

Title: Asset Compliance Committee & Resources

Lead Officer: Graham Leach, Head of Governance & Monitoring Officer,  
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Portfolio Holder: Councillor Davison & Councillor Wightman

Wards of the District directly affected: None

<b>Approvals required</b>	<b>Date</b>	<b>Name</b>
<b>Portfolio Holder</b>	10/11/23	Ian Davison Paul Wightman
<b>Finance</b>		Andrew Rollins
<b>Legal Services</b>		
<b>Chief Executive</b>	13/11/23	Chris Elliott
<b>Programme Director Climate Change</b>	13/11/23	Dave Barber
<b>Head of Service(s)</b>	13/11/23 13/11/23 13/11/23	Graham leach Lisa Barker Steve Partner
<b>Section 151 Officer</b>	13/11/23	Andrew Rollins
<b>Monitoring Officer</b>	13/11/23	Graham Leach
<b>Leadership Co-ordination Group</b>		
<b>Final decision by this Committee or rec to another Cttee / Council?</b>	No, recommendation (2) and (8) are for Cabinet to pass to Council on 15 November 2023	
<b>Contrary to Policy / Budget framework?</b>	No	
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>	No	
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>	No	
<b>Accessibility Checked?</b>	Yes	

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## Summary

The report sets out the governance structure for Council in response to the recommendations identified by an independent review in respect of social housing stock safety compliance within the Council.

## Recommendations

- (1) That the Cabinet notes the Governance Structure set out at Appendix 1;
  - (2) That the Cabinet recommends to Council the establishment of an Assets Compliance Committee with the remit as set out at Appendix 2 to the report;
  - (3) That the Cabinet notes the terms of reference of the Compliance Board (Social Housing Stock) as set out at Appendix 3 to the report;
  - (4) That Cabinet notes the notification letter to Housing tenants as set out at Appendix 4 to the report;
  - (5) That Cabinet endorses the action plan for responding to the report, as set out at Appendix 5 to the report.
  - (6) That the use of £11,000 from the Service Transformation Reserve for 2023/24 for the employment of a Scrutiny Officer for this year and £47,290, per annum, be included within the budget for the next four years for this role.
  - (7) The Cabinet notes the expenditure with Pennington of £62,000 for consultancy work support & training.
  - (8) That Cabinet recommends to Council the revision to the Constitution to include the role of Vice-Chair of Overview & Scrutiny Committee.
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## 1 Reasons for the Recommendation

- 1.1 The Social Housing (Regulation) Act came into force from 1 October 2023. As part of the Council's preparedness for this introduction of the Act an external review, by Pennington, of the Council's compliance with the requirements of the Act was undertaken. The review identified significant areas for improvement within the Council including the Governance arrangements for ensuring compliance. This is expected to result in direct intervention from the Regulator for Social Housing with them requiring meetings frequently with evidenced progress. They will also expect to see direct oversight from Councillors of this work.
- 1.2 An all-Councillor briefing took place on 9 November 2023 setting out the findings and the actions from the review. This was to ensure all Councillors were aware before either the regulator or tenants were notified in writing.
- 1.3 There are questions which will need to be considered, as to how the Council, found itself in this position, The reflection will take time and involvement from Councillors in respect of both Overview & Scrutiny Committee and Audit & Standards Committee. However, the immediate response has been and continues to be to mitigate any risks associated with this for Council's tenants and lease holders.
- 1.4 The recommendations clearly identify a need for improved Governance and in response to this, officers produced a proposed Governance Framework, as set out at Appendix 1 to the report. This is based on discussions with both Pennington and other Councils who have self-referred to the regulator.

- 1.5 Over the next 12 to 18 months there will be a significant work undertaken in respect of assurance. This falls in the remit of the Overview & Scrutiny Committee and the Audit & Standards Committee. It is widely accepted that the Overview & Scrutiny Committee is working at capacity and that the additional work, based on officer dialogue with other Council's, will see the relevant body meeting once a month (at least for the first 12 months).
- 1.6 Officers have been advised that having a dedicated Committee for this initial response is recognised as good practice. Therefore, proposals for an additional Committee, including its terms of reference are brought forward. The new Committee is created to undertake this work with a view to having a mixture of knowledge from both the Overview Scrutiny Committee (with their perspective of are we doing the right thing) and the Audit & Standards Committee (are we doing it right).
- 1.7 The initial focus of the new Committee will be to review and challenge the progress in respect to ensuring compliance for safety under the Social Housing (Regulation) Act. They provide assurance on the delivery of this to Cabinet (as the responsible body) on behalf of the Council.
- 1.8 Dates have been set for the new Committee to meet at 6.00pm on:  
20 December 2023  
22 January 2024  
26 February 2024  
25 March 2024  
22 April 2024

There will also need to be specific training for the Committee members with a view to this being undertaken in December 2023.

- 1.9 This will not take away overall responsibility from either of the existing Committees and the Overview & Scrutiny Committee still able to review and consider any Cabinet reports on this matter and Audit & Standards Committee still considering any Audit reports.
- 1.10 To support the Governance Structure overall a Compliance Board, is also in place, with a remit based on best practice and its remit is set out at Appendix 3 to the report.
- 1.11 The self-referral letter to the regulator as well as the letter to all tenants are included as appendices along with the other appendices so they are in the public domain for transparency and good governance.
- 1.12 There will be a need for the dedicated consultancy work and training for officers and members and for that reason work has been undertaken to secure dedicated consultancy work from Pennington who are an acknowledged expert in this field of work.
- 1.13 Overview & Scrutiny was already considering a request for a dedicated officer to support them in their work, thus enabling more review work to be undertaken (such as Task & Finish Groups). It is now proposed that this post is introduced as a priority for the Council to (a) show commitment to the robust response to the concerns raised and (b) provide appropriate support for Overview & Scrutiny Committee over a longer time. The recommendation is for the budget to be made available for four years. This is considered most appropriate for securing resources into the role and making a commitment beyond the next election in May 2027. This way the new Council after the election can review

the role and need for it but provides a transition phase for the first year of the new Council.

- 1.14 The additional Committee will need support from Civic & Committee Services, and this may not be wholly from a scrutiny perspective. However, this additional officer can help provide insight for the new Committee and provide more direct support for Scrutiny across the Council. This will allow the use of wider resources in the Civic & Committee Team to support this new Committee directly. It also shows a committed response to the challenges which the regulator will expect to see.
- 1.15 There are concerns over the demands on the Chair of the Overview & Scrutiny with a significant number of meetings, over 30 formal meetings, they will now need to attend, if the new Committee is established. To enable this to be reviewed by the Chair of the Committee and provide support for them it is proposed that the Constitution be amended to allow for a Vice-Chair of that Committee. This will enable them to deputise for the Chair of the Committee at any meeting.

## **2 Alternative Options**

- 2.1 At this stage no alternatives were considered as these are robust responses to the challenging position the Council is in.

## **3 Legal Implications**

- 3.1 There are no specific legal implications of the report, and the proposals comply with the relevant aspects of legislation.
- 3.2 The Leader of the Council had consulted with Cabinet, Group Leaders, Chair of Scrutiny and Chair of Audit & Resources and appropriate approvals for officers to bring this as an urgent report due to the significant issues that have been identified.

## **4 Financial**

- 4.1 There will be a need for dedicated and specialist advice from external partners to respond to the issues identified. To achieve this the agreement has been reached with Pennington to provide this at a cost of £62,000. This also includes dedicated training for senior officers, external members of the Compliance Board and Councillors on their responsibilities.
- 4.2 The use of £11,000 from the Service Transformation Reserve for 2023/24 is a decision that can be taken by officers under delegated authority. The £47,290, per annum thereafter would need to be built into the base budget going forward.
- 4.3 There will be further budgetary implications and as these are identified, or resources required these will be reported to Members either to the new Committee (as part of the overall governance and monitoring) or to Cabinet and Council as part of funding requests.

## **5 Business Strategy**

- 5.1 Warwick District Council has adopted a Business Strategy which sets out key areas for service delivery. These proposals are in line with a few of the strands of this in ensuring that the Social Housing provided by the Council is safe, that staff can be effective, services are maintained or improved.

## **6 Environmental/Climate Change Implications**

- 6.1 There will be no direct implications from this report in on the environment.

## **7 Analysis of the effects on Equality**

7.1 It is not considered that an equality impact assessment needs to be undertaken for these proposals.

## **8 Data Protection**

8.1 There is no change in the handling of personal data because of these proposals.

## **9 Health and Wellbeing**

9.1 There are no direct health and wellbeing implications because of these proposals.

## **10 Risk Assessment**

10.1 The Council needs ensuring that it has an appropriate and robust governance structure in place because of the report findings. The failure to adopt measures which have been verified by an external party would lead to greater challenge of the Council's overall competence in handling this matter.

## **11 Consultation**

11.1 The Group Leaders, Chair of Overview & Scrutiny Committee and Chair of Audit & Standards Committee have all considered this report and have raised no objections to it.

**Background papers:** None

**Supporting documents:**