

INTERNAL AUDIT REPORT

TO: Head of Housing & Property Services
SUBJECT: Estate Management

CC Chief Executive
Deputy Chief Executive (BH)
Head of Finance
Sustaining Tenancies Manager
Asbestos Contract Administrator
Housing Support Team Manager
MY REF: JK / ESM

FROM: Audit & Risk Manager
DATE: 25 August 2015

1 INTRODUCTION

- 1.1 As part of the 2015/2016 Audit Plan, an audit has recently been completed on the systems and procedures in place to manage the Estate Management function, i.e. the work undertaken by the Estates Supervisors.
- 1.2 This report outlines the approach to the audit and presents the findings and conclusions arising.

2 SCOPE AND OBJECTIVES OF THE AUDIT

- 2.1 The audit was undertaken in order to establish and test the controls over the management of the function.
- 2.2 Specifically the controls in the following areas were considered:
- Service provision and monitoring
 - Stocks and stores
 - Risk assessment and security

3 BACKGROUND

- 3.1 In terms of providing the service, Estate Management is unusual in that it is still based somewhat on a historical situation and it is inconsistent in how it is delivered.
- 3.2 The only supervised estates in the District, essentially blocks of flats, that have a dedicated Estate Supervisor are in Leamington. There are no Estate Supervisors in the other towns.

- 3.3 The current level of service bears little comparison with the original version when every high rise block in Leamington plus the flats on the Woodloes in Warwick had what was then called a Flats Superintendent. Their duties comprised carrying out site maintenance such as cleaning, gardening and minor repairs and they also carried out administrative duties including rent collection. All of them lived on site.
- 3.4 Various anti social issues at the larger blocks of flats and concerns over staff safety resulted in staff being unwilling to live on site. This led to some aspects of the service being delivered by contractors and eventually to the current position.
- 3.5 There are currently four Estate Supervisors covering the 'estates' in Leamington and the main parts of their duties are grounds maintenance and cleaning, general management of the site and health and safety and security. At two of the sites cleaning is carried out by a contractor.
- 3.6 The four Estate Supervisors would normally be managed by a Senior Estates Supervisor (SES). That post is currently vacant following the appointment of the previous postholder to another position within Housing and Property Services (H&PS). The duties of the SES are currently being undertaken by a number of staff in H&PS.
- 3.7 The Estate Supervisor service is currently subject to a redesign exercise which will see them become mobile, as opposed to site-based, covering the whole of the District and carrying out some additional routine tasks that are currently undertaken by contractors. The proposals have not been examined as part of the audit but they are mentioned as the impending changes may affect the responses to the recommendations.
- 3.8 The 2015/16 budget for the service is £143,800.

4 FINDINGS

- 4.1 In overall terms, the audit concluded that the service is managed well. Little has changed since the last audit in May 2012 apart from the then SES moving to another post in H&PS and being replaced by a temporary SES from Comensura. The same four Estate Supervisors are in post and consequently well versed in the requirements and demands of the job.
- 4.2 In respect of the areas listed at 2.2 the findings are as follows:
- 4.3 **Service provision and monitoring**
- 4.3.1 The main part of the service is grounds maintenance and cleaning and therefore fairly repetitive and predictable. In addition the Estate Supervisors carry out regular checks covering fire safety, health and safety and communal lighting.

- 4.3.2 Until a few years ago the Estate Supervisors submitted a weekly site inspection report and a fire safety checklist and also weekend versions. The submission of the weekly reports was dispensed with and the only requirement was to submit the weekend versions. Hard copy weekend reports were seen for one of the Estate Supervisors but they were not readily available for the other three as, despite apparently being completed, they had not been uploaded to the relevant directory.
- 4.3.3 Submission of the inspection reports is not an onerous task as completion is very much a "tick box" exercise. They have printed on them "Please ensure that this paperwork is fully completed, these documents are important for reference and legal reasons". Without them there is no evidence that the communal areas, lifts, escape routes, fire warning systems etc have been inspected and found to be problem free.

Risk

The absence of reliable and complete inspection records could make it difficult to defend a claim resulting from an accident or injury.

The council's reputation would suffer if case reporting included reference to the absence of inspection records.

Recommendation

Completion of weekly and weekend site inspection reports should be reintroduced and monitored.

- 4.3.4 In normal circumstances the SES makes regular but unannounced visits to all of the sites to ensure that standards are being maintained and that staff are on duty as expected.
- 4.3.5 The staff operate a "buddy system" such that if one of them is absent from work for any reason their counterpart will provide basic cover at other sites during that period.
- 4.3.6 Health and safety inspections are necessary at the weekend and these are undertaken as overtime by three of the Estate Supervisors. Work undertaken is recorded and claimed in the usual way and duly checked and authorised. A sample of claims was checked and found to be in order. Overtime has a specific budget and over the last three years total payments have been at or around the budgeted figure.
- 4.3.7 The SES sees the Estate Supervisors regularly on site when relevant service and site-related issues are discussed. He meets with all four of them every quarter in the form of a team meeting and usually there is no record of the meeting as minutes are not taken. The SES saw no need for minutes as he claimed that any follow-up actions from the meeting would be dealt with immediately so there would be no issues outstanding. (Meetings to discuss the

proposals for the redesign of the service are led by the Sustaining Tenancies Manager.)

Risk

The absence of minutes and therefore any record of a meeting make it impossible to show what was discussed and decided and if any follow up action was allocated to a particular Estate Supervisor.

Recommendation

Minutes of Estate Supervisor quarterly meetings should be taken and distributed as appropriate.

4.4 Stocks and stores

4.4.1 The Estates Supervisors currently have no on-site IT facilities and no access to council systems. Any use of IT is via their personal equipment. All purchasing is channelled through the SES who in turn relies on other staff in H&PS to raise orders. Purchasing does not form a significant part of the overall service budget with most purchases being for routine cleaning and maintenance items. Exceptions are the purchase of grounds maintenance equipment.

4.4.2 An examination of orders raised on Total since 1 April 2014 did show that a small number of higher value items had been purchased but it was not possible to trace them to the inventory as it is incomplete. The latest inventory is only partially complete as it does not cover all sites, contains very few dates and no values. The latest complete inventory available for Estate Management is dated 2009.

Risks

Without an up to date inventory, managers do not have reliable and readily available details of furniture and equipment that they are accountable for.

Information will not be available in the event of a claim following fire, theft or other loss.

The value of equipment insured will be unreliable.

Recommendation

An up-to-date inventory of furniture and equipment should be compiled and a copy forwarded to the Insurance Officer. Once compiled it should be updated and forwarded at least annually.

4.4.3 Budgetary control is not a major issue for the service as most expenditure is relatively fixed with very little scope for discretion (the budgets for equipment,

furniture and materials this year total £9,500). It is undertaken by the Housing Accountant in Finance in conjunction with relevant H&PS staff.

4.4.4 Purely for information, the total budget for the service reduced from £209,400 in 2009/2010 to £143,800 in 2015/16.

4.5 **Risk assessment and security**

4.5.1 The Estate Supervisors' duties often involve chemicals, the use of machinery or ladders and the risk to personal safety from working alone. Risk assessments of all their normal tasks have been undertaken and they are recorded in Assessnet. Most risks are classified as medium or low. All of the risks are currently due for review.

4.5.2 Most of the time the Estate Supervisors work alone and consequently they are set up to use the Tunstall lone worker system which involves registering their movements with the Warwick Response Central Control. Reports can be requested from the system to check if the Estate Supervisors are using the system as intended.

4.5.3 As the Estate Supervisors probably view the requirement to register their location and movements on a regular as an irritation or inconvenience it was reported that only one of them uses Tunstall.

Risks

Not complying with the Tunstall system endangers the personal health and safety of all the Estate Supervisors.

The Council could be held to be at fault for not enforcing use of the system.

Recommendation

The Estate Supervisors should be reminded of the importance of using the Tunstall lone worker system and compliance should be monitored.

5 CONCLUSION

5.1 The audit concluded that there are sound systems and procedures in place to manage the Estate Management function.

5.2 The audit can therefore give a **SUBSTANTIAL** level of assurance that the systems and procedures in place are appropriate and working effectively.

Richard Barr
Audit & Risk Manager