 1

Water Hygiene		
Key Line of Enquiry	Findings	Conclusions
<p>1.1 Does the organisation have a clear understanding of the assets on the compliance programme? Can they evidence why assets aren't on the compliance programme?</p>	<p>We compared the full asset list with the communal blocks on the water hygiene compliance tracker, and identified two blocks which were not accounted for on the water hygiene programme. The compliance manager was able to evidence that both of these properties were new build schemes and that they would be added onto the compliance tracker during the following week when an asset list reconciliation would be completed. This process takes place regularly and ensures that the full asset list aligns with the water hygiene programme.</p> <p>EKH are currently undertaking a gap analysis to identify which communal blocks need to be included on the water hygiene programme. This has been completed for all councils, apart from Dover, whereby they are currently in the process of visiting each communal block to identify whether there is a water system at the property which requires it to be included on the compliance programme.</p> <p>We requested evidence to show why 12 communal blocks had been removed from the water hygiene programme to test the reliability of the gap analysis which had been completed. 10 of the 12 blocks could be evidenced whilst on site, whilst one of the remaining properties could only be evidenced by a hard copy Health and Safety document which was not available at the time of the audit. For the remaining block, 17-34 Starle Close, evidence could only be provided for flats 17-28 in the block.</p>	<p>We were satisfied that the new excel spreadsheet which is being used as the water hygiene compliance tracker is fit for purpose and allows EKH to effectively manage and oversee the legionella risk assessment programme. The tracker includes all communal blocks which EKH have a responsibility for and there is a regular process for updating the water hygiene tracker with the main asset list for new acquisitions or property disposals.</p> <p>There is reasonable assurance that EKH can evidence why assets aren't on the compliance programme, with the exception of 17-34 Starle Close. We would recommend that a standard process and evidence trail is maintained across the stock, to allow easy access to an evidence trail for future reference.</p>

<p>1.2 Is what is being reported tested and accepted? Is the data source reliable?</p>	<p>An additional gap analysis is currently being completed, to identify whether there is a risk assessment in place for each communal block. All communal blocks are being reported as non-compliant until an LRA can be evidenced. This is in line with what we would expect.</p> <p>We requested evidence of 20 LRAs to validate that what is currently being reported is reliable. Out of the 20 requested LRAs, 17 in date LRAs could be evidenced. There were three issues for the remaining properties:</p> <ul style="list-style-type: none"> <li>• The LRA evidenced for 4-15 Dour Street, only covered flats 4-9.</li> <li>• The LRA evidenced for Walmsley House, Princess Street, contained 117 actions, however only 116 actions were included within the remedial actions tracker.</li> <li>• Only an out of date LRA could be evidenced for 22 Old Dover Road, despite a more recently dated survey being reported in the tracker. Upon investigation it was identified that this property was void, boarded up and currently ‘off contract’ meaning that the LRA was on hold until a decision on the property had been made. The more recent date had been incorrectly entered into the spreadsheet.</li> </ul>	<p>The data validation provided reasonable assurance that what is being reported is accurate and up to date.</p> <p>EKH may want to improve the process currently in place to transfer actions from the risk assessment to the excel tracker spreadsheet, since this is currently a manual process and is therefore subject to human error, as evidenced from the validation exercise.</p> <p>However, based on the validation of the 20 LRAs, we were satisfied that there is reasonable assurance that the new excel tracker being used to report compliance is fit for purpose, and can be relied upon to report the compliance position. In the longer term, EKH and the four councils could consider using software which will automatically report risk assessment dates, to prevent the risk of human error in compliance reporting.</p>
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<p>1.3 Are remedial works being addressed?</p>	<p>All remedial works from risk assessments are manually transferred from the contractors online portal onto the excel tracker spreadsheet by the water hygiene compliance manager, which creates a significant risk of human error.</p> <p>Each action is given a risk rating of either high, medium or low, however none of these works are given a timescale for completion. We would usually expect the water hygiene policy or management plan to identify a set timescale for completion of required works to ensure that the actions are completed within a reasonable timescale, relative to the level of risk.</p> <p>The following observations were noted from the water hygiene compliance tracker:</p> <p><b>CCC:</b> At the time of the site visit there were 142 high risk remedial works which had been identified over a year ago and which had not been completed. 104 of these had not had the required works ordered, with the oldest dated 19/2/2018.</p> <p><b>DDC:</b> There were 266 outstanding high risk remedial works dated over a year ago, with the oldest dated 23/09/2016.</p> <p><b>FHDC:</b> There were 269 high risk remedial works dated over a year ago. 233 of these had not had the required remedial works ordered, with the oldest dated 17/11/2017.</p> <p><b>TDC:</b> There were 111 high risk remedial works dated over a year ago. 91 of these not had the required remedial works ordered, with oldest dated 18/06/2018.</p>	<p>There is risk of human error when the actions from LRAs are transferred from the contractor’s portal onto the excel spreadsheet. These spreadsheets are effective as an interim measure, however EKH may want to consider moving away from this manual process in the longer term.</p> <p>In our view, the current process for managing remedial works requires some improvement to ensure that all works are completed within a reasonable timescale relative to the level of risk. The four councils may want to consider setting timescales for completion of required works dependant on risk rating to ensure that the works do not remain outstanding for long periods of time.</p>
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<p>1.4 Are the legionella risk assessments fit for purpose?</p>	<p>A sample of legionella risk assessments were reviewed by one of our qualified water hygiene consultants who confirmed that the risk assessments are robust, undertaken by LCA registered consultants, and provide assurance that all water hygiene risks are identified. The risk assessments contained detailed written control regimes and conformed to the ACOP L8 requirements.</p>	<p>We are satisfied that the LRAs are fit for purpose and provide assurance that all risks are being appropriately identified and managed.</p>
<p>1.5 Is the water hygiene policy document fit for purpose?</p>	<p>A review of the water hygiene policy identified several weaknesses:</p> <ul style="list-style-type: none"> <li>• Desktop risk assessment reviews are not being undertaken, despite the water hygiene policy stating that they will undertake desktop risk assessments to all communal blocks before an on-site risk assessment is completed.</li> <li>• The policy does not set out timescales for completion of remedial works which arise from legionella risk assessments, creating a risk of actions remaining outstanding for long periods of time.</li> <li>• The policy states a commitment to complete a legionella management plan for all communal blocks, however this is only in draft form and is currently being produced with the help of an external consultant. The policy document should reflect that this is still in the process of production, and then amended once it is in place.</li> </ul>	<p>The policy document requires improvement because although it sets out what EKH and the four councils intend to implement moving forward, it is not an accurate reflection of what is currently taking place. We would therefore recommend that this policy is reviewed, with the involvement of all key staff involved in the water hygiene process, to ensure that it accurately reflects what is taking place in practice.</p>

Electrical Safety		
Key Line of Enquiry	Findings	Conclusions
2.1 Does the organisation have a clear understanding of the assets on the compliance programme? Can they evidence why assets aren't on the compliance programme?	<p>EKH are currently undertaking a gap analysis to identify which properties they hold an EICR for which can be evidenced. Those properties which do not currently have an EICR, or where the EICR is missing, are then added onto the catch up programme to ensure that a valid EICR is put into place.</p> <p>EKH have started this process with the communal blocks currently on the programme, and were able to provide a full list of all of the communal blocks which they currently hold an EICR for, as well as those which they do not.</p> <p>A second gap analysis is currently being undertaken to reconcile the master asset list with the electrical safety programme, in order to provide assurance that the assets that need to be on the programme are. At the time of the site visit, all communal blocks for Thanet District Council had been visited, and any without an electrical supply have been removed from the programme, although documented evidence of this cannot be provided. For the remaining blocks this exercise has not been completed, and there is a forward plan to visit each of the blocks not on the programme to confirm that there is no electrical supply.</p>	<p>EKH and the four councils do not have full assurance that all assets which need to be on the programme are included, however we were satisfied that they have a clear plan in place to address this. We would recommend that when assets are removed from the electrical safety programme, documentary evidence is retained to ensure that they understand and can evidence why they have been removed.</p> <p>EKH also made us aware of the proposed plan to complete stock condition surveys on all of their stock, as this would provide an evidence base for assets not on the electrical safety programme.</p>
2.2 Is what is being reported tested and accepted? Is the data source reliable?	<p>We requested a copy of the EICRs for 20 communal blocks to validate what is being reported in their compliance tracker. This highlighted the following issue with one of the blocks:</p> <ul style="list-style-type: none"> <li>1-12 Woodville Close - the EICR for this block had a front cover date of 15/11/18, but had a date of</li> </ul>	<p>The EICR validation provided assurance that the current catch up programme and gap analysis to identify which communal blocks EKH hold an EICR for has been undertaken effectively.</p>

	<p>completion and date of review of 18/11/2016. The later date is the date which is currently being reported in the tracker, creating a potential risk that the property will not get re-inspected until 2 years after it needs to be.</p> <p>Of the 40 requested domestic EICRs, the following issues were identified:</p> <ul style="list-style-type: none"> <li>• 53 Artillery Gardens - no EICR could not be evidenced, however the property was being reported as compliant.</li> <li>• Six domestic assets did not have an EICR which could be evidenced because EKH noted issues with getting hold of the records from their contractor, MEARs. EKH are in the process of transferring the certification held by their contractor onto their own systems, however since this has not yet been completed, and that some of the records held solely by their contractor cannot be accessed, we cannot validate that what they are reporting is correct.</li> </ul>	<p>However, the issue identified with the EICR for 1-12 Woodville Close, suggests that there may be a QA issue for the EICR reports. EKH and the four councils should ensure that there is a substantial audit process in place to prevent errors such as this, and that this is set out within their policy.</p> <p>The data validation of domestic assets, did not provide full assurance that what is being reported is correct. However since EKH are addressing the identified issues, by moving all of their records onto their own systems from the contractors portal, and completing a gap analysis, to identify which records they are able to evidence, we are satisfied that the issues will be mitigated once these tasks have been completed.</p>
<p>2.3 Is compliance being reported accurately?</p>	<p>The four councils have recently changed their electrical inspection approach, and are now completing inspections on a 5 year cycle for both domestic and non-domestic properties. We identified that any domestic property which had their EICR issued during the original 10 year re-inspection cycle, are still being reported as compliant under the original 10 year certificate end date. Although legally, these properties are compliant, they are not compliant with the new 5 year approach.</p>	<p>It is our view that current compliance reporting creates some confusion and does not provide the Board with complete clarity on the current compliance position of the stock, as it may appear that all properties being reported as compliant are compliant with the new 5 year inspection cycle.</p> <p>We would recommend that the organisation reports compliance separately based on both the 5 and 10 year inspection period. This will allow a clear understanding of which properties</p>

		<p>are compliant with the new 5 year reinspection cycle, but also which properties are legally compliant with the original 10 year reinspection cycle.</p>
<p>2.4 Are remedial works being addressed?</p>	<p>All C2s which are not completed on site, are extracted directly from the EICR by the compliance manager at EKH, and the works sent out to a contractor once approved. There is no way of extracting the outstanding C2s from the current system, (SAM), which creates risk that EKH and the four councils do not have complete oversight of the remedial works programme, and therefore C2s could remain outstanding for a period of time.</p>	<p>The current approach to addressing C2 remedial works has some weaknesses, because EKH and the four councils do not have complete oversight of the remedial works programme as they cannot extract all of the outstanding works. However, since EKH have a new system, which is due to be implemented within the next few weeks, and which has the ability to extract all of the outstanding remedial works, we are satisfied that this issue will shortly be resolved.</p>
<p>2.5 Is the electrical safety policy document fit for purpose?</p>	<p>There is no standalone electrical safety policy, and rather the information we would usually expect to be included within an electrical safety policy, is held within a document titled 'Planned Cyclical Maintenance Policy and Procedure Manual'. This policy lacks the required detail we would usually expect from an electrical safety policy and excludes relevant legislation and codes of practice.</p> <p>The following issues were identified from the current policy:</p> <ul style="list-style-type: none"> <li>• There is no clear approval process for review.</li> <li>• The policy does not set out the electrical inspection programme and does not detail the obligations which are placed upon EKH and the four councils in relation to electrical safety.</li> <li>• The policy references Shepway District Council which changed its name to Folkestone and Hythe on</li> </ul>	<p>It is our view that the current policy is not fit for purpose and that the process of policy review requires improvement to ensure that EKH and the four councils are clear of their obligations in relation to electrical safety. The review process should involve all relevant members of the electrical safety team and the policy should be approved by the Board and Leadership Teams.</p> <p>We would recommend that the electrical safety policy document is rewritten into a standalone document which covers the following areas:</p> <ul style="list-style-type: none"> <li>• Regulatory standards, legislation and codes of practice</li> <li>• Obligations</li> </ul>

	<p>1st April 2018, suggesting that the policy has not been thoroughly reviewed since before this time.</p> <ul style="list-style-type: none"><li>• The policy also refers to outdated legislation which suggests that the review process requires further improvement to ensure that they are clear of the obligations placed upon them in regards to electrical safety.</li></ul>	<ul style="list-style-type: none"><li>• Compliance Inspection Programme</li><li>• Compliance follow up work</li><li>• Record Keeping</li><li>• Key roles and responsibilities</li><li>• Training</li><li>• Performance Reporting</li><li>• Non-compliance/escalation process.</li><li>• Approval</li></ul>
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Asbestos Safety		
Key Line of Enquiry	Findings	Conclusions
3.1 Does the organisation have a clear understanding of the assets on the compliance programme? Can they evidence why assets aren't on the compliance programme?	<p>Compliance is currently being reported through an Excel Spreadsheet tracker, which contains a list of all of the assets which the four councils manage. We compared this list to the master asset list and found that all assets were accounted for.</p> <p>EKH are currently undertaking a gap analysis to identify which communal blocks need to be on the asbestos management programme. We were advised that all Communal Blocks for Thanet District Council have been visited and those without communal spaces have been removed from the programme. The remaining three councils are in the process of completing this.</p>	<p>We were satisfied that the current excel spreadsheet which is being used to manage the asbestos management programme is fit for purpose.</p> <p>The gap analysis, which is currently in the process of completion, will provide EKH and the four councils with an understanding of which assets are not on the asbestos programme. We would recommend that an evidence base is kept to explain why assets are removed from the programme.</p>
3.2 Is what is being reported tested and accepted? Is the data source reliable?	<p>EKH and the four councils do not currently have a clear understanding of which domestic properties have an asbestos management survey in place. A gap analysis is being completed to confirm the properties where a survey cannot be evidenced, and these properties are being put onto a catch up programme, whereby an asbestos management survey is commissioned at the time of an R&amp;D survey.</p> <p>The councils have not formally committed to completing an Asbestos Management Survey to their domestic stock, at the time of void repairs, day to day repairs, or planned maintenance works, as legally required. This approach should be clearly be outlined within their asbestos policy.</p> <p>We requested evidence of 40 communal block records to check that what was being reported in their excel tracker</p>	<p>We are satisfied that EKH have a clear plan in place to identify which domestic properties they do not hold an asbestos management survey for. However, we would expect the formal commitment to complete a survey on all domestic stock at the time of void repairs, day to day repairs or planned works to be outlined within their policy to show that EKH and the four councils are clear of their legal obligations.</p> <p>We are satisfied that the excel spreadsheets being used to manage the communal asbestos programme are fit for purpose, and that the information contained within these sheets is reliable</p>



	<p>spreadsheet was correct. This identified that all 40 blocks were being correctly reported, and could be evidenced.</p>	<p>and a reflection of the current compliance position.</p>
<p>3.3 Can compliance reporting be relied upon?</p>	<p>We identified that compliance is being reported based on the number of properties which have an asbestos management survey in place, regardless of quality or age. Although the councils have committed to recommissioning a new asbestos survey for all communal blocks, because they are aware of the poor quality of older surveys, the current compliance reporting method, includes all of these poorer quality surveys.</p> <p>Additionally, the councils have committed to recommissioning an asbestos management survey to all communal blocks by March 2020. We tested this process by requesting the asbestos management survey for a sample of 20 communal blocks which had been reported as having a new survey in place and all new surveys could be evidenced.</p>	<p>The current approach to compliance reporting requires improvement, because it is evident that the assets being reported as compliant include older surveys regardless of their quality or content, and those which are dated before the 6th April 2012, before the new CAR 2012 legislation was introduced. Although some of these surveys are legally compliant, we would recommend that the compliance reports clearly state that blocks with dated and poor quality surveys are being included within the compliance figures.</p> <p>We are satisfied that EKH and the four councils are making good progress with commissioning new asbestos management surveys for all communal blocks and are therefore on track to gaining full assurance.</p>
<p>3.4 Are the asbestos management surveys fit for purpose?</p>	<p>An asbestos management survey from the council's old contractor, was reviewed by one of our qualified asbestos consultants, who identified that the overall quality of the survey was poor, and had been conducted by a non-UKAS accredited company. The review also identified the following issues:</p> <ul style="list-style-type: none"> <li>• The report should detail exactly which areas of the building were inspected, however the report was very vague as it only stated that 'solid walls, ceilings and floors' would be inspected.</li> </ul>	<p>The council's older asbestos management surveys are of particularly poor quality, however they are aware of this and have therefore recommissioned new surveys to be completed for all of their stock.</p> <p>It is our view that there are some weaknesses in the asbestos management surveys completed by their new contractor, which does not provide full assurance that all asbestos risks are being</p>



	<ul style="list-style-type: none"> <li>Based on the front cover image, there were several areas which were not assessed and which should have been included within the survey, such as the infill panels around the front door.</li> <li>The report did not detail exactly which areas were not assessed within the survey, and instead was generic, whereas we would expect the locations not assessed to be clearly stated.</li> </ul> <p>Our internal asbestos consultants reviewed one of the councils 's new asbestos management surveys which had been completed by their new contractor, PA Group, and found some areas for improvement:</p> <ul style="list-style-type: none"> <li>The survey was listed as an 'Asbestos Refurbishment Survey to ceilings throughout the communal areas and an Asbestos Management Survey to the remainder', however the report only detailed findings from inspections carried out on the first floor ceilings, and did not include reference to any other areas tested.</li> <li>The general building notes were vague, and we would expect to see a description and notes on each individual room, rather than the vague and imprecise statements which were contained within the report.</li> </ul>	<p>appropriately mitigated. The councils and EKH should ensure that all surveys are quality controlled by appropriately qualified persons to ensure that surveys effectively mitigate all asbestos risks.</p>
<p>3.5 Are remedial works being addressed?</p>	<p>At the time of the site visit there was only one outstanding remedial work, however this had already been actioned and had been passed onto the asbestos contractor for completion.</p>	<p>The procedure for the completion of remedial works is fit for purpose and ensures that required works are completed, and a record retained of the works which have taken place.</p>
<p>3.6 Is the asbestos management policy document fit for purpose?</p>	<p>The policy is contained within a document titled 'Asbestos Management Policy and Procedure', and we were informed that this document is also being used as</p>	<p>The policy document requires improvement through the inclusion of some of the key details which we have</p>

	<p>EKH's asbestos management plan. Although as a policy document this is fairly robust, there are a few omissions:</p> <ul style="list-style-type: none"> <li>• The policy does not reference any of the codes of practice or legislation, other than CAR 2012, and we would also expect the obligations which are placed upon EKH and the four councils from this legislation to be clearly set out.</li> <li>• The policy does not outline EKH's and the council's inspection and testing programme for both non-domestic and domestic stock.</li> <li>• The policy does not reference the contractor or include the need for their asbestos contractor to be UKAS accredited.</li> <li>• We would expect the council's commitment to the frequency of compliance reporting and KPI measures to also be set out within the policy.</li> <li>• We would expect an asbestos management plan to include details of the end to end process for asbestos delivery from asset list reconciliation to remedial works completion and the auditing regime.</li> </ul>	<p>identified as missing from the current policy.</p> <p>It is our view that if this document is also to be used as the asbestos management plan, then it should set out the end to end process for asbestos management, so that the councils are clear of the current process and the roles and responsibilities of key individuals at each stage.</p>
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Gas Safety		
Key Line of Enquiry	Findings	Conclusions
4.1 Does the organisation have a clear understanding of the assets on the compliance programme? Can they evidence why assets aren't on the compliance programme?	We identified approximately 300 assets from the main asset list, which did not appear on the gas compliance spreadsheet and sent a sample of these assets to the compliance manager. The compliance manager could explain why they had been removed from the gas safety programme. However, EKH were not able to provide an evidence log to explain why each asset had been removed from the programme because this is held with the gas contractor, GCS.	We would expect there to be a full register of all the assets which are not on the gas programme but which are on the main asset list, in order to provide full assurance that no assets are missing from the compliance programme. This should be updated on an ongoing basis and regularly reconciled with the main asset list and held by EKH.
4.2 Is what is being reported tested and accepted? Is the data source reliable?	<p>We requested a sample of 40 domestic property LGSRs and EKH were able to evidence 38 of these. The two remaining properties were not on the gas safety programme, however the compliance manager could not evidence why the properties had been excluded from the programme, and suggested this could be because the asset had been sold. These assets were as follows:</p> <ul style="list-style-type: none"> <li>• 106 Mayfield Avenue</li> <li>• 19 Wycherley Crescent.</li> </ul> <p>We also requested a sample of 20 communal block LGSRs and EKH were able to provide evidence of a valid LGSR for all of these assets.</p>	The validation provided partial assurance that what is being reported in the compliance reports for both communal and domestic properties is accurate and reliable. However, EKH should identify why the two identified domestic assets are not on the gas safety programme, and if they cannot, must ensure that a gas safety check is undertaken to confirm this.
4.3 Are remedial works being addressed?	At the time of the site visit there were 16 actions which had been outstanding for more than one year. Since it is expected that a new LGSR had been completed on these properties since the remedial repairs were first identified, this was queried with the gas compliance team, who explained that it is likely that these remedial works should have been completed by the previous contractor, P&R, however the contractor did not	We are aware that the councils had issues with their previous gas contractor, which was able to explain why there were outstanding remedial works which had remained in the tracker spreadsheet for over a year, and we are satisfied that the process with the new contractor ensures that remedial works are completed within

	<p>complete the required work. Since the new gas contractor has been in place, a more recent LGSR has now been completed which will have addressed these issues during the more recent safety check.</p> <p>We referred a sample of the 1578 outstanding actions to our gas safety consultant who confirmed that all of the incomplete actions were not essential repairs, and therefore EKH were not legally obliged to complete these repairs immediately.</p>	<p>a reasonable timescale. However, we would expect EKH to check that the 16 outstanding remedial repairs have actually been completed and then these can be removed from the remedial works spreadsheet.</p> <p>We would expect the outstanding remedial spreadsheet to include details of the types of repair (e.g. immediately dangerous (ID)) so that EKH and the four councils have complete oversight of the outstanding repairs which they are legally required to complete.</p>
<p>4.4 Is the gas safety policy document fit for purpose?</p>	<p>The policy document covers the obligations placed upon EKH and the four councils in relation to gas safety, however lacks some of the required content we would usually expect to be included, such as the following:</p> <ul style="list-style-type: none"> <li>• The policy document is five months past its review date (May 2019) and had a review period of 5 years.</li> <li>• The policy does not refer to all of the relevant legislation and contains no reference to the codes of practice relevant to gas safety.</li> <li>• The policy does not clearly set out the councils approach to gas safety inspections and does not specify the specific approach for each asset type e.g. domestic or communal.</li> <li>• The policy does not include reference to the frequency of, or KPIs included in, compliance reporting.</li> <li>• The policy does not set out the process which will take place in cases of non-compliance.</li> </ul>	<p>It is our view that the gas safety policy does not clearly set out the councils approach to gas safety. We would recommend the policy is restructured to include the following information:</p> <ul style="list-style-type: none"> <li>• Regulatory standards, legislation and codes of practice</li> <li>• Obligations</li> <li>• Compliance Inspection Programme</li> <li>• Compliance follow up work</li> <li>• Record Keeping</li> <li>• Key roles and responsibilities</li> <li>• Training</li> <li>• Performance Reporting</li> <li>• Non-compliance/escalation process.</li> <li>• Approval</li> </ul>

Fire Safety		
Key Line of Enquiry	Findings	Conclusions
5.1 Does the organisation have a clear understanding of the assets on the compliance programme? Can they evidence why assets aren't on the compliance programme?	<p>EKH have undertaken a gap analysis to identify all of the communal blocks which require an FRA, and have removed those which don't fall under the requirements of the RRO from the programme. This has been identified through site visits to every communal block, and is appropriately documented within the pyramid system.</p> <p>We requested evidence for why 20 communal blocks have been removed from the programme, and EKH were able to provide evidence of a site visit which had been undertaken for all of these blocks.</p>	Based on the validation exercise undertaken, we are satisfied that EKH have a clear understanding of the assets which are on the fire safety programme.
5.2 Is what is being reported tested and accepted? Is the data source reliable?	<p>We requested the FRA for 40 communal blocks and 38 of these could be evidenced. The remaining two blocks did not have an FRA which could be evidenced for the following reasons:</p> <ul style="list-style-type: none"> <li>1-70 Windsor House - there was currently no FRA from the main contractor held in the Pyramid system, however a fire protection assessment was in place which was being used as the current FRA. This document was not dated and therefore did not provide full assurance that an in date FRA was in place for this block.</li> <li>1-27 Elizabeth Court - the FRA could not be evidenced because the tower block was undergoing major refurbishment works, therefore the FRA is being held until completion of these works.</li> </ul>	The validation exercise highlighted one tower block which is currently being reported as compliant, however an in date FRA could not be evidenced due to refurbishment works taking place. If residents are still living in this property whilst refurbishment works are taking place, then EKH have a legal obligation to have a full FRA in place, and must ensure that there is a full FRA which can be evidenced.
5.3 Are remedial works being addressed?	Actions which arise from an FRA are managed through the Pyramid system. At the time of the site visit, there were 4767 outstanding actions, from a total of 845 different blocks. There is a catch up programme in place to	The approach for addressing fire safety actions is fairly logical given the number of outstanding actions which the organisation currently has. However the

	<p>complete these actions, and prioritise these based on both archetype (e.g. sheltered, high rise) and the risk rating identified on the FRA.</p> <p>We identified a potential risk, whereby an FRA which has an overall risk rating of, for example, substantial, could contain action which require immediate attention, however due to the current approach these will not be prioritised based on the recommended timescale for completion.</p>	<p>board and each of the councils must be made aware of the risks associated with the approach, as some actions which require immediate attention have been outstanding for long periods of time.</p> <p>It was noted that this new approach has been implemented within the past few weeks, and that this has not yet been approved by all councils. We would expect this to be set out within their fire safety policy document and approved by all four councils.</p>
<p>5.4 Are compartmentation issues appropriately actioned?</p>	<p>Compartmentation issues which arise from FRAs are completed on a priority basis by the fire contractor APL, who also manage the actions which arise from these surveys. However, we were not made aware of any process in place for commissioning a new FRA once the compartmentation issues have been corrected. Our fire safety consultants advised that once compartmentation issues have been actioned following an FRA a new FRA should be commissioned, earlier than the standard annual review based on the changes made from the compartmentation survey.</p>	<p>EKH have an adequate process in place to deal with compartmentation issues which arise from FRAs, however we would expect that a clear plan is put into place which ensures that a new FRA is commissioned following any changes to the compartmentation of a building.</p>
<p>5.5 Are the FRAs fit for purpose?</p>	<p>Our qualified Fire Safety consultants reviewed a sample of FRAs, and although they were identified as being fit for purpose in terms of identifying the required risks, they identified the following issues:</p> <ul style="list-style-type: none"> <li>• There was no photo on the front cover of the report</li> <li>• The actions that derive from the assessment are not clear and do not give a clear and instructive action for the RP to conduct. They come across as “optional” rather than imperative.</li> </ul>	<p>We are satisfied that the FRAs are fit for purpose, however due to the number of issues identified within such a small sample of FRAs, we would suggest that EKH and the councils ensure that a quality assurance audit of either all or a sample of FRAs, is undertaken to ensure that they effectively identify all of the risk.</p>

	<ul style="list-style-type: none"> <li>• The FRA identifies that there is an alarm system within the property but states that the category is unknown. This isn't acceptable, as the risk assessor they should be able to identify what system is within the building.</li> <li>• It provides a large "occupancy table", this is not necessary, it is a dwelling. Occupancy at all times should be assumed.</li> <li>• The actions identified by the assessor are not evidenced by photos, which BAFE suggests.</li> </ul>	
<p>5.6 Is the fire safety policy document fit for purpose?</p>	<p>The fire safety policy has a number of weaknesses, including the following:</p> <ul style="list-style-type: none"> <li>• The policy has no set review period and although it was stated as having a last review dated September 2019, the policy refers to the Homes and Communities Agency who were replaced in January 2018, suggesting that the policy has not been reviewed since before this time.</li> <li>• The policy does not include reference to any fire safety legislation or the obligations which these place on the organisation.</li> <li>• The policy does not set out the frequency or KPI information which will be included in compliance reporting.</li> <li>• The policy does not include reference to the procedure which will take place in cases of non-compliance.</li> </ul>	<p>The fire safety policy does not contain the level of required detail which we would usually expect from a fire safety policy. We would expect the policy to cover the following:</p> <ul style="list-style-type: none"> <li>• Regulatory standards, legislation and codes of practice</li> <li>• Obligations</li> <li>• Compliance Inspection Programme</li> <li>• Compliance follow up work</li> <li>• Record Keeping</li> <li>• Key roles and responsibilities</li> <li>• Training</li> <li>• Performance Reporting</li> <li>• Non-compliance/escalation process.</li> <li>• Approval</li> </ul>



## **APPENDIX 10**

### **Equality Impact Assessment**

1. The Public Sector Equality Duty placed a duty on all public bodies to have due regard to the need to:
  - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not.
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2. The duty has the following three aims:
  - To remove or minimise disadvantages suffered by people due to their protected characteristics.
  - To take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people.
  - To encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low.
3. The protected Characteristics are:
  - Age
  - Disability
  - Gender
  - Gender reassignment
  - Pregnancy and maternity
  - Race
  - Religion, belief or lack of belief
  - Sexual orientation
  - Marriage and Civil partnership. (For this characteristic the duty only applies to the first aim to eliminate discrimination)
4. The Equality Impact Assess for this report is detailed below.

<b>Lead Officer</b>	Louise Taylor, Strategic Housing Manager
<b>Decision Maker</b>	Cabinet
<b>Name and Type of decision</b>	Service delivery change - Revised arrangements for the delivery of housing management service by ending the contract with East Kent Housing and returning the service for in house delivery by Dover District Council
<b>Date of decision</b>	20 February 2020
<b>Aims of the decision</b> • Objectives	Following a number of significant service failures in the housing services provided by East Kent Housing, the four owner councils of Canterbury City Council, Dover District Council, Folkestone and Hythe District Council and Thanet District Council completed an options appraisal in October 2019.



<ul style="list-style-type: none"> <li>• Intended outcomes</li> <li>• Key actions</li> <li>• Who and how many will be affected?</li> </ul>	<p>The appraisal reviewed the delivery of housing management services provided by East Kent Housing (EKH). It concluded that the four councils' preferred option for future service provision to the four councils' tenants and leaseholders is that it should become an in-house service, subject to consultation.</p> <p>The formal consultation ran for 8 weeks from Tuesday 22 October to Friday 20 December 2019. The results of the consultation showed that 81% of respondents tended to agree (21%) or strongly agreed (60%) to the preferred option to bring the housing management service back in house.</p> <p>Tenants and leaseholders living in the 4760 DDC owned/managed units of accommodation will be affected by the proposed changes</p>
<p><b>Information and Research</b></p> <ul style="list-style-type: none"> <li>• Summarise research and information that you used to prepare your proposals / preferred options</li> <li>• What data did you use to research your proposals</li> <li>• List anything you found that will affect people with protected characteristics.</li> </ul>	<p>Information provided by East Kent Housing indicates an estimated 47% of the council's tenants and leaseholders are vulnerable or have a disability. People on low incomes, older people and more vulnerable households are all over represented among council tenants and it is likely that vulnerable tenants and leaseholders or those with physical disabilities are more likely to rely on these services.</p> <p>Any changes to the service which will deliver efficiencies and improvements will benefit these people and households with these protected characteristics.</p> <p>Around 78% of the council's tenants are in receipt of either housing benefit or the housing element of Universal Credit. The council's housing management service includes support for these residents to ensure that they are able to meet their rent payments and effectively maintain their tenancies. The purpose of the proposed change in housing management arrangements includes the need to improve the quality of service provision and ensure that the service is more locally accountable. It is likely that households on low incomes need to access rent collection and welfare support services more frequently.</p>
<p><b>Consultation</b></p> <ul style="list-style-type: none"> <li>• Has there been any specific consultation done?</li> <li>• What were the consultation results?</li> <li>• Did the consultation analysis show any difference for people with protected characteristics?</li> <li>• What conclusions did you draw from the</li> </ul>	<p>A programme of consultation was implemented across the four councils. All EKH tenants and leaseholders were written to by letter on 22 October 2019, informing them of the consultation survey and provided with a Frequently Asked Questions information sheet. Tenants and leaseholders were given the option to complete the consultation survey online or by post (using a pre-paid envelope).</p> <p>Consultation drop-in sessions were organised and hosted in Canterbury, Dover, Folkestone &amp; Hythe and Thanet between October to December 2019. The sessions were staffed and attended by council members and officers. Considerable efforts were made during the consultation to consult harder to reach groups. Of note, consultation meetings were held in the council's sheltered schemes and responses to the consultation could be provided online, by telephone or by post. Therefore, we can be confident that all council tenants and leaseholders were given the opportunity to participate in the consultation.</p> <p>The results of the test of opinion are as follows</p>

consultation?	<u>Dover District Council</u>	
		<b>All respondents</b>
		<b>Tenants and leaseholders</b>
	Strongly agree	62% (445)
	Tend to agree	19% (138)
	Neither agree nor disagree	12% (84)
	Tend to disagree	3% (20)
Strongly disagree	5% (36)	
<p>The conclusion drawn from the results of the consultation exercise is that tenants and leaseholders would prefer their homes to be managed by the individual councils rather than retain the existing Arms-Length Management Organisation structure.</p>		

<b>Assessing if the decision is likely to be relevant to the three aims of the Equality Duty.</b>	
<b>Aim</b>	<b>Relevance Yes / No</b>
Eliminate discrimination, harassment, victimization	Yes
Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not.	Yes
Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.	Yes

<b>If you have decided that this decision is relevant to the three aims of the Equality Duty, use the section below to show how it is relevant and what the impact will be.</b>		
<b>Protected Characteristic</b>	<b>Relevance High/Medium/Low</b>	<b>Impact of the decision Positive / Negative</b>
Age	Medium	Positive
Disability	Medium	Positive
Gender reassignment	Low	Positive
Gender	Low	Positive
Marriage and Civil Partnership	Low	Positive
Pregnancy and Maternity	Low	Positive
Race	Low	Positive
Religion, Belief or Lack of Belief	Low	Positive
Sexual Orientation	Low	Positive
If you have found negative impact, outline the measures you intend to take to mitigate it.	N/A	