

London Borough of Hammersmith and Fulham

Final Internal Audit Report

Housing Decant

Audit Job ref: 2020 - 36

October 2021



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This report ("Report") was prepared by Mazars LLP at the request of the London Borough of Hammersmith and Fulham (LBHF) 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.

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1 Introduction

As part of the internal audit plan for 2020/21, agreed by the Audit and Pensions Committee, we have undertaken an internal audit of Housing Decant at the London Borough of Hammersmith & Fulham.

On occasion it may be necessary for a council tenant to move out of their existing home to allow major works to be carried out or because their home is due to be demolished.


Council tenants who have to move because major works are required to their home, will have the option of moving back to their original home (or local areas if the home is being demolished) once works have been completed.

Where council homes may be demolished and replaced with new homes owned and managed by the Council, the Council is likely to adopt a Local Lettings Plan that will set out in more detail the specific approach, tailored to key features of the regeneration scheme, e.g., phasing of decants, home loss and disturbance financial arrangements; and priority for re-housing. In these circumstances, tenants who are relinquishing a secure tenancy will be entitled to a new, secure tenancy or a housing association equivalent, currently an Assured Tenancy.

The fieldwork for this review was completed during the government measures put in place in response to the coronavirus pandemic (Covid-19). Therefore, this review was completed remotely. Our approach included testing a sample of 10 decant cases.

2 Executive Summary

2.1 Assurance Opinion

	Nil	Limited	Satisfactory	Substantial
Audit Opinion				

2.2 Recommendations Summary

The following table highlights the number and categories of recommendations made.

Area of Scope	Adequacy	Effectiveness	Recommendations Raised		
			High	Medium	Low
Strategy, Policy and Procedures			0	0	2
Authorisation, Assessment and Costs			1	2	2
Licence Agreement			1	1	0
Support to Tenants			0	1	0
Financial and Operational Management and Reporting			1	1	0
Total			3	5	4

Please refer to Appendix 1 for a definition of the audit opinions and recommendation priorities.

3 Summary of Findings

In Internal Audit's opinion, **Limited Assurance** can be given to Members, the Chief Executive and other officers that the controls relied upon at the time of the audit were suitably designed, consistently applied and effective in their application.

Design of and compliance with controls to address the key risks identified

Strategy, Policy and Procedures

- At the time of the audit fieldwork in March 2021, a decant procedure was in draft (**Recommendation 1**).
- An Emergency and Major Works Decant policy is in place and held on the shared drive for all relevant staff to access. It is, however, not publicised on the Council's website for tenants to be made aware of the decant process (**Recommendation 2**).
- We confirmed that advice on working during lockdown from the Head of Allocation and Lettings, including the use of Personal Protective Equipment (PPE), was communicated to all managers within the department, along with Covid-19 updates following changes to restrictions.

Authorisation, Assessment and Costs

- Where a decant is required, Surveyors inform the Supported Moves Team (SMT) of the request by completing a decant request form, which is signed by the Surveyor and countersigned by management. Testing of a sample of ten decants from 2020/21 found that seven had a decant form in place, however, these were not always signed. In three cases there was no decant form completed (**Recommendation 3**).
- Once SMT receive the request, a Supported Moves Officer (SMO) is assigned to manage the case. From the sample of ten decants, all had an SMO assigned.
- SMT should acknowledge and contact tenants within 48 hours to arrange a visit to complete a holistic housing options interview. The home visit should be conducted within five working days of referral. During the pandemic, home visits were not conducted and, instead, housing needs assessments were completed via phone calls and the service has yet to decide whether to revert to the previous process going forwards. Testing found that in three out of ten cases, the tenant was not contacted within 48 hours, including one case where the housing needs assessment phone call was not made within five working days of the referral (**Recommendation 4 and 6**).
- During the home visit or phone call, the SMO should advise the tenant of alternative options available to them, such as staying with family and friends, claiming food vouchers and considering mutual exchange. In emergencies, where Housing Management have decided that temporary accommodation is required, the tenant will move out of their property as soon possible and be offered a Bed and Breakfast or a Hostel. We found one case from the sample of 10 decants where the tenant was placed in a commercial hotel, which is the most expensive option. There was also a case from the sample of 10 decants where the SMT was not made aware of the decant, to allow them to advise on alternative options (**Recommendation 5**).
- The tenant will be made an offer of suitable and affordable decant accommodation, based on information from the Housing Needs Assessment, via an offer letter. For our sample of ten decants, an offer letter was in place for nine cases. For the remaining one case, no documents were held for the decant, as it was not brought to the attention of SMT until three months after the tenant had been decanted (**Recommendation 7**).

Licence Agreement

- On the day the tenants are due to move into decant accommodation, the SMO will meet the tenant at their original property. At this point, the tenant will be requested to sign a licence agreement and a disclaimer form.
- The licence agreement is between the Council and tenant, to agree the Council will provide the tenant temporary accommodation whilst necessary works are being carried out, but that the accommodation is by the way of licence only and subject to conditions. Testing of ten decants found two cases where an agreement was not in place (**Recommendation 8**).
- The disclaimer form confirms that the SMO has been provided keys for the relevant property so that the Council and their contractors can enter the property to commence the repairs work. Testing of the sample of 10 decants found six instances where a disclaimer form was not in place (**Recommendation 9**).

Support to Tenants

- Any concerns regarding the progress of individual decant cases are to be discussed with the relevant tenant. Weekly liaison meetings with the Housing Management and Repairs Team facilitates providing up to date communication with tenants.
- When tenants are required to decant because of disrepair or improvements, the tenants are offered compensation. Types of compensation payments include disturbance payment, removal costs, food costs, disconnection/reconnection costs, redirection of mail, and home loss payment. The SMO must complete a payment request form on behalf of the tenant, which must be signed by the Senior Supported Moves Officer. Once approved, it is uploaded to IBEX (General Payment System) for further approval from the Allocations and Voids Service Manager. The SMO should record the payment in a spreadsheet, 'GP Manual Payment', which records all payments made by the Supported Moves Team. From the sample of ten decants, in three cases payments were made, of which two payments were not recorded on the spreadsheet (**Recommendation 10**).

Financial and Operational Management and Reporting

- A system (Northgate) generated report VO1031 is distributed on a weekly basis to colleagues to highlight the void properties in the Council that are available for tenants to be decanted to. The Head of Allocations and Lettings also confirmed that the report provides a monitoring tool for void properties, to assess voids where households have been decanted to. We confirmed for an example week that a report was sent to the Systems and Data Team and Supported Moves Officer.
- Budget monitoring reports are produced on a monthly basis. The Principal Accountant and the Head of Allocations and Lettings meet to discuss finance matters every two weeks. We confirmed that a report was produced for periods eight, nine and ten in 2020/21. We also established that a reoccurring meeting has been scheduled on a monthly basis between the Principal Accountant and the Head of Allocations and Lettings to discuss the budget.
- The Allocations and Voids Service Manager confirmed that a 'Decant Associated Costs' spreadsheet is currently being produced by the Manager and Principal Accountant. The spreadsheet will be in place to record associated costs for individual decants to facilitate forecasting of costs. The Manager confirmed that there are plans to develop a process so that the 'GP Manual Payment' spreadsheet provides the source data for the 'Decant Associated Costs' spreadsheet.
- A Key Performance Indicator (KPI) measuring decanted tenants returning to their property within the project work timescale is in place with a target of 100%. In January 2021, the KPI measured to be 18.75%. We have requested more recent performance information but it has not been provided (**Recommendation 11**).

- A KPI for 50% of decant referrals staying in situ while work is carried out or staying with family and friends is in place. In January 2021, the KPI was measured to be 6.25%. Per above, we have requested more recent performance information but it has not been provided (**Recommendation 7**).
- In December 2020, the Cabinet made the decision to award the Integrated Housing Management System (IMHS) to Northgate Public Services (UK) Limited. The Cabinet report dated 1st December 2020 states that the new system provides an opportunity for innovation and transformation, and that the implementation of the system will be part of the wider transformation programme across Housing Services (**Recommendation 12**).

4 Acknowledgement

We would like to thank the following members of staff for their time and assistance during the audit:

- Gerry Crowley – Head of Allocations and Lettings
- Mariana Stojanovic – Allocations and Voids Service Manager
- Jay Ashby – Senior Supported Moves Officer
- Michelle Comley – Head of Service (Client Repairs)

Appendix 1: Management Action Plan

1. Strategy, Policy and Procedures – Decant Procedure

Priority	Issue	Risk	Recommendation
Low	<p>At the time of the audit fieldwork, a decant procedure was in draft. We are aware that a procedure has been in place previously, but a procedure for the current process remained in draft at the time of our review.</p> <p>This procedure aims to ensure that LBHF achieves the following Strategic Objectives when managing decants:</p> <ul style="list-style-type: none"> • Being ruthlessly financially efficient: By following this procedure, LBHF aims to ensure that repairs are carried out quickly and efficiently, minimising repair times and the costs subsequently incurred through providing Temporary Accommodation. • Doing things with residents, not to them: LBHF recognises that moving from your home can be a stressful process. To make it as easy as possible for residents LBHF aims to take account of residents needs throughout the process, while ensuring they are kept informed at all times. • Taking pride in H&F: An efficient decants process helps the council to fulfil its repair duties and ensure its properties meet the highest standards of safety and quality. 	<p>Where staff are not aware of correct procedures and expectations for processing and managing decants, there is a risk that staff may fail to comply with legislative and management requirements, which may lead to reputational loss.</p>	<p>The decant procedure should be finalised and made available to all relevant staff.</p> <p>The procedure should be assigned an owner so there is clear responsibility for reviewing it on a regular basis, as well as when there are changes to legislation.</p>
Management Response			
Agreed. This has now been actioned and completed.			

Responsible Officer	Deadline
Head of Allocations & Lettings – Gerry Crowley	1/10/2021

2. Strategy, Policy and Procedures – Decant Policy

Priority	Issue	Risk	Recommendation
Low	<p>An Emergency and Major Works Decant policy is in place at the Council, however, it is not published on the Council's website for tenants.</p> <p>The policy outlines how the Economy directorate will deliver the decant process, which includes packages of support, to ensure households deemed to have decant status are dealt with effectively and sensitively.</p>	Where tenants are not made aware of packages of support offered by the Council tenants may be reluctant/ refuse to decant and there is a risk that the decanting process is unsuccessful and works required on the property cannot be completed without legal intervention.	The Emergency and Major Works Decant policy should be published on the Council's website.
Management Response			
Agreed. The Emergency and Major Works Decant policy has been provided to the Corporate Website Team to upload to the Council's website.			
Responsible Officer		Deadline	
Allocations and Voids Manager – Mariana Stojanovic		1/10/2021	

3. Authorisation, Assessment and Costs – Decant forms

Priority	Issue	Risk	Recommendation
Medium	<p>Where a decant is required, Surveyors inform the Supported Moves Team (SMT) of the request by completing a decant request form, which is signed by the Surveyor and countersigned by management. Testing of a sample of ten decants from 2020/21 identified the following:</p> <ul style="list-style-type: none"> • Seven decants had a decant form in place. Whilst all had the Surveyors name stated, they were not signed by the Surveyor. From the seven, one was not dated by the Surveyor and therefore we were unable to determine if it was completed in a timely manner. • None of the seven forms were countersigned by the Surveyor's manager. • In three cases, a decant request form was not in place. In one of these cases, the decant was not brought to the attention of SMT until three months after Housing Management had placed the tenant in temporary accommodation. We were advised this was likely to be due to incorrect filing. <p>The Allocations and Voids Service Manager indicated that the pandemic made it difficult to obtain wet signatures and there was no appropriate software in place to collect signatures electronically. Although we saw emails with instructions, emails did not capture approval. The Head of Allocations and Lettings confirmed that the service has now obtained Adobe Sign, which will allow for digital signatures. At the time of the audit, training for this new software was still being established prior to its introduction.</p>	<p>Where a decant form is not completed, there is a risk that all relevant information is not provided to the Supported Moves Team, which may lead to inefficiencies and inappropriate actions being taken.</p> <p>Where decant requests are not signed off, there is no evidence that there has been appropriate scrutiny of the decant request, resulting in the risk of requests being fulfilled where other options could have been pursued and therefore the potential for financial loss to the Council.</p>	<p>An exercise should be completed to identify all forms/agreements that require signature from parties (Council and tenants). Those identified as requiring signatories should be configured to work with Adobe Sign so that a process is established to collect all required signatories going forward, where possible.</p> <p>Training should be provided to all relevant staff on the use of Adobe sign software.</p> <p>The service should also consider providing guidance to tenants for using the software.</p> <p>Staff should be reminded that a decant request form should be completed for all decants with:</p> <ul style="list-style-type: none"> • the full account of works that need to be undertaken; • an explanation of why these cannot be completed with the tenant in the property; • a start date for the works; • an expected completion date; and • photographic evidence for the works needed.
Management Response			
<p>Agreed. All Decant related forms have now been created and produced on Adobe Sign. Training has been provided to the team and the Supported Moves Officer assists the tenant with the technology when required.</p> <p>The Decant Request Form has been amended and staff have been reminded that a decant request form will be rejected if not fully completed.</p>			

Responsible Officer	Deadline
Senior Supported Moves Officer – Jay Ashby	1/10/2021

4. Authorisation, Assessment and Costs – Timely contact with tenants

Priority	Issue	Risk	Recommendation
Low	<p>As per the draft decant procedure, once the Supported Moves Team (SMT) receives the decant request form, the SMT should acknowledge and contact tenants within 48 hours to arrange a visit to complete a holistic housing options interview. The home visit should be conducted within five working days of the referral. During the pandemic, home visits were not conducted and, instead, housing needs assessments were completed via phone calls.</p> <p>Testing found that in three out of ten decant cases, the tenant was not contacted within 48 hours of referral, including one case when the housing needs assessment call was not made within five working days of referral. The exceptions are detailed below:</p> <ul style="list-style-type: none"> • one case - contacted eight days after referral; • one case - contacted ten days after referral and housing needs assessment also made after ten days of referral; and • one case – contacted four months after referral. There was evidence of regular contact between the tenant and social worker regarding the decant, but not the SMT during this period. <p>The Head of Allocations and Lettings confirmed that the Integrated Housing Management System (IHMS) will allow officers to communicate from the system directly, whether that be SMS or emails, and a copy will be saved automatically in the system.</p>	<p>Where tenants are not contacted and assessments are not completed in a timely manner there is an increased risk of complaints being made which may lead to reputational damage.</p>	<p>Staff within service should be reminded that contact with tenants and home visits/calls are to be completed as per the defined timescales in the procedure. The service should consider the introduction of a reporting mechanism to identify untimely contact with tenants within the IMHS.</p> <p>Where the Supported Moves Officer is unable to meet the timescales, the reasons for this should be recorded in the case notes on SharePoint.</p>
Management Response			
Agreed. Staff have been reminded of process and requirements. Systems in place to monitor and highlight non-compliance.			
Responsible Officer		Deadline	
Senior Supported Moves Officer – Jay Ashby		1/10/2021	

5. Authorisation, Assessment and Costs – All options are assessed prior to tenants being decanted

Priority	Issue	Risk	Recommendation
Medium	<p>The draft decants procedure states that during the home visit/call, the Supported Moves Officer should advise the tenant of alternative options, such as staying with family and friends, claiming food vouchers and considering mutual exchange. In emergencies, where Housing Management have decided that temporary accommodation is required, the tenant will move out of their property as soon as possible. It is only at this point that the accommodation that can be offered could be a Bed and Breakfast or a Hostel.</p> <p>Testing from a sample of 10 decant cases found:</p> <ul style="list-style-type: none"> • One case where the tenant was placed into a commercial hotel following an emergency. The Supported Moves Team then placed the tenant into temporary accommodation. Discussions with the Allocations and Voids Service Manager established that when this happens, the Council has accepted the duty of care for the tenant, and it can then be difficult to request the tenant to consider alternative options such as staying with family and friends; and • One case where the SMT was not provided with the opportunity to assess alternative options, as they were not made aware of the decant until three months after the tenant was moved into temporary accommodation by Housing Management. 	<p>Where all options are not assessed prior to tenants being decanted, there is a risk that tenants are decanted where other viable and economical options are available, which may lead to the Council's objective of being ruthlessly financially efficient not being met.</p>	<p>Staff within Housing Management should be reminded that when there is an out of hour emergency, tenants should be placed in a Bed and Breakfast or a Hostel. It should also be reiterated that in an emergency situation, tenants should be asked to stay with family and friends.</p> <p>The decant procedure should be reviewed to include guidance on the use of commercial hotels in emergency situations, to emphasise that this has to be the last option available, due to the high costs. Guidance should also detail the maximum amount of time tenants should be placed in hotels and for the tenant to be quickly moved to other temporary accommodation.</p> <p>The service should consider reporting on decants to Bed and Breakfast and Hotels to identify lengths of stays and whether the tenant can be decanted to more economical accommodation.</p>
Management Response			
<p>Agreed. The Decant procedure has been updated to advise that commercial hotels should only be used in an absolute emergency and then for the minimal of time. We are monitoring number of B&B and commercial hotel placements through our decant register and where work extends longer than planned, officers are working to procure more economical accommodation.</p>			

Responsible Officer	Deadline
Head of Allocations & Lettings – Gerry Crowley	1/10/2021

6. Authorisation, Assessment and Costs – Housing assessments

Priority	Issue	Risk	Recommendation
Low	<p>Prior to the pandemic, the Supported Moves Team would complete a Housing Assessment form when undertaking the housing options interview with the tenant.</p> <p>The Allocations and Voids Service Manager confirmed that these forms have not been completed since the start of the pandemic. Instead, notes from calls are retained within case notes in SharePoint and during our review of the sample of ten decants, we saw evidence that SharePoint notes were in place. We confirmed that the notes from calls cover the same content as the forms.</p> <p>The service has yet to decide whether the completion of housing assessments will be resumed going forward.</p>	<p>Where the assessment is not documented, there is a risk that inappropriate actions are taken during the decant process which may lead to dissatisfied tenants and increased complaints.</p>	<p>The service should decide whether the practice of completing the Housing Assessment with tenants will be continued going forward. Where it is decided to continue this practice, the assessment should be configured to work with Adobe Sign.</p>
Management Response			
Agreed. The service now insists on a completed Housing Assessment which is now available on Adobe Sign.			
Responsible Officer		Deadline	
Senior Supported Moves Officer - Jay Ashby		1/10/2021	

7. Authorisation, Assessment and Costs – KPI and Supported Moves Team are made aware of all decants

Priority	Issue	Risk	Recommendation
High	<p>There is a Key Performance Indicator (KPI) for 50% of decant referrals to stay in situ while work is carried out or staying with family and friends in place.</p> <p>In January 2021, the KPI was measured to be 6.25%. We noted this was particularly difficult during the coronavirus restrictions, which may have particularly impacted on performance.</p> <p>Testing identified one case where the Supported Moves Team was not made aware of the decant until three months after the tenant was moved to temporary accommodation. Therefore, the SMT did not have the opportunity to scrutinise the decision to move the tenant to temporary accommodation as being the best option.</p>	<p>Where the Supported Moves Team are not made aware of all decant requests or the Team do not take a proactive approach to monitor all decants, there is an increased risk that all options are not assessed prior to decanting which may lead to indicators and the Councils objective to be ruthlessly financially efficient not being met and tenants not being supported.</p>	<p>The service should consider investigating the low performance of the KPI measuring decant referrals to stay in situ while work is carried out or staying with family.</p> <p>The discussion with tenants regarding staying in situ while work is carried or staying with family and friends should be captured at both Surveyor and SMT stages.</p> <p>The SharePoint case notes should be reviewed on a regular basis to identify trends or officers who are not holding these discussions.</p> <p>Training should be provided to any staff member not holding these discussions to emphasise the need to promote alternative options to decant.</p> <p>Staff in Housing Management should be reminded that where tenants are to be decanted, the Supported Moves Team are made aware of this in advance, to allow opportunity of scrutiny of all options.</p>
Management Response			
Agreed. The discussion with tenants regarding remaining in situ whilst works are in progress are captured on the Decant Request form and the SharePoint case work area which allows for monitoring of trends.			
Responsible Officer		Deadline	
Senior Supported Moves Officer - Jay Ashby		1/10/2021	

8. Licence Agreement – Signed licence agreement in place for all decants

Priority	Issue	Risk	Recommendation
Medium	<p>On the day the tenant is due to move into decant accommodation, the SMO will meet the tenant at their original property. At this point, the tenant will be requested to sign a licence agreement on the decant property. The agreement is between the Council and tenant to agree the Council will provide the tenant with temporary accommodation whilst necessary works are being carried out, but that the accommodation is by way of license only and is subject to conditions.</p> <p>Our testing of 10 decants found:</p> <ul style="list-style-type: none"> • One case where there was no evidence of a licence agreement being in place in either email, SharePoint or Northgate's Electronic Document Management System; and • One case was not brought to the attention of the team until three months after the decant and therefore there were no documents for this decant. The draft decant procedure indicates that all applications should be reported to SMT. The Allocations and Voids Service Manager confirmed that this has been reiterated within the service. 	<p>Where the Council is unable to demonstrate that the tenants have entered into an agreement, there is a risk that the Council may have no recourse in the event of agreements being breached.</p>	<p>Staff within the service should be reminded that a signed licence agreement should be in place for all decants. All agreements should be saved within the tenant's decant case on SharePoint until the new Housing Management system is fully implemented.</p> <p>The service should consider spot checking agreements on a regular basis to identify whether licence agreements are in place.</p>
Management Response			
<p>Agreed. Staff have been reminded of the need to have a signed licence agreement which is recorded and monitored within SharePoint. Spot checks are carried out by the Senior Supported Moves Officer as part of casework management. Adobe Sign is predominantly used to sign licence agreement which ensures all parties have a record.</p>			
Responsible Officer		Deadline	
Senior Supported Moves Officer – Jay Ashby		1/10/2021	

9. Licence Agreement – Signed disclaimer form

Priority	Issue	Risk	Recommendation
High	<p>On the day that the tenant is due to move into a decant accommodation, the SMO will meet the tenant at their original property where the tenant will be required to sign a disclaimer form. The disclaimer confirms that:</p> <ul style="list-style-type: none"> • the Supported Moves Officer has been provided with keys for the relevant property so that Council and their contractors can enter the property to commence the repairs works. • the lock/barrel will be changed to restrict access while repairs are carried out; • the tenant will not visit the property until informed the works are complete; • all wanted items have been removed from the property; and • LBHF or its Partnering Contractors will not be liable for undue damages or loss as a result of these specified works, whilst the tenant is not at the property. <p>Our testing of 10 decants found:</p> <ul style="list-style-type: none"> • Four cases with no signed disclaimer form in place. Neither SharePoint nor EDMS held a copy. For one of the four, the SMO for the decant noted on SharePoint that, following a change in managing case officer, documents could not be found. • Two cases when the tenants refused to sign the disclaimer form. 	<p>Where the disclaimer form is not in place and signed by all parties, there is a risk that:</p> <ul style="list-style-type: none"> • the Council may be unable to access a tenant's property, which may lead to tenants being decanted longer than expected; • the tenant may attempt to gain access to the property, which may risk health and safety whilst it remains a construction site; • the Council may be liable for undue damages or loss of tenant property, which may result in financial loss and reputational damage. 	<p>All staff within the service should be reminded that:</p> <ul style="list-style-type: none"> • disclaimer forms should be signed by the tenants on the day that the tenant is due to move into a decant accommodation; and • all disclaimer forms should be saved within the relevant decant case on SharePoint. <p>Staff should be provided with training about how to manage a situation and the steps to follow when a tenant refuses to sign a disclaimer form.</p>

Management Response	
Agreed. Staff have been reminded of the need to secure a signed disclaimer form, which has been created on Adobe Sign. This is now recorded and monitored on the casework tracker on SharePoint.	
Responsible Officer	Deadline
Senior Supported Moves Officer – Jay Ashby	1/10/2021

10. Support to Tenants – ‘GP Manual Payments’ and ‘Decant Associated Costs’ spreadsheets

Priority	Issue	Risk	Recommendation
Medium	<p>When tenants are required to decant because of disrepair or improvements, they are offered compensation. Compensation includes disturbance payments, removal costs, food costs, disconnection/reconnection costs, redirection of mail, and home loss payment.</p> <p>For payment to be made, a member of the Supported Moves Team completes a payment request form on behalf of the tenant. This form must be signed by the Senior Supported Moves Officer. Once approved, the officer should record the payment in a spreadsheet, ‘GP Manual Payment’, which records all payments made by the Supported Moves Team. This spreadsheet feeds into the ‘Decant Associated Costs’ spreadsheet, which is in place to facilitate forecasting of costs for all decants, which was being developed at the time of the audit by the Allocations and Voids Service Manager and Principal Accountant.</p> <p>From the sample of ten decants we tested, three had payments made to the tenant. From the three payments made, two were not recorded on the ‘GP Manual Payment’ spreadsheet.</p>	<p>Where payments are not recorded in the in the spreadsheet, there is a risk that data is inaccurate, which may lead to underestimating decant costs when reliance is placed on the data and the potential for overpayments if duplicate payment claims are received from tenants.</p>	<p>Supported Moves Officers should be reminded that all compensation payments for tenants subject to decant should be recorded in the ‘GP Manual Payment’ spreadsheet.</p> <p>Regular reconciliations between payments made and the amount recorded on the spreadsheet should be completed and variances should be investigated in a timely manner.</p>
Management Response			
<p>Agreed – Weekly reconciliations currently by Senior Supported Moves officer between GP Manual Payment spreadsheet and actual payments made on IBEX system. Officers advised of importance to correctly record all payments ensuring due diligence before requesting a payment to be authorised by management.</p>			

Responsible Officer	Deadline
Senior Supported Moves Officer – Jay Ashby	1/10/2021

11. Financial and Operational Management and Reporting – 100% decanted tenants returned to their property within the projected work time scale




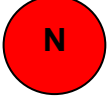
Priority	Issue	Risk	Recommendation
High	<p>A Key Performance Indicator (KPI) measuring decanted tenants returning to their property within the projected work timescale is in place, with a target of 100%. In January 2021, the KPI measured 18.75%. We were informed that the SMT do not have control over this KPI and that it is the responsibility of the Council's Repairs Team to ensure that repairs are completed on time to enable tenants to move back to their primary home. We were unable to contact the relevant Head of Service to discuss the potential root cause of this performance.</p> <p>We raised queries with the Head of Service (Client Repairs) regarding the low performance for this KPI but did not receive a response.</p>	<p>Where reasons for poor performance are not investigated in a timely manner, there is a risk that objectives will not be achieved, leading to financial and reputation damage if tenants have extended periods in decant housing.</p> <p>Where action is not taken to rectify poor performance, there is a risk that poor service provision is continued which may lead to increased complaints.</p>	<p>The SMT should liaise with the Repairs Team to ascertain the reasons for poor performance.</p> <p>There should be a discussion to determine whether the KPI remains appropriate.</p> <p>If it is agreed that the KPI remains realistic and achievable, action should be taken to bring performance back in line.</p>
Management Response			
Agreed. The KPIs have been reviewed and amended as not seen as appropriate or deliverable by the Decant Service. Regular and ongoing discussions continue regarding works progress and issues for delays which are recorded and monitored on the Decant casework tracker on SharePoint.			
Responsible Officer		Deadline	
Senior Supported Moves Officer – Jay Ashby		1/10/2021	

12. Financial and Operational Management and Reporting – Workflow system

Priority	Issue	Risk	Recommendation
Medium	<p>In December 2020, the Cabinet awarded the Integrated Housing Management System (IHMS) to Northgate Public Services (UK) Limited. The accompanying report states that the new system provides an opportunity for innovation and transformation. It notes that the IHMS will enable:</p> <ul style="list-style-type: none"> the Council's staff to efficiently and effectively deliver housing services by standardising processes and taking advantage of workflow automation; improvement in a resident's journey by providing a mobile self-service portal for residents; and a 360 degree view provide an overview of information from each of the underlying business modules, which can be personalised to the user accessing it and include full drill down capability. <p>Our audit identified that there is reliance on staff being aware of processes, but that processes are not followed. Introducing automation and workflows would help to enforce compliance.</p>	<p>Where there is no workflow system in place, there is a greater risk that processes are not adhered to, which may lead to an incomplete audit trail of the decant process, and the potential that all options are not assessed prior to decanting. This may lead to non-compliance with the approved approach, the Council's objective to be ruthlessly financially efficient not being met and tenants not being supported.</p>	<p>The service should engage with the development of the new IHMS to determine how it could improve the decant process and remove reliance on other separate systems, such as the spreadsheets referred to in Recommendation 10.</p> <p>This engagement could consider introducing a workflow system for the decant process, which automates all steps of the decant process and allows for a complete audit trail of applications and approvals to be automatically maintained.</p>
Management Response			
Agreed. The Service is engaged with Business Transformation project which oversees the IHMS implementation project and if possible a workflow system will be introduced.			
Responsible Officer		Deadline	
Allocations & Voids Manager – Mariana Stojanovic		1/10/2021	

Appendix 2: Definition of Assurance Opinions and Recommendation Priorities

In order to help put the audit opinion and recommendation priority ratings in context the following tables detail the current ratings used by Internal Audit.

Rating	Description
	There is a sound system of control designed to achieve the objectives. Compliance with the control process is considered to be substantial and no material errors or weaknesses were found.
	While there is a basically sound system, there are weaknesses and/or omissions which put some of the system objectives at risk, and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
	Weaknesses and / or omissions in the system of controls are such as to put the system objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
	Control is generally weak, leaving the system open to significant error or abuse, and/or significant non-compliance with basic controls leaves the system open to error or abuse.

Priority	Description
High	Recommendation addresses fundamental weaknesses, which seriously compromise the effective accomplishment of the system's objectives. Risks presented by the control weaknesses could be damaging in the short term. The management action required should be implemented as soon as possible, certainly within 0-3 months.
Medium	Recommendation addresses serious weakness, which affect the reliance to be placed on the system. Risks presented by control weaknesses could be damaging in the medium term. Management action is required within 0-6 months.
Low	Recommendation addresses minor weaknesses, or suggests a desirable improvement. Risks presented by control weaknesses are unlikely and inconsequential. Management action is recommended to address concerns within 0-9 months.

Appendix 3: Audit Scope, Limitations & Inherent Risks

This audit was a risk based review of the arrangements for Housing Decants and included the following areas:

Ref	Audit Area	Coverage
01	Strategy, Policy and Procedures	<p>A Decant policy has been developed that reflects the aims and priorities of the Council and has been communicated to staff.</p> <p>The service has in place clear guidance and maps out the various approaches for when a decant becomes applicable.</p> <p>Suitable arrangements are in place to manage the impact of the pandemic and that appropriate health and safety measures are taken into consideration.</p>
02	Authorisation, Assessment and Costs	<p>Decision to decant is authorised by an appropriate officer with the delegated authority.</p> <p>Assessments are conducted to determine the type and location of where the tenant will be decanted to.</p> <p>All options are considered before a Decant is completed including associated costs.</p>
03	Licence Agreement	<p>Licence agreements between the tenant and the Council is in place.</p> <p>Agreement ensures all relevant tasks required to secure the previous property has been conducted and recorded as completed prior to a decant taking place.</p>
04	Support to Tenants	<p>Tenants should be fully informed and involved throughout the decanting process.</p> <p>Tenants should be advised of any compensation and any other matters affecting their tenancies or home due to decanting.</p>
05	Financial and Operational Management and Reporting	<p>Performance of the service is monitored, and any poor performance is identified and addressed.</p> <p>Management information is accurate, complete, relevant, and timely to allow effective management decision making.</p> <p>Effective processes are in place to manage the length of stay of tenants in decanted property.</p> <p>The service operates within the agreed financial constraints. Any variances are promptly identified and an effective course of action taken.</p>

Limitations to the Scope of the Audit

- The work will be undertaken using a risk based approach and testing will be on a sample basis to verify compliance;
- The records maintained by third parties to the Council will not be reviewed and are outside of the scope of this audit; and
- The audit review does not provide absolute assurance that material error, loss or fraud does not exist.

Inherent Risks

The risks listed below are **potential** inherent risks which are common for any service of this type:

- Inconsistencies in the decant process;
- Tenants being decanted into unsuitable properties;
- Financial loss where all options are not considered including costs;
- Lack of information provided to tenants leading to their accommodation needs not being met; and
- Management decisions made on incomplete information.

Appendix 4: Timetable and Distribution List

Stage	Date
Exit Meeting/ End of Fieldwork	31/03/2021 (contacted on 09/06/2021 & 17/06/2021 no response)
Draft Report Issued	30/06/2021
Responses Received	20/10/2021
Final Report Issued	25/10/2021

Audit Team
Kanta Patel – Client Engagement Manager
Navdeep Sidhu – Senior Auditor
Auditee
Gerry Crowley – Head of Allocations and Lettings
Mariana Stojanovic – Allocations and Voids Service Manager
Jay Ashby – Senior Supported Moves Officer
Client Sponsor
Glendine Shepherd – Assistant Director Housing Management

Report Distribution List
Glendine Shepherd – Assistant Director Housing Management
Gerry Crowley – Head of Allocations and Lettings
Michelle Comley – Head of Service (Client Repairs)

We take responsibility to London Borough of Hammersmith and Fulham 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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