



London Borough of Havering  
Landlord Health & Safety Review  
May 2021  
**Internal Audit Report**

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## **Status of our reports**

This report ("Report") was prepared on the basis of the limitations set out in Section 10 by Mazars LLP at the request of the London Borough of Havering and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

# 1. Audit Context

## 1.1 Audit introduction & scope

This review is to provide assurance that the London Borough of Havering (LBH) has effective controls in place around the management of landlord health & safety, with an assessment of the governance and control framework around the gas, fire, asbestos, electrical, water and lift safety arrangements. LBH manages approximately 9,500 general needs properties, and 2,500 leasehold properties; which includes ten high rises and approximately 30 sheltered housing schemes.

The fieldwork for this audit was completed whilst government measures were in place in response to the coronavirus pandemic (Covid-19). The fieldwork for this audit has been completed and the agreed scope fully covered. Whilst we had to complete this audit remotely, we have been able to obtain all relevant documentation and/or review evidence via screen sharing functionality to enable us to complete the work.

## 1.2 LBH's compliance arrangements

The Regulator of Social Housing's Consumer Standards apply to all stock-holding local authorities in England. In May 2019 the RSH issued a letter to all stock-owning local authorities about the RSH's consumer standards, setting out their obligations on a range of health and safety requirements. The letter states all local authorities, where it is the stock owning body, have an obligation to 'meet all applicable statutory requirements that provide for the health and safety of occupants in their homes'<sup>1</sup>.

The Home Standard is one of four consumer standards that LBH must comply with. It sets expectations for LBH in providing its tenants with quality accommodation and a cost-effective repairs and maintenance service. The Home Standard includes the following required outcomes<sup>2</sup>:

### Quality of accommodation

- *Ensure that tenants' homes meet the standard set out in section five of the Government's Decent Homes Guidance*[https://www.gov.uk/government/publications/home-standard/home-standard-2015 - fn:i](https://www.gov.uk/government/publications/home-standard/home-standard-2015-fn:i) *and continue to maintain their homes to at least this standard*
- *Meet the standards of design and quality that applied when the home was built, and were required as a condition of publicly funded financial assistance*[https://www.gov.uk/government/publications/home-standard/home-standard-2015 - fn:ii](https://www.gov.uk/government/publications/home-standard/home-standard-2015-fn:ii) *if these standards are higher than the Decent Homes Standard*
- *In agreeing a local offer, ensure that it is set at a level not less than these standards and have regard to section six of the Government's Decent Homes Guidance.*

### Repairs and maintenance

- *Provide a cost-effective repairs and maintenance service to homes and communal areas that responds to the needs of, and offers choices to, tenants, and has the objective of completing repairs and improvements right first time*
- *Meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes.*

The last 18 months has seen considerable changes at LBH in landlord health and safety arrangements. Historically, there have been historical issues with demonstrating compliance with regulatory requirements, and compliance data has been inaccurate. After a new Compliance team was put in place, LBH began to review all systems and processes to ensure the Authority meets health and safety duties as a landlord. This meant new programmes, such as Electrical, Asbestos and Type 4 FRAs, were put in place; disregarding the historic data held. Other programmes, such as Gas and Legionella were maintained, now with a revised control and governance framework in place. A Health & Safety Compliance Board was also set up, chaired by the Director of Housing Services to review KPIs, operational issues and progress against compliance programmes.

LBH is also implementing in-built compliance modules into its Asset Management System, Keystone. This move should ensure many manual processes across each area of landlord health and safety become

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<sup>1</sup> Letter to stock-owning local authorities about RSH consumer standards, published 17 May 2019

<sup>2</sup> Home Standard 2015

automatic. At the time of this review however, the system had not yet been implemented, and issues were noted around the data integrity of LBH's compliance programmes.

### 1.3 Gas safety

Previously, under the Gas Safety (Installation and Use) Regulations 1998, landlords were required to undertake gas servicing on a 12-month programme with the next service due no later than 365 days after the previous LGSR. However, the Gas Safety (Installation and Use) (Amendment) Regulations 2018 (which came into effect on 6 April 2018) provides an MOT-style change that allows landlords to carry out their annual gas safety checks in the two months before the due date, whilst retaining the original expiry and anniversary date. LBH adopts the approach whereby the next service is due 12 months after the last, aiming to service a property on a 10-month cycle to ensure services do not expire.

Gas Servicing at LBH covers c.9,300 properties for which it has responsibility. The services are completed by a Gas Safe registered contractor, K&T. Following a service, LGSRs are subsequently sent to LBH electronically, and these are retained on Swordfish; LBH's document management system. K&T manages the gas servicing process for its domestic properties, which includes maintaining the gas servicing database and organising appointments with tenants. LBH also uses the contractor Stonegrove to complete gas servicing at approximately 80 of its communal areas where there is a communal gas system in place.

### 1.4 Fire safety

Landlords have a statutory duty under the Regulatory Reform (Fire Safety) Order 2005 to identify and assess the risk of fire in properties where they have responsibility for maintenance. Having identified the hazards and people at risk, they have a duty to take precautions to prevent the risk of fire, and in the event of fire; ensure there is a means of escape or otherwise an effective response to protect the safety of occupiers. Since Grenfell, there is greater emphasis placed on landlords by residents and the media, thus it is essential that robust frameworks on fire safety are in place to mitigate the heightened risk levels.

LBH uses Oakleaf as its main fire safety contractor. Type 1 FRAs<sup>3</sup> have historically been completed at its properties, however after recent changes to the Compliance team a new programme of Type 4 FRAs<sup>4</sup> has been implemented. This programme began in April 2020, and focused on LBH's high risk properties initially. As at the start of the audit fieldwork, LBH had completed 624 Type 4 FRAs out of 929 communal areas since the programme began. LBH aims to have a Type 4 FRA in place for all its communal areas by the end of the 2021/22 financial year.

### 1.5 Asbestos management

Landlords have a duty of care towards their staff, contractors and their tenants (and others) in respect of the presence of asbestos in dwellings. The Control of Asbestos Regulations 2012, whilst not applicable to domestic premises, place a specific duty to manage asbestos in communal areas. The Defective Premises Act 1972 requires landlords to take reasonable care to see that tenants and visitors are safe from personal injury or disease caused by a defect in the state of the premises, although there is no specific reference to asbestos. The Health & Safety at Work Act 1974 also places a duty on property managers to ensure that staff and contractors are not exposed to asbestos during their work and have access to suitable training and information on the presence of any asbestos they may encounter.

The law states that when there is the potential that a material may contain asbestos, it must be assumed as containing such until proven otherwise. The identification and safe management of asbestos containing materials (ACMs) is vital for LBH in order to provide a safe home environment for its residents and contractors, and to meet its legal responsibilities.

LBH began a new asbestos programme in 2019/20. The Authority surveyed 1,138 communal areas, ending the programme in October 2020. The domestic asbestos programme began in April 2020, with approximately 30% of domestic properties now surveyed. LBH aims to complete a survey at 100% of domestic properties.

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<sup>3</sup> Type 1 FRAs are the most common type of FRA. They involve a non-destructive assessment of the common parts of the building, however not the private dwellings.

<sup>4</sup> Type 4 FRAs differ from Type 1 FRAs as they include destructive sampling. They are intrusive assessments that can assess a building on the integrity of separating construction, fire separation throughout the building, the sub-structure of the building and fire barriers in the building structure for example. Type 4 FRAs incorporate all communal areas and 10% of the residential apartments; and is deemed to be a true reflection of the standard of fireproofing.

## 1.6 Electrical inspections

Periodic testing of electrical installations and appliances is the landlord's responsibility in order to ensure tenants are safe throughout their tenancy. The frequency of electrical inspections and testing depends on the type of property. The management of Houses in Multiple Occupation (HMO) Regulations 2006 requires that every fixed electrical installation in a HMO is inspected and tested at intervals not exceeding five years by a person qualified to undertake such an inspection and testing, with a certificate produced as evidence. For all other types of property, the requirement is that the electrical installation should be safe for use. Electrical Safety First (ESF) and the Electrical Safety Roundtable (ESR) advise that for tenanted properties a five-yearly inspection frequency is recommended in order to ensure the required level of safety, whilst owner-occupied homes are recommended to be checked every ten years. There is however no law mandating a specific inspection frequency for properties other than HMOs, so some organisations take a risk-based approach, whereby newly-built properties may be tested less frequently than older properties.

LBH carries out (Electrical Installation Condition Report) EICRs at its properties using AJS. Management explained that LBH is currently operating a five-year EICR frequency, aiming to have EICRs in place for all its properties in the 2021/22 financial year (after beginning its programme in 2020/21). EICRs for approximately 4,500 domestic properties were completed in 2020/21 as part of its new electrical programme, and LBH remains on track to complete the remaining 3,600 properties (approx.) in 2021/22.

## 1.7 Legionella

The legionella bacteria is a water-borne organism which, if inhaled or consumed can potentially cause Legionnaires Disease. The Health and Safety Executive (HSE) has produced an Approved Code of Practice L8 which sets out the legal obligations for duty holders, including:

- Identifying and assessing sources of risk, such as checking whether conditions will encourage bacteria to multiply. This would include the water temperature being between 20–45 °C and there being a means of creating and disseminating breathable droplets. In addition, the duty holder is required to consider whether residents are deemed to be 'at risk';
- If appropriate, prepare a written scheme for preventing or controlling the risk;
- Implement, management and monitor precautions;
- Keep records of the precautions;
- Appoint a competent person with sufficient authority to help take the measures needed to comply with the law.

Individual dwellings are unlikely to require any specific action to neutralise the risk of legionella exposure. Blocks with communal water tanks, on the other hand, are likely to require regular checks and maintenance to ensure the risk remains within tolerable limits. Regular temperature checks of hot and cold outlets, and routine tank cleans and system flushes can play an important role in mitigating legionella risk. Legionella risk assessments/water risk assessments (LRAs/WRAs) are highly likely to recommend such ongoing actions and many organisation's policies also include a blanket approach specifying a minimum level of regular checks and maintenance to all communal water facilities.

## 1.8 Lifts

The Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) and the Provision and Use of Work Equipment Regulations 1998 (PUWER) are the key pieces of legislation guiding interpretation of the legal requirements regarding lifting equipment. LOLER and associated guidance stipulate requirements for the safe provision and use of lifting equipment; specifically, Regulation 9 of LOLER requires that all lifts provided for use in work activities are thoroughly examined by a competent person at regular intervals; six months for lifting equipment, any associated accessories used to lift people, and all lifting accessories, and 12 months for all other lifting equipment.

LBH uses Precision Lifts as its approved lift contractors. Each of LBH's 35 passenger lifts are serviced by Precision Lifts each month. Additionally, Phoenix Compliance Management (PCM) visit each lift bi-monthly, and Zurich complete an insurance inspection each quarter.

## 2. Executive Summary

We categorise our opinions according to the assessment of the controls in place, the level of compliance with those controls, and with the residual risks present in the areas under review. Detailed assurance definitions are set out at **Section 8**.

Area	Assurance Grading <sup>5</sup>			
Policies & procedures	Limited	Needs Improvement	Reasonable	Substantial
Performance reporting	Limited	Needs Improvement	Reasonable	Substantial
Data Integrity	Limited	Needs Improvement	Reasonable	Substantial
Gas safety	Limited	Needs Improvement	Reasonable	Substantial
Fire risk management	Limited	Needs Improvement	Reasonable	Substantial
Asbestos management	Limited	Needs Improvement	Reasonable	Substantial
Electrical safety	Limited	Needs Improvement	Reasonable	Substantial
Water safety	Limited	Needs Improvement	Reasonable	Substantial
Passenger lifts	Limited	Needs Improvement	Reasonable	Substantial

	Number of recommendations & priority			
	Critical	Significant	Minor	Total
<b>Total</b>	<b>2</b>	<b>7</b>	<b>3</b>	<b>13</b>

### 2.1 Rationale for audit opinion

We noted consistent issues across the areas under review; the most frequent being integrity of the data within LBH's systems. Many of LBH's processes remain manual, and additional controls (such as second person checks/reviews) have not yet been implemented. Manual data entry has resulted in multiple data integrity issues across compliance areas. Having robust and reliable data is a key pillar in having an effective landlord health and safety control framework. The new Keystone compliance modules should mitigate the data integrity risks highlighted; however, this system is not currently in place, and in the interim, it is essential LBH puts in place arrangements to mitigate against further data integrity issues. This is currently in the process of being implemented as part of the CADi project, and we were advised this should be implemented by November 2021.

We noted at the time of the audit reconciliations of landlord health and safety programmes (such as the FRA register, gas database) against stock data are not performed by LBH. Reconciliations are another key control in managing landlord health and safety. It is imperative programmes and registers are regularly confirmed as complete, gaining assurance that all LBH's properties are captured in its compliance programmes. We noted, for example, 67 new build properties from the last 24 months that have not been added to the gas register, which presents a critical risk to LBH's tenants and its reputation.

<sup>5</sup> Assurance gradings have been determined considering recommendations in the table above, and individual Data Integrity observations outlined in **section 5**. All Data Integrity observations have been combined into one Critical Recommendation

Our review also noted 272 properties where FRAs are overdue. Management confirmed each as low risk, however each had exceeded the three years assigned by the fire risk assessor, meaning FRAs at these properties are overdue, according to timescales in LBH's Fire Safety Policy.

## 3. Detailed Audit Findings – Strengths

We noted the following areas where we raised no recommendations

### 3.1 Policies & procedures

#### 3.1.1 Landlord health & safety policies

- We confirmed up to date policies were in place for each of the key areas of Landlord Health & Safety covered as part of this review.

#### 3.1.2 Operational procedures - fire and water safety

- Our review found operational procedures and workflows are adequate for managing legionella and fire risk. We confirmed procedures and process maps provided during the audit fieldwork outline key process steps and responsibilities.

### 3.2 Performance Reporting

#### 3.2.1 Reporting mechanisms

- LBH reports performance indicators for fire safety, gas safety, electrical compliance, legionella compliance, asbestos and lifts compliance. Compliance reports are produced each month, and reported to the:
  - Compliance Board - which includes the Director of Housing, and representatives across related departments, such as sheltered housing, rented accommodation and Corporate Health & Safety;
  - Senior Management Team (SMT) - which includes all LBH's Assistant Directors and the Director of Housing;
  - Senior Leadership Team (SLT) - which includes all LBH's Directors and the Chief Executive;
  - Theme Board, and
  - Cabinet
- We reviewed minutes from the last three meetings for the Compliance Board, SMT, SLT, Theme Board and Cabinet and confirmed performance indicators had been reported and discussed; and from our review of the minutes, we were able to confirm serious matters are raised to Theme Board and Cabinet.
- We have included examples of forward looking KPIs in **Appendix 1** to this report, highlighting where LBH can further improve its KPI reporting.

#### 3.2.2 Review of performance indicators

- Performance indicators used in reporting are reviewed for accuracy by the respective service managers on a monthly basis, after the initial monthly run. Compliance reports are then revised, if required, with any amendments prior to being reported.

#### 3.2.3 Compliance Risk Register

- We reviewed the Compliance Risk Register and confirmed mitigating controls have been outlined for each risk, and the three lines of defence model has been adopted - outlining controls for the function that owns the risk, how the risk will be managed through the governing body, and how independent assurance is gained through independent sources.

### 3.2.4 Addressing poor performance

- From our review of the minutes from Cabinet and Theme Board meetings, we confirmed where poor performance is identified, this is raised and discussed. We also confirmed reasons for poor performance are identified and discussed during our attendance of the April 2021 Compliance Board.

## 3.3 Gas Safety

### 3.3.1 Non-boiler gas assets

- We were provided with a record of all non-boiler gas assets (e.g. cookers) at LBH's properties, and we reconciled these properties against the gas register. From our testing we found no properties with non-boiler gas assets which were not included on the gas register.

### 3.3.2 Component installation dates

- We reviewed a sample of new builds to confirm when newly-developed properties are added to the gas register, the anniversary date of the service is based on the component installation date rather than the property handover date. From our sample of ten new builds, we found in each case the anniversary date was based on the component installation date.

### 3.3.3 Review of properties with gas carcassing

- We were advised LBH performs a periodic review of all properties with gas carcassing<sup>6</sup>. These properties are reviewed at least once a year, and has been outlined in LBH's Housing Compliance Policy. We reviewed Compliance reports from the last three months and confirmed LBH has reported 100% review of its properties with gas carcasses.

### 3.3.4 Compliance reports

- We were provided with Compliance Reports, reported to Board each month, for the last six months. These Compliance Reports include KPIs for each area of Landlord H&S, and the following KPIs related to gas safety:
  - Domestic Gas - General Needs;
  - Domestic Gas – Private Sector Leasing (PSL);
  - Gas Carcassing;
  - Communal Gas servicing.

### 3.3.5 No access cases

- We selected a sample of five properties where LBH was attempting to gain access to complete an LGSR and requested each letter sent during contractor's attempts to gain access. From our review, we found LBH had taken reasonable steps to access the property. We were also advised LBH has had no instances of escalation to legal stage since February 2020. We did note, however, LBH does not have a No Access procedure in place setting out timeframes for actioning these properties. Please refer to the **Recommendations** section for further detail.

### 3.3.6 Addressing issues noted in post inspections

- During our review we were able to conduct walkthrough testing of three cases where issues were noted in post inspections and subsequently actioned. PCM conduct post inspections each month, sending reports to LBH of the outcome of each of its visits. Issues noted by PCM are sent directly to contractors for a re-visit to be scheduled. Management were able to provide evidence demonstrating issues identified through post inspections by PCM were followed up by the Electrical manager and the relevant contractor completed further work or a re-visit, as required.

### 3.3.7 LGSRs

- We reviewed a sample of 30 properties, and confirmed in each case copies of LGSRs (saved in Swordfish) could be provided on request, and the details recorded on LGSRs matched the details recorded on the gas register.

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<sup>6</sup> Gas carcassing refers to a dead or closed off gas supply to a property, or an unused gas meter. These properties are attended to ensure a gas appliance has not been connected and that there are no other changes to the gas carcass.

### 3.3.8 Contract Management Meetings - K&T

- Contractor meetings with K&T take place on a monthly basis. We were provided with minutes from the last three meetings and confirmed progress against the annual programme, and other matters such as operational issues, had been discussed.

### 3.3.9 Data Integrity - K&T's and Stonegrove's Gas Registers

- We performed data integrity testing on K&T's and Stonegrove's gas registers, checking the registers for missing dates, anomalous dates, dates in the future and key data left blank. From our review of the registers we found no data integrity issues.

## 3.4 Fire Risk Management

### 3.4.1 LBH's stock risk profile

- Our review noted LBH adopts a risk-based approach to fire risk management. Currently, all high-rise properties have a Type 4 FRA, and LBH is working towards having a Type 4 FRA for all its properties. All of its stock also has a Type 1 FRA, however 272 of these are overdue (as noted in the **Recommendations** section of this report). Our review of the FRA programme found it contains information on the risk profile of a building, including when it was made, whether it is a high rise, how many storeys it has, demonstrating LBH has assessed the risk profile of its stock. Below we have included a table of property types, associated risk profiles and their required FRA frequency, as set by LBH. It is worth noting the relationship between property types and risk profiles are not definitive and intended as a guide only. It is also worth noting timescales for Type 4 FRAs have been determined by the fire risk assessor as a guide, with no legislative requirement to complete FRAs to the timescales outlined below.

Property types	Risk profile	Type 4 FRA timescale
High rises, Sheltered properties, HMOs etc	Substantial	1 year
Medium rises 3-4 storeys, low rises 1-2 storeys	Moderate	2 years
Low rises 1-2 storeys	Tolerable	3 years

### 3.4.2 Completeness of the FRA programme

- We performed a reconciliation of the FRA programme against a list of all LBH's communal areas, and found no properties were missing from the FRA programme.

### 3.4.3 Content of FRAs

- We selected a sample of 25 FRAs across each risk category, completed by Oakleaf, and reviewed the contents of each FRA. From our testing we confirmed FRAs have taken into account:
  - The size, build and complexity of the building;
  - The activities and services carried out by the premises;
  - The number and nature of occupants; and
  - A history of fires or other relevant incidents.
- We also confirmed each of the FRAs included:
  - The fire protection measures in place at the time of the FRA;
  - The fire safety management measures in place; and
  - An assessment of the number of occupants at risk and the possible consequences to them.

### 3.4.4 Oakleaf's qualifications

- We reviewed qualifications for five members of staff at Oakleaf, and confirmed in each case they were appropriately qualified in matters of fire safety. We also confirmed Oakleaf is a BAFE SP205 certified contractor.

### **3.4.5 Risk-based approach to remedial actions**

- We were advised LBH adopts a risk-based approach when completing overdue and outstanding actions. For example, LBH actions Priority A actions first, then B, then C etc. We also confirmed outstanding and overdue FRA remedial actions, by priority, are tracked and reported each month in Compliance reports.

### **3.4.6 Fire safety equipment**

- During our review we were provided with a register of LBH's fire extinguishers, sprinkler systems and fire alarms. Asset data held in this register is updated as FRAs are completed. For example, if equipment is found that has not been recorded by LBH, an FRA remedial action is created to ensure this piece of equipment is added. We reviewed a sample of 20 FRAs and found fire extinguishers and sprinkler systems noted in FRAs matched data held by LBH. We also confirmed each of these FRAs included a review of the fire alarms at these schemes.

### **3.4.7 Oakleaf's performance requirements**

- We were able to confirm Oakleaf's performance requirements have been communicated to them. LBH's agreement with Oakleaf is such that it completes all its medium and low risk FRAs, consisting of at least 40 per month. From our review of Compliance Reports, we confirmed this is being monitored by LBH.

## **3.5 Asbestos Management**

### **3.5.1 Asbestos surveys**

- We reviewed a sample of 20 communal properties to confirm an asbestos survey is in place for each and could be provided on request. In each case, management were able to provide the survey, completed within the last two years, on request.

### **3.5.2 Contractor's access to the Asbestos register**

- We were advised every contractor that works with the Compliance team has access to the asbestos register. LBH provides a full download of the asbestos register to its contractors every two weeks. Breyers, LBH's main repairs contractor, also has direct access to OPEN Housing, and as such it is able to access asbestos reports for each property.
- We were also advised any contractor conducting any type of refurbishment work in a property must request a new Refurbishment / Demolition survey. Furthermore, the Housing Asbestos Policy states operatives should check the register for the presence of asbestos, and they are instructed to contact the Asbestos team if the information contained in the register is insufficient.

### **3.5.3 Asbestos removals**

- We reviewed a sample of ten asbestos removals from the last six months and confirmed all asbestos removals had been undertaken by contractors licensed with the HSE to remove asbestos.

### **3.5.4 Asbestos training**

- During our review we were provided with the health & safety training matrix, confirming each member of the Compliance team has taken the asbestos awareness training or is scheduled to take it in June 2021 or January 2022. We also confirmed asbestos awareness training has been completed at least once in the last 24 months by an additional 64 members of staff across Housing Estates, Maintenance, Resident Services and Capital Projects, for whom asbestos training was not mandatory. The asbestos awareness training was provided by Pellings Consultants in February 2020 and March 2021.
- Strategic regulatory training has also been delivered to senior members of staff including the Councillor, Assistant Director of Property Services and Operations Manager. This training included an in depth look at asbestos regulation and a landlord's duty to manage.

### **3.5.5 Guidance to residents**

- We were provided with the Resident Asbestos Leaflet, provided to residents through the new tenant starter pack. We confirmed this leaflet contains information around what asbestos is, why it is dangerous, who is at risk and what LBH is doing as a landlord.

### **3.5.6 Incident investigation and reporting**

- We confirmed LBH's process for incidents and accidental exposures has been outlined in the Asbestos Management Plan. We were advised of one incident relating to the exposure of asbestos within the past 12 months. For this incident, management were able to provide the Health & Safety Corporate Accident and Incident Report form. From our review of the form we confirmed the incident had been investigated, and actions to prevent future occurrences had been outlined in line with the plan.

## **3.6 Electrical Safety**

### **3.6.1 Electrical safety contractors**

- We selected a sample of LBH's main electrical contractors, including Smyth & Byford, AJS and Breyers and confirmed each is an NICEIC approved contractor.

### **3.6.2 Electrical safety programme**

- LBH adopts the approach of undertaking electrical inspections no later than five years from the date of the last inspection for both domestic and communal electrical systems. This approach is consistent with best practice seen in other local authorities and the social housing sector.

### **3.6.3 Voids**

- We reviewed a sample of 15 void properties from the last six months to confirm LBH completes EICRs at properties whilst they are void. In each case, management were able to provide an EICR that had been completed during the property's void period.

### **3.6.4 Category 1 and 2 failures**

- LBH requires that Category 1 and 2 (C1 and C2) failures raised during inspections are rectified whilst on site by the contractor, or the system be decommissioned and reported to LBH. Where works exceed contractor's self-approval limits, unsatisfactory certificates are returned to LBH, and subsequently quotes are sent across and approved by the Electrical Manager. The contractor then re-schedules the work and completes the inspection until a satisfactory certificate is achieved. A standard self-approval limit of £250 is pre-agreed with both electrical contractors, AJS and Breyers.
- We reviewed a sample of ten remedial actions from EICRs, consisting of C1 and C2 actions and confirmed each had been completed whilst the contractor was on site.

### **3.6.5 Contract management meetings - AJS and Breyers**

- We were advised formal contract management meetings take place each month with both AJS and Breyers. We were provided with minutes from the last three meetings with both contractors and confirmed performance against the programme, as well as other matters such as operational issues, had been discussed.

## **3.7 Water Safety**

### **3.7.1 Legionella Policy and Procedure**

- We confirmed LBH has a Housing Compliance Policy in place, last reviewed in August 2020, and Corporate Health & Safety Legionella Policy last reviewed in December 2019, covering key points around the management of water safety. There are also Legionella Monitoring and Legionella Risk Assessment process map notes in place which outline key processes around managing and monitoring legionella.
- In the Corporate Health & Safety Legionella Policy LBH has outlined key roles and responsibilities in managing water safety. For example, responsibilities have been outlined for: Executive Director, Director, Head of Technical Resources and Premises Controllers / Managers. From a review of the roles and responsibilities in the Corporate Health & Safety Policy we were able to confirm LBH has considered overall responsibility for the legionella programme and responsibilities for risk mitigation activities at individual schemes.

### **3.7.2 Legionella risk mitigation activities**

- We selected a sample of five schemes and requested evidence system flushing, outlet temperature checks, communal tank inspections and temperature testing had taken place. We were provided with evidence of communal tank inspections for each property in our sample. One property in the sample also required system flushing, and evidence of this was provided by management.

### **3.7.3 Legionella risk assessment programme**

- We were provided with an asset list of water components extracted from Keystone, and we reconciled this against LBH's legionella risk assessment tracker. Our reconciliation found all properties on the asset list of water components have been included in the legionella risk assessment tracker.
- We reviewed LBH's legionella risk assessment programme and confirmed every property included has data of an up to date legionella risk assessment in place. We reviewed a sample of 30 properties to confirm in each case the LRA referred to in the programme could be provided. Through our testing, we found in each case up to date risk assessment could be provided on request.

## **3.8 Passenger Lift Safety**

### **3.8.1 Service Level Agreement with Precision Lifts**

- Precision Lifts have the responsibility to service all of LBH's passenger lifts. We were provided with evidence of the Service Level Agreement in place between LBH and Precision Lifts, and confirmed the agreement with Precision Lifts covers the servicing and maintenance of all council lifts.

### **3.8.2 Lift servicing**

- We reviewed a sample of ten lifts and requested evidence of services completed in February and March 2021. In each case, LBH was able to demonstrate services had been completed in February and March for each lift in the sample.

### **3.8.3 Central monitoring of lift recommendations**

- Recommendations and faults from lift services are completed by Precision Lifts during the service if they pose an immediate risk. PCM also visit every lift at least once every two months, and confirm all necessary actions have been completed. We were advised Precision Lifts keep a central record of all faults, as they are required to ensure lifts are adequately safe as part of their Service Level Agreement. As a result, LBH doesn't monitor recommendations, and doesn't report on lift recommendations or faults, as Precision Lifts is required to complete all actions that present immediate risk to injury whilst on site.

### **3.8.4 Completion of recommendations from lift services**

- We reviewed five recommendations from our sample of lifts to confirm if recommendations are being tracked and actioned. From our sample of recommendations and review of the recommendations and faults tracker, we confirmed these actions had been completed, and were being monitored through PCMs recommendations and faults tracker.

### **3.8.5 Service histories**

- LBH is able to request a full-service history of each lift from Precision Lifts. On request, Precision Lifts can provide a record of information such as the number of times the lift was visited, number of faults, recommendations, all works completed at the lift etc. LBH is also able to generate a list of all quotes for lifts works in a given period through its finance system, and can therefore view all works completed at any given lift in this way as well.

### **3.8.6 Lift emergency arrangements**

- We were advised where a lift breakdown is reported, and no person is in the lift, the lift is closed down, contractors Precision Lifts attend within four hours to identify the fault, and after LBH's approval the lift is repaired. We confirmed these emergency arrangements have also been outlined in LBH's Housing Compliance Policy.

## 4. Areas for Improvement without Recommendations

We noted the following areas where improvements could be made, however issues noted were rectified during the audit fieldwork, or are in the process of being remedied; and as a result we have not raised recommendations in these areas.

### 4.1 Contractors and Value for Money

- During our review, we noted many of the compliance contractors used by LBH do not have formal contracts in place. For example, LBH does not have a contract in place with Cube (asbestos management), Stonegrove (communal gas servicing), Oakleaf (fire safety contractor), AJS (electrical testing), Precision Lifts (lifts maintenance and servicing) etc. It is worth noting this is not an exhaustive list. We are of the opinion this does not represent value for money, as no competitive tendering nor comparison exercise could be evidenced. We were advised LBH is aware of this issue, confirmed it had been discussed by Cabinet through our review of meeting minutes, and were informed the Council is in the process of tendering new 5-7 year contracts for all its Compliance contractors by the end of 2022.

### 4.2 Completeness of Asbestos register

- We were provided with LBH's asset list, and we reconciled this to the asbestos register. We found three blocks built before 2000 that had not had an asbestos survey completed. We queried these with management and were advised the one block without a survey is a row of houses, and has no communal area. The other two noted were confirmed as hostels, and had been wrongly omitted from the asbestos register download. We confirmed records of asbestos surveys were held in Keystone, and hostels have now been included in the template used for the download of the asbestos register. We confirmed this was rectified during the audit fieldwork, and LBH was able to demonstrate additional controls in place to ensure contractors would be informed of asbestos in the hostels prior to visiting.

### 4.3 Asbestos re-inspections

- LBH's Asbestos Policy states properties will be re-inspected as per the risk assessment, but at a minimum of every three years. We found that LBH has 7,007 properties with asbestos data more than three years old, some ranging back to 2002. However, we acknowledge that as LBH has disregarded all historic asbestos data due to historic issues with landlord health and safety compliance, and is currently completing a new asbestos programme (which began in April 2020). LBH has completed the communal programme, and we were advised approximately 30% of domestic stock has a survey in place. LBH aims to survey 100% of its domestic stock, and we confirmed, through a review of the programme and comparison against the number of surveys completed in 2020/21, is on track to complete this in the 2021/22 financial year.

### 4.4 EICR programme – Domestic properties

- From our review of the domestic electrical programme, we found LBH has 3,619 domestic properties (of the 9,362 dwellings) without an EICR. However, we confirmed these properties are on the programme to complete this year as part of its new electrical programme. We confirmed LBH completed approximately 4,500 EICRs in the 2020/21 financial year.

## 5. Recommendations

### 5.1 Policies & Procedures

#### 5.1.1 Operational procedures – Gas & Electrical

Observation		Risk
<p>Our review noted operational procedures for managing gas and electrical safety do not provide sufficient detail on LBH's key processes. We were advised, for example, LBH does not have a Gas Management Procedure in place, and from our review of LBH's documents around managing gas safety, we noted details around the following processes have not been defined:</p> <ul style="list-style-type: none"> <li>• How and when to contact tenants to complete gas services;</li> <li>• Key processes, such as adding new builds to the gas register;</li> <li>• Monitoring and reporting performance;</li> <li>• Administering certificates, how these are shared with LBH and retained;</li> <li>• No access procedure, including escalation to legal stage, and the timescales for sending each formal letter;</li> <li>• Process for conducting remedial works.</li> </ul> <p>From our review of documents around electrical safety, we also noted the following areas have not been defined:</p> <ul style="list-style-type: none"> <li>• Administering satisfactory certificates, how they are shared with LBH and retained;</li> <li>• No access procedure, including escalation to legal stage, and the timescales for sending each formal letter;</li> <li>• Process for conducting remedial works;</li> <li>• Monitoring and reporting of performance.</li> </ul> <p>It should be noted that the above is not an exhaustive list. It is also worth noting some areas listed above have been briefly outlined in policies, however detailed steps in how staff enact these processes have not been outlined.</p>		Processes are unclear, missing and / or inadequate; resulting in inconsistent approaches and potential failure to enact / follow key processes impacting tenant's safety.
Recommendation		Priority
LBH should document key operational procedures for gas and electrical safety. These procedures should outline key processes, such as when letters should be sent to tenants for gas servicing, and how new build properties should be added to the gas register.		Significant
Management Response	Responsibility	Timescale
Policies have been rewritten and were shared Procedures are in place to ensure that the Council manages gas and electrical risks appropriately. However, it is noted that these are not drawn together in a procedural manual and we will amend the current policies/management plans to include relevant processes	Special Project and Resident Safety And Compliance Manager	March 2022

## 5.2 Performance Reporting

### 5.2.1 Remedial Action KPIs

Observation		Risk
<p>Our review found three LRA remedial actions and two FRA remedial actions that were completed after their due date, one FRA remedial action missing from the action tracker and 21 FRA remedial actions that are currently overdue (as of the audit fieldwork).</p> <p>We were provided with Compliance reports between October 2020 – April 2021 and reviewed reports to confirm if these overdue actions were reported. We found that KPI reporting did not include:</p> <ul style="list-style-type: none"> <li>• 21 overdue FRA remedial actions (<b>Data Integrity 5.2</b>);</li> <li>• Missing FRA remedial action from the action tracker (<b>Recommendation 6.5.2</b>);</li> <li>• Two FRA remedial actions completed after their due date (<b>Recommendation 6.5.3</b>);</li> <li>• Two LRA remedial actions completed after their due date (<b>Recommendation 6.7.1</b>).</li> </ul>		Actions become overdue and are not reported, potentially giving management, Board and Cabinet an incorrect picture of performance.
Recommendation		Priority
<p>LBH should:</p> <ol style="list-style-type: none"> <li>1. Ensure all overdue remedial actions are included in its performance reporting. KPIs should include all actions that became overdue in the month (rather than a 'snapshot' of those that are overdue at the time of reporting).</li> <li>2. Investigate how these actions were missed in KPI reporting to ensure future reporting includes all overdue remedial actions.</li> </ol>		Significant
Management Response	Responsibility	Timescale
Due to the manual nature of our approaches some errors in reporting were found, this will be addressed once we go live with the new Keystone modules which will automatically generate KPIs and highlight overdue actions. This is part of the Cadi project	Resident Safety And Compliance Manager	Immediate

## 5.3 Data integrity

### 5.3.1 Accuracy of programme data

Observation	Risk
<p>Throughout our review, we conducted a range of data integrity testing across the systems and databases which drive and record compliance with the areas of landlord health and safety reviewed. This included comparing data within compliance documents held by LBH with the data recorded on the compliance systems.</p> <p>The results of this testing highlighted an array of issues across the data used in supporting and delivering compliance in each area. The results of these data errors resulted in:</p> <ul style="list-style-type: none"> <li>• 67 new build properties not included in the gas register (please refer to <b>Recommendation 5.4.1</b> below)</li> <li>• Two hostels omitted from the asbestos register.</li> <li>• 21 FRA remedial actions becoming overdue by between 8 and 183 days.</li> <li>• The dates of FRAs being incorrectly recorded by up to 1,464 days.</li> <li>• Dates of the most recent EICR being recorded incorrectly by between 400 and 800 days.</li> <li>• One property in the PAT testing programme which had not been included within LBH's systems.</li> <li>• One property where the Legionella Risk Assessment date was recorded 405 days after the actual date.</li> </ul> <p>The results of this testing highlight a weakness in the accuracy of data being transferred from compliance documents, such as testing certificates or risk assessments, and the data within LBH's compliance systems. Periodic reconciliations would have highlighted the majority of these issues to LBH, and we are of the opinion reconciliations are essential in ensuring areas of landlord health and safety are effectively managed.</p> <p>Full details of our results can be found in <b>Section 7</b> of this report.</p>	<p>Landlord health and safety programmes are not accurate, leading to properties becoming unsafe or non-compliant.</p> <p>Tenants, customers and staff are put in the way of harm due to a lack of clarity around the safety of properties.</p>
Recommendation	Priority
<p>LBH should amend the programmes where our testing highlighted data integrity issues through sampling, as detailed in <b>Section 7</b> of this report.</p> <p>The Authority should review the mechanisms for recording landlord health and safety compliance data where it is received, and put in place a suitable control framework to prevent programme data becoming inaccurate.</p> <p>LBH should perform reconciliations for each area of landlord health and safety, reconciling its register or programme against an independent source of data that includes a complete list of properties that require a risk assessment or service (housing management system/asset management system).</p> <p>Reconciliations should be performed on a periodic basis going forward, and any discrepancies noted should be investigated.</p>	<p>Critical</p>

Management Response	Responsibility	Timescale
<p>Due to the manual nature of our approaches some errors in reporting were found, once we go live with the new Keystone modules this will automatically generate servicing and aid in tracking jobs. This is part of the Cadi project.</p> <p>Keystone will carry out an automatic reconciliation daily with Open Housing to ensure one version of the truth. It will run the servicing elements and highlight actions that are reaching their overdue date by way of a jeopardy report.</p> <p>In lieu of Keystone going live a 20% per month spot check of FRA actions being captured is taking place, we have looked back 5 years to ensure all newly acquired properties are on the gas servicing schedule and the special project and compliance manager is doing spot checks on data</p>	Resident Safety and Compliance Manager	Immediately – 6 months

## 5.4 Gas servicing

### 5.4.1 Adding Properties to the Gas Register

Observation		Risk
<p>We were provided with a list of new builds and new acquisitions from the last 24 months, consisting of 103 new builds and 27 buy backs<sup>7</sup>. We reconciled this list to the gas register and found 67 new builds that were not on the gas register. Five of these properties were built in 2019, and are overdue for a gas service at the time of audit. The remaining 62 reached practical completion between July and December 2020, and were not due for an LGSR at the time of the audit, however would have not been serviced prior to expiry.</p> <p>All 67 new builds identified were confirmed as missing from the gas register. We were advised these properties were missed due to a lack of communication and an undefined, undocumented process to ensure new builds are added onto the register. Key evidence requested during the initial fieldwork was not provided in order to establish the full extent of the risk.</p>		LGSRs are overdue at new builds not added to the gas register, leaving tenants at risk.
Recommendation		Priority
<p>LBH should:</p> <ol style="list-style-type: none"> <li>1. Ensure it adds the properties highlighted to the gas register.</li> <li>2. Conduct a review of new build properties more than 24 months old, to ensure these properties are included on the gas register and have not been missed. LBH should also document a process for ensuring these properties are added, and this should be communicated to all parties involved.</li> </ol>		Critical
Management Response	Responsibility	Timescale
<p>We accept there were five that were not on the register. This was due to the recipient of the information leaving the council without actioning. The others would have been picked up when we did our reconciliation and interfaced every UPRN from Open Housing to Keystone prior to going live with the servicing module.</p> <p>A new Open housing to Keystone interface is live which automatically ensures both systems have matching properties and this should no longer occur.</p> <p>We also checked back 5 years to check for any properties not on the servicing schedule and found none.</p>	Resident Safety and Compliance Manager	January 2022

<sup>7</sup> Former council properties bought back, which were sold through the Right to Buy scheme

## 5.4.2 Disposals

Observation		Risk
We were provided with a list of all property disposals from the last 12 months, and we reconciled these properties against the gas register. From our testing, we identified 13 properties disposed of in the last 12 months that are have not yet been removed from the gas register		Inefficient processes around managing gas safety resulting in unnecessary financial loss.
Recommendation		Priority
LBH should: <ol style="list-style-type: none"> <li>1. Remove the properties highlighted from the gas register.</li> <li>2. Document a process for ensuring disposals are removed from the register, and this should be communicated to all parties involved.</li> </ol>		Minor
Management Response	Responsibility	Timescale
We will define a process for adding and removing properties from relevant systems.	AD of Property Services	March 2022

### 5.4.3 Post Inspections

Observation		Risk
During our review, we confirmed LBH has an arrangement in place with PCM, whereby PCM completed post inspections of 5% of all gas servicing and electrical testing. PCM also complete a desktop review of 100% of LGSRs. This approach, however, has not been defined in LBH's policies, and no differentiation has been made on a contractor by contractor basis (ensuring all contractors are captured in the post inspections conducted).		Safety issues are not highlighted and poor contractor performance is not addressed.
Recommendation		Priority
LBH should: <ol style="list-style-type: none"> <li>1. Include reference to PCM's post inspections of gas servicing in its Housing Compliance policy.</li> <li>2. Ensure PCM's post inspection visits capture all its gas safety contractors.</li> </ol>		Minor
Management Response	Responsibility	Timescale
We will amend the policies and management plans.	Resident Safety and Compliance Manager	January 2022

#### 5.4.4 Monitoring of Post Inspections

Observation		Risk
Management were able to evidence PCM were completing post inspections of gas services each month. For example, we were provided with evidence of 77 of PCM's post inspection reports completed by PCM over the last 5 months. However, PCM has a contractual target to post inspect 5% of gas services, and we were not provided with evidence that this target was being achieved, or being monitored by LBH.		Potential safety issues are not highlighted and tenants are put at risk as a result.
Recommendation		Priority
LBH should monitor the number of post inspections completed by PCM against the total number of gas services completed, to ensure PCM is adhering to its 5% contractual target.		Minor
Management Response	Responsibility	Timescale
This will form part of monthly contract meetings.	Resident Safety and Compliance Manager	January 2022

## 5.5 Fire Risk Management

### 5.5.1 Overdue FRAs

Observation		Risk
<p>We reviewed the Type 1 FRA programme and found the most recent FRA data for 272 of 920 properties (c.30%) is over three years old. Each of these properties became overdue for an assessment between February and April 2021.</p> <p>From our review of the Type 1 programme, and through our conversations with management, were confirmed these are all classed as low risk properties under the fire management policies, and scheduled to be completed by Oakleaf before October 2021.</p> <p>We queried with management the reason behind the delay to these properties, and were advised that LBH prioritised completing Type 4 FRAs at high risk and medium risk properties. Type 1 FRAs at its low risk properties have been left until after its Type 4 FRA programme has completed, and this resulted in them becoming overdue.</p>		FRAs at the properties highlighted are no longer up to date, presenting undue fire risk to the tenants that occupy these properties.
Recommendation		Priority
LBH should ensure all its properties have a valid and up to date FRA. The properties highlighted as being overdue should be monitored and reported on an ongoing basis, and clear timescales for completing these FRAs should be agreed with Oakleaf.		Significant
Management Response	Responsibility	Timescale
<p>Three years is our policy but there is no statutory timescales, just a matter of reasonableness. We risk assessed our property portfolio and prioritised completing Type 4 FRAs in high risk properties.</p> <p>All blocks now have a type 4 FRA.</p>	Resident Safety and Compliance Manager	Complete

## 5.5.2 Missing FRA Remedial Actions

Observation		Risk
<p>We reviewed a sample of ten FRA remedial actions and noted one action, RB-G3UL5D (priority B) was not included on the master action tracker. This action was due on 23/04/2021, and therefore overdue.</p> <p>Remedial actions from FRAs are exported into excel and manually added to the master action tracker. We were advised during this manual addition, the action highlighted had been missed. This resulted in this action also being omitted from remedial action KPI reporting.</p>		FRA remedial actions to mitigate fire risk are not completed, presenting undue health and safety risks to LBH's tenants.
Recommendation		Priority
<p>LBH should:</p> <ol style="list-style-type: none"> <li>1. Ensure all FRA remedial actions are added to the master action tracker.</li> <li>2. Whilst this process is manual, LBH should implement a secondary check to ensure every action from an FRA is added to the tracker after exporting actions to Excel. This should involve a comparison between the total number of actions exported to the total number of actions added to the master action tracker.</li> <li>3. Conduct a full review of FRA remedial actions raised in FRAs, confirming they have been included in the master action tracker. A risk-based approach should be adopted for this review, beginning with priority A actions in its high-risk properties.</li> </ol>		Significant
Management Response	Responsibility	Timescale
<p>This is a result of the manual approach currently taken and will be resolved once the keystone modules go live.</p> <p>We have as an interim measure implemented an additional checking approach to ensure the risk of errors is reduced.</p> <p>A monthly 20% check of FRAs is ongoing to ensure all actions are captured.</p>	Resident Safety and Compliance Manager	March 2022

### 5.5.3 Completion of FRA Remedial Actions

Observation		Risk
We reviewed a sample of ten FRA remedial actions. We sought to confirm with management if FRA remedial actions had been completed, and whether they were completed within their target timescales. From our testing, we found two actions were completed after their due date, by seven days (priority A) and 70 days (priority B).		Actions are left open and incomplete for extended periods of time, increasing the fire risk and potential harm to tenants.
Recommendation		Priority
LBH should: <ol style="list-style-type: none"> <li>1. Ensure FRA remedial actions are completed before their due dates.</li> <li>2. Ensure clear timetables are put in place for overdue actions, which set out when overdue actions will be completed by. This should be actively monitored to ensure actions are completed in a timely manner and sufficiently monitored.</li> </ol>		Significant
Management Response	Responsibility	Timescale
This is a result of the manual spreadsheet approach currently taken  We will undertake additional checking of the action tracker to ensure no action goes past its due date.	Resident Safety and Compliance Manager	Immediate and ongoing

#### 5.5.4 Contract management meetings - Oakleaf

Observation		Risk
We were advised LBH does not hold formal contract management meetings with Oakleaf, the fire safety contractor. Management advised ad-hoc site meetings are held, however these meetings are informal and are not minuted. LBH is unable to confirm Oakleaf's performance is monitored and discussed appropriately.		Poor performance of Oakleaf is not addressed for extended period of time.
Recommendation		Priority
LBH should hold formal contract management meetings with Oakleaf on a periodic basis to discuss operational and strategic issues, and the contractor's performance. Meetings should be minuted, and actions discussed in meetings should be tracked through to completion.		Significant
Management Response	Responsibility	Timescale
Formal meetings are now being held.	Resident Safety and Compliance Manager	Complete

## 5.6 Asbestos Management

### 5.6.1 Updating the asbestos register

Observation		Risk
<p>We selected a sample of 20 residential properties and requested asbestos surveys for each. We then reconciled physical surveys to data held in the asbestos register. We found two cases where the asbestos register had not been updated with the most recent survey.</p> <p>In one case a survey was completed in 2020, however the register had data from 2014 and 2015 only. Asbestos was confirmed in 2020, similarly to 2014 and 2015. In another case, a survey was completed in 2020 however no asbestos data for this dwelling had been updated on the register. There was no asbestos present at this property.</p> <p>We queried these with management and were advised these properties were missed by Cube, LBH's asbestos contractor, when uploading surveys. These were added to the register during the audit fieldwork.</p>		Contractors are exposed to asbestos because of out of date information on the asbestos register.
Recommendation		Priority
LBH should ensure data from all surveys completed by Cube are added on to the asbestos register. LBH should seek a comprehensive list from Cube of all surveys completed in a given period, and this data should be reconciled to the asbestos register.		Significant
Management Response	Responsibility	Timescale
The two properties in question were our two hostels. These had not been added to the list for Cube to update after undertaking the asbestos survey; they have now been added.	Resident Safety and Compliance Manager	Complete

## 6. Terms of Reference

#	Risk	Expected Control
1	<b>Policies &amp; procedures</b>	
1.1	There is an inappropriate approach to landlord health and safety	<p>For the key areas of health and safety under review; gas, fire safety, asbestos, electricity, water testing and lift maintenance, LBH have in place:</p> <ul style="list-style-type: none"> <li>• A policy that includes the relevant requirements and responsibilities;</li> <li>• Procedures and workflows that provide the detail operational requirements to meet the policy.</li> </ul>
2	<b>Reporting &amp; monitoring</b>	
2.1	Reporting and monitoring of H&S is not robust and may not identify performance issues	<p>For the key areas of health and safety under review LBH have in place:</p> <ul style="list-style-type: none"> <li>• Performance indicators that are reported periodically to determine compliance with the relevant legislation;</li> <li>• Effective reporting workflows that ensure H&amp;S reports and performance <ul style="list-style-type: none"> <li>○ is effectively reviewed for accuracy and completeness</li> <li>○ scrutinised at an appropriate level</li> </ul> </li> <li>• Measures to ensure that serious H&amp;S matters are reported to Board</li> <li>• An assurance map that identifies key controls / assurances for each line of defence (following the three lines of defence model)</li> </ul>
2.2	Performance issues identified are not understood and rectified	<p>Where poor performance is reported this is</p> <ul style="list-style-type: none"> <li>• Identified to understand the issue present;</li> <li>• Challenged or reviewed to ensure performance is improved; and</li> <li>• Reviewed to ensure any lessons are learnt for future working performance.</li> </ul> <p><i>N.B. compare the performance reporting to sector best practice.</i></p>
3	<b>Gas safety</b>	
3.1	Inaccurate data on gas serviceable components results in properties being missed off the gas servicing register.	<p>A gas servicing register is in place and LBH can provide evidence to comprehensively demonstrate that all properties with gas serviceable components have been identified and included within this record.</p> <p><i>(NB: Use data analysis where possible to conduct a reconciliation between systems such as spreadsheets, the housing management system, and the asset management database.)</i></p>

#	Risk	Expected Control
		<p>Non-boiler gas assets (e.g. cookers) have been included on the gas safety register.</p> <p><i>(NB: Use data analysis software to identify non-boiler gas assets and reconcile these properties to the gas servicing register).</i></p>
		<p>The gas register is kept up to date with details of newly acquired properties.</p> <p><i>(NB: Obtain independent records from the Development Team and reconcile these to the gas register.)</i></p>
		<p>Where newly developed properties are added to the gas register, the anniversary date of the service is based on the component installation date rather than the property handover date.</p> <p><i>(NB: test a sample of new builds.)</i></p>
3.2	LBH cannot positively evidence that properties not having a gas service do not contain gas serviceable assets.	LBH perform a periodic review of all properties to ensure accurate records are held on gas appliances within properties
3.3	Gas servicing work is not effectively managed, resulting in a breach of legislative and regulatory requirements.	<p>A programme is in place to carry out gas servicing at all gas properties on an annual basis.</p> <p>Households are contacted sufficiently in advance to facilitate entry prior to the expiry of the LGSR (e.g. 10 or 11 month programme in place).</p> <p>Systems and tools in place to manage the programme of gas servicing are sufficient and fit for purpose (consider ease of use and transparency over performance).</p> <p>There are detailed procedures in place which set out the processes for contacting households and arranging servicing visits. The procedures are followed (sample testing required).</p> <p>Sufficient performance data is available to operational management to facilitate the effective management of the servicing programme.</p>
3.4	Access cannot be gained to tenanted properties in order to carry out servicing work	<p>LBH has procedures in place which detail the processes to be followed when access cannot be obtained to undertake gas servicing work.</p> <p>The procedures include an appropriate process of escalation (i.e. to legal proceedings) where access cannot be gained to properties, and this escalation process takes place prior to the expiry of the LGSR.</p> <p>The procedures are followed (sample testing required).</p>
3.5	Gas servicing is undertaken at properties no longer owned by LBH.	LBH has clear processes in place for updating the gas servicing programme for properties sold, demolished, or where gas appliances have been taken out.

#	Risk	Expected Control
		<i>(NB: obtain records of recent property disposals from Finance and reconcile these to the gas register)</i>
3.6	The quality of the gas servicing carried out is inadequate.	<p>LBH has defined a policy approach to the post inspection of gas servicing works, which ensures that an even coverage of quality review is given to all parties undertaking such works (e.g. all contractors / DLO staff are included).</p> <p>Evidence can be provided to demonstrate that post inspections are being undertaken in line with policy.</p> <p>LBH can demonstrate that poor quality results from post inspections are followed up and issues are addressed.</p> <p>Post inspection performance is monitored over the long term so that trends in performance can be identified.</p>
3.7	LBH cannot demonstrate that it has met its legislative and regulatory requirements.	Copies of LGSRs are maintained by LBH, the details of which are accurately represented on the gas servicing register (sample testing required).
3.8	There is inadequate monitoring of the party delivering the gas servicing programme	<p>LBH has an agreed contract / SLA in place where work is outsourced.</p> <p>Regular meetings take place between LBH and contractors on progress made against the annual programme.</p>
3.9	Gas servicing arrangements do not demonstrate VFM	LBH can demonstrate value for money in its gas servicing arrangements (consider cost or service, quality review results, customer satisfaction etc.).
3.10	Data integrity issues exist within gas data.	<p>The following data integrity tests will be undertaken as part of the review (where possible):</p> <ul style="list-style-type: none"> <li>Review gas register for data integrity issues such as missing servicing dates, inaccurate servicing dates (e.g. outside of expected boundaries), service dates which only appear on leap years (i.e. 29<sup>th</sup> February) and issues in the completeness of address data.</li> <li>Recent performance figures reported to the board will be recalculated and / or assurance will be given over the accuracy of performance reporting arrangements.</li> <li>Other – as considered necessary</li> </ul>
<b>4</b>	<b>Fire risk management</b>	
4.1	Fire risk is not managed in accordance with the risk profile of buildings within the stock.	LBH has assessed the risk profile of its various building types (i.e. high rises / care schemes etc.); and, has adopted an appropriate risk based approach to undertaking FRA reviews.

#	Risk	Expected Control
4.2	Fire risk assessments are not in place, or not up to date and relevant, for all communal areas.	Fire risk assessments are in place for all LBH's communal areas. <i>NB: Use data analysis to reconcile a list of the properties communal areas (as per the housing management or asset management databases) to records of the FRA programme.</i>
		Fire risk assessments are up to date and reviewed on a periodic basis. <i>NB: Obtain a report of all FRA review dates, and test to ensure that 100% of FRAs are up to date as per requirements within the fire risk management policy.</i>
4.3	Fire risk assessments are incomplete, or of inadequate depth and breadth in their coverage.	Fire risk assessments for each of LBH's premises have considered the following: <ul style="list-style-type: none"> <li>▪ The size, build and complexity of the premises;</li> <li>▪ The activities and services carried out at the premises;</li> <li>▪ The number and nature of the occupants of the premises (e.g. employees, residents);</li> <li>▪ Any history of fires or other relevant incidents.</li> </ul>
		Each fire risk assessment provides clear details on: <ul style="list-style-type: none"> <li>▪ The current fire protection measures in place (e.g. alarms, detectors, extinguishers etc.);</li> <li>▪ The current fire safety management measure in place (e.g. equipment testing, fire drills, staff training);</li> <li>▪ An assessment of the number of occupants at risk and the possible consequences to them in the event of a fire.</li> </ul>
		Fire risk assessors are trained and qualified in matters of fire safety, and can demonstrate that they have relevant skills and experience to understand and report on complex matters such as the integrity of the building fabric with regards to fire safety, as well as more minor issues such as obstructions to exit ways.
4.4	Issues raised in the FRA are not addressed within the required timescales.	All remedial actions raised within FRAs are actioned in line with target timescales. <i>NB: Obtain a report on all outstanding remedial actions, and assess whether any of these are over-target for completion.</i> <i>Also select a sample of FRAs and ensure that all remedial actions within have been actioned in line with target timescales.</i>
		There are appropriate systems and processes in place to ensure that all remedial actions raised within FRAs are effectively managed, and are actioned in a timely manner.
		LBH adopts a risk based approach to the completion of remedial actions, ensuring that the most high risk items are undertaken as a priority.
4.5	LBH has insufficient asset data on fire	Asset data on fire safety equipment (e.g. fire extinguishers / sprinkler systems etc.) is maintained and can be made available on request.

#	Risk	Expected Control
	safety equipment within its properties.	<p>LBH can demonstrate that it has processes in place to periodically update asset data on fire safety equipment.</p> <p><i>NB: For the sample of fire risk assessments reviewed during the review, reconcile details of fire safety equipment detailed within the FRA, to asset data held.</i></p> <p><i>Obtain a report of properties containing fire alarm systems, firefighting equipment, internal doors, and emergency lighting from the asset management system and reconcile this to FRA programme records.</i></p>
4.6	Fire risk contractors are not effective and do not represent value for money.	<p>Fire risk contractors have been chosen by an appropriate process of competitive selection.</p> <p>The contractor's performance requirements have been clearly communicated, and are being achieved.</p> <p>LBH is effectively monitoring and controlling the performance of the contractor.</p> <p><i>NB: Consider where any performance issues noted during the review are being actively and effectively managed with the contractor.</i></p> <p>Contractors are required to demonstrate continuing professional development so as to keep up to date with changes in fire safety guidance / regulations.</p>
5	<b>Asbestos management</b>	
5.1	LBH is not managing asbestos effectively.	<p>LBH can demonstrate that asbestos surveys are being undertaken in line with the requirements of its asbestos management plan.</p> <p><i>(NB: Use data analysis techniques to identify all properties with asbestos surveys).</i></p> <p>ACMs are being periodically re-inspected in line with the requirements of LBH's asbestos management plan, and in a way that is appropriate to their risk profile.</p> <p><i>(NB: Use data analysis techniques to identify all overdue re-inspections).</i></p> <p>LBH maintains an up to date register of the location and condition of ACMs or presumed asbestos in its properties.</p> <p><i>(NB: reconcile the register to a sample of asbestos surveys to review its accuracy.)</i></p>
5.2	Maintenance operatives are not made aware of ACMs within the properties they are working in.	<p>Maintenance operatives have access to the asbestos register.</p> <p>Effective procedures are in place to ensure that maintenance operatives are made aware the asbestos status of a property before all jobs are undertaken.</p>

#	Risk	Expected Control
5.3	LBH undertakes work it is not licenced to carry out.	All asbestos removals are undertaken by companies that are registered and licensed with the HSE to remove asbestos. <i>(NB: sample test recent removals.)</i>
5.4	Preventable exposure to asbestos occurs.	Adequate training is provided to staff to ensure that they are aware of LBH's policies on asbestos and of current legislation, and that they are able to identify potential asbestos risks when visiting properties within the stock.  Guidance on asbestos risks has been made available to tenants.
5.5	Incidents relating to asbestos exposure are not appropriately managed and reported.	LBH has processes in place to ensure that any incidents resulting in accidental exposure to asbestos are formally reported and investigated.  <i>(NB: review previous incident reports and ensure that action was taken to investigate, and prevent future occurrences where possible.)</i>  Serious incidents (see published HSE guidance) of exposure have been reported to the HSE under RIDDOR requirements.
5.6	Asbestos management arrangements do not represent value for money.	LBH can demonstrate that value for money has been effectively considered within its asbestos management arrangements.  Asbestos contractors have been selected through a process of competitive selection, as per the requirements of LBH's financial regulations.
<b>6</b>	<b>Electrical safety</b>	
6.1	Electrical safety is ineffectively managed.	Electrical testing is carried out by NICEIC and ECA approved Contractors.  Electrical testing is carried out at all sites where LBH has a responsibility for electrical health and safety. <i>(N.B. conduct data analysis over LBH data to identify potential missing sites)</i>  LBH, as a landlord, has appropriate controls in place to provide assurance that electrical equipment provided to tenants is compliant with applicable electrical safety standards, maintained and tested.  There is a nominated officer with overall responsibility for electrical safety (supported by relevant job description detail).
6.2	Electrical testing is not undertaken within the procedural timeframes.	There is a programme in place to ensure that periodic electrical assessments take place in line with timescales set out in policy and that LBH's approach in this area is consistent with peers.  The electrical safety programme is being effectively implemented in accordance with LBH's policy.  <i>(N.B. Assess where gaps have been identified and whether these are appropriately explained.)</i>

#	Risk	Expected Control
		<p>LBH has an effective system in place to obtain and store its electrical safety certificates.</p> <p><i>(N.B. Select a sample of certificates)</i></p>
		<p>LBH is undertaking electrical testing on all void properties, in line with policy.</p> <p><i>(N.B Review a sample of void properties to confirm an electrical assessment has been undertaken)</i></p>
6.3	Issues raised as a result of the electrical safety programme are not addressed	<p>LBH has an appropriate framework in place to ensure that remedial actions raised within electrical safety surveys are actioned in line with target timescales.</p> <p><i>(N.B. Obtain a report on all outstanding remedial actions, and assess whether any of these are over-target for completion. Ensure remedial actions which are known to be overdue have been booked in for action.</i></p> <p><i>Select a sample of electrical safety surveys and ensure that all remedial actions within have been logged and actioned within target timescales.)</i></p> <p>LBH adopts a risk based approach to the completion of remedial actions, ensuring that the most high risk items are undertaken as a priority.</p>
6.4	Reporting on the progress of the electrical safety programme is not transparent.	<p>Performance reports are provided to senior management and the Board, which provide a clear and transparent assessment of the status of the electrical safety programme.</p> <p>Consider whether performance indicators such as the following are in use:</p> <ul style="list-style-type: none"> <li>• % of properties with an up-to-date electrical safety survey</li> <li>• % of electrical safety surveys overdue for renewal</li> <li>• % of priority 1 remedial actions overdue for completion</li> <li>• % of priority 2 remedial actions overdue for completion</li> <li>• % of priority 3 remedial actions overdue for completion</li> </ul>
6.5	Issues with electrical safety contractors prevent effective completion of the safety programme.	<p>LBH has appointed an electrical safety contractor following a formal procurement exercise which considered quality alongside value for money.</p> <p>Electrical safety contractors are qualified to carry out electrical safety works.</p> <p>Formal contractor management meetings take place to monitor contractor performance against the programme.</p> <p>The electrical safety programme records used by the contractor is regularly compared with LBH's own asset records to ensure the complete coverage of the works.</p>
7	Water safety	

#	Risk	Expected Control
7.1	LBH has not defined and communicated its approach to Legionella risk.	<p>LBH has documented policies and procedures around the management of water safety.</p> <p>Roles and responsibilities for Legionella management within LBH have been clearly communicated.</p> <p><i>(NB: Consider both overall responsibility for the Legionella programme, and also responsibilities for risk mitigation activities at individual schemes / sites.)</i></p>
7.2	Properties where Legionella prevention and detection activities are required are not included within the programme of works.	<p>LBH has identified and documented all properties containing communal water facilities and communal water tanks, and can demonstrate that its records are comprehensive.</p> <p><i>(NB: Where possible, undertake data analysis on communal water components within the asset management system and reconcile this to the water safety programme records.)</i></p>
7.3	Risks specific to individual properties are not identified.	<p>Legionella risk assessments have been undertaken at all properties with communal water facilities.</p> <p>Legionella risk assessments have been undertaken by an appropriately qualified company / individual.</p>
7.4	Insufficient actions are undertaken to prevent and detect Legionella.	<p>Action plans are in place to ensure that the issues identified from the risk assessments are appropriately dealt with.</p> <p>Remedial maintenance works arising from Legionella risk assessments have been dealt with in line with timescales set out with the risk assessments and within LBH's own policies and procedures.</p> <p>Periodic risk mitigation activities such as temperature checks and system flushes are being undertaken at all schemes and sites; and, LBH has central oversight of these activities.</p> <p>A comprehensive programme of communal water tank testing and cleaning is in place.</p>
8	<b>Lift safety</b>	
8.1	Inaccurate records are held of lift maintenance requirements.	<p>LBH has data based on physical inspection (i.e. stock condition surveys and/or a reviewed asset register) of where lifts exist in its stock, and this can be reconciled to the lift servicing programme.</p> <p>Each lift in LBH's office buildings is accounted for in lift servicing records.</p>
8.2	LBH does not have contracts for lift servicing and maintenance.	Contracts are in place that cover all stock and office premises where a lift is present, and suitable arrangements are in place to ensure these comply with insurance requirements.
8.3	Compliance with requirements cannot be demonstrated.	For a sample of properties where a lift is present, it can be evidenced that a service has been carried out in the last 6 months and a certification is held to evidence compliance.

#	Risk	Expected Control
8.4	Maintenance as a result of servicing are not actioned promptly leaving lifts unsafe and insurance potentially invalid.	Review the outcomes of each service sampled above and ensure that any failures or issues to be addressed have been actioned in a timely manner.
		Ensure that LBH is maintaining sufficient centralised records of where faults are identified by Lift inspections, that would allow them to have oversight of all required or suggested remedial works.
		Where there are delays in completing remedial works, Management can evidence that the lift was made safe to prevent injury.
		Review the records of remedial works completed, and compare these to management reporting to confirm that where there have been delays these have been brought to the attention of the relevant Management.
		Select a sample of outstanding actions and ensure that these are being managed in line with time periods stipulated by qualified personnel.
8.5	Insufficient transparency of contractors' work, leading to a lack of effective scrutiny and control.	Central records are held enabling LBH to view details of contractors' works including a full repairs history for each lift on the contract. This is used as a basis for effective contract management, with contractors challenged around any issues such as recurring faults or required works or services not being completed promptly.
8.6	LBH does not have suitable arrangements in place in the event of lift failure.	Emergency arrangements are in place for lift maintenance and these are suitable based upon the risks to residents.

## 7. Data Integrity

As referred to in **Recommendation 5.4.1**, our testing highlighted the following observations in relation to the adequacy and accuracy of the data driving LBH's compliance programmes. Details of our testing and results in each programme is below:

### 7.1 FRA Programme

- We reviewed a sample of 30 FRAs to confirm data in the programme matched data in their respective FRAs. As part of our testing, we reviewed the FRA date, frequency of review and risk rating. Our testing identified eight instances FRA dates did not match dates in the programme. These were different by between 5 and 1,464 days.
- In six of the eight cases, the most recent FRA had not been updated on the programme. In two cases, the date in the programme was incorrect due to errors made during manual data entry.

### 7.2 FRA Remedial Action Tracker

- We were provided with the Master Action Tracker, which contained 6,363 FRA remedial actions. From our review of the action tracker, we found 21 FRA remedial actions that were due before the audit fieldwork had not yet been completed, and were overdue. All actions were priority B, and due between 30/08/2020 and 30/04/2021; meaning these were overdue by between 8 and 183 days, and by an average of 83 days.
- From our review of Compliance reports, we found that these overdue remedial actions had not been reported. Please refer to **Recommendation 6.3.1** for further detail.

### 7.3 Electrical Safety Programme

- We reviewed the EICR programme for communal properties. Of 837 communal areas, we found
  - Four properties where EICRs were completed over five years ago. Three were completed in July 2014, and one in October 2014. We queried these with management and were advised these have been completed (two in 2019 and two in 2020), however the programme has not been updated.
  - 13 properties with no EICRs. We were provided with evidence confirming each of these have been carried out in the last five years, however the tracker was not updated
  - One property with a last test date of 22/10/2024. We were advised this occurred due to human error when entering the last test date.
- We reviewed a sample of 30 domestic properties and 15 communal properties to confirm an EICR could be provided, and the data on the EICR matched the data held in the programme. We noted for two of the 30 domestic properties sampled, and seven of the 15 communal properties sampled, the EICR date on the programme did not match the EICR. They were different by an average of 97 days, with the recorded date between 789 days before and 429 days after the EICR was completed. We were advised each of these errors occurred due to human error from manual data entry. In five of these cases this would have resulted in EICRs becoming overdue (against the internal 5-year target).

### 7.4 PAT Testing Programme

- We were provided with the PAT testing programme and found one property where no PAT testing data had been recorded. We confirmed PAT testing had been completed at this property in June 2020, however the programme had not been updated.

### 7.5 Legionella Risk Assessment Programme

- We selected a sample of 30 properties and requested Legionella risk assessments for each. From our testing, we found one property where the LRA date did not match the date recorded on the programme. We were advised the programme had not been updated with the most recent LRA, and was incorrect by 405 days. Management provided the most recent LRA, completed on 10/06/2020.

## 8. Definitions of Assurance

### 8.1 Assurance Gradings

We use categories to classify internal audit assurance over the processes we examine, as follows:

Assurance level	Definition
Limited	Findings indicate serious weaknesses in the control framework which could threaten the ability of LBH to achieve its objectives; or, there is evidence that despite any corrective action already taken, key risks are crystallising in the area under review or have already crystallised. This assurance opinion may also cover the scenario where our audit work was obstructed such that we cannot conclude on the effectiveness of internal controls.
Needs Improvement	Control weaknesses have been noted that require corrective action if the control framework is to be considered as operating effectively. Where such remedial action has already been identified by management, this is not currently considered to be sufficient, or sufficiently progressing to address the severity of the control weaknesses identified.
Reasonable	While the control framework has been found to be generally well designed, control issues and / or areas for improvement have been identified. Where action is in progress to address these findings and any other issues known to management, these actions will be at too early a stage to allow a 'substantial' assurance audit opinion to be given.
Substantial	Findings indicate that on the whole, controls are satisfactory, although some good practice enhancements may have been recommended

### 8.2 Recommendation Gradings

In order to assist management in using our internal audit reports, we categorise our recommendations according to their level of priority, as follows:

	Definition
Critical	Critical recommendations represent fundamental control weaknesses, which expose LBH to a high degree of unnecessary risk.
Significant	Significant recommendations represent significant control weaknesses which expose LBH to a moderate degree of unnecessary risk.
Minor	Minor recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

## 9. Audit Timetable

Audit Area	Landlord Health & Safety Review
Associate Director	Rob Hanley
Engagement Manager	Jon Bennett
Senior Auditor	Mahedur Chowdhury
Client Contacts	Patrick Odling-Smee, Ranie Goolcharan, Gary Mitchell

Milestone	Planned	Actual
Audit days	30	30
Start on site	06.04.21	06.04.21
Fieldwork end date	03.05.21	03.05.21
Draft report issued	24.05.21	24.05.21
Management responses provided	07.06.21	15.11.21
Final report issued	14.06.21	18.11.21

## 10. Statement of Responsibility

We take responsibility to the London Borough of Havering for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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## Appendix A Examples of Forward Looking KPIs

The tables below are not reflective of current performance, these figures are for illustrative purposes only.

### Summary of imminent fire risks

The table below shows how many recommendations were raised with current FRA by priority and then summarised by when these recommendations are due. This helps organisations to ensure works are planned for completion in line with their due date.

Priority	Total	Overdue	Due this week	Due in 1-2 weeks	Due this month	Due in 60 days	Future
Long term	985		2	6	28	150	799
Medium term	400			3	15	97	285
Short term	201				8		193
Immediate	0		1				
Totals	1586	0	3	9	51	247	1277

### Summary of gas servicing

This type of forward-looking performance monitoring can help assess the number of appointments which require booking to ensure the services do not become overdue.

	In one month	In two months
Gas services due	176	189
Gas services booked	154	101
Services requiring appointments	22	88