Southway Housing Trust

Assurance Review of Property Compliance – Water Hygiene

July 2025

Final

Executive Summary

OVERALL ASSESSMENT

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Where estate compliance is not maintained, harm may be realised followed by possible legal proceeding.

KEY STRATEGIC FINDINGS

The Trust has a clear and well-structured Legionella and Water Hygiene Policy, which sets out exactly who is responsible for what, how risks are managed, and how progress is monitored.

Testing carried out across 14 sites showed that risk assessments are not only being carried out properly but also followed through with clear actions.

Information about how Legionella risks are being managed is regularly shared with senior management and the Board.

GOOD PRACTICE IDENTIFIED

The Trust works with Airborne Environmental Consultants (AEC), a member of the Legionella Control Association, to deliver testing and compliance services. AEC's comprehensive insurance coverage and adherence to recognised industry standards provide assurance of service quality and mitigate operational and professional risks.

Budget planning for property safety and compliance is detailed and collaborative. Both the Facilities and Property teams contribute, and costs are tracked site-by-site, making sure spending is well managed.

SCOPE

The review considered the actions taken by the Trust to monitor compliance with the statutory obligations in relation to Water Hygiene (Legionella). The scope of the review did not include the adequacy of the Legionella Risk Assessments, or the appropriateness of additional remedial works carried out.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	1	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The Trust's Control of Legionella and Water Hygiene Policy was approved by the Audit and Risk Committee in October 2023. The Policy outlines the commitment to statutory compliance and roles, responsibilities, and governance structures and sets out the procedures for risk assessments, monitoring, training. Monthly compliance reporting and quarterly oversight by the Executive Team and Audit and Risk Committee further support its implementation. It was identified that no review dates or version control was in place. Therefore, to further strengthen the policy document, it is recommended that a next review date, and a version control table be included to track key amendments and the rationale for changes over time.	The Control of Legionella and Water Hygiene Policy be updated to include next review date and a version control table.	3	*Agreed. This will be updated in Q2.*	*30/09/25*	*Building Safety and Compliance Manager*

PRIORITY GRADINGS

1	**URGENT**	Fundamental control issue on which action should be taken immediately.
2	**IMPORTANT**	Control issue on which action should be taken at the earliest opportunity.
3	**ROUTINE**	Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No operational effectiveness matters identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings

Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	**Governance Framework**	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	Partially in place	1	-
RM	**Risk Mitigation**	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	**Compliance**	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings
The Control of Legionella and Water Hygiene Policy sets out how Southway Housing Trust manages the risk of Legionella across its properties. It outlines who is responsible for what, how risks are identified, how systems are monitored, and how information is reported.
The Policy separates responsibilities by bringing in qualified third-party contractors for inspections and testing, while internal teams focus on monitoring and compliance reporting. Regular performance reviews and quarterly updates to senior governance bodies help maintain suitable oversight. Where full segregation is not always possible due to operational constraints, the Policy, supported by senior management, ensures these challenges are recognised and managed through a formal framework.
The Trust works with Airborne Environmental Consultants (AEC) to manage and test for Legionella risks. AEC carries comprehensive insurance, including Employers' Liability, Public/Products Liability, and Professional Indemnity, providing assurance against both operational and professional risks. They are also a registered member of the Legionella Control Association (LCA), which confirms their compliance with recognised industry standards, including the LCA Code of Conduct.
The Trust has identified the following risk on their risk map "Homes and Environment not maintained to health and safety standards", which has existing mitigating controls and further actions planned outlined within. This Risk Map document is approved by the Risk Panel.
A review of Legionella risk management across 14 properties confirmed that risk assessments were in place, recommendations had been made, and appropriate tracking of actions was in place. Each location demonstrated compliance with the expected process, evidencing by the risk assessment, recording recommendations, and tracking their completion/progress. No gaps were identified in the documentation or follow-up actions for the sites reviewed.

Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	**Performance Monitoring**	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In place	-	-
S	**Sustainability**	The impact on the organisation's sustainability agenda has been considered.	Out of scope	-	-
R	**Resilience**	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings

Budgets for property maintenance and compliance services are in place and monitored throughout the year. Each site has itemised annual costs for all key services, including Legionella monitoring, cleaning, fire safety, and contractor work. These are backed by cost breakdowns and set invoicing schedules. The Facilities Management team leads on setting the budgets and oversees these through internal management accounts, while the Property Team contributes insights on specific contract costs.

Performance information relating to Legionella risk management is presented in sufficient detail to senior management and the Board. The data covers key areas such as risk assessment evidence, recommendations, and follow-up tracking across multiple sites. This level of transparency enables informed oversight and provides an appropriate basis for challenge and scrutiny at the governance level.

Legionella risk management is tracked through a centralised Actions Log, which captures outstanding actions from risk assessments, assigns responsibilities, and monitors progress to completion. This log gives clear visibility of how actions are progressing across the Trust's property portfolio and supports strong internal oversight. Its design allows senior management to regularly review key risks and check that remedial work is being carried out as needed.

The Trust has put in place a detailed Legionella Management Plan to support the delivery of its wider Policy. The Plan sets out how Legionella risks are identified, assessed, and controlled across the property portfolio. This includes scheduled risk assessments, regular temperature checks, remedial actions, and triggers for re-inspections. It clearly defines responsibilities for Board Members, directors, compliance teams, contractors, and customers, and sets out how often monitoring and reporting should take place. The Plan also includes a risk categorisation model, outlines when reassessments should happen, such as after a tenancy change or refurbishment, and sets expectations for keeping schematics and temperature logs up to date. Altogether, this level of detail reflects a proactive and well-structured approach to water safety, with a built-in process for ongoing review and improvement.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of Arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report:

Stage	Issued	Response Received
Audit Planning Memorandum:	1st July 2025	1st July 2025
Draft Report:	23rd July 2025	28th July 2025
Final Report:	29th July 2025	