

### **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

### THURSDAY 6TH AUGUST 2020 AT 6.00 P.M.

### COMMITTEE ROOM, VIRTUAL MEETING - SKYPE - VIRTUAL

MEMBERS: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader),

A. D. Kent, M. A. Sherrey, P.L. Thomas and S. A. Webb

### **AGENDA**

- 1. To receive apologies for absence
- Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

- 3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 8th July 2020 (Pages 1 4)
- 4. Minutes of the meeting of the Overview and Scrutiny Board held on 6th July 2020 (Pages 5 12)
  - (a) To receive and note the minutes
  - (b) To consider any recommendations contained within the minutes
- 5. Partnership Waste Strategy Officer Report (Pages 13 30)
- 6. Finance Outturn 2019/20 and Reserves (Pages 31 80)
- 7. Amenity Standards Report (Pages 81 146)
- 8. Replacement of Burcot Hostel Report (Pages 147 150)

- 9. Burcot Lane Site Redevelopment Next Steps Report (Pages 151 156)
- 10. To consider, and if considered appropriate, to pass the following resolution to exclude the public from the meeting during the consideration of item(s) of business containing exempt information:-

**RESOLVED**: that under Section 100 I of the Local Government Act 1972, as amended, the public be excluded from the meeting during the consideration of the following item(s) of business on the grounds that it/they involve(s) the likely disclosure of exempt information as defined in Part I of Schedule 12A to the Act, as amended, the relevant paragraph of that part, in each case, being as set out below, and that it is in the public interest to do so:-

Item No.	Paragraph(s)
11	3

- 11. Burcot Lane Site Redevelopment Appendix 1 (Pages 157 160)
- 12. To consider any other business, details of which have been notified to the Head of Legal, Equalities and Democratic Services prior to the commencement of the meeting and which the Chairman, by reason of special circumstances, considers to be of so urgent a nature that it cannot wait until the next meeting

K. DICKS Chief Executive

Parkside Market Street BROMSGROVE Worcestershire B61 8DA

29th July 2020



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Cabinet 8th July 2020

### BROMSGROVE DISTRICT COUNCIL

### **MEETING OF THE CABINET**

### 8TH JULY 2020, AT 6.00 P.M.

PRESENT: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader), A. D. Kent,

M. A. Sherrey, P.L. Thomas and S. A. Webb

Observers: Councillor S. R. Colella and Councillor S. P. Douglas

Officers: Mr. K. Dicks, Ms. J. Pickering, Ms. C. Flanagan, Mr. M. Dunphy

and Ms. J. Bayley

### 8/20 TO RECEIVE APOLOGIES FOR ABSENCE

There were no apologies for absence.

### 9/20 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

### 10/20 TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING

OF THE CABINET HELD ON 3RD JUNE 2020

**RESOLVED** that the minutes of the meeting of Cabinet held on 3<sup>rd</sup> June 2020 be approved as a true and correct record and signed by the Chairman.

# 11/20 MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 2ND JUNE 2020

Officers confirmed that there were no outstanding recommendations from the Overview and Scrutiny Board for the Cabinet's consideration on this occasion.

**RESOLVED** that the minutes of the meeting of the Overview and Scrutiny Board held on 2<sup>nd</sup> June 2020 be noted.

### 12/20 WYRE FOREST LOCAL PLAN STATEMENT OF COMMON GROUND

The Strategic Planning and Conservation Manager presented the Wyre Forest Local Plan Statement of Common Ground for the Cabinet's consideration. Members were advised that Bromsgrove District Council had been consulted in 3 different stages over a number of years regarding the content of Wyre Forest District Council's Local Plan.

Cabinet 8th July 2020

Despite this consultation process, there remained a number of areas where Bromsgrove District Council was not in agreement with Wyre Forest District Council. In particular, there were concerns about the evidence basis for the transport plan as well as the assessment of the potential impact that the development could have in Bromsgrove District. The report detailed the different views that the Councils had in respect of the Wyre Forest Local Plan as well as Wyre Forest District Council's responses to issues that had previously been raised by Bromsgrove District Council.

The Wyre Forest Local Plan would be the subject of examination by an external inspector. During this examination Officers from Bromsgrove District Council would clarify that the Council did not disagree with the location of the development sites identified by Wyre Forest District Council, however, there was disagreement about the evidence basis in terms of the potential impact that those developments could have which made it difficult to plan for action that could be taken in mitigation. There was some uncertainty about when the examination would take place as enquiries in respect of Council Local Plans were unlikely to take place during the lockdown, particularly in cases where there were elements of disagreement.

Members discussed the report in detail and in so doing raised concerns about the potential impact of developments on Hagley, should the Wyre Forest Local Plan be approved in its current form. Reference was made to Bromsgrove District Council's Transport Plan and the potential for the evidence gathered in this assessment to inform work on the Wyre Forest Local Plan. Officers explained that modelling was being undertaken in respect of Bromsgrove District Council's Transport Plan and this would take into account issues such as the potential impact of actions proposed in planning policies. The evidence gathered for the Bromsgrove Transport Plan would be shared with Wyre Forest District Council.

#### **RECOMMENDED** that

1) The Statement of Common Ground at Appendix A, is signed by the Leader of the Council and submitted to Wyre Forest District Council for consideration by the Local Plan Inspector; and

### **RESOLVED** that

2) Delegated Authority be given to the Head of Planning, Leisure and Regeneration to ensure that Bromsgrove District Council is represented at the Examination in Public element of the Wyre Forest Local Plan review.

### 13/20 FINANCIAL IMPACT - COVID-19 PANDEMIC

The Executive Director of Finance and Corporate Resources presented a report which detailed the financial implications for the Council of the

Cabinet 8th July 2020

Covid-19 pandemic. In considering the report Members were asked to note that the situation was rapidly changing which meant that some of the figures that had been reported would also change. For example, on the day of the meeting the Government had announced that VAT for the hospitality sector would be reduced from 20% to 5% and this would have implications for some of the Council's fees and charges. There was also some uncertainty about the financial position moving forward, including about the arrangements that the Government would be putting in place in respect of business rates.

The report detailed the estimated impact that the lockdown during Covid-19 had had on the Council's income in April to July 2020. Estimates had also been provided for the likely impact in August to October 2020 and an assumption had been incorporated into the report that income levels would be close to normal by December 2020. Officers had estimated that £2 million in income would be lost and in fact approximately £2.3 million in income had not been forthcoming, though this remained based on assumptions.

Specific challenges during the lockdown included an estimated loss of £500,000 income from car parking charges, which included a period after the new proposed app payment system had been introduced, as a recovery in the number of customers parking to visit the town centre was likely to take some time. There had also been a decline of approximately £200,000 in income from trade waste services, which was likely to be due to the fact that many local businesses' employees would have been working from home during the lockdown. Officers agreed to provide further information in respect of the reasons for the decline in income from Trade Waste outside the meeting

There had been a decrease in Council Tax payments during the lockdown, though a lot of payments had been deferred from April and May to July 2020, so the actual impact remained to be determined. Officers explained that the proportion of residents who chose to pay their Council Tax through direct debit payments had declined during the lockdown by 0.3%, from 66% to 65% of residents.

Concerns had been raised by local authorities with the Government in respect of the potential impact that a loss of income would have on the sustainability of Council services. The Government had offered to reimburse some income, though Councils had to cover the first 5% of any lost income; in the funding formula the Government would supply 75% of 95% of anticipated income that was lost and the Council would have to cover the remaining financial loss.

All Councils had been lobbying the Government in respect of the position of providers of Leisure Services. There had been recent legislative changes which had implications for liabilities relating to leisure services. Once Leisure Services could start to be delivered it was likely that service providers would require support, particularly as there

Cabinet 8th July 2020

remained uncertainty about the number of customers who would want to attend leisure activities initially.

The Council had been in correspondence with the Government about the impact of the Covid-19 pandemic and lockdown on the authority's financial position. The Government had requested further information about the Council's balances and there was some uncertainty about whether the Council would be required to use some funding from balances to help balance the Council's budget moving forward.

Officers were in the process of developing the Council's Recovery Plan. There was the possibility that Members would need to review the contents of the authority's Council Plan to take into account the impact of Covid-19. For example, there was the possibility that the plan would need to be amended to focus on supporting businesses if a significant number of companies went into administration as a result of the impact of the lockdown. Further changes in respect of the impact of the pandemic on the Council's budget would be reported to Cabinet in due course.

Following the presentation of the report Members discussed the impact that Covid-19 had had and could continue to have on the district moving forward. In particular, concerns were raised about the impact that the closure of leisure services could have on the sustainability of the industry. Concerns were also raised about the income that a reduction in footfall in town centres within the district could have on the local economy.

During consideration of this item Members also discussed the financial implications of Covid-19 for the Council's budget. Based on the figures provided, Members were advised that there could be a shortfall of £700,000 - £800,000 in the budget, depending on the income that could be recovered from Leisure Service providers once leisure centres reopened.

**RESOLVED** that the projected budgetary impact of the Coronavirus Pandemic outlined on this report and related actions both taken so far and planned for the future be noted.

The meeting closed at 6.29 p.m.

Chairman

### BROMSGROVE DISTRICT COUNCIL

### MEETING OF THE OVERVIEW AND SCRUTINY BOARD

### 6TH JULY 2020, AT 6.00 P.M.

### VIRTUAL MEETING

PRESENT: Councillors M. Thompson (Chairman), J. Till (Vice-Chairman),

A. J. B. Beaumont, S. R. Colella, C.A. Hotham, R. J. Hunter,

A. D. Kriss, P. M. McDonald and C. J. Spencer

Observers: Councillor G. Denaro, Portfolio Holder for Finance and

**Enabling** 

Councillor P. Thomas, Portfolio Holder for Leisure, Cultural Services

and Community Safety

Officers: Ms. J. Pickering and Ms. A. Scarce and Mrs J. Gresham

### 13/20 APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES

Apologies were received from Cllr. R. Deeming and Cllr. M. Glass with Cllr. H. Jones attending as his substitute.

### 14/20 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest nor of any whipping arrangements.

# 15/20 TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 2ND JUNE 2020

The minutes of the meeting of the Overview and Scrutiny Board held on 2<sup>nd</sup> June 2020 were submitted for Members' consideration. It was queried by a number of Members whether the wording for the recommendation regarding the Discretionary Business Grant Scheme was correct. Democratic Services confirmed that the recommendation was circulated to Members prior to being taken to Cabinet for consideration and no amendments were received from relevant members of the Overview and Scrutiny Board.

**RESOLVED** that the minutes of the meeting of the Overview and Scrutiny Board held on 2<sup>nd</sup> June 2020 be approved as a true record.

Overview and Scrutiny Board 6th July 2020

# 16/20 <u>IDENTIFYING RACIAL DISPARITIES WITHIN BROMSGROVE DISTRICT</u> COUNCIL'S OPERATIONS - TOPIC PROPOSAL

Identifying Racial Disparities within Bromsgrove District Council's Operations - Topic Proposal (Item 7) was moved forward in the agenda.

The Chairman welcomed Councillor H. Rone-Clarke, who was invited to the meeting to speak on behalf of the Topic Proposal. Councillor Rone-Clarke presented his Topic Proposal to the Overview and Scrutiny Board. Mr Jilani was also welcomed to the meeting and had been invited to support Councillor Rone-Clarke and the topic proposal. During discussions which followed Mr Jilani queried what mechanisms were in place where ethnic minorities could express their voice at Bromsgrove District Council and if there were wage disparities between workers from the BAME community at the Council.

The Head of Transformation & Organisational Development, Business Transformation reported that the Council had mechanisms in place that included the following: -

- · Regular meetings with Equalities Officer
- Organisation-wide equality training including 'Dignity at Work'
- Staff Survey
- Close working with Trade Unions
- Phone a Friend scheme
- Robust job evaluation process ensuring an objective recruitment and pay procedure.

The Senior Democratic Services Officer explained that there were already two task groups currently being undertaken and that the Democratic Services team did not have the capacity to undertake a further investigation and that this Topic Proposal may have to wait until another investigation was completed. This was acknowledged by the Overview and Scrutiny Board but Members expressed that such an important topic needed to get underway in the very near future. Councillor McDonald, supported by a number of Members suggested that, as this was such an important subject, extra funds should be sought in order to carry out this additional task group or that it should take precedent over the existing work.

There was a detailed discussion regarding the Topic Proposal during which the following was debated: -

#### Overview and Scrutiny Board 6th July 2020

- A request by Councillor Beaumont, supported by a number of Members that the wording of the Topic Proposal be amended so as to read 'Identifying if racial disparities exist within the council's operations'. This change was agreed by the Board and the wording would be amended as part of a review of the scope at the first Task Group meeting if the Topic Proposal was agreed.
- That the topic proposal could be added to the Work Programme as a regular item at the Overview and Scrutiny Board meeting, before a decision was made in respect of a task group being established.
- Further investigation by officers be made and information presented to the Board at a future meeting.
- The suspension of one of the two task groups or the Finance and Budget Working Group – this was not agreed by Members as it was felt that the current task groups were investigating important topics and the Finance and Budget Scrutiny Working Group was integral to the budget setting process.
- That a request for a recruitment process to be undertaken to increase capacity within the Democratic Services team – this was considered unworkable as the timeline to recruit to a post would be at least 3 months and probably longer given the current pandemic.

The Chairman requested a brief adjournment.

On returning from the adjournment the Board considered whether the Corporate Performance Working Group, which had not met for some time could be suspended in order to allow the task group investigation to be undertaken. Members were agreeable to this being considered as an amendment to recommendation (c) detailed within the report.

The Chairman once again thanked Councillor H. Rone-Clarke and Mr Jilaini for their presentation to the Board.

### **RESOLVED** that

 a) the Corporate Performance Working Group be suspended in order that the Identifying Racial Disparities within Bromsgrove District Council's Operations Task Group investigation be undertaken;

and

b) Councillor P. McDonald be appointed as Chairman of the Identifying Racial Disparities within Bromsgrove District Council's Operations Task Group.

### 17/20 **COVID-19 UPDATE**

The Chairman welcomed the Executive Director, Finance and Resources, to the meeting who presented the Covid-19 update report to the Board (it was noted that this report would be considered at the Cabinet meeting due to be held on 8<sup>th</sup> July 2020) and in doing so highlighted the following to Members:-

- Monthly delta returns were being made to Central Government; these included any extra costs incurred during the pandemic and any additional loss of income.
- Any current balances may be required to be used in the future, but Central Government had not yet indicated whether this was the case.
- That estimated figures presented within the report were a snap shot in time and based on some assumptions including shoppers return to the High Street and parking fees.
- That the digital transformation of the organisation had been implemented early and effectively in order to satisfy home-working during the pandemic.

Councillor P. McDonald queried what travel savings had been made during lockdown. The Executive Director, Finance and Resources undertook to find out the information and circulate to Members.

It was hoped that the next tranche of Central Government funding would aid the Leisure sector including the leisure facilities in the district.

Councillor G. Denaro, Portfolio Holder for Finance and Enabling, thanked the team for all of their hard work in an uncertain and evolving environment.

It was noted that Members had asked for a further repot later in the year to be able to establish a more detailed picture of the impact of Covid-19 on the District. This was currently scheduled on the Work Programme for the October 2020 meeting.

**RESOLVED** that the report be noted.

# 18/20 BROMSGROVE SPORTING TASK GROUP FINAL REPORT - CABINET RESPONSE

The Chairman welcomed Councillor P. Thomas, Portfolio Holder for Leisure, Cultural Services and Community Safety to the meeting.

#### Overview and Scrutiny Board 6th July 2020

Councillor P. Thomas presented the Cabinet response to the recommendations made in respect of the Bromsgrove Sporting Task Group report. All recommendations were agreed by Cabinet subject to the caveats included in the report.

### 19/20 **STAFF SURVEY - UPDATE**

The Human Resources & Development Manager presented the update provided in respect of the Staff Survey to the Board and explained that due to the current pandemic the next staff survey had been deferred for the moment. There had, however, been two smaller scale surveys carried out, a Communications survey and a Working Arrangements survey.

The full staff survey would be undertaken at a later date and that the previous provider would be engaged again during the process. This would ensure that similar questions were asked and allow doe a comparison of data to be built up.

Councillor S. Colella, who had as a result of the Staff Survey Joint Scrutiny Task Group had been appointed as Staff Champion expressed that using the same provider was a great idea as it ensured value for money. He also stated that, as part of his role, he would be interested in greater engagement in the whole process and it was agreed that he would arrange a time to meet with the Human Resources & Development Manager.

**RESOLVED** that the report be noted.

### 20/20 OVERVIEW AND SCRUTINY RECOMMENDATION TRACKER

The Democratic Services officer presented the Recommendation Tracker to the Board. Members asked that a typographical error within the tracker be rectified. Officers agreed to undertake these amendments.

**RESOLVED** that the Recommendation Tracker be noted.

### 21/20 FINANCE AND BUDGET WORKING GROUP - UPDATE

Councillor M. Thompson confirmed that there had not been a meeting of the Finance and Budget Working Group since the last meeting. However, the Work Programme had been reviewed and a meeting would take place in the coming weeks. Overview and Scrutiny Board 6th July 2020

### 22/20 CORPORATE PERFORMANCE WORKING GROUP - UPDATE

It was confirmed that there had not been a meeting of the Corporate Performance Working Group since the last meeting and as agreed earlier in the meeting it would be suspended in order that the Identifying Racial Disparities within Bromsgrove District Council's Operations task group investigation be undertaken. Councillor M. Glass who chaired the Corporate Performance Working Group would be advised of this decision.

### 23/20 TASK GROUP UPDATES

Councillor S. Colella explained that the Impact of the Review of Library Service Task Group meeting that was held on 30<sup>th</sup> June 2020 was abandoned as the Group was not quorate and would be rearranged for a later date.

Councillor R. Hunter informed the Board that the initial meeting of the Review of Flooding Task Group was due to be held on 16<sup>th</sup> July 2020.

# 24/20 <u>WORCESTERSHIRE HEALTH OVERVIEW AND SCRUTINY COMMITTEE -</u> UPDATE

Councillor J. Till explained that the information she had requested from Worcestershire County Council Health Overview and Scrutiny Committee (HOSC) had been circulated to Members of the Board.

Councillor S. Colella thanked Councillor J. Till for the information that was requested in his absence at the last meeting. He asked that Councillor J. Till ask for a more detailed response from HOSC regarding Covid-19 post code 'hot spots' in the District. Councillor J. Till undertook to request the information and circulate to the Board.

### 25/20 **CABINET WORK PROGRAMME**

The Senior Democratic Officer presented the Cabinet Work Programme to the Board. Members showed an interest in respect of the Burcot Redevelopment - next steps, finance and operating model and the Replacement of Burcot Hostel with alternative suitable accommodation for Homeless Households reports. As these items were due to be considered by Cabinet on 6<sup>th</sup> August 2020 (this was an additional meeting of Cabinet which had recently been scheduled in to the Municipal Calendar) it would also be necessary to schedule an extra meeting of the Overview and Scrutiny Board. This was agreed by the Board and the meeting was agreed for 4.30pm 6<sup>th</sup> August 2020 just prior to the Cabinet meeting.

#### Overview and Scrutiny Board 6th July 2020

**RESOLVED** that subject to the preamble above the Cabinet Leader's Work Programme 1<sup>st</sup> July 2020 to 31<sup>st</sup> November 2020 be noted.

### 26/20 OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME

Members considered the Overview and Scrutiny Board's Work Programme for 2020-21.

**RESOLVED** that the Overview and Scrutiny Board's Work Programme for 2020-21, be updated to include the items discussed and agreed during the course of the meeting.

TO CONSIDER ANY OTHER BUSINESS, DETAILS OF WHICH HAVE BEEN NOTIFIED TO THE HEAD OF LEGAL, EQUALITIES AND DEMOCRATIC SERVICES PRIOR TO THE COMMENCEMENT OF THE MEETING AND WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, CONSIDERS TO BE OF SO URGENT A NATURE THAT IT CANNOT WAIT UNTIL THE NEXT MEETING.

There was no other business.

The meeting closed at 7.43 p.m.

<u>Chairman</u>



Title of report:	Herefordshire and Worcestershire Partnership Waste Strategy Officer
Report by:	Joint Waste Partnership – Presented by Cllr Margaret Sherrey

### **Decision type**

Non-key

#### Wards affected

(All Wards);

### **Purpose and summary**

To consider the establishment of a Joint Waste Strategy Officer working on behalf of and jointly funded in partnership by the 8 local authorities within Herefordshire and Worcestershire.

The proposed Waste Strategy Officer will lead crucial work to prepare all Local Authorities for the changes put forward in the Resource and Waste Strategy 2018 (RWS), progressing through parliament in the Environment Bill.

The Resource and Waste Strategy (RWS) 2018 is the first major policy document for waste services since the national Waste Strategy of 2007. This promises a range of changes and measures to help bring about a more circular economy. This will encourage a move away from an inefficient take, make, use, & throwaway culture to an approach where we keep resources in use as long as possible, so we extract maximum value from them.

The post holder will build on the success of the partnership producing our collective Joint Municipal Waste Management Strategy, delivering cost effective, easy to use and consistent waste & recycling services for all our residents.

We must start working to address significant changes to our services resulting from new government policy, of particular note these include:

- Requirement for local authorities to separately collect food waste from households and businesses each week.
- Potential introduction of compulsory garden waste collections, and removal of discretionary charges for service.
- The introduction of deposit return scheme for drinks containers.
- The introduction of extended producer responsibility for packaging materials.

The government's expectation is that these changes will be implemented from 2023, leaving less than three years to plan and develop services.

Wychavon is the only council in Worcestershire to have ever provided a separate collection of food waste (2008 to 2014). It was agreed to end the service due to lack of participation, cost and customer feedback on budget proposals. However, just over half of local authorities in England do currently collect food waste and in Scotland and Wales it is a statutory requirement to provide a separate collection of food waste.

The Government's response to the consultation on various aspects of RWS was published in July 2019 and said, "Given the support for separate food waste collection government will legislate to ensure that every local authority provides householders with a separate food waste collection. Government's preference is that this should be a separate weekly collection of food waste and not mixed with garden waste. However, it is clear that further consideration is needed with respect to local circumstances.... We will work with LAs and others to consider how best to deliver this requirement to take account of local circumstances."

Across Herefordshire and Worcestershire a strong partnership approach has been established through the Herefordshire & Worcestershire Strategic Waste Management Boards (Members and Officers) and Joint Municipal Waste Management Strategy (2004 – 2034). This has led to consistency in service across all the authorities with alternate weekly collection and the same recyclable materials across all authorities along with the essential infrastructure including the Materials Reclamation Facility (MRF) - EnviroSort and Energy from Waste facility - EnviRecover. The partnership most recently collaborated on a joint response to Government consultations on different aspects of the RWS. Continuing this collaboration and consistent partnership approach is the best way to progress and develop good quality value for money waste services.

The proposed post would be managed through the partnership's joint Strategic Waste Management Board, reporting to the chair of the Senior Officer Group. To manage pay, welfare, equipment and subsistence the post is proposed to be hosted by Worcestershire County Council.

To fund the post each Local Authority is asked to commit to contributing a fixed sum of £8,000 per annum for an initial period of three years. This will allow the post holder to support the strategic planning processes of the councils until the anticipated implementation of planned changes.

### Recommendation(s)

#### That:

- (a) Bromsgrove District Council agree to the establishment of a Joint Waste Strategy Officer to work on behalf of the partnership of all 8 Local Authorities in Herefordshire and Worcestershire;
- (b) Bromsgrove District Council allocate £8,000 per annum from existing funds for a fixed term of three years;
- (c) Bromsgrove District Council will consider requests for additional funding to support further work which has been identified and proposed via the partnership Senior

### Waste Officer Group.

### **Key considerations**

- 1. The government published its Resource and Waste Strategy for England (RWS) in late 2018. This promised a range of changes and measures that would help bring about a more circular economy. This will encourage a move away from an inefficient take, make, use, & throw away culture to an approach where we keep resources in use as long as possible, so we extract maximum value from them.
- 2. The measures promised in the RWS are being progressed in to law through the Environment Bill 2020, which is currently making its way through parliament.
- 3. Key measures affecting how Local Authorities provide their waste management services are:
  - Extended Producer Responsibility, making packaging producers responsible for the cost of dealing with packaging at the end of its life (e.g. waste collection, recycling and treatment);
  - b. Deposit Return Schemes, to encourage "recycling on the go" schemes for drinks containers;
  - Consistent Recycling Collections, to encourage a more consistent approach across the country to recycling collections, so each Local Authority will collect the same "core materials" for recycling;
  - d. Weekly Food Waste Collection, where every local authority will be required to provide a separate food waste collection from both households and businesses;
  - e. Potential free garden waste collection
  - f. Preference for kerbside sort recycling, where materials are collected separately from individual households (typically from boxes or bags)
  - g. Improved Product Packaging Design & Labelling, to improve the quality of materials for recycling and provide better information to consumers.
- 4. These measures will have a significant impact on the practical delivery of Local Authority waste management services, the cost of service provision and funding, for example:
  - a. Up to 80 additional vehicles and crews across Herefordshire and Worcestershire to collect food waste separately with extra costs of around £8m across the partnership for collection and disposal. (Approximate annual cost to BDC of £800,707 with funding from Central Government to support)
  - Additional resources if required to collect garden waste from each household free
    of charge and loss of income from current subscription services provided across
    the partnership (Loss of over £900,000 income for BDC, as well as additional
    staffing and vehicle costs)
  - c. Additional vehicles and crews to collect separate recyclables from households.
  - d. Loss of valuable recyclable materials to deposit return schemes which will focus on high value metal and plastic drinks containers.

- e. Uncertain funding from packaging producers resulting from extended producer responsibility schemes.
- 5. The partnership through its joint Member and Senior Officer Groups have identified the following initial priority work streams:
  - a. Engage in National Policy Development to understand and influence policy and approach to delivery in the partnerships interest ensure best possible outcomes and fair funding solutions to the partnership.
  - b. Prepare for change by understanding future requirements and the implications of them on partnerships services. Assessing partnership options for changes to our existing services and of new requirements, such as food waste collection.
- 6. The partnership's Member and Senior Officer Groups recognise that there is not sufficient staff capacity currently provided to undertake this work. Both groups support the establishment of a new joint funded post to help best prepare the partnership for expected future challenges.
- 7. It is proposed that a joint post is created managed through the partnership's Strategic Waste Management Board. The post holder will report to the chair of the Senior Officer Group of the Board (the Chair role rotates across the officers on the Board on a two yearly basis)
- 8. **Appendix 1 (Part A)** provides a detailed work plan and estimated costs against the work areas. The work plan, changes to it and any actions to be carried out by the post holder will be agreed and monitored by the Senior Officer Group.
- 9. It is proposed pay, welfare, leave, equipment, subsistence of the post holder by managed by a host authority. It is considered that this would best be provided by Worcestershire County Council who have led the strategic work of the partnership to date with the Cabinet Member with responsibility for the Environment acting as Chair of the Member Waste Board since the partnership was established and the Strategy first published in 2004.
- 10. A structure chart is provided in **Appendix 1 Part B** for illustration.
- 11. The post holder will work remotely across the partnership with each Local Authority providing "hot desk" space. This will foster greater cohesion and collaboration across the partnership.
- 12. The work plan and performance will be managed collaboratively through the Senior Officer Group.
- 13. The post will be funded equally by the constituent Local Authorities in the partnership. Each contributing £8,000 per annum for an initial three year period. Towards the end of the three years the partnership will review the need for the post and consider if it should continue.
- 14. The proposal for a joint post has been supported by both the Member and officer Groups and each partner authority is now seeking authorisation for finalisation and recruitment to the post.
- 15. It is anticipated that a position of PO2 (WCC Pay scale) or Scale 9 (HC pay scale) is likely result of grading, circa £35,000 per annum (NB the post has not yet been graded).
- 16. See **Appendix. 2 & 3.** For the proposed Job Description and Person Specification

17. Recruitment is anticipated in August 2020. The recruitment panel to be comprised of Sue Horrobin from Worcester City Council as current Chair of the Senior Officer Group, Richard Woodward from Worcestershire County Council as the Host Manager and one other representative from the Senior Officer Group. The expected timeline for authorisation and establishment of the post is given below.

May 2020	Post establishment and outline work plan agreed in principle by the Strategic Waste Management Board	
July 2020		
August 2020	Grading of post by host authority  St 2020 Recruitment and establishment of post	
September 2020	Introduction to Strategic Waste Management Board Member and Senior Officer Groups	

### **Alternative options**

- 18. Decision not to fund the joint post. This is not recommended, as the partnership authorities will be expected to make significant changes to their waste management services as a result of the policy changes. By meeting the challenge as partnership rather than individually we will be able to co-ordinate a cost effective collective response that will save money in the short term and deliver greater efficiencies in future.
- 19. It has been identified that the challenges presented by the planned changes cannot be managed effectively within existing resource by any of the waste partnership authorities.

### **Equality duty**

20. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 21. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.
- 22. Consultation with service users has taken place, no equality impacts were raised.

### **Resource implications**

- 23. If approved each Local Authority in the partnership will contribute £8,000 per annum (fixed cost) for a period of 3 years.
- 24. The total annual cost to the partnership will be £64,000 per annum or £192,000 for the initial planned 3 year period.

### **Legal implications**

25. A joint agreement between the partnership members will be necessary to set out the governance and financing of the joint post. It is anticipated this will be fulfilled by the host authority.

### Risk management

26. There are various risks associated with the recommendations in this report, these are summarised below:

Risk / opportunity	Mitigation
Expected policy changes are delayed	Work to prepare the partnership will remain valid.
	Regular review of post and work plan to ensure it remains consistent with needs and timing of policy and requirements,
Expected policy changes are cancelled	Joint post regularly reviewed to demonstrate requirement. Post holder can be reallocated to other tasks within the partnership or within WCC, redundancy considered.
Additional work requirements are identified	Work plan is regularly reviewed and updated to consider if partnerships needs are going to be met. Any additional resource requirement to be considered by the Member and Senior Officer Group prior to determination by individual members of the partnership.

### Consultees

- 27. A joint partnership officer was proposed through the Waste Member and Senior Waste Officer Groups. Support to the proposal was received at both from the constituent Local Authorities:
  - a. Bromsgrove Borough Council
  - b. Herefordshire Council

- c. Malvern Hills District Council
- d. Redditch Borough Council
- e. Worcester City Council
- f. Worcestershire County Council
- g. Wychavon District Council
- h. Wyre Forest District Council

### **Appendices**

Appendix 1. Part A - Partnership Work Plan

Part B – Management Structure

Appendix 2. Joint Waste Strategy Officer Job Description

Appendix 3. Joint Waste Strategy Officer Person Specification

### **Background papers**

None



Key task and expected resourcing for Partnership Officer to support all Herefordshire and Worcestershire councils objectives and help plan for and deliver future requirements for our collective waste management services.

Work Area	Key Actions	Key Tasks	Resource Requirements	Additional Resource Requirements (£)
Partnership Management	Manage partnership meetings	<ul> <li>Prepare for and organise partnership meetings (MWMB, SOG, WOM, BCM)</li> <li>Support chairman to facilitate</li> <li>Compile reports, updates, briefing and presentations</li> <li>Facilitate workshops and seminars</li> </ul>	10% FTE	£2,500
	Develop consistent policy	<ul> <li>Co-ordinate efforts with partners to develop shared policies and approaches to service delivery to improve consistency across the partnership</li> <li>Co-ordinate contingency plans and response to emergencies</li> </ul>	10%FTE	
Page Engaing in National Policy Development	Monitor policy development	<ul> <li>Engage with government agencies</li> <li>Represent partnership at meetings, events and seminars</li> <li>Liaise with other local authorities</li> <li>Understand and evaluate implications of policy and timescales</li> <li>Prepare and deliver Briefings and Presentations to Partnership officers and members</li> </ul>	10% FTE	
	Influence policy decisions	<ul> <li>Review and prepare response to government consultations to influence policy to benefit of partnership</li> <li>Respond to other surveys/questionnaires likely to inform policy decisions and put forward partnerships requirements</li> <li>Build relationships with government officers (e.g. Defra/WIDP trans-actors)</li> </ul>	10% FTE	£2,500
	Lobby	<ul> <li>Brief senior officers, chief executives, leaders and members on facts surrounding the financial and environmental impacts of potentially negative changes such as weekly domestic food waste collection and free garden waste collection.</li> <li>Challenge government assessments which support the introduction of these services</li> </ul>	5% FTE	
	Petition for fair funding	Engage with government to encourage fair funding of any changes to service that will have a negative financial impact to services across the partnership	5% FTE	

	Assess options for joint food waste service	<ul> <li>Understand implications, demand and requirements of food waste collection service across the partnership.</li> <li>Identify collection options that would best deliver food waste collection services</li> <li>Assess waste treatment options</li> <li>Assess commercial food waste options</li> <li>Consider synergies across collection, treatment and partnership to deliver efficiencies</li> </ul>	15% FTE	
Preparing for Change	Assess impact of EPRS and DRS schemes	<ul> <li>Understand likely impact of Extended Producer Responsibility Scheme and Deposit Return Scheme on waste stream composition.</li> <li>Assess practical implication for collection and treatment of waste Assess financial impact of schemes (e.g. from reduced recyclable income)</li> </ul>	5% FTE	£15,000
	Assess financial/practical implications of R&WS 2018 for partnership	<ul> <li>Consider the holistic financial and practical impacts of changes for the partnership</li> <li>Advise how partnership may best approach these changes together</li> </ul>	5% FTE	
Joint Communications	Develop Joint Communications Strategy for Partnership	<ul> <li>Develop a joint communications strategy form the partnership to deliver mutually beneficial communications to support our services:         <ul> <li>Waste Prevention</li> <li>Encouraging reuse opportunities</li> <li>Reducing impact of plastic pollution</li> <li>Reducing recycling contamination and improving quality</li> </ul> </li> </ul>	10% FTE	(£10,000)
(OPTHONAL)	Implement joint communications initiatives	Implement planned and bespoke communication initiatives approved by the partnership	15% FTE	
			£45,000 (Inc. On Costs)	£20,000 (£30,000)
			£65,000 (£75,000	inc. Comms)

### **Part B - Post Management**

The following illustrates the how the post will be managed, hosting and reporting lines.



Strategic Waste
Management Board (Senior
Officers group)

Management of Work Plan

# Worcestershire County Council

Hosting, pay, equipment, subsistence, etc

### **Waste Strategy Officer**

Reporting to the partnership and Chair of Senior Officer Group This page is intentionally left blank



### JOB DESCRIPTION

**Job Title:** Waste Partnership Strategy Officer

**Directorate & Section/Unit:** DE&I, Waste Services Unit

Reporting to: Chair of the Strategic Waste Management Board

(Senior Officer Group)

Waste Services Manager (WCC)

Management / Supervisory Responsibility for:

Salary Grade: TBC
WCC Management Level: TBC
Number of Direct Reports: None

### **Our People Values:**

To uphold and act in accordance with Worcestershire County Council's values;

- Customer Focus Ensure delivery of a high quality service which meet the needs of customers.
- **Can Do Culture** Be proactive to achieve excellence, finding solutions and creative ways of working.
- **Freedom within Boundaries -** Make constructive change through cohesive decision making, ensuring services are responsive.

### Purpose of job:

- Work with elected members and senior manager representatives on Herefordshire and Worcestershire's Strategic Waste Management Board to lead, develop, and manage the partnership
- Engage with government, local authorities and key stakeholders to understand and assess future waste service requirements. Produce reports and briefings to help guide the partnership and inform decision making.
- Plan and undertake service option assessments to explore how service can best be delivered to deliver improved performance and efficiency across the partnership
- Provide secretariat support for the partnership, and support governance and decision-making processes.

#### Main Activities & Responsibilities:

 To manage partnership, promoting and maintaining close working between the constituent local authorities.

- Understand and consider the implications to the partnership of changes to waste policy and legislation resulting from the Resource and Waste Strategy 2018 and Environment Bill.
- Review and respond to consultation requests on behalf of the partnership in order to help influence national policy and legislation.
- Plan, prepare and agree a work plan with the Strategic Waste Management Board.
- Carry out assessments of service options to help explore different choices and the partnerships decision making.
- Project manage all joint activities & initiatives including the management of any consultants or contractors delivering projects, and ensure projects are implemented on time and within budget.
- Prepare, lead reviews & update the Herefordshire and Worcestershire Joint Municipal Waste Management Strategy (HWJMWMS) and action plan.
- To report regularly to the Strategic Waste Management Board and other stakeholders on project progress as appropriate bringing to them issues requiring their decisions or approval. To follow up on any decisions made to ensure their implementation.
- To manage the budget allocated to individual projects or phases ensuring it is cost efficient, maximises resources and regular analysis is provided against forecast of spend.
- Provide secretariat support to the Partnership Board, ensuring agendas are formed in collaboration with partners; lead the timely preparation and coordination of reports, undertaking quality control; and ensure good governance and decision-making protocols are followed.

#### **Generic Accountabilities:**

- To maintain personal and professional development to meet the changing demands of the job, participate in appropriate training activities and encourage and support staff in their development and training
- To undertake other such duties, training and/or hours of work as may be reasonably required and which are consistent with the general level of responsibility of this job
- To undertake health and safety duties commensurate with the job and/or as detailed in the Directorate's Health and Safety Policy
- The duties described in this job description must be carried out in a manner which
  promotes equality of opportunity, dignity and due respect for all employees and
  service users and is consistent with the Council's Equality and Diversity Policy

#### Contacts:

In all contacts the post holder will be required to present a good image of the Directorate and the County Council as well as maintaining constructive relationships.

Internal: Elected Members, Directors, Assistant Directors, Senior Managers, Management Teams, Managers & Staff across all directorates

External: District & County Councils, Government Agencies & Departments, Contractors, Service providers, Statutory and Voluntary Organisations, service users, customers, members of the public, volunteers

#### **Additional Information:**

- The Council reserves the right to alter the content of this job description, after consultation to reflect changes to the job or services provided, without altering the general character or level of responsibility
- Reasonable adjustments will be considered as required by the Equality Act





### PERSON SPECIFICATION

Job Title: Waste Partnership Strategy Officer

Directorate & Section/Unit: DE&I, Waste Services Unit

Salary Grade: TBC WCC Management Level: TBC

#### **EXPERIENCE:**

### It is **essential** that the post holder has:

- Substantial relevant experience of working within the waste management sector
- Experience of working on or managing collaboration projects
- Significant experience of stakeholder management and engagement
- Experience of managing, leading and developing a high profile partnership
- Experience of successful project and programme management

### It is **desirable** that the post holder has:

- Experience of working for a Waste Disposal Authority or Waste Collection Authority
- Experience of managing a Waste Partnership
- Experience of public sector procurement
- Experience of delivering invest to save waste projects

#### **KNOWLEDGE, SKILLS AND ABILITIES:**

### It is **essential** that the post holder has:

- Ability to plan and deliver work at a strategic level
- Ability to work well under pressure and to deliver work to strict deadlines
- Proven people influencing and networking skills.
- Proven ability to work co-operatively in a partnership
- Practical experience of formal presentations at senior level using a variety of techniques
- Excellent verbal communication skills and ability to present focused, concise and compelling information in formal and informal settings
- Proven ability to work on own initiative and to develop own agenda
- Ability to motivate and time manage
- Concise and plain English report writing style
- Recognises, and has regard to, the need for confidentiality
- Pragmatic and analytical approach to problem solving
- Excellent organisational skills
- Detailed knowledge of Microsoft Office applications

#### **QUALIFICATIONS/TRAINING & DEVELOPMENT:**

It is **essential** that the post holder has:

- A recognised professional qualification
- Evidence of further professional development, within a relevant area or able to show relevant experience e.g. IT Implementation, Change Management, Procurement, Process Engineering or Service re-structure

#### **ADDITIONAL INFORMATION:**

It is **essential** that the post holder:

- Maintains their personal and professional development to meet the changing demands of the job, participate in appropriate training activities.
- Has the ability to travel throughout the county at short notice where public transport may be limited
- Is able and willing to attend meetings that may be held outside of normal office hours (i.e. weekends and evenings

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

### **Finance Monitoring Outturn 2019/20**

Relevant Portfolio Holder	Councillor Geoff Denaro Portfolio Holder for Finance and Enabling Services
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Corporate Resources
Non-Key Decision	

### 1. Purpose and Summary

1.1 To report to Cabinet on the Council's financial position for both Revenue and Capital for the Financial Year April 2019 – March 2020.

### 2. Recommendations

2.1 That Cabinet is asked to resolve to note the current financial position in relation to revenue and capital budgets for the Financial Year April 2019 – March 2020 as detailed in the report.

#### That Cabinet recommend to Council

- 2.2 Approval of the movement of £381k in existing reserves as included in Appendix 1.
- 2.3 Approval of the addition of new reserves of £1,411k as included in Appendix 1.
- 2.4 Approval of the carry forward to the 2020/21 capital programme of £8,600k as detailed in Appendix 3
- 2.5 Approval of an increase in the 2020/21 Capital Programme of £163k for Disabled Facilities Grants. This is due to the budget allocations having now been announced by the Ministry of Housing, Communities and Local Government (MHCLG). This will increase the available budget to £913k. (See 6.1)
- 2.6 Approval of an increase in the 2020/21 Capital Programme of £119k for additional funds towards the already approved capital project for Environmental services new IT system (See 6.2 and appendix 6) to be funded from borrowing.

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

2.7 Approval of the funding from balances of the overspend from the demolition of the Dolphin Centre of £217k. (See 6.3).

- 2.8 Approval of an increase in the 2020/21 Capital programme 2019/20 of £100k due to match funding being received for a ULEV Taxi infrastructure scheme in Bromsgrove. (See 6.4)
- 2.9 Approval of increase to the revenue budget for 2020/21 due to receiving £40k SEP Grant (Strategic Economic Plan) (See 3.5)
- 2.10 Approval of an increase to the Capital programme 2020/21 of £13k s106 monies for the Bromsgrove Town Centre (See 6.5)
- 2.11 Approval for an increase to the Capital programme 2020/21 of £150k ringfenced capital receipts for a grant to be provided to BDHT for the provision on new affordable homes. (See 6.6)

### 3 Revenue budgets

- 3.1 This report provides details of the financial outturn performance of the Council for 2019/20. The report reflects the finances across all of the Strategic Purposes to enable Members to be aware of the level of funding attributed to each area and how this compares to budget. The summary below shows the financial revenue position for the Council for 2019/20.
- 3.2 Financial reports are sent to budget holders on a monthly basis. As part of this process a detailed review is undertaken with support from the finance team to ensure that all issues are considered and significant savings or cost pressures are addressed. This report explains the key variances to budget for 2019/20.
- 3.3 The £11.838m original budget as included in the table below is made up of the budget approved in February 2019 of £11.676m, which is then adjusted to reflect the approved transfers from reserves of £159k held in Corporate Financing.
- 3.4 In addition the revised 2019-20 budget of £11.672m includes transfers to/from reserves of £925k which is shown in appendix 1 (£133k is within Corporate Financing), use of balances of £1,151k along with savings virements of £244k (total savings is £396k of which £152k is within corporate financing).

CABINET 6th August 2020

#### Revenue Budget summary Financial Year 2019/20 – Overall Council

Please note figures have been rounded

Strategic Purpose	Original Budget 2019/20	Revised budget 2019/20	Actuals 2019/20	Variance 2019/20
	£'000	£'000	£'000	£'000
Keep my place safe and looking good	4,492	4,233	4,368	136
Help me run a successful business	-506	-537	-520	17
Help me be financially independent	231	156	194	38
Help me to live my life independently	-58	-100	-96	4
Help me find somewhere to live in my locality	677	683	632	-51
Provide Good things for me to see, do and visit	684	1,790	1,762	-28
Enable others to work/do what they need to do (to meet their purpose)	6,318	5,595	5,282	-314
Total	11,838	11,820	11,622	-198
Corporate Financing	-11,838	-11,820	-11,852	-32
Grand Total	0	0	-231	-231

#### **Financial Commentary:**

There are a number of variances across the strategic purposes. The summary above shows the overall 2019/20 revenue position for the Council and the main variations are as a result of:

#### Keep my place safe and looking good (£136k over budget)

These budgets include those relating mainly to environmental services, planning, CCTV and other activities to deliver against the purpose ensuring an area is both safe and attractive for the community.

The variance position is explained as below:

- Bereavement services have received less income than expected from burial fees and therefore has a year end variance for the service of £39k.
- Whilst a significant growth in income has been achieved within Core Waste services (trade and garden waste), there have been additional disposal costs required for running the Trade waste service and additional costs required for running the domestic waste service. This has generated an overspend at the end of 2019/20 of 2446 33

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

 Community Safety, Core Environmental operations and Environmental services management support have some small underspends on general supplies and services budgets along with temporary salary savings projected £68k.

 Trees and woodland management also have salary savings while the service is under review to possible use the funding towards external providers £80k

#### Help me run a successful business (£17k over budget)

The budgets within the strategic purpose include economic development, car parking, all licenses and costs associated with the town and other centres within the District.

- The projected overspend within car parks has been reduced due to one off savings on NDR and maintenance, outturn overspend is £27k
- There are small underspends within Economic & Tourism Development and Licences due to savings on supplies and services budgets not being required £16k

#### Help me be financially independent (£38k over budget)

The strategic purpose includes all costs relating to the support of benefits and the administration and delivery of Council Tax services and business rates in the District.

- Housing benefits includes a provision for bad debts on housing benefits overpayments. There was no budget for this in 2019/20 but we have now reflected this in the base budgets for 2020/21 £62k.
- Revenue & Benefits have staff vacancies within the team which will be addressed in a service review in 2020/21 £23k.

#### Help me to live my life independently (£4k saving)

There are a number of budgets relating to the delivery of the strategic purpose including; Lifeline, Community Transport and Disabled Facilities Grants.

 There are small variances on temporary staff vacancies and recruitment costs which net the overall variance for 2019/20 £4k.

#### Help me find somewhere to live in my locality (£51k saving)

The costs associated with homeless prevention, housing strategy and land charges are all included in the strategic purpose.

- Housing strategy and enabling services have an underspend due to salary savings and savings on other general supplies and services of £46k.
- Land charges have received additional income in the year and this is projected to continue until the year-end £5k.

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

#### Provide Good things for me to see, do and visit (£28k saving)

The majority of budgets within this purpose relate to Leisure and Culture services.

- There is an overspend of £23k within Business Development Cultural due to receiving final bills on utilities for prior years on the old Leisure Centre.
- Parks and Events and Sports and Arts Development have a small underspend due to a staff
  vacancies and ensuring essential spend only and some other small underspends within Facilities
  management and Grant and donations on supplies and services budgets £51k.

#### Enable others to work/do what they need to do (to meet their purpose) (£314k saving)

All support services and corporate overheads are held within the enabling purpose. These include; IT, HR, Finance, Management team and other support costs.

- There a saving within CMT due to salary savings £104k. The review of the Senior Management Team has now been agreed and this has been factored into the new year budget.
- Accounts & Financial Management, Financial Support and Professional Legal Advice & Services
  have salary savings due to vacancies. These are expected to be recruited to in the new financial
  year £96k.
- Facilities Management has underspends on supplies and services budgets not yet spent. Along
  with these savings we have also received a refund on Business Rates for Burcot lane Council
  House relating to prior years 68k.
- ICT also have projected savings due to less than expected costs on Microsoft licences. There have also been some vacancies within ICT but are hoped to be recruited to by the year end £35k.

#### **Corporate Financing (£32k saving)**

• The is a variance in corporate financing due to a net impact of additional rate income offset by a contribution to reserves along with a shortfall on interest receivable income on investments £32k.

#### 3.5 SEP Grant (Strategic Economic Plan) - Bromsgrove Town Centre 2040 Vision

The £40,000 grant from the Greater Birmingham and Solihull LEP (SEP Enabling Fund) will contribute towards to cost of preparing a long term vision for the Bromsgrove Town Centre. The work will include comprehensive engagement with key stakeholders, including businesses, residents and community groups, and will set out the strategic priorities and key interventions that will support the delivery of the town centre vision.

CABINET 6th August 2020

#### 4. Savings Monitoring

4.1 The medium term financial plan included £332k of savings identified to be delivered during 2019/20 the breakdown of these savings is attached at appendix 2. £166k of these identified savings are in relation to a vacancy factor.

At the end of the financial year £355k of the £332k budget have been realised against the budgeted April to March 2019/20 savings.

In addition to the above officers have been required to find further savings throughout the financial year 2019/20. The additional savings found are £562k, £166k of these were allocated to the vacancy factor target. The remainder £396k have therefore been returned to balances.

#### 5. Cash Management

5.1 The financial position in relation to borrowing at the start and end of the financial is shown in the table below:

Date	£m	Position
As at 31 <sup>st</sup> March 2019 (Actual)	13.5	Borrowing
As at 31st March 2020	4.75	Borrowing

#### 5.2 **Borrowing**

As at the 31<sup>st</sup> March 2020 there are £4.75m short term borrowings with associated borrowing costs within the quarter of £3.3k, there was no long term borrowing.

An interest payable budget had been set of £133k for 2019/20 due to expenditure relating to current capital projects.

#### 5.3 **Investments**

At 31st March 2020 there were £2.0m investments held.

CABINET 6th August 2020

#### 6. Capital Budgets

### Capital Budget summary Financial Year 2019/20 – Overall Council

Please note figures have been rounded

Strategic Purpose	Original Budget 2019/20	Revised budget 2019/20	Actual 2019/20	Variance 2019/20
	£'000	£'000	£'000	£'000
Keep my place safe and looking good	3,385	7,824	823	-7,002
Help me run a successful business	0	300	0	-300
Help me to live my life independently	950	1,574	1,074	-500
Provide good things for me to see, do and visit	170	1,714	1,400	-314
Enable others to work/do what they need to do (to meet their purpose)	10	479	261	-218
Totals	4,515	11,981	3,558	-8,333

#### Finance commentary:

#### Keep my place safe and looking good

Within this purpose includes the projects for investments purchase and the Burcot lane redevelopment

- The main variances for this strategic purpose relate to the following projects;
  - The Depot resurfacing work phase 2 project is to be delayed until 2020/21 due to demands in the engineering team. It is therefore requested to carry this budget forward to the new financial year.
  - The Burcot Lane development is expected to commence during 2020/21 and therefore budgets are requested to be carried forward from 2019/20.
  - There have been limited opportunities for investment properties during the year and therefore the budget will be requested to be carried forward into 2020/21.

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

#### Help me run a successful business

The project for this strategic purpose relates to the OLEV/ULEV Taxi infrastructure scheme which
is now expected to be completed in the new financial year due to unexpected delays.

#### Help me to live my life independently

- The underspend projected relates to a number of projects;
  - Energy Efficiency installations. This fund has been unable to be spent this year due to the need to procure the energy advice service prior to restarting the Bromsgrove Energy Efficiency Fund. However the energy advice service has now been procured and has commenced in the final quarter of the financial year and will continue through to March 31<sup>st</sup> 2022
  - Discretionary home repairs assistance is underspent which is due to a lack of applications being received despite advertising.
  - It will be requested to carry forward an underspend on the Disabled Facilities Grants due to delays in referrals from occupational therapists.

#### Provide Good things for me to see, do and visit

- One of underspend relates to the s106 project re-landscaping of Recreation ground this is currently going through the tender/procurement process and is likely to commence towards the last end of the last quarter of 2019/20 it is therefore requested to be reprofiled into the beginning of 2020/21.
- The new birdbox scheme will also be requested to carry forward into the next financial year due to the project not being approved towards the later end of the financial year although orders have now been raised.

#### Enable others to work/do what they need to do (to meet their purpose)

• The variance for this strategic purpose relates to the New Finance Enterprise System in Financial services which has now commenced. The project is expected to be completed by September 2020 and a request is made to carry the budget into the first half of 2020/21.

#### 6.1 **Disabled Facilities Grants**

The request for approval of an increased budget £163k at **2.3** is due to confirmation of the Disabled Facilities Grant being not being distributed to all relevant authorities by the ministry of Housing, Communities and Local Government until 28<sup>th</sup> February 2020. An estimate at budget setting was used and therefore the additional £163k is now required to match the grant determination £913k for Bromsgrove District Council for 2019/20

#### 6.2 Environmental Services new IT system

The request for approval of an increased budget £119k at **2.12** is to ensure that the Council's Environmental Services including Commercial Services are supported by a modern, fit for Page 38

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

purpose technical system. The proposal is to replace the existing PDMS system that is no longer fit for purpose with a new system that would enable Environmental Services to be more proactive, manage and arrange work to our assets, allow our customers to be specific in their reporting of issues using a map based system and enable us to have a better understanding of the cost of maintaining our assets and enable us to plan for the future.

There is currently agreed funding of £78k split evenly between Bromsgrove and Redditch and revenue uplift of £46k. Following detailed investigation it has become apparent that this initial funding projection will not be sufficient to procure and manage a suitable replacement IT system.

It is therefore requested that members recommend:

- · Option 2 within the business case
- An uplift in the capital and revenue budgets to fund the difference between the existing money already approved and the proposed as detailed within the business case.

#### 6.3 **Dolphin Centre Demolition Costs**

The demolition budget as agreed by Members was £1.080m. The works incurred involved a number of other issues that were identified once the site was under demolition. These were not part of the initial contract tender as they were site issues that came to light during the works. These additional costs included; further secure fencing and railings, levelling and a significant amount of further extraction of concrete and ducts for the area once the pool was demolished and associated project management fees. The revised cost of £1.297m has resulted in a £217k overspend to the initial budget.

#### 6.4 ULEV Taxi infrastructure scheme

The request for approval of the additional match funding for £100k from a supplier is due to the contract value for the BDC taxi charging infrastructure being £400k. However the grant funding from government only covers 75% i.e. £300k. It was asked when going out to procurement that the Supplier would bring £100k match funding (which is an investment as they will get a return on that through the revenue that the charging points will generate over the 10 years of the contract to operate them).

#### 6.5 **S106 Bromsgrove Town Centre**

£5k is to be earmarked to supply essential infrastructure (Circuit Breakers) for Bromsgrove Town centre and Worcester Road Lighting Columns to ensure these columns that are used for Christmas lighting (and any other future temporary lighting) conform under new legislation. This will be from the Town Centre funding application 2009/0729 S106 Aldi/Sherwood road.

£8k is also to be earmarked for use for Worcester Road projects and schemes that improve the public realm. This is in regard to permanent lighting in Worcester Road to provide the businesses in the Worcester Road a separate identity during the evening. (Lighting and details to be confirmed with local business and Town Centre NWDR).

CABINET 6th August 2020

#### 6.6 Grant payable to BDHT

Approval requested for £150k grant payable to BDHT (Bromsgrove District Housing Trust) is due to Cabinet resolving at its meeting on 1 February 2017 that any Capital receipt received from the repayment of the 30% Council ownership in the Bromsgrove Low Cost Housing scheme properties be ring-fenced to provide funding to assist the Council in meeting its Strategic Purpose "Help me find somewhere to live in my locality".

Officers are requesting that £150,000 grant is provided to Bromsgrove District Housing Trust for the provision on new affordable homes at the following

Lingfield Walk – 4 x 1 bed flats York Avenue – 3 x 1 bed house 2 x 2 bed house Hillcrest Road - 2 x 1 bed bungalow

The grant will be secured through a grant agreement requiring repayment of a percentage if a property is sold. The Council will also secure nominations to the properties through a nomination agreement requiring the occupiers are housed from the Council's housing register.

#### 7. Earmarked Reserves

7.1 The position as at 31<sup>st</sup> March 2019/20 is shown in Appendix 1. This also details the planned use of the reserves for the future budget years 2020/21 and 2021/22.

#### 8. General Fund Balances

8.1 The General Fund Balance as at the 31th March 2019 was £4.926m. A balanced budget was approved in February 2019 to include identified savings which have been built into individual budget allocations. This also included a planned use of balances for 2019/20 towards the demolition of the Dolphin centre and building of associated car parking.

Due to the virement of savings in year of £396k back to balances, 2019/20 underspend along with planned use, the current level of balances will therefore be £4.403m.

Planned use	£'000
Balance B/fwd	-4,926
Dolphin Centre demolition Costs	1,095
Sports Development – Active Kitchens	34
Sherwood Road industrial unit	22
Savings found in year	-396
Saving/Underspend from 2019/20	-231
Balance C/fwd	-4,408

# BROMSGROVE DISTRICT COUNCIL Agenda Item 6

CABINET 6th August 2020

#### 9. <u>Legal Implications</u>

9.1 No Legal implications have been identified.

#### 10. Service/Operational Implications

10.1 Managers meet with finance officers on a monthly basis to consider the current financial position and to ensure actions are in place to mitigate any overspends.

#### 11. Risk Management

11.1 Effective budget monitoring supports any risks associated with the Council.

#### **APPENDICES**

Appendix 1 - Earmarked Reserves 2019/20

Appendix 2 - Savings Monitoring 2019/20

Appendix 3 – Capital Carry forwards

Appendix 4 – Capital programme incl carry forwards 2020/21

Appendix 5 – Environmental Business Case

#### **AUTHOR OF REPORT**

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Please note these figures have been rounded

Description	Balance b/fwd 1/4/2019	Budgeted Release 2019/20	Revised Balance b/fwd 1/4/2019	Transfers in existing reserve 2019/20	Transfers out existing reserve 2019/20	New Reserve 2019/20	C/fwd 31/3/2020	Planned use for 2020/21 Budget	Planned use for 2021/22 Budget	Comment	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Building Control	(7)	0	(7)	0	0	0	(7)	0	0	To Fund the mobile working project	
Building Control Partnership	(61)	0	(61)	(11)	22	(18)	(69)	0	0	Partnership income has to be reinvested back in to the service.	
Commercialism	(33)	0	(33)	0	23	0	(10)	0	0	To help fund costs in relation to commercialism projects	
Community Services	(34)	0	(34)	(21)	31	(20)	(43)	0	0	To help towards a district network feasibility study and unauthorised trespass prevention.	
Economic Growth Development	(475)	150	(325)	0	135	(1,152)	(1,342)	150	150	To fund the Economic Development opportunities across the District	
Election Services	(88)	0	(88)	(24)	15	0	(96)	50	0	To support the delivery of individual electoral registration and to set aside a reserve for potential refunds to government	
Environmental Services	(6)	0	(6)	0	6	0	0	0	0	To help towards the bus shelters in the district.	
Financial Services	(179)	0	(179)	(84)	0	(100)	(362)	0	0	A number of reserves / grants have been set aside to support residents through the changes to welfare reform along with a reserve to support our Business continuity plans.	
Corporate Financing	(3,441)	0	(3,441)	(1,787)	2,305	0	(2,923)	0	0	The reserve has been created to offset the loss on Business rates collection and appeals in 2019/20.	
Housing Schemes	(511)	0	(511)	(145)	181	0	(475)	0	142	To support the feasibility and implementation of housing schemes across the district	
ICT/Systems	(164)	11	(152)	(55)	3	0	(204)	0	0	To provide for replacement ICT systems	
Leisure/Community Safety	(266)	0	(266)	(174)	155	(6)	(291)	0	0	Grant received and reserves set aside to support a number of leisure and wbeing schemes across the District	
Local Development Framework	(31)	0	(31)	0	31	0	0	0	0	To fund the costs associated with the Core Strategy	

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Local Neighbourhood Partnerships	(16)	0	(16)	0	0	0	(16)	0	0	Grant received in relation to liveability schemes
Other	(86)	0	(86)	(35)	6	0	(115)	0	44	General reserves including - support for apprentices, set up costs and Brexit reserve.
Planning	(30)	0	(30)	0	37	(115)	(108)	0	U	Reserves in relation to a custom build grant to provide support to the council towards expenditure lawfully incurred in relation to the provision and maintenance of a self-build register, along with reserves to help towards future planning appeals.
Regulatory Services (Partner Share)	(38)	0	(38)	(3)	7	0	(35)	0		BDC Share of WRS grant related reserves
Shared Services Agenda	(311)	0	(311)	0	0	0	(311)	0	0	To fund potential redundancy and other shared costs
Grand Total	(5,776)	161	(5,615)	(2,337)	2,956	(1,411)	(6,406)	200	337	

				Year end					
Department	Strategic Purpose	Description of saving	2019-20 £'000	On target Y/N	Additional (add to to in yr savings) £'000	below target Y/N	Pressure £'000		
Community Services	Help me to live my life independently	Additiional Income from new contract with Cannock Chase Council	-60	Y					
Community Services	Help me to live my life independently	Additiional Income from new contract with Cannock Chase Council - SLA with Cannock	-20	Y					
Corporate Services	Enabling	New Print Contract	-29	Y					
Corporate Services	Enabling	Car Mileage	-2	Y					
Corporate Services	Enabling	Community Group Funding	-5	Y					
Envental Services	Keep my place safe & looking good	Review of budget allocations	-15	Y					
Legal & Democratic	Help me find somewhere to live in my locality	Review of budget allocations within Land charges	-2	Y					
Legal & Democratic	Enabling	Additional income on external legal work	-7	Y					
Customer Services & Financial Support	Enabling	Reduction in operational budgets	-26	Y					
Corporate Services	Enabling	Vacancy Management	-166	Y	-23		9		
			-332		0				

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BDC Capital Programme 2019/20 - Outturn

Job No.	Description	Department	Strategic Purpose	Funding	Full Year Budget 2019-20	Full Year expenditure 2019-20	Full Year Variance 2019- 20	Request for Carry Forward into 2020/21	Comments
					£'000	£'000	£'000	£'000	
GC894	Burcot Lane	Customer services and financial support	keep my place safe and looking good	borrowing/capital receipts	3,156	177	-2,979	2,979	The Burcot Lane development is expected to commence during 2020/21 and therefore budgets are requested to be carried forward from 2019/20
GC411	Funding for DFGs	Community Services	help me live my life independently	borrowing/capital receipts	1,088	898	-190	190	It is to be requested to carry forward an underspend on the Disabled Facilities Grants due to delays in referrals from occupational therapists.
GC1341	Energy Efficiency Installation	Community Services	help me live my life independently	borrowing/capital receipts	110	14	-96	96	This fund has been unable to be spent this year due to the need to procure the energy advice service prior to restarting the Bromsgrove Energy Efficiency Fund. However the energy advice service has now been procured and has commenced in the final quarter of the financial year and will continue through to March 31st 2022.
GC1064	Home Repairs Assistance	Community Services	help me live my life independently	borrowing/capital receipts	50	9	-41	41	Discretionary home repairs assistance is underspent which is due to a lack of applications being received despite advertising so a request to roll forward is made to 2020/21.
GC1223	Energy Efficiency	Community Services	help me live my life independently	borrowing/capital receipts	5	0	-5	5	A roll forward is requested to be used in conjunction with Energy efficiency installations project for park homes.
GC1337	CCTV	Community Services	help me live my life independently	borrowing/capital receipts	321	154	-167	167	This is part of large CCTV project which is ongoing with first tranche of expenditure funded by PCC.
GC896	OLEV ULEV Taxi infrastructure scheme	Community Services	help me run a successful business	Grants & Contributions	300	0	-300	300	The project is delayed and is requested to be carried over to new year - Grant funding has already been received £275,000 (project is grant funded)
GC1283	Fleet Replacement	Environmental Services	keep my place safe and looking good	borrowing/capital receipts	451	99	-352	352	Carry Forward - £90k Tractor, trailer and mowers all ordered with delivery in March 2020 but delayed due to COVID 19 also there is a delay on getting the tractor registered with DVLA. £65k unfortunately as China and Europe closed down early in the year, officers were not able locate and discuss suitable machines. 40k Minor Works van ordered with delivery in March2020 but delayed due to COVID 19. £80k two tippers ordered with delivery in March2020 but delayed due to COVID 19. £35k orders placed for the new Luton van delivery expected March 2020 but delayed due to COVID 19. £35k order placed for 3.5t tipper delivery expected March 2020 but delayed due to COVID 19. £02k car park line marking to be completed in March 2020 unfortunately contractor was unable to complete due to COVID 19 would like to carry forward
GC1345	Repacement lighting at the Depot	Environmental Services	Keep my place safe and looking good	borrowing/capital receipts	23	0	-23	23	The improvement/upgrade for the lighting is linked to the quality of the CCTV night images and both this and the fencing security upgade, which we were advised woild be cameras with motion detection, need to be undertaken at the same time with lighting levels agreed with the security contractor. The security work contract has delayed please see item below.
GC1355	Day't Site resurfacing phase 2	Environmental Services	Keep my place safe and looking good	borrowing/capital receipts	252	0	-252	252	The project is to be delayed until 2020/21 due to demands in the engineering team and until the furture of the site is agreed. It is therefore requested to carry this budget forward to the new financial year.
GC889	Undate Boundary Security at the Depot	Environmental Services	Keep my place safe and looking good	borrowing/capital receipts	20	0	-20	20	Officers have been working with Chub as the existing provider to advise on the best security method to install along the fenceline, the existing guardwire is temprimental and giving faulse alarms. Unfortunately the contractor has been very difficult to work with, the nesessary on site survey work was initially delayed by them, then their contracts manager who visited left and we had to start the process again. We have also liaised with CCTV as they have recenetly unpdated their framework contract. Unfortunately at this point we went into lockdown and we are now looking to undertake a mini tender via
GC1360	BDC Combined F/Path & Cycl	Environmental Services	Keep my place safe and looking good	borrowing/capital receipts	431	360	-71	71	The project is funded by Worcestershire County Council Funded and a carry forward is requested as there have been delays due to COVID 19.
GC897	Regeneration Fund	Finance	keep my place safe and looking good	borrowing/capital receipts	3,350	0	-3,350	3,350	There have been limited opportunities for investment properties during the year and therefore the budget will be requested to be carried forward into 2020/21.
C2334	New Finance Enterprise system	Finance	enabling	borrowing/capital receipts	455	237	-218	218	New Finance Enterprise System in Financial services which has now commenced. The project is expected to be completed by December 2020 and a request is made to re-profile some of the budget into the first quarter of 2020/21.
GC1350	Wythall Park POS Improvement	Leisure & Cultural Services	provide good things for me to see, do & visit	borrowing/capital receipts	15	0	-15	15	The project is waiting for response from Wythall parks assosiation for confirmation to raise the order. This is therefore expected to take place spring 2020
GC1352	Barnt Green Millenium Park - Toilet	Leisure & Cultural Services	provide good things for me to see, do & visit	borrowing/capital receipts	62	0	-62	62	The budget is to be utilised at Bittell Road recreation ground owned by the parish council. The contractor is to commence works in summer 2020.
GC895	Re-landscaping of Recreation Ground	Leisure & Cultural Services	provide good things for me to see, do & visi	borrowing/capital receipts	211	0	-211	211	The consultation has now been completed and the contractor to be appointed and works to be scheduled 2020/21.
GC1344	Sanders Park dda play provision	Leisure & Cultural Services	keep my place safe and looking good	s106 funding	10	6	-4	4	Ongoing project - roll forward requested.
GC1361	Birdbox	Planning & Regeneration	provide good things for me to see, do & visi	borrowing/capital receipts	210	0	-210	210	The new birdbox scheme will also be requested to carry forward into the next financial year due to the project not being approved towards the later end of the financial year - although orders have now been raised
GC1339	Rubery Redevelopment Works	Planning & Regeneration	provide good things for me to see, do & visi	borrowing/capital receipts	36	3	-33	33	The project is still ongoing and a request is therefore mae to roll forward the budget into 2020/21.
		Grand Total			10,557	1,957	-8,600	8,600	The project is sum on going and a request is a located in the control of the cont

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Description	Department	strategic purposes	Funding	2020/21 Total	2021/22 Total	2022/23 Total	2023/24 Total
				£'000	£'000	£'000	£'000
Burcot Lane	Customer services and financial support	keep my place safe and looking good	Public works loan board and grant homes england	3,979	9,275	0	0
Funding for DFGs	Community Services	help me live my life independently	Grant income WCC	940	750	0	0
Energy Efficiency Installation	Community Services	help me live my life independently	Capital Receipts/Borrowing	96	0	0	0
Home Repairs Assistance	Community Services	help me live my life independently	Long Term Debtors	91	50	0	0
Energy Efficiency	Community Services	help me be financially independent	Grant finance (WCC)	5	0	0	0
ссту	Community Services	help me live my life independently	Capital Receipts/Borrowing	167	0	0	0
OLEV ULEV Taxi infrastructure scheme	Community Services	Help me run a successful	Grants & Contributions	300	0	0	0
New Digital Service	Community Services	help me live my life independently	Capital Receipts/Borrowing	57	34	34	34
Fleet Replacement	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	1,536	481	1,591	204
North Communication in mastructure at at North Communication Phase	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	8	8	7	0
Replacement lighting at the Depot	Environmental Services	Keep my place safe and looking good	Capital Receipts/Borrowing	23	0	0	0
Wheelie Bin Purchase	Environmental Services	Keep my place safe and looking good	Capital Receipts/Borrowing	94	94	94	0
Depot Site resurfacing phase 2	Environmental Services	Keep my place safe and looking good		252	0	0	0
Update Boundary Security at the Depot	Environmental Services	Keep my place safe and looking good	Capital Receipts/Borrowing	20	0	0	0
BDC Combined F/Path & Cycle	Environmental Services	Keep my place safe and looking good	Grants & Contributions	71	0	0	0
Replacement Parking machines	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	120	0	0	0
Fleet Management Computer System	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	17	0	0	0
Environmental Services Computer System	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	38	0	0	0
Bus Shelters	Environmental Services	keep my place safe and looking good	Capital Receipts/Borrowing	18	18	18	0
Regeneration Fund	Finance	keep my place safe and looking good	Capital Recipts/Borrowing	4,350	2,000	2,000	1,650
New Finance Enterprise system	Finance	enabling	Capital Receipts/Borrowing	218	0	0	0
Wythall Park POS Improvement	Leisure & Cultural Services	provide good things for me to see, do & visit	s106 funding	15	0	0	0

Description	Department	strategic purposes	Funding	2020/21 Total	2021/22 Total	2022/23 Total	2023/24 Total
Barnt Green Millenium Park - Toilet	Leisure & Cultural Services	provide good things for me to see, do & visit	s106 funding	62	0	0	0
Sanders Park dda play provision	Leisure & Cultural Services	provide good things for me to see, do & visit	s106 funding	4	0	0	0
Re-landscaping of Recreation Ground	Leisure & Cultural Services	provide good things for me to see, do & visit	s106 funding	211	0	0	0
Sanders Park Play Area - Replacement for Tripod Swing (Health and Safety)	Leisure & Cultural Services	provide good things for me to see, do & visit	Capital Receipts/Borrowing	35	35	0	0
Rubery Redevelopment Works	Planning & Regeneration	provide good things for me to see, do & visit	Capital Receipts/Borrowing	33	0	0	0
Birdbox	Planning & Regeneration	provide good things for me to see, do & visit	Capital Receipts/Borrowing	210	0	0	0
			TOTAL CURRENT CAPITAL PROGRAMME	12,970	12,744	5,631	1,888

### **Business Case**

## **Environmental Services IT System**

Authors:	Michelle Garrett / Emma Alldrick
Date:	30 June 2020
Release Version:	V1.7

#### **Contents**

The Business Case

1.	Executive Summary		Page 3
2.	Introduction		
3.	The S	trategic Case	Page 7
4.	The E	conomic Case	Page 14
5.	The F	inancial Case	Page 19
6.	. The Management Case		
7.	Next Steps		Page 23
8.	Appendices		Page 24
	8.1	Appendix A: Strengths, Weaknesses, Opportunities and Thre	
	0.0	Analysis of Options	Page 25
	8.2	Appendix B: Potential Savings	Page 27
	8.3	Appendix C: Examples of Functionality of the System	Page 28

#### 1. Executive Summary

The purpose of this business case is to ensure that the Council's Environmental Services including Commercial Services are supported by a modern, fit for purpose technical system that will enable the Council to be more customer focused, innovative and commercial.

Having the correct technology is critical to enable the Council to improve the running and delivery of the services, plan for the future, keep the services sustainable and work towards our climate change responsibilities whilst ensuring that the services are customer focused.

Environmental Services originally used the Northgate M3 system to log and manage calls and requests for work. Northgate advised early 2015 that they would no longer support M3 and wanted us to move to their new system. However, after consideration this system was not felt to be suitable. As part of their service transformation the Housing service had been working with PDMS to develop the Context system so that the service could better understand their tenants and customers.

Following discussions with PDMS it was agreed that they could develop a module for Environmental Services using the platform infra structure that they had developed for Housing and that this would be done in a dynamic, agile, systems thinking way that would give us a bespoke system to assist Environmental Services better meet the needs of our customers and that this could be done over a period of time at relatively low cost. This was going well, until there was a restructure at PDMS (that we were not informed of) a change of staff supporting us and more importantly a change of approach moving from an agile systems thinking development to a traditional system.

Following several months of discussions with PDMS the decision was made that due to their cost estimates and our lack of confidence in their ability to fully develop the system, we would no longer continue the development of the context system for either Housing or Environmental Services but that the Housing data would all go into the new Civica CX system that we have just procured and that Environmental Services would seek to procure a new system to meet its requirements. To allow this to happen a one year support and licence agreement based on the original fees has been signed.

It is clear that the existing unfinished technical system does not facilitate portal/customer self-service, intelligent scheduling of appointments, reporting/measures, route optimisation, mobile working, commercial services required to operate, adapt and develop the services to meet the changing needs of local authority services and customer needs.

This business case outlines a number of benefits that are expected to be delivered from the new technical system including:

- Can link to multiple systems across the Council ie. ERP which will improve accuracy of data recording, allow sharing of information.
- Ensure decisions are based on accurate and real time information.
- Enable flexible reporting for all of the environmental services.
- Provide managers with accurate and consistent management information.
- Improve job scheduling which will bring financial savings from better use of labour.
- Enhance the experience of customers and give them more flexibility in how they interact with the council and carry out tasks online.
- Deliver improvements by the removal of manual processes and processing of paperwork which should bring potential savings.
- Improve working processes; enable sharing of information between teams to provide an enhanced customer service.
- Provide flexibility in service provision to be able to adapt to a changing environment
- Support more flexible working arrangements.
- Ensure that the systems implemented are compatible with the Council's technical and service architecture and in particular supports the move to consolidate and rationalise applications.
- Free up time to allow us to generate more income opportunities
- Assist with future service reviews

It is also anticipated that the new system will:

- Improve operational, quality and efficiency.
- Improve the quality of operational decisions and management.
- Enable continuous service improvement.
- Improve customer and resident access.
- Increase customer satisfaction.
- Enable and support mobile working.
- Flexible to meet changing demands and service changes.
- To deliver business improvement.

#### 2. Introduction

Environmental Services currently use a variety of computerised systems to deliver residential and commercial services which have been in operation a number of years. Some of the services are also partially operating outside of an IT system by using a combination of different spreadsheets, paper lists and calendars which could be completed within the system. As the systems do not link / share information there is a lot of double handling of information.

A new system would enable Environmental Services to be more proactive, manage and arrange work to our assets which we are currently not doing, allow our customers to be specific in their reporting of issues using a map based system. It would enable us to have a better understanding of the cost of maintaining our assets and enable us to plan for the future.

A new system would enable our commercial services to operate more efficiently,

have a better understanding of our customers' needs and it would enable them to access their account online and be able to book and pay for services online.

A new system would provide up to date and detailed data/reporting of information on the services which would enable us to see when something is changing within the service and enable us to respond promptly.

These are the systems/applications that we are currently using to manage Environmental Services:

#### PDMS – PPP System (CRM system)

The PDMS system was procured in 2017 and implemented in 2018. The purpose of the system is to record service requests for waste collection – (domestic and commercial services), place (cleansing, landscape, enforcement), engineering (street signs, street furniture etc), core strategic (tractors, hedge cutting, cemetery maintenance, highways work), trees (work requests, TPO's etc). It is used for manually scheduling work ie. bulky collections and cesspool appointments. It is used to store information on assisted collections and additional bin requirements.

There are no direct links to the finance system and payment system so invoices, direct debits and payments are all taken separately within efin and Civicca.

Customers currently cannot book appointments for things like bulky collections, cesspools etc on-line as the system in place does not support this functionality.

Customers currently cannot pay for services on-line ie. bulky collections, business waste, cesspools, garden waste as the system in place do not support this. There is some automation via the on-line Pay For It system but only for existing customers.

The PDMS system was originally designed to have additional modules added to it like the Locality demand capture module.

Potentially this system is recording data for approx. 80,000 properties and 2,100 commercial customers.

#### Webaspx (Route Optimisation/In-cab system for waste collection)

This system is used for optimising the waste collection routes and also in-cab technology for the waste collection service. It holds all of the route information for waste collection but does not link to any other systems. This system has never fully worked and therefore the benefits have not been realised. The route and assisted information is summarised into an Excel spreadsheet and printed out for the operatives to use.

#### Web site - Bin Collection Lookup

This is a manual process at the moment that necessitates exporting information from Webaspx into an Excel spreadsheet, manually changing data in Excel and then uploading to display in the web site. We have been working with the internal IT

department to try and find a better solution.

#### Orb calendar (Taxi / MOT Testing appointments)

This is a manual booking system that doesn't connect with any other systems it is used to record the MOT and Taxi Test bookings. Payments are taken within the Civicca payment system.

#### Web site – on-line forms (all services)

These are on-line forms that the public can complete to request services. These requests are emailed through to a generic email address that the Support Team look after and are then manually re-keyed into the PDMS system and then the customer is contacted about their request. There is no automation to this process.

#### Efin financial / Civicca payment systems

These are the corporate finance systems and do not link to any of the environmental services but also lack the functionality to be able to get customers to self-serve.

The efin system is used to provide a database of customers for the garden waste service for Redditch and Bromsgrove and sending out invoices and reminders to pay for the service. It is also used for setting up Direct Debits for garden waste and invoicing for commercial services.

The Civicca system is used for taking payments for bulky collections, garden waste, cesspools, business waste, MOT/Taxi tests.

#### Spreadsheets and Shared Drive

Various spreadsheets are used to operate the commercial services. The spreadsheets are the only record we have of our customers. There are approx. 2,000 cesspool customers and 900 business waste customers.

Information relating to the commercial services is held on the corporate shared drive ie. copies of contracts for business waste etc.

#### 3. The Strategic Case

Environmental Services are working toward the following strategic purposes:

- Communities which are safe, well maintained & green
- Run and grow a successful business

#### Reasons for Change

Both Councils and Environmental Services are facing even more challenging pressures which means that they have to scrutinise the way they are working and the resources needed to provide the services we must and would like to offer. This will also contribute to the introduction of the corporate digitising project.

We have been working to increase our commercial services but we must also continue to improve services and reduce the costs of providing these services.

By improving the Environmental IT Systems it will enable us to deliver the strategic purposes in accordance with our Council principles.

- Help people to help themselves (self-service).
- Make the best use of our resources to ensure we deliver efficient and excellent quality services.
- Allow us to identify where things are not working correctly and eliminate waste in our processes.
- Be able to make decisions based on data and evidence.
- Identify the best way to work to ensure that customers' needs are met by challenging how we do things and what we are capable of doing.
- Be responsible by ensuring that we are meeting our environmental and legal responsibilities and encouraging our residents and partners to do the same.
- Be able to take our services forward and adapt and change to the needs of the customer whilst driving out inefficiencies.
- Be more commercial and enterprising.
- Ensure that we are fully compliant with GDPR legislation.
- Improve communication and improve data quality by integrating with other systems and service areas ie. corporate portal which stores customer details; makes it easier to contact customers and understand when something has changed or what services they need.

#### **Digital Strategy**

The implementation of a customer focused system will meet the following parts of the corporate Digital Strategy.

- Make it as easy as possible for residents and citizens to access our services 24/7/365.
- Empower people to get online.
- Ensure as many people as possible enjoy digital connectivity.

- Support businesses to exploit digital services to enhance business opportunities and growth.
- Provide transactional services and information online in a user friendly and inclusive way that does not exclude any of our residents.
- Use digital technologies to offer greater choice of access for our customers.
- Develop a customer account service on the council's website.
- Help customers to access services and information online.
- Promote 'Digital First' as the preferred option for people to contact us, whilst continuing to give people a choice.
- Ensure our workforce can access appropriate digital tools and technologies to support service delivery.
- Support our workforce with the digital skills they need to deliver services more efficiently and effectively.
- Create a digitally-enabled workforce that isn't fixed in one location, by increasing the use of agile and mobile technologies.
- Ensure investment in digital infrastructure leads to improved and enhanced customer access & services.
- Expand our use of digital technologies such as AI, chatbots & robotics to improve customer access.
- Expand the number of Council services available online.
- Redevelop the Councils website to ensure it is designed to utilise digital technologies

#### Potential Scope

The scope areas for an Environmental Services system include:

- Contract portal (self service).
- Customer portal (self service).
- Commercial service module.
- Re-active requests.
- Workforce management and scheduling.
- Appointment booking and paying for services (online).
- Mobile working.
- Management reporting (Measures).
- Route optimisation (day to day routes and larger scale optimisation)
- Asset management.
- GIS / Links to our corporate Idox system
- Link to Finance System.
- Link to Corporate Portal.

The system ideally needs to be able to link to the new finance/payment system so that payments are automated and the stores/procurement system to enable stock/goods to be ordered. See Appendix C for screenshots of the type of functionality that could be provided.

#### <u>Customer Engagement</u>

To determine what the Environmental Services system would need to deliver from internal and external customer perspectives we obtained feedback from every internal team who would be using the system including IT, Finance and Customer Services.

The feedback from the internal customers was that they needed a system that was easy to use, could be used out on-site (mobile working), allow customers to self-serve and get regular updates on their requests as things happen, have route optimisation, be able to link to other systems, have a commercial module, be able to record customer requests and actions taken, be able to produce management reports/measures, be able to help us deliver our services effectively and efficiently.

We were going to carry out a consultation with our external customers, however, the Community Survey was already asking questions about how customers like to deal with us so we decided to wait for the results from this survey.

The survey went out to 301 members of the Community Panel in Bromsgrove and 164 people responded. It was also open to the public of which 352 Bromsgrove residents responded.

The survey went out to 246 members of the Community panel in Redditch and 132 people responded. It was also open to the public of which 349 Redditch residents responded.

		T	1	
How do you usually	Telephone	81%	E-mail	50%
contact the Council?	·			
Easiest way to pay for	Direct Debit	80%	On-line	Avg 47%
services				
Most popular device	Smartphone	Avg 62%	Tablet	Avg 54%
people use to access				
the website				
Regular used media	Facebook	Avg 73%	WhatsApp	Avg 60%
platforms		_		
Are you happy with the	Yes	33%	Somewhat	Avg 33%
level of customer care?				
I have the skills &		Avg 93%		
confidence to access				
information on line				
I can easily find the		Avg 54%		
information I need on				
the website				

NB: Figures are taken from both authorities and where there is a difference, the figure has been averaged.

#### Benefits and Risks

The Councils are fully aware that the day to day operations of environmental services must be delivered as efficiently and effectively as possible in terms of financial management, customer management and workforce management. The current methods and systems of working need to be reviewed and updated.

	Benefits	Risk
Efficiency / Cost Savings	<ul> <li>Reduction in staff time - double handling information and the risks that go along with this (ie. incorrectly transposed information, wrong instructions to operatives, wrong action taken, dissatisfied customers etc).</li> <li>Improved efficiency of operational services – clearer information on what's happening within the services and quicker response times.</li> <li>Reduction in paper and printing costs.</li> <li>Reduction in phone calls – customers will be able to self serve.</li> <li>Working with a single supplier.</li> <li>Reduces the number of different systems that need to be maintained.</li> <li>Reduce duplication of requests as customers can view what's already been reported in their area.</li> <li>Reduction in false reporting ie. not missed collections.</li> </ul>	<ul> <li>Staff productivity dips whilst they get used to using a new system and processes are being changed.</li> <li>External customers don't use the portal.</li> </ul>
Customer Service	Managers and staff will be able to monitor their work and processes more easily due to improved data and reporting; they will be able to take action more quickly to improve or correct things that are not	The customer portal will need to be fully advertised and residents/businesses encouraged to sign up to the portal. If the portal is not easy to use it will discourage users and the full potential of the portal will not be realised.

	<ul> <li>working.</li> <li>Having a customer portal will give customers access to our service 24 hours a day 7 days a week.</li> <li>Customers will be able to make payments for services 24 hours a day 7 days a week.</li> </ul>	Adequate resources will need to be available to maintain and deal with any down-time or inaccuracies otherwise it will lead to customer dissatisfaction.
	<ul> <li>Customer portal will give a real time view of what's needed as there won't be any delays in receiving requests and the customer will have access to the information relating to their requests.</li> <li>Customers will be able to access more services online.</li> <li>Customers can get automatic status updates.</li> </ul>	
	<ul> <li>Customers will be able to see what's already been reported.</li> </ul>	
Process Compliance	<ul> <li>Will help educate customers in our processes and policies.</li> <li>Will help our staff to follow processes and improve efficiency and reduce costs.</li> </ul>	<ul> <li>Customers are unaware of the changes to process.</li> <li>Staff misunderstand or are not aware of the changes to process.</li> </ul>
GDPR Compliance	<ul> <li>This will ensure that we are compliant with GDPR legislation and can easily deal with customers data.</li> <li>Minimise the risk of a data breach as there will be less paperwork and security enabled system.</li> </ul>	
Environment	It will help us to contribute to the reduction in climate change by making efficient use of our vehicles and maximising the route optimisation.	There will be an increase in use of electronic devices.

	<ul> <li>Help us to reduce the amount of printing and paper used.</li> <li>Help to reduce unnecessary travel by operatives ie. not returning for false missed bins and more accurate location details.</li> </ul>	
Future Changes	<ul> <li>It will put the Council in a strong position to be able to deal with changes to services and customer needs in the future as the system is flexible.</li> <li>The portal could be used by other departments.</li> <li>Be able to predict future changes within our services due to having better control of our assets.</li> <li>Have a better control of budgets and understanding of asset life expectancy and replacement needs.</li> </ul>	Need to ensure that the system is maintained to a good standard to enable the continuing evolution of services which may present in the future at a minimal cost and as easily as possible.

#### **Spending Objectives**

Both Councils are in a difficult financial situation and need to make savings. Whilst in the short term purchasing a new system is an additional cost; in the medium/long term it will enable us to make savings and be more efficient by reviewing and improving processes and use the data within the system to re-design services.

#### Business Needs - current and future

To improve the efficiency of environmental services, customer experience and satisfaction and to be more commercial we need better integration between systems to enable customers to access our services throughout any time and day of the week.

We need to increase efficiency and reduce costs or service provision including the removal of spreadsheets, printing of paper lists/reports and work arounds. This includes mobile working, electronic Direct Debit and card payments, better resource scheduling and appointment scheduling and route maximisation.

We need to improve our customer relationship management, increase access to our systems via a customer portal, App and other IT solutions. Provide customers with better, accurate and real time information.

To enable us to understand our customers' needs and design/deliver our services around these needs whilst ensuring that we are complying with our policies and legislations.

Be able to proactively inspect our assets and deal with any issues ie. Ash die back trees, footpaths.

Will enable us to absorb increased service demand due to the growing population and house numbers of both authorities.

#### Constraints and Dependencies

The implementation of a new system will require the development and implementation of new processes to improve the way environmental services work and the integration of other systems such as the finance and payment systems. The change management team will be engaged to assist with this.

A new finance system is currently being procured and that is not part of this project but will necessitate process mapping to ensure that the new system carries out the functionality required in the future.

During the implementation of the system it is anticipated that there will be some pressure on teams within the scoped areas. It is essential that sufficient resource is allocated to this project which may impact on the day to day workload of some individuals.

To ensure that we recognise all of the benefits from the new IT system and technology it is essential that alongside this there is a culture change and improvements to working practices. System training is key to the success of this project together with staff development to ensure that staff performance is being measured and development and performance issues dealt with.

Experts within each of the services will be needed to provide expertise and knowledge to the implementation programme. In addition there will need to be an ongoing resource to administer, maintain and develop the system.

#### **Options**

#### **Option 1 - Continue with the existing bespoke system (PDMS)**

The current bespoke system is not fully developed and so we have to find work arounds or not be able to achieve the things that we want to efficiently. The provider either wants us to take over the development of the system in-house which ICT have advised is not feasible. PDMS have offered to continue supporting the system at a charge of £12,000 for one year's support not including any development work. After discussions with PDMS it is clear they do not wish to develop this system. We are the only authorities who use it.

PDMS offered to move the two modules (Housing and Environmental Services) onto

one platform and hand over administration rights so we could continue to develop the system. The annual charge for this would be £96,000. We can't quantify future development costs as this would necessitate a resource within ICT that isn't currently there.

Whilst this system will allow us to continue operating our services it will not allow us to adapt to service and customers future changes or improve the way we are working. The system does not link to our in house systems and will not be able to i.e ERP and will not be able to provide route optimisation, asset management and customer self service.

#### Option 2 - Off the shelf package solution

All off shelf package solutions have an element of configuration to allow for individual customer needs and working practices. It will allow the council to have a degree of input into the system developed for use and as such will meet the council's needs and deliver a robust solution. There is less risk of systems not integrating properly as they are all well-known systems that have already been tried and tested with other authorities. A soft marketing exercise has been carried out and some suppliers were provided the opportunity to demonstrate their software.

Using an existing supplier with a substantial customer base means we will benefit from user groups and ongoing development and relevant legislation.

#### Option 3 – Use an existing in-house system

We have explored current systems available in the Authority.

Tech 1 are developing a system however this appears to be more of an Asset Management system rather than a full Environmental Services system. There is no route planning or optimisation available.

Asprey Asset Management system is being used by Housing but is a Housing asset system and will not accommodate our needs as it is not set up for use by an Environmental Service.

Uniform was used in Bromsgrove before shared services, it is not designed for Environmental Services and would take a lot of work to adapt its use. It will not support any self-service for customers, route planning/optimisation or mobile working for staff.

#### 4. The Economic Case

Potential savings could be made from the following changes to process or working more efficiently; however, it is difficult to quantify.

- Reduction in false reports ie. missed bin collections, duplicate fly tipping
- Reduction in wasted fuel and time as routes will be optimised ie. bin deliveries.
- Reduction in double handling of information ie. re-keying emails/on-line forms

- Reduction in handling phone calls and emails/online forms
- Reduction in printing and paper costs ie. operational reports, commercial paperwork, invoices (approx. 25,000 invoices per annum).
- Reduction in Co-ordinator time handing work out
- Reduction in handling completed paperwork and updating system.
- Reduction in time spent processing paperwork as it would be done electronically.
- By having better data on what's happening within a specific area we could target or put the correct resource in that area to find out the cause of the problem and try and resolve it.
- By being able to analyse data more specifically ie. how many bin requests per round we can identify any training needs with staff, equipment faults or resident education needs.
- Free up resource to generate more income
- Reduce vehicle costs by working in different ways ie. working from home
- Be able to forecast service needs more accurately and assist with future service reviews

The table below summarises the costs incurred for the existing systems in place:

Year	Supplier	Amount £	Description
2019/20	PDMS	12,000	Project Support, Development,
			Licensing & Support costs
2019/20	Webaspx	25,210	WM Design, Licensing & Incab costs
2020/21	PDMS	6,300	Project Support, Development,
			Licensing & Support costs

Due to the pandemic we need to extend the support from PDMS for a further 6 to 12 months to allow for the project to be implemented. We have agreed an initial timescale of 6 months with PDMS and will review as needed.

As the Locality team also use a PDMS system they will need to extend their agreement with them for 12 months at a cost of £25,401.60 to come out of their budget.

Soft market testing has taken place, which allowed some suppliers to showcase solutions to aid the specification design and provide indicative costs. We believe that we will be able to procure and implement a system for approximately £300,000 for software, £30,000 for project support and £25,000 for hardware and 4G in the first year. The costs will be variable in accordance with how the Council chooses to implement the system. Our choice would be to phase the system over several years, this will be formalised as part of the procurement process.

There will be a saving of around £22,000 from the annual support and licence cost for PDMS and Webaspx systems that will no longer be used.

#### Staff and efficiency savings

It is difficult to quantify the staff, equipment and efficiency savings that will be

achieved from this system, however, we know that by improving our processes, self-serve by customers and mobile working by operatives there will be savings of officer time that can be utilised in other areas ie. generating income, performance management, moving staff or changing roles etc.

The full amount of savings will not be realised from day one of implementation, it is anticipated that the savings will be gradually made over the next 3-5 years. We estimate a saving of £100,000.

- Fully Mobile Saving travel time, smart working and removing dual system entry, reduction in print costs ie. commercial contract letters/invoices
- Portal reduction in telephone enquiries and improved customer service and communication
- Automated web reporting reduction in double handling information
- Route optimisation reduction in fuel and time
- Data Collection better decision making and service improvements

See Appendix B for examples of potential savings.

#### Project Team

As this is a sizeable project there will be a project team that will be made up of officers from the different services within Environmental Services and officers with IT infrastructure skills.

The success of this project is reliant on the support and involvement of key stakeholders across the Council.

#### **SWOT Analysis**

A review of the options identified in the executive summary were undertaken to show the strengths, weaknesses, opportunities and threats. The results are available as Appendix A.

#### The preferred option

After assessing the SWOT analysis, the costs and benefits supported viability and a risk based approach; the Project Board are recommending procuring an "off the shelf" package solution as the preferred option.

#### Option 1 - Continue with the existing bespoke system: Not viable

- Solution not fit for purpose without substantial investment.
- Ongoing costly support and licensing.
- Substantial internal resource required to develop, test and implement.
- Will not integrate with our services.
- Poor management and service data.
- Company do not want to develop the system

#### Option 2 - Off the shelf package solution: Viable

- This is lower risk and achieves the most positive outcomes.
- Best value for money with greater known costs.
- Experience of Local Government and Environmental Services.
- Verifiable user base.
- Established maintenance and help desk.
- User groups and regular updates
- Legislative development updates

#### Option 3 - Use an existing system within the Authority - Not viable

- Solution not fit for purpose.
- Substantial internal resource required to develop, test and implement.
- Will not integrate with our services.

•

#### **Expected outcomes**

- Deliver improvements in effectiveness by removing double handling or manual processes.
- Improve work processes and workflows within the department as well as improving access to data, sharing information between teams and reducing keying of data.
- Enable decision making and planning to be informed by accurate information, data and measures.
- Provide users with accurate and consistent information/data.
- Flexibility to make changes, to be able to adapt to service changes.
- Be able to reduce the complexity of processes.
- Support the way we work and enable staff to be more flexible.
- Enable staff to work remotely, in a flexible and mobile way.
- Ensure that the system implemented is compatible and able to integrate with the Council's technical and service architecture; ensuring that it can link to other software ie. finance system.
- Improve the customers service, extend access to our services and make the customer journey easier.
- Maximise our ability to manage contracts and ensure that we are meeting our legislative responsibilities.
- Improve our commercial services
- Help gather better information to aid future development of the services and drive greater efficiencies moving forward.
- Help us to provide the services customers need and want.

#### **Critical success factors**

The critical success factors are important considerations with regard to how the new Environmental Services system will improve the service. They will be used in the procurement process and include:

- Mobile working
- Improved customer service
- Improved customer communication
- Real time information / reporting
- No excel spreadsheets / work arounds
- Staff time reduced
- Improved access to information
- Increased sign up to DD and on-line payments
- Improved response times for services
- Ability for customers to self-serve
- Extended access to our services
- More efficient and effective us of staff time / resources
- Improved contract management
- Accurate and up to date management information
- Improved sharing of information between teams
- Gives 24 hour access for customers

### 5. The Financial Case

### **Potential Cost to Councils (Preferred Option)**

The information provided below estimates the cost that could be incurred by this scheme which will be split between both authorities. The formal procurement process will enable accurate costings to be identified.

Some companies offer the ability to implement the system over several years which will enable the cost to be spread.

Year 1 Capital		Existinç Capital	g funding availal	ole
Purchase of system	£300,000	Capital I	oid - RBC	£38,200
Hardware - for 65 devices	£6,500	Capital I	bid - BDC	£38,200
4G mobile connection	£9,750			
	£316,250			£76,400
Revenue		Existing	g Revenue	
IT Licence	£4,875	Budget		£27,307
Project Management	£28,000	Approve RBC	ed Revenue bid -	£23,000
		Budget		£14,651
		Approve BDC	ed Revenue bid -	£23,000
Total	£32,875	Total		£87,958
<b>Grand Total</b>	£349,125	Grand t	otal	£164,358

Year 2+ Revenue		Existing funding available Existing Revenue
		Budget RBC £27,307
Support	£33,000	Approved Revenue bid - £23,000
4G connection & IT licence	£14,625	Budget BDC £14,651
		Approved Revenue bid - £23,000
Total	£47,625	Total £87,958

### <u>Year 1</u>

### <u>Capital</u>

The current capital funding of £78k would partially offset the cost of the new system of £316k. The remaining £238k would have to be met from borrowing with an additional annual revenue cost of approx £24k over 10 years.

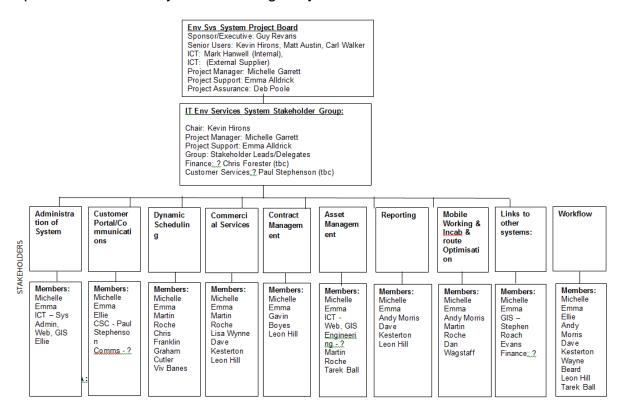
RBC – 50% of £238k £119k BDC – 50% of £238k £119k

### Revenue

We anticipated a saving of £100,000 over the next 3-5 years. However, none are being offered up at this stage as negotiations are still taking place with the current software suppliers therefore it is not known what additional costs may be incurred during the implementation period.

### 6. The Management Case

A project board has been established to ensure that the project is procured and implemented effectively and to manage any risks.



**Project Board Functions** 

Project Board Functions				
Function				
<ul> <li>Gives direction to the project, particularly giving direction to the Project Manager. The Project Board must be in agreement over the direction given.</li> <li>Delegates appropriate authority to the Project Manager.</li> <li>Integrates the Project Management Team with internal / external functional units responsible for delivering the project.</li> <li>Resources / funds the project appropriately.</li> <li>Ensures decisions are made effectively at all levels within the project.</li> <li>Visibly supports the Project Manager throughout the project.</li> <li>Facilitates communication within the project and with other stakeholders, both internal and external.</li> <li>Approves major plans and resourcing.</li> <li>Approves completion of a stage.</li> <li>Authorises moving on to next stage.</li> <li>The Project Board must be available to make timely</li> </ul>				

	decisions
Executive	decisions.  Business-oriented person who's ultimately responsible for the project  Taking ultimate responsibility for the project's success or failure.  Taking final decisions within the project (subject to decision making process).  Balancing the needs of the business, user and supplier.
Senior User	<ul> <li>Overseeing the Business Case.</li> <li>One or more people who represent the final users' requirements in the board</li> <li>Represents the needs of Users.</li> <li>Liaison with Users.</li> <li>Commits user resource.</li> <li>Specifies outputs of the project.</li> <li>Ensures products are delivered.</li> <li>Verifies product quality, functionality and ease of use.</li> <li>Demonstrates to corporate / programme management that project benefits are realized (this may require commitment beyond the project end).</li> </ul>
Senior Supplier	<ul> <li>One or more people who represent the interests of the suppliers</li> <li>Verifies quality of products delivered by the supplier(s)</li> <li>Provides supplier resources</li> <li>Verifies feasibility of product designs and development processes</li> </ul>
Project Manager	Responsible for the day to day management of the project on behalf of the Project Board:  • Maintains the project plan  • Maintains key control documents such as issues log  • Issues work packages to suppliers and stakeholders  • Responsible for the Project Support.
Stakeholders	<ul> <li>Contribute to the functional specification.</li> <li>Can act as Systems testers.</li> </ul>
Project Support/ Administration	<ul> <li>Support the Project Manager maintaining actions/issues/risk logs</li> <li>Support the planning and scheduling of project timelines</li> <li>Support stakeholder meetings and actions</li> <li>Configuration management</li> <li>Provides Administrative services</li> </ul>
Project Assurance	Independent of the Project Manager and the team and are also responsible for supporting the project manager by giving advice and guidance

The system will be procured via a framework, this will ensure that the maximum possible number of suppliers can submit a bid to provide the solution. This will

ensure that a fair and competitive process is carried out.

The proposed timetable for the process is:

Meeting	Date
CMT	13 <sup>th</sup> May 2020
Portfolio Holder Briefing RBC	
Portfolio Holder Briefing BDC	
RBC Committee	July?
BDC Committee	July?

Once the procurement process has taken place, the implementation timetable is based over 2 years with the majority of the work being done by October 2020 when the existing system contract expires.

Once we have obtained approval and procured the new system we will then involve and brief staff on who, what, when, where and how of the project.

We will review our processes and procedures to remove waste and ensure that the new system is set up as efficiently as possible.

We will put together a communications plan to inform staff, customers and Councillors about the project and any service changes.

Communication is key to this project, all documentation relating to the document will be kept on the shared drive and regular updates will be provided to all staff.

### 7. Next Steps

If the business case is approved a procurement exercise will be undertaken using a framework and guidelines; this will enable us to then start the implementation of the project.

### 8. Appendices

Appendix A: Strengths, Weaknesses, Opportunities and Threats Analysis of Options

### Option 1 - Continue developing the existing bespoke system

This option reviews the current Environmental Services system in place as identified in the Executive Summary

STRENGTHS	WEAKNESSES	
No additional implementation costs     Users know the systems	<ol> <li>Current system is not fully developed</li> <li>Non-compliant with GDPR</li> <li>Management Information difficult to obtain</li> <li>Costly to run multiple systems</li> <li>Limited integration between systems</li> <li>Lack of measures</li> <li>Limited supplier support</li> </ol>	
OPPORTUNITIES	THREATS	
1) None	<ol> <li>Council fines - e.g. GDPR</li> <li>Budget spend would continue to be high.</li> </ol>	

### **Appendix A continued**

### Option 2 - Off the shelf package solution

This option reviews a complete IT solution which may provide all the necessary business functions for the Housing Service.

	T
STRENGTHS	WEAKNESSES
1) Mobile working capability 2) Known software 3) In use by multiple reference sites 4) Less training may be required (new starters familiar with solution) 5) Online guides/ forums to support users 6) User groups 7) Users involved in configuration 8) Design/ development and testing handled by the supplier/s 9) Reports/ Dashboards already built in 10) May meet most of the housing business needs 11) Support helpdesk available 12) Regular upgrades, bug fixes and security patches (often free) 13) Intuitive 14) May be easier to migrate to newer options in the future 15) Can be cheaper (usually modular purchase) 16) Reduced integration required 17) Available immediately 18) Data and reports can be produced simply in a variety of ways eg graph/pie chart	<ol> <li>WEAKNESSES</li> <li>Change in working practices driven by solution</li> <li>Unnecessary functionality and development</li> <li>May require to pay for additional integration</li> <li>Upgrades not tailored to specific business needs</li> <li>Need to keep solution up to date (upgrades, bug fixes and security patches)</li> <li>Would need to evolve with industry standards to reduce bridging the gap</li> <li>Supplier may be financially unsound</li> <li>Ongoing licensing costs</li> <li>Infrastructure costs (servers, databases, networks, testing and operations)</li> <li>Support costs</li> <li>Training and customisation required</li> <li>Quality Assurance</li> <li>Developed at supplier pace or not at all</li> <li>No access to original developers</li> <li>Mobile working limitations/ flexibility</li> <li>Resource intense to define the system</li> </ol>
and exported simply to excel	to meet working practices
19)Reports easy to write	17)Costs may not be realistic
OPPORTUNITIES	THREATS
<ol> <li>Good practice benefits built in</li> <li>User groups</li> <li>Workflow use to streamline practices</li> <li>Better Data</li> <li>Mobile working</li> <li>Customer portal</li> <li>Working with suppliers with experience of Local Government and Env Services</li> </ol>	<ol> <li>Company taken over by another organisation.</li> <li>Buying off a supplier that does not perform.</li> <li>Lack of integration with existing Council systems.</li> <li>Reliance on one system to manage all Env Svs business needs</li> </ol>
<ul><li>8) Integration across Councils systems</li><li>9) Single view of the customer</li><li>10)Measures dashboard</li></ul>	<ul><li>5) Business development slowed down within Council</li><li>6) Change of working practices forced.</li></ul>

### **Appendix A continued**

### Option 3 - Use an existing system within the Authority

This option reviews the current Environmental Services system in place as identified in the Executive Summary

STRENGTHS	WEAKNESSES	
<ol> <li>Authority already has relationship with supplier</li> <li>Internal links with other departments available</li> </ol>	<ol> <li>Current system is not set-up for Env Services</li> <li>Costly to run multiple systems as existing internal system don't have all the functionality needed</li> <li>3.</li> </ol>	
OPPORTUNITIES	THREATS	
2) None	Budget spend would continue to be high.	

### Appendix B:

### **Potential Savings**

#### Missed Bins

Other Councils using these types of systems have made savings on their missed bin collections anywhere from 30% to 70% reduction in missed collections. This can be due to real-time information being available regarding assisted collections etc, less reports of unjustified missed collections and re-calls.

### Bin Deliveries

Any reduction in the number of bins issued will be a saving. With the in-cab system crews could report where there were multiple bins so it could be reviewed and bins removed and also when bins have fallen into the wagon/been lost which would save the customer having to contact us.

Other Councils using these types of computer systems have made savings on their bin delivery fuel costs of 20%.

### **Commercial Services**

More accurate provision of services as an up to date list of customers will be available in the cab; so only current customers will be collected and reduction in missed collections.

In-cab can allow collection of bin weight information which could allow us to look at charging by weight.

Reduction in paper by going paperless.

### <u>Staffing</u>

Other Councils using this system have seen a reduction of 31% of service requests following the implementation of the portal system.

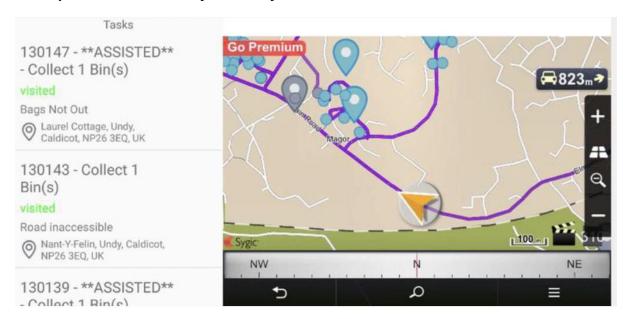
#### Other

Reduction in insurance claims; we will be able to challenge claims more easily which would result in a reduction of insurance premiums.

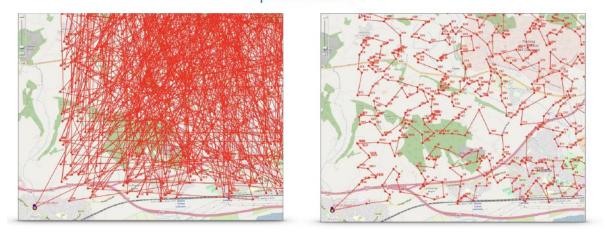
Licences/Support – Webaspx Route Optimisation System

### **Appendix C:**

### **Examples of functionality of the systems**

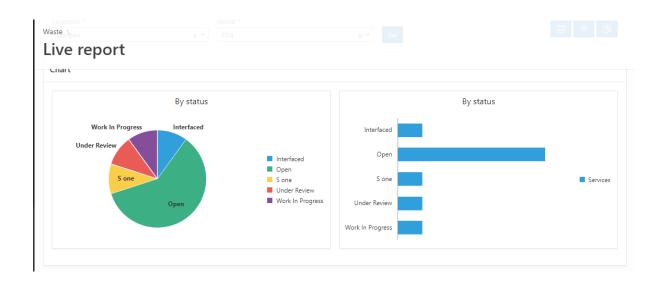


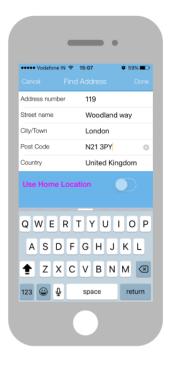
# The Whole Waste Process Enabled - Optimisation



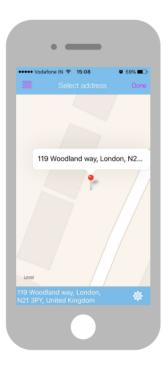
### **Appendix C continued:**

### **Examples of functionality of the systems**



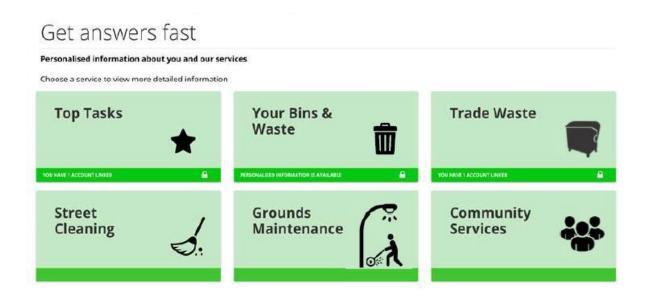






### **Appendix C continued:**

### **Examples of functionality of the systems**



### **BROMSGROVE DISTRICT COUNCIL**

# **CABINET MEETING**

6<sup>th</sup> August 2020

### Adoption of Amenity Standards for Properties in the Private Rented Sector

Relevant Portfolio Holder	Cllr Shirley Webb
Portfolio Holder Consulted	N/A
Relevant Head of Service	Judith Willis
Ward(s) Affected	All wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	No

### 1.0 SUMMARY OF PROPOSALS

Bromsgrove District Council has revised its previous amenity standards in line with the requirements under the Housing Act 2004 as well as guidance from the Chartered Institute of Environmental Health (CIEH). The new amenity standards are in line with those adopted by the majority of other West Midlands Local Authorities.

### 2.0 RECOMMENDATIONS

### **Cabinet is asked to RECOMMEND**

2.1 That power be delegated to the Head of Community Services to approve the adoption of the Amenity Standards documents attached as appendix 1 to the report.

### 3.0 KEY ISSUES

3.1 The Housing Act 2004 has important implications for the private rented sector in particular with the introduction of mandatory licensing of certain higher risk Houses in Multiple Occupation (HMOs), discretionary licensing other privately rented housing in specific circumstances, plus a rating system of assessing hazards linked to housing conditions known as the Housing Health and Safety Rating System (HHSRS) which replaces the former housing fitness standard.

### **BROMSGROVE DISTRICT COUNCIL**

# **CABINET MEETING**

6<sup>th</sup> August 2020

- 3.2 It is therefore an appropriate opportunity for the Councils to issue this revised standards document which is intended to act as a code of practice to which property owners, landlords and managers should be working in order to achieve compliance with the new legislation. Most of the accommodation arrangements commonly encountered are described however it is recognised that there will always be circumstances which do not match those given. If this is the case then it is always advisable to contact the Council for further guidance.
- 3.3 This standards document also provides basic information about the definition of House in Multiple Occupation and which properties need to be licensed. Further details about licensing can be found on the City Council's website <a href="https://www.bromsgrove.gov.uk">www.bromsgrove.gov.uk</a> under "Licensing Guide for landlords".

### **Financial Implications**

3.4 There are no financial implications to the Council by adoption of the Amenity Standards.

### **Legal Implications**

3.5 By adopting the new Amenity Standards the Council will be able to legally require landlords and agents to comply with the requisite standards expected in the privately rented properties. In most cases this will be done without requiring any enforcement action however in small number of cases where the landlords or agents fail to comply with the standards then the Council would take legal action to enforce the standards.

### 4.0 Background / Service Implications

### **Customer / Equalities and Diversity Implications**

By adopting the Amenity Standards the Council will be able to drive up the standards in the privately rented properties thus providing a safer and improved sector for all its private sector residents.

### **BROMSGROVE DISTRICT COUNCIL**

# **CABINET MEETING**

6<sup>th</sup> August 2020

### 5.0 RISK MANAGEMENT

5.1 Officers from the council's Private Sector Housing Team will work closely with all landlords, agents as well as with tenants to ensure that they have a good understanding of what is required to comply with the Amenity Standards.

### 6.0 BACKGROUND PAPERS

None.

### 7.0 APPENDICES

Appendix 1 - Amenity Standards Document



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## Redditch & Bromsgrove's

Amenity Standards Guide

### Section 1

### 1.10 Introduction

Following the introduction of Housing Act 2004, Redditch and Bromsgrove Councils have revised their previous amenity standards in line with the requirements under the Act as well as guidance from the Chartered Instutute of Environmental Health (CIEH).

The Housing Act 2004 has important implications for the private rented sector in particular with the introduction of mandatory licensing of certain higher risk Houses in Multiple Occupation (HMOs), discretionary licensing other privately rented housing in specific circumstances, plus a new rating system of assessing hazards linked to housing conditions known as the Housing Health and Safety Rating System (HHSRS) which replaces the former housing fitness standard.

Although standards have been applied to HMOs for many years in terms of fire precautions, amenities, room sizes and property management, the new legislation will require some significant amendments to be made.

It is therefore an appropriate opportunity for the Councils to issue this revised standards document which is intended to act as a code of practice to which property owners, landlords and managers should be working in order to achieve compliance with the new legislation. Most of the accommodation arrangements commonly encountered are described however it is recognised that there will always be circumstances which do not match those given. If this is the case then it is always advisable to contact the Housing Department for further guidance.

This standards document also provides basic information about the definition of House in Multiple Occupation and which properties need to be licensed. Further details about licensing can be found on the Council's website <a href="www.bromsgrove.gov.uk">www.bromsgrove.gov.uk</a> under "Licensing Guide for landlords". Alternatively you may wish to refer to the Government's website <a href="www.propertylicencegov.uk">www.propertylicencegov.uk</a>

This standards document should also be read in conjunction with the statement of licensing policy which sets out the main principles under which the Council will operate. (this is also available on the Council's website.)

### 1.20 What is an HMO?

Under the changes in the Housing Act 2004, if you let a property which is one of the following types, it is a House in Multiple Occupation:

- An entire house or flat which is let to 3 or more tenants who form 2 or more households and who share a kitchen, bathroom or toilet
- A house which has been converted entirely into bedsits or other non-self-contained accommodation and which is let to 3 or more tenants who form 2 or more households and who share kitchen, bathroom or toilet facilities.

- A converted house which contains 1 or more flats which are not wholly self contained (ie. the flat does not contain within it a kitchen, bathroom and toilet) and which is occupied by 3 or more tenants who form 2 or more households.
- A building which is converted entirely into self-contained flats if the conversion did not meet the standards of the 1991 Building Regulations and more than one-third of the flats are let on short-term tenancies.

In order to be an HMO the property must be used as the tenants only or main residence and it should be used solely or mainly to house tenants. Properties let to students and migrant workers will be treated as their only or main residence and the same will apply to properties which are used as domestic refuges.

### 1.30 What is a Household?

A household is:

- Couples married to each other or living together as husband and wife and couples in same sex relationships
- Relatives living together, including parents, grandparents, children and step children, grandchildren, brothers, sisters, uncles, aunts, nephews, nieces or cousins.

Half-relatives are treated as full relatives. A foster child living with his or her foster parent is treated as living in the same household as his/her foster parent.

Any domestic staff are also included in the household if they are living rent-free in accommodation provided by the person who they are working for.

More household examples

- Three friends sharing together would be considered as three households
- A couple sharing with a third person would be classed as two households
- A family renting a property is a single household. If that family had an au pair to look after their children that person would be included in their household.

### 1.40 Which HMOs Need a Licence?

Under the **national mandatory licensing scheme** any HMO must be licensed if it has:

- Five or more tenants living as two or more households and
- Shared facilities such as kitchen, bathroom and toilet.

The Council has discretionary powers to widen the remit of licensing to also include two storey or smaller HMOs if they think that enough of them in an area are badly managed. This is known as Additional Licensing. Before declaring an additional licensing area the District Council would need to consult extensively with landlords and tenants organisations, local residents and advertise in the local newspapers.

You should therefore become aware of any additional licensing scheme well before it comes in to operation.

In Redditch & Bromsgrove there are no firm proposals to declare any additional licensing schemes at the current time (July 2020) however the situation will be kept under review.

### 1.50 Types of House in Multiple Occupation

A wide variety of properties fall within the definition as being houses in multiple occupation (HMOs)

It is however possible to identify characteristics common to the manner in which they are occupied.

A system of categorisation has been in operation for many years throughout the country based upon a code of practice issued by Chartered Institute of Environmental Health. Although the law applicable to HMOs has changed, the types of property remain broadly the same and it is therefore intended that same system of categorisation will be used as the basis of this standards document.

The categories of HMO can be summarised as: -

CATEGORY A (Bedsits)

CATEGORY B (Shared Houses)
CATEGORY C (Halls of Residence)

CATEGORY D (Hostels and Bed and Breakfast Establishments)

CATEGORY F (Self- Contained Flats)

Properties previously designated as Category E (Care Homes) are no longer classified as HMOs as these are now fully regulated through the National Commission for Social Care Inspection.

Details of the standards applicable to each Category of HMO are given in section 2

### 1.60 How Will Standards Be Applied To Licensable HMOs?

In order to issue a licence the Council must be satisfied amongst other things the property in question is reasonably suitable for occupation by a specified maximum number of persons and / or households.

To be able to make an assessment as to what counts as reasonable for occupation a set of regulations entitled 'The Licensing and Management of Houses in Multiple occupation and other Houses (Miscellaneous provisions) (England) Regulations 2006' have been issued which prescribe the minimum standards every local authority must have regard to in terms of:

- Washing and toilet facilities
- Kitchen facilities
- Heating
- Fire precautions

Each local authority is able to set its own standards but these must not be to a lesser standard than as specified in these regulations.

The regulations do not specify minimum sizes for rooms however it is considered that this is an important factor when setting maximum occupancy levels and for this reason room sizes are specified in this standards document according to the category of HMO and room type.

A property which fails to meet the standards as specified would not normally be cause for refusal to grant a licence and in such cases it is intended that a licence would be issued with conditions attached requiring that the property be brought up to standard over a period of time. Differing periods for compliance may be set for different works according to the assessed urgency.

Properties which are clearly well below the minimum prescribed standard and where there appears to be little prospect of work being carried out within a reasonable period or where the health, safety or welfare of the occupiers is at imminent risk may result in refusal to grant a licence, however. Where a licence is issued with conditions, it is an offence to fail without reasonable excuse to comply with any such conditions within the specified time limit(s) and may result in a fine of up to £5000.

### 1.70 How Will Standards Be Applied To Non-Licensable HMOs?

The Regulations mentioned in section 1.70 above only apply to licensable HMOs (that is those HMOs which fall within the mandatory licensing description or within any additional licensing scheme).

There are however many HMOs throughout the city which do not fall within any licensing requirements at the present time as there are no additional licensing schemes in operation - (for instance two storey HMOs, those having less than five occupants or houses converted entirely in to self contained flats prior to the 1991 Building Regulation standard).

In these cases it is considered important that appropriate standards of amenity provision, fire precautions and room size should be achieved wherever possible.

Part 1 of the Housing Act 2004 brings in a new method of assessing housing conditions known as the Housing Health and Safety Rating System (HHSRS) plus associated enforcement powers to deal with any hazards identified. For further details about the HHSRS see section \_5\_\_\_ of this document. Furthermore, part 4 of the Housing Act 2004 contains provisions for dealing with overcrowding in HMOs.

By application of these new powers similar overall standards may be achieved as those required for licensable HMOs.

Landlords and managers of non-licensable HMOs are therefore encouraged to follow the advice given in this booklet in order to lessen the possibility of any enforcement action being taken under these other provisions of the Housing Act 2004.

### Section 2

### **Physical Property Standards**

This section sets out the minimum required room sizes plus the minimum provisions of amenities, fire precautions and heating for the various categories of HMO. Further details of the required standard of materials and installation of the basic amenities and associated services are specified in Section 3.

### 2.10 Category A HMOs (Bedsit Type)

### 2.11 **Definition**

Houses occupied as individual rooms where there is some exclusive occupation (usually bedroom/living room) and some sharing amenities (bathrooms and / or toilets). Cooking and food preparation facilities are usually provided within the individual units of accommodation but some occupants may share a communal kitchen. There is usually no communal living room and each occupant lives otherwise independently of all others.

### 2.12 Room Sizes And Permitted Occupation

The following are the minimum floor areas required:-

- (a) One person units of Accommodation
  - (i) One Room Units

A singleroom including kitchen facilities 13 m<sup>2</sup> A bed /sitting room with a separate kitchen 10 m<sup>2</sup>

(ii) Two or more roomed units

Each combined living room / kitchen 11 m<sup>2</sup>
Each living room (without kitchen facilities) 9 m<sup>2</sup>
Each bedroom 6.5 m<sup>2</sup>
Each separate kitchen 3.5 m<sup>2</sup>

- (b) Two or more persons units of Accommodation
  - (i) One room units
    - A bed sitting room including kitchen facilities for two persons
       20 m<sup>2</sup>
    - A bed sitting room for two persons with separate kitchen facilities.
       15 m<sup>2</sup>

### (ii) Two or more Roomed Units

<ul> <li>Each combined living room / kitchen</li> </ul>	15 m <sup>2</sup>
Each living room	12 m <sup>2</sup>
<ul> <li>Each bed /sitting room</li> </ul>	15 m <sup>2</sup>
<ul> <li>Each single bedroom</li> </ul>	$6.5 \text{ m}^2$
Each double bedroom	10 m <sup>2</sup>
<ul> <li>Each separate kitchen for exclusive</li> </ul>	
use of up to three occupants, living as one household	$4.5 \text{ m}^2$

NB. A unit of bedsit type of accommodation is unlikely to be occupied by more than three persons. In cases where more than three persons are or are likely to be accommodation within any particular unit of accommodation then the advice and agreement of the District Council must be sought.

### 2.13 General Principles Of Occupation

- Children below the age of 10 years now count as a whole person
- In no case shall any room be occupied by more than two persons
- Persons of the opposite sex over the age of 12 shall not be permitted to share the same room for sleeping purposes unless they are of marriageable age and are either married or living as partners.
- The sharing of a room for sleeping purposes by persons who are neither related or living as a married couple or partners shall be permitted only when both persons give their consent.
- No unit of accommodation shall be occupied on the basis of a divided or shared tenancy or licence. This is to avoid the situation arising whereby a unit of accommodation may be occupied by different persons at different times of the day or different days of the week (for instance shift workers or seasonal / migrant workers who occupy a property in connection with their employment).
- Only rooms designated as living rooms, bedrooms or bed/sitting rooms may be used for living or sleeping purposes.
- Circulation spaces such as hallways, landings and other rooms such as kitchens, bathrooms, or cellars, roof spaces etc shall be deemed unsuitable for use as sleeping / living accommodation.
- Irrespective of overall floor area, consideration will be given to the shape and useable living space within the room when determining its suitability for occupation No account will be taken of any part of a room where the ceiling height is less than 1.525 m (5ft)
- A single bed/sitting room containing cooking facilities is not suitable for accommodating a child below the age of 5 years.

### 2.14 <u>Kitchen Facilities For Bedsits</u>

Each unit of accommodation must be provided with adequate facilities for the storage, preparation and cooking of food and the disposal of waste water. Wherever possible, such facilities should be for exclusive use and be located within the unit of accommodation. Where this is not practicable, the kitchen must be located not more than one floor distant from the accommodation. In exceptional circumstances whereby the provision of kitchen facilities for

exclusive use is not practicable or appropriate, shared facilities may be provided on the basis that no more than three units of single person occupation have use of each set of facilities in any one kitchen. The shared kitchen is to be not more than one floor distant from any individual letting having use of it.

The kitchen facilities appropriate for any of the circumstances mentioned above are: -

### (a) Bedsitting Room With Combined Kitchen (this is the most usual situation)

The facilities shall comprise as a minimum: -

Cooking

Single person: a gas or electric cooker with two burners/hobs, oven and grill

Two persons: a gas or electric cooker with four burners/hobs, oven and grill

A microwave oven may be substituted for one or two of the burners/hobs respectively or in place of a conventional oven

- A metal or ceramic kitchen sink and drainer with a constant supply of hot and cold water
- Sufficient fixed work surface to enable each user to prepare food safely and hygienically. A minimum of 500 mm clear run of work surface will be required for a single person bedsit and 1000 mm for a double room.
- A suitable refrigerator of sufficient size to store an average persons dietary requirements on a day to day basis. A freezer compartment is desirable but not essential in a single person bedsit.
- Sufficient storage cupboard space for dry and canned food goods plus cooking utensils, crockery and cutlery.
- Electric power sockets: two twin switched power sockets set at a convenient height and safe position in relation to the kitchen facilities.

Additional requirements specific to kitchen areas within bedsitting rooms:-

- The kitchen area must be provided with an easily cleansable non-slip floor covering to an adequate extent and separated from any adjoining carpeted floor area by suitable dividing strips securely fixed in position.
- Cookers must be safely positioned within the room such that they do not compromise escape in the event of a fire associated with the cooker ie. they must not be positioned adjacent to the exit doorway – in particular gas cookers must not be positioned directly adjacent to openable windows where flames are likely to be extinguished by excessive draughts or where curtains are likely to catch fire.

### (b) Separate Kitchen Directly Off the Bedsitting Room

The kitchen must be of sufficient size and layout to enable food to be prepared safely and hygienically. A minimum floor area of 3.5 m² for a single person letting and 4.5 m² for a two person letting is normally required for this purpose. The facilities to be provided are as those for kitchens within the bedsitting Page. 93

### (c) <u>Separate Kitchen For Exclusive Use But Accessed From Outside The Unit Of</u> Accommodation

The facilities are as those for separate kitchens off a bedsitting room. The kitchen is to be not more than one floor distant from the unit of accommodation.

### (d) Communal Kitchen Shared With Other Units Of Accommodation

- A set of kitchen facilities must be provided for each three single person units of accommodation having use of the shared kitchen
- There shall be no more than two sets of facilities within any one kitchen
- Kitchens for use by 2 to 3 persons shall have a minimum floor area of 7 m<sup>2</sup> and 4 to 6 persons a minimum floor area of 10m<sup>2</sup>
- The kitchen is to be not more than one floor distant from any unit of accommodation having use of it.

- A set of kitchen facilities shall comprise: -
  - A gas or electric cooker with four burners/hobs grill and oven. A combination microwave oven/grill may be used in place of a conventional oven.
  - A metal or ceramic sink and drainer with a constant supply of hot and cold water
  - Sufficient fixed work surface to enable each user to prepare food safely and hygienically. A minimum 500 mm clear run of work surface per person will be required.
  - Two twin switched electric power sockets set at a convenient height and safe position in relation to the kitchen facilities in addition to any sockets serving any major appliances.

Shared kitchens within bedsit type accommodation should not be used for communal food storage purposes (either refrigerated or dry food storage). This is due to the fact there may be little interaction between each occupancy which could result in poor storage practice and the likelihood of conflict between residents. A suitable refrigerator and food storage cupboard should therefore be provided within each unit of accommodation.

### 2.15 Personal Washing And Bathing Facilities For Bedsits

### (a) Baths and Showers

Each occupancy shall be provided where practicable with a bath or shower in a separate room. Otherwise a readily accessible bathroom containing a bath or shower shall be provided not more than one floor distant from any user on a ratio of one bath or shower to every 5 persons sharing.

Bathrooms intended to be shared by two or more households are to be accessible from a common area. A shower facility installed over a bath will not count as an additional shower

### (b) Wash Hand Basins

Each separate occupancy shall be provided with a wash-hand basin together with constant supplies of hot and cold water and sited within the unit of accommodation.

If a sink is provided in a single bedsit room, then a separate wash hand basin will not be required. All bathrooms or separate compartments containing a WC must be provided with a wash-hand basin.

### 2.16 Toilet Facilities For Bedsits

Toilet facilities shall be provided on a ratio of at least :-

- One WC per five persons sharing where the WC is separate from the bathroom ( and is accessible from a communal area without going through the bathroom )
- One WC per four persons sharing where the WC is located within the bathroom

Wherever possible, WCs should be located not more than one floor distant from any bedroom

Examples of acceptable minimum combinations of WCs and bathrooms are given in the table below. (Other combinations may achieve the same required minimum provisions , however.)

### Explanatory note

{ The term "full suite "shall mean a bathroom containing a bath or shower, a wash hand basin pus a WC.

The term "bath only "shall mean a bathroom containing a bath or shower plus a wash hand basin.

The term "separate WC" shall mean a separate WC compartment with a wash hand basin.}

NUMBER OF PERSONS SHARING	FULL SUITE	BATH ONLY	SEPARATE WC
4 or less	1		
5	1		1
5		1	1
6,7 or 8	2		
9	1	1	1
9 or 10	2		1
11 or 12	3		
13 , 14 or 15	3		1
16	4		
17,18,19or 20	4		1

### 2.17 Fire precautions in bedsits

The required fire protection scheme will in most cases consist of

- A protected escape route which is created by fitting half hour fire resisting self-closing fire doors to all risk rooms adjoining the communal escape route in accordance with British Standard 476 Part 22.
- Installing a mixed automatic fire detection and warning system in accordance with British Standard 5839 Part 6: 2004 Grade A giving a Category LD2 level of coverage plus stand alone single point smoke alarms within each unit of accommodation in accordance with British Standard 5839 Part 6: 2004 Grade D.
- Installing an emergency lighting system to the communal escape route in accordance with British Standard 5266.

Further details of the required level of fire protection can be found in an advice booklet entitled "A guide to Fire Protection in Multi – Occupied Residential Properties" which has been produced by Homestamp, see attached link <a href="https://www.homestamp.com">www.homestamp.com</a>. as well as in the LACORS National Fire Safety Guidance.

It is known that many bedsit type properties will have had a fire alarm system installed in the 1990s which does not comply with the latest standard in that rooms containing cooking facilities will only have a heat detector fitted and no single point smoke alarm.

In such cases it is intended that the fire alarm systems will need to be upgraded to the latest standard through the setting of licence conditions giving a reasonable period for compliance.

### (b) <u>2 Storey Properties</u>

- The protected route and emergency lighting system are as for a 3 storey property
- The fire alarm system differs in that both the interlinked system and the stand alone single point smoke alarms need only to comply with B.S. 5839
   Part 6: 2004 Grade D (ie no control panel or fire resistant cables are needed).

### (c) Properties Of More Than 4 Storeys Or Mixed Residential/Commercial Use

Properties of this description will require individual consideration by the Council and Hereford & Worcester Fire and Rescue Services.

In general, the standards may be similar to that for a 3 or 4 storey property but additional structural Protection or an alternative means of escape may be required.

### 2.18 Heating In Bedsits

All units of accommodation must be provided with an adequate fixed form of heating to all habitable rooms.

Within the main living room (which in the case of a bedsit will usually be the only room), the heating appliance must be capable of achieving a room temperature of at least 21°C within one hour of turning on when the air temperature outside is -1°C. Within any separate bedroom a room temperature of 18°C will be sufficient.

For heating to be properly used by the tenants, it must be af

is the preferred option but electric night storage heaters and balanced flue gas heaters are also satisfactory.

Where open-flue gas fires are provided in a room used for sleeping purposes, they must be of modern design and fitted with an automatic oxygen depletion cut-off device. All heaters, other than water filled radiators, must be suitably positioned such that there is at least two metres between the heater and any bedding and such heaters must also not be located where curtains are likely to catch fire.

Heaters which use full price electricity are not normally acceptable as the main form of heating.

Whichever form of heating is installed it must be controllable by the occupants at all times. Where heating is provided to any communal rooms or areas, the running costs must be met out of general rental charges or general energy charges rather than any type of prepayment meter.

Paraffin heaters, LPG heaters and freestanding plug in electric heaters are not acceptable.

In fully insulated and draught - proofed accommodation, full price electricity may be a viable option if it can be shown that the overall costs are affordable.

All heating appliances must be fixed to either the wall or the floor and be provided with an appropriate base or surround if one is specified by the appliance manufacturer.

All gas heaters or boilers of any type must be properly serviced and maintained in a safe condition in accordance with the manufacturers recommendations and the Gas Safety (installation and Use) Regulations 1998 (as amended).

All bathrooms, whether for exclusive or shared use must also be provided with a fixed form of heating.

Electric fan or radiant wall heaters are acceptable in bathrooms provided they are designed to operate in moist atmospheres.

## 2.20 Category B HMOs (Shared Houses and Shared Flats) Agenda Item 7

### 2.21 <u>Definition</u>

Houses or flats occupied on a shared basis usually by members of a defined social group (for example students, asylum seekers, refugees or groups of young single adults etc). Each occupier has exclusive use of a bedroom but would share kitchen, bathroom and toilet facilities. In most cases there is a communal living room.

### 2.22 Room Sizes and Permitted Occupation

The following are the minimum floor areas required:

### (a) One Person Units of Accommodation

- (i) Each bedroom/study where all occupants of the house have access to a separate communal living room  $6.5\ m^2$
- (ii) Each bedroom/study where all occupants of the house do not have access to a separate communal living room 10 m<sup>2</sup>

NB It is recognised that many houses which are used to provide shared accommodation for students may have one bedroom which is marginally below the required floor area of 6.5 m<sup>2</sup>. In such cases it is acceptable to allow for up to ten per cent shortfall in floor area subject to the following conditions:

- The occupiers must have approached the landlord/managing agent as a group wishing to rent the house under the terms of a joint contract.
- The fact that one bedroom is marginally below the required floor area must be drawn to the attention of any potential occupiers prior to the signing of a tenancy agreement.
- The group of occupiers must decide amongst themselves who will occupy the small bedroom.
- Compensatory measures such as the use of a cabin-type bed with desk and storage space beneath should be employed.

The use of an undersized bedroom will not be permitted where there is a lesser degree of communality between occupants, ie where the occupants have individual tenancy agreements or licences or where accommodation is allocated through some other organisation or agency, eg housing provided through a NASS contract or supported lodgings etc.

### (b) Two Person Units of Accommodation

• Each bedroom/study where all occupants have 11 m<sup>2</sup> access to a separate communal living room

 Each bedroom/study where all occupants do not have access to a separate communal living room.

### (c) Communal Rooms

### (i) <u>Kitchens</u>

Communal kitchens within shared houses will be intensively used with perhaps several people all attempting to prepare their own separate meals at the same time.

It is therefore important for there to be adequate space for all of the facilities as detailed in sub section 2.24 to be installed and properly arranged so that food can be safely and hygienically prepared and cooked.

The overall floor area of a kitchen may not be so important as the usable space available. For instance a large kitchen with three or four doorways opening into it may have less usable space than a smaller kitchen with only one or two doorways.

As a general guide the following minimum overall floor areas for communal kitchens will apply:

(Minor variations will be permitted provided this does not interfere with the provision of facilities.)

-	Kitchens for 2 to 5 persons	6.5 m <sup>2</sup>
-	Kitchens for 6 persons	7.5 m <sup>2</sup>
-	Kitchens for 7 persons	8.5 m <sup>2</sup>
-	Kitchens for 8 persons	9.5 m <sup>2</sup>
-	Kitchen for 9 to 10 persons	10.5 m <sup>2</sup>
-	Kitchens for 11 persons	11.5 m <sup>2</sup>
-	Kitchens for 12 persons	12.5 m <sup>2</sup>
-	Kitchens for 13 to 15 persons	13.5 m <sup>2</sup>

NB A single kitchen would not normally be suitable for use by more than 15 persons regardless of its size. In cases where more than 15 persons are using or are likely to have use of the same kitchen, the advice and agreement of the District Council must be sought.

## (ii) Dining Kitchens (only applicable where provided Genda Item 7

Where a kitchen is large enough for it to be also used as a dining room, it is important that there is sufficient space for the majority of the intended number of users to sit around a table without impinging upon the working area of the kitchen.

Again, the overall shape, layout and positioning of doorways may influence the amount of usable space available. As a general guide the following minimum floor area will apply:

- Dining kitchens for 2 to 5 persons

11.5 m<sup>2</sup>

plus an additional 1 m<sup>2</sup> for every additional person thereafter.

### (iii) Combined Living Rooms and Dining Rooms

In the majority of shared houses there is a communal living room which also serves as a dining room.

There must be sufficient space for the majority of occupiers to sit and eat a meal and also for other social activities such as watching television etc.

As a general guide, the following floor areas will apply:

Living room and dining room for 2 to 5 persons
 Living room and dining room for 6 persons
 11 m<sup>2</sup>
 13 m<sup>2</sup>

plus an additional 1m<sup>2</sup> for every additional person thereafter.

### (iv) Combined Living/Diving Room/Kitchens

It is recognised that there is a growing trend for landlords to take down the dividing wall between the rear living room and the kitchen (which is normally situated within the rear wing building of the average terraced type house).

This is in response to an increased demand for a more modern open-plan living style.

This is permissible provided adequate support is incorporated to the rear main wall in accordance with current Building Regulations

The kitchen facilities within the open plan room must be suitably arranged such that food preparation and cooking activities are safely separated from the adjoining dining/living area.

As a general guide, a combined living/dining/kitchen for 2 to 5 persons should be around 17 to 18m<sup>2</sup> in floor area plus an additional 1.5m<sup>2</sup> for every additional person thereafter.

Please note that creating an open plan living/dining/kitchen in a three storey house may raise the overall risk of harm from fire where the stairs rise directly from such an open-plan room.

It is anticipated that the fire precaution measures detailed in sub-section 2.27 will be adequate in such circumstances, however, the matter is currently subject to further consultation with the Hereford & Worcester Fire and Rescue Services.

In the meantime you must consult with the Private Sector Housing Team Team on tel no. 01527 64252 for further advice if you are planning to carry out such a conversion, or if a house you own or manage has already been converted in this way and the means of escape from fire has not yet been assessed.

### 2.23 General Principles of Occupation

- Children below the age of 10 years now count as a whole person.
- In no case shall any room be occupied by more than two persons.
- Persons of the opposite sex over the age of 12 shall not be permitted to share the same room for sleeping purposes unless they are of marriageable age and are either married or living as partners.
- The sharing or a room for sleeping purposes by persons who are neither related or living as a married couple shall be permitted only when both persons give their consent.
- No unit of accommodation shall be occupied on the basis of a divided or shared tenancy or licence. This is to avoid the situation arising whereby a unit of accommodation may be occupied by different persons at different times of the day or different days of the week (for instance shift workers or seasonal/migrant workers who occupy a property in connection with their employment.)
- Only rooms designated as living rooms, bedroom or bed/sitting rooms may be used for living or sleeping purposes.
- Each separate bedroom within a shared house is regarded as a unit of accommodation for the purpose of assessing amenity standards.
- Circulation spaces such as hallways, landings and other rooms such as kitchens, bathrooms or cellars, roof spaces etc shall be deemed unsuitable for use as sleeping/living accommodation.
- Irrespective of overall floor area, consideration will be given to the shape and usable living space within the room when determining its suitability for occupation. No account will be taken of any part of a room where the ceiling height is less than 1.525 m (5ft).

### 2.24 Kitchen Facilities for Shared Houses

A shared kitchen should ideally be not more than one floor distant from any unit of accommodation having use of it. It is however, acceptable for a kitchen to be a maximum of

two floors distant where there is a communal dining room adjacent to the kitchen or where the kitchen is of sufficient size to serve as a kitchen/dining room.

Each shared kitchen shall comprise as a minimum:

### (a) Cooking Facilities

- The kitchen must be provided with sufficient cooking appliances suitably located to enable users to cook food safely and hygienically and to minimise waiting time when more than one person wishes to cook food at the same time. In particular:
- For every five persons there must be a conventional gas or electric cooker with at least 4 burners/hobs, oven and grill.
- For up to and including 7 persons a microwave oven of minimum 20 litres capacity, suitably located on a fixed worktop may be provided in place of an additional conventional cooker.
- For 8 to 10 persons there must always be at least 2 conventional cookers and for 11 to 15 persons at least 3 conventional cookers, whether or not any supplementary microwave ovens are provided.

### (b) Sinks

- For every 5 persons there must be a kitchen sink complete with hot and cold water supplies and trapped waste.
- For up to and including 7 persons a double bowl sink and drainer will be regarded as adequate in place of providing an additional sink. Alternatively, a standard sink plus an electric dishwasher will be acceptable for up to and including 7 persons.
- For 8 to 10 persons there must always be at least two standard sinks and for 11 to 15 persons at least three standard sinks whether or not any supplementary dishwasher is provided.

### (c) Food Preparation

- There must be sufficient fixed work surfaces to enable each user to prepare food safely and hygienically. A 0.5 metre run of work surface for each user will generally be sufficient for this purpose although minor variations of up to 20 per cent shortfall may be acceptable provided there is still a good practical working area.
- For properties with more than 10 occupants sharing the same kitchen, a reduction in this standard may be appropriate as it is unlikely that all persons in the group will be preparing food at the same time.
  - At least 2 twin switched power sockets set at a convenient height and safe position in relation to the kitchen facilities and work surfaces must be provided for every 5 persons. This is in addition to any dedicated sockets serving major appliances such as dishwashers, washing machines and refrigerators.

 Adequate refrigerated food storage must be provided either within the shared kitchen or within a room directly adjacent to the kitchen if space is a particular problem.

For every 3 persons there must be a standard domestic refrigerator of at least 100 litres capacity and a freezer compartment of at least 15 litres capacity.

Alternatively a tall upright fridge freezer will be acceptable for every 5 persons. These usually have a fridge capacity of around 140 to 180 litres and a freezer capacity of around 70 to 90 litres.

A combination of separate larder refrigerators and freezers will also be acceptable provided they give an approximate equivalent standard.

- Adequate dry/canned food storage and utensil storage cupboards must also be provided. A half standard base unit or standard single wall unit per person will be acceptable for this purpose. The space beneath a sink is not acceptable for food storage purposes.
- In shared kitchens where it is likely that there will be a high degree of communality (for example students or professionals) it is not normally a requirement for refrigerators or storage cupboards to be locked.

In shared kitchens where a lesser degree of communality may be expected, the sharing of refrigerators and storage cupboards may lead to poor storage practice and conflict between residents.

Lockable cupboards and refrigerators may be appropriate in certain circumstances although providing them in each individual unit of accommodation will always be preferable where there is any doubt as to how the residents will interact.

### 2.25 Personal Washing and Bathing Facilities for Shared Houses

#### (a) Baths and Showers

A bathroom containing a bath or shower shall be provided on a ratio of at least one bath or shower for every five persons sharing. A shower facility installed over a bath will not count as an additional shower.

Shared bathrooms must be accessible from a communal area within the property (i.e not through a bedroom) and must be of sufficient size to enable users to dry themselves and get dressed safely and conveniently.

Bathrooms should, wherever possible, be situated not more than one floor in distance from any bedroom.

In recognition of the fact that many terraced houses have already had bathroom facilities installed within a ground floor rear extension, it will be acceptable for the bathroom(s) to be situated up to two floors in distance.

### (b) Wash Hand Basins

All bathrooms or separate compartments containing a WC must be provided with a wash hand basin together with constant supplies of hot and cold water, trapped waste pipe and a tiled splashback.

#### 2.26 Toilet Facilities for Shared Houses

Toilet facilities shall be provided on a ratio of at least :-

- One WC per five persons sharing where the WC is separate from the bathroom (and is accessible from a communal area without going through the bathroom)
- One WC per four persons sharing where the WC is located within the bathroom

Wherever possible, WCs should be located not more than one floor distant from any bedroom

In recognition of the fact that many terraced houses have already had bathroom and toilet facilities installed within a ground floor rear extension, it will be acceptable for the bathroom(s) / WC(s) to be situated up to two floors in distance.

Examples of acceptable minimum combinations of WCs and bathrooms are given in the table below. (Other combinations may achieve the same required minimum provisions , however.)

### Explanatory note

{ The term "full suite "shall mean a bathroom containing a bath or shower, a wash hand basin pus a WC.

The term "bath only "shall mean a bathroom containing a bath or shower plus a wash hand basin.

The term "separate WC" shall mean a separate WC compartment with a wash hand basin.}

NUMBER OF PERSONS SHARING	FULL SUITE	BATH ONLY	SEPARATE WC
4 or less	1		
5	1		1
5		1	1
6,7 or 8	2		
9	1	1	1
9 or 10	2		1
11 or 12	3		
13 , 14 or 15	3		1
16	4		
17,18,19or 20	4		1

#### 2.27 <u>Fire Precautions in Shared Houses</u>

# (a) 3 or 4 Storey Properties

The required fire protection scheme will in most cases consist of:

- A protected escape route which is created by fitting half hour fire resisting self-closing fire doors to all risk rooms adjoining the communal escape route in accordance with British Standard 476: Part 22.
- Installing an automatic fire detection and warning system in accordance
  with British Standard S839 Part 6: 2004 Grade A, giving a category LD2
  level of coverage (ie smoke detectors in each bedroom, communal living
  room, hall, landings and any walk-in cupboards and cellars (where
  appropriate) plus heat detectors in each shared kitchen all linked to a
  control panel).
- Installing an emergency lighting system to the communal escape route in accordance with BS5266.
- Providing a fire blanket within each shared kitchen.

Further details on fire precautions required can be found in the Homestamp Fire Safety Guide as well as in the LACORS National Fire Safety Guidance.

It is known that many 3 or more storey shared houses will have had a fire alarm system previously installed which gives an equivalent level of coverage but does not fully comply with the latest standard in that there will be no control panel and the cabling will be in standard domestic twin and earth cable. In such cases it is acceptable to retain the existing system provided it is properly maintained and an annual test certificate can be supplied from a competent electrician.

When a system is no longer serviceable it must be replaced with a new system which conforms to the latest standard as described above.

In cases where a house has been provided with a partial system only, then this would need to be replaced or upgraded to the current standard accordingly.

# Supplementary Information to the Homestamp Fire Protection Guidance Booklet with Respect to Certain Three Storey Houses

Three storey shared houses in which the staircase comes down directly in to the rear living room give rise to particular problems when designing an adequate fire protection scheme.

This is because a fire occurring in the rear living room would have an immediate and direct effect on the ability of people to escape from the bedrooms above.

In a two storey house, escape windows can be relied upon for escape from the first floor bedrooms (see standard plan 2 on page 12 of the Homestamp booklet).

Escape windows cannot however be relied upon for escape from the second floor. This means that a person occupying a second floor bedroom would have no alternative but to come down into a rear living room fire in order to attempt to escape.

It has to be assumed that the first floor bedroom doors may be locked and therefore access to the first floor bedrooms in order to escape via the windows cannot be relied upon for any occupant of a second floor bedroom.

If, however, the house has a communal bathroom or kitchen or a landing window at first floor level then it may be possible to install an escape window which should be accessible at all times. Such communal facilities are not however usually available in this type of house at first floor level.

In the majority of houses of this type, there are two approved methods of providing an adequate means of escape from fire:

(i) To provide a half hour fire protected route through the rear living room by the construction of a timber stud and plasterboard partition from the foot of the staircase to the front hallway (similar to plan 1 on page 9 of the Homestamp booklet).

This method is however very unpopular as it takes up a great deal of usable space from what is usually used as a shared living room.

(ii) In order to avoid the necessity of constructing a protected route – it has been agreed by the Fire Authority that an acceptable alternative would be to install a domestic fire sprinkler system to the entire ground floor area (including kitchen and bathroom) in accordance with British Standard 9251.

All other fire protection measures for a three storey house (ie fire alarm system, emergency lighting and fire doors) would still needs to be installed, including a fire door incorporating a vision panel to the doorway between the rear living room and the staircase.

#### (b) 2 Storey Properties

The required fire protection scheme will in most cases consist of:

 A protected escape route which is created by fitting half hour fire resisting self -closing doors to all risk rooms adjoining the communal escape route in accordance with British Standard 476: Part 22.

The fitting of a half hour fire resisting self-closing door to the kitchen only is however acceptable where all bedroom windows at first floor level meet with escape window specifications.

- Installing an interlinked automatic fire detection and warning system in accordance with British Standard 5839 Part 6: 2004 Grade D giving a category LD2 level of coverage. No control panel is required for such system and cabling is carried out using standard domestic twin and earth cable.
- Installing an emergency lighting system to the communal escape route in accordance with BS5266.
- Providing a fire blanket within each shared kitchen.

Again, further details can be found in the Homestamp fire protection guidance booklet.

#### 2.28 Heating in Shared Houses

All habitable rooms within a shared house must be provided with an adequate fixed form of heating.

Bedrooms in shared houses are used not only for sleeping purposes, but also serve as studies/living rooms, therefore adequate heating is particularly important.

Within all bedrooms plus any communal living room or uning room, the heating appliance must be capable of achieving a room temperature of at least 21°C within one hour of turning on when the air temperature outside is -1°C.

For heating to be properly used by the tenants, it must be affordable. Central heating is the preferred option but electric night storage heaters and balanced flue gas heaters are also satisfactory.

Heaters which use full price electricity are not normally acceptable as the main form of heating.

Whichever form of heating is installed it must be controllable by the occupants at all times. Where heating is provided to any communal rooms or areas, the running costs must be met out of the general rental charges or general energy charges rather than any type of prepayment meter. Where open-flue gas fires are provided in a room used for sleeping purposes, they must be of modern design and fitted with an automatic oxygen depletion cut-off device. All heaters, other than water filled radiators, must be suitably positioned such that there is at least two metres between the heater and any bedding and such heaters must also not be located where curtains are likely to catch fire.

Paraffin heaters, LPG heaters and freestanding plus in electric heaters are not acceptable. In fully insulated and draught-proofed accommodation, full price electricity may be a viable option if it can be shown that the overall cost if affordable.

All heating appliances must be fixed to either the wall or the floor and be provided with an appropriate base or surround if one is specified by the appliance manufacturer.

All gas heaters or boilers of any type must be properly serviced and maintained in a safe condition in accordance with the manufacturer's recommendations and the Gas Safety (Installation and Use) Regulations 1998 (as emended).

All bathrooms, whether for exclusive or shared use must also be provided with a fixed form of heating.

Electric fan or radiant wall heaters are acceptable in bathrooms provided they are designed to operate in moist atmospheres.

# 2.30 Category C HMOs (Halls of Residence)

# 2.31 **Definition**

### 1.63 Category C (Halls of Residence)

Houses or buildings occupied by people whose occupation is ancillary to their education or employment. These are normally operated by the employer or education establishment but increasingly by private accommodation providers. Each occupier has exclusive use of a bedroom but would share kitchen facilities. Bathroom and toilet facilities may also be shared or may be en-suite. Such properties would normally be occupied by students or professional groups such as nurses, doctors, police, etc. It should be noted that properties which are owned or managed by public organisations such as universities, the NHS, Police, Fire Service etc are usually exempt from the definition of HMO. Some smaller independent colleges with living accommodation may be included however.

# 2.32 Room Sizes and Permitted Occupation

The following are the minimum floor areas required.

# (a) One Person Units of Accommodation

(i) Each bedroom/study where all occupants of the	$6.5 \text{ m}^2$
building or relevant part of the building have access to a	
communal living room	

(ii) Each bedroom/study where all occupants of the building or relevant part of the building do not have access to separate communal living room

#### (b) Two Person Units of Accommodation

(i) Each bedroom/study where all occupants of the building or relevant part of the building have access to a communal living room

(ii) Each bedroom/study where all occupants of the building or relevant part of the building do not have access to separate communal living room

# (c) Communal Rooms

(i) Kitchens (self catering)

•	Kitchens for 2 to 5 persons	7 m <sup>2</sup>
•	Kitchens for 6 to 10 persons	10 m <sup>2</sup>
•	Kitchen for 11 to 15 persons	14 m <sup>2</sup>

Plus an additional 1 m<sup>2</sup> for each person above 15.

(ii) Dining Room/Kitchen (self catering)

•	Dining/kitchen for 2 to 5 persons	12 m <sup>2</sup>
•	Dining/kitchen for 6 to 10 persons	$20 \text{ m}^2$
•	Dining/kitchen for 6 to 10 persons	24 m <sup>2</sup>

Plus an additional 1 m<sup>2</sup> for each person above 15.

(iii) Dining/Living/Kitchen (self catering)

•	Dining/living/kitchen for 2 to 5 persons	18 m <sup>2</sup>
•	Dining/living/kitchen for 6 to 10 persons	$24 \text{ m}^2$
•	Dining/living/kitchen for 11 to 15 persons	$30 \text{ m}^2$

Plus an additional 1 m<sup>2</sup> for each person above 15.

(iv) Separate Dining/Living Rooms

•	Dining/living room for 2 to 5 persons	11 m <sup>2</sup>
•	Dining/living room for 6 to 10 persons	16 m <sup>2</sup>
•	Dining/living room for 11 to 15 persons	22 m <sup>2</sup>

Plus an additional 1 m<sup>2</sup> for each person above 15.

# 2.33 **General Principles of Occupation**

- Children below the age of 10 years now count as a whole person.
- In no case shall any room be occupied by more that two persons.
- Persons of the opposite sex over the age of 12 shall not be permitted to share the same room for sleeping purposes unless they are of marriageable age and are either married or living as partners.
- The sharing or a room for sleeping purposes by persons who are neither related or living as a married couple shall be permitted only when both persons give their consent.
- No unit of accommodation shall be occupied on the basis of a divided or shared tenancy or licence. This is to avoid the situation arising whereby a unit of accommodation may be occupied by different persons at different times of the day or different days of the week (for instance shift workers or seasonal/migrant workers who occupy a property in connection with their employment.

- Only rooms designated as living rooms, bedroom or bed/sitting rooms may be used for living or sleeping purposes.
- Each separate bedroom within a hall of residence is regarded as a unit of accommodation for the purpose of assessing amenity standards.
- Circulation spaces such as hallways, landings and other rooms such as kitchens, bathrooms or cellars, roof spaces etc shall be deemed unsuitable for use as sleeping/living accommodation.
- Irrespective of overall floor area, consideration will be given to the shape and usable living space within the room when determining its suitability for occupation. No account will be taken of any part of a room where the ceiling height is less than 1.525 m (5ft).

### 2.34 Kitchen Facilities for Halls of Residence

#### (a) Fully Catered Accommodation

Where all meals are provided it will not generally be necessary for any additional kitchen facilities to be installed for occupiers to prepare their own meals.

It is, however, customary for limited facilities to be made available for occupiers to prepare light snacks and hot drinks. In many cases vending machines may be sufficient for this purpose. It is not intended to set any specific standards for this type of accommodation at this stage.

All meals provided on a catered basis must be prepared in accordance with the provisions of the Food Safety Act and Food Hygiene (England) Regulations 2006.

Further information on food hygiene requirements can be found on the following website: <a href="www.food.gov.uk">www.food.gov.uk</a>. Follow the link to 'Safer Food Better Business'.

# (b) Partially Catered and Self Catered Accommodation Agenda Item 7

In Halls of Residence type accommodation it is usual for shared kitchen facilities to be provided either within a cluster unit serving between 5 and 8 bedrooms, or on a floor by floor basis in which case the kitchen may serve well above this number of users.

A shared kitchen should never be more than on one floor distant from the bedroom of any person having use of it.

Each shared kitchen shall comprise as a minimum:

### (i) Cooking Facilities

The kitchen must be provided with sufficient cooking appliances suitably located to enable users to cook food safely and hygienically and to minimise waiting time when more than one person wishes to cook food at the same time. In particular:

- For every five persons, there must be a conventional gas or electric cooker with at least four burners/hobs, oven and grill.
- For up to and including 7 persons a combination microwave oven/grill of minimum 20 litres capacity suitably located on a fixed work top may be provided in place of an additional conventional cooker.
- For 8 to 10 persons there must always be at least 2 conventional cookers and for 11 to 15 persons at least 3 conventional cookers, whether or not any supplementary microwave ovens are provided. This ratio of cookers to persons will continue accordingly for every five additional users.

#### (ii) Sinks

- For every 5 persons there must be a kitchen sink complete with hot and cold water supplies and trapped waste.
- For up to and including 7 persons a double bowl sink and drainer will be regarded as adequate in place of providing an additional sink. Alternatively, a standard sink plus en electric dishwasher will be acceptable for up to and including 7 persons.
- For 8 to 10 persons there must always be at least two standard sinks and for 11 to 15 persons at least three standard sinks whether or not any supplementary dishwasher is provided.

#### (iii) Food Preparation

- There must be sufficient fixed work surfaces to enable each user to prepare food safely and hygienically. At least 0.5 metre run of work surface for each user will generally be acceptable for this purpose.
- For properties with more than 10 occupants sharing the same kitchen a reduction in this standard may be appropriate as it is unlikely that all persons in the group will be preparing food at the same time.
- At least 2 twin switched power sockets set at a convenient height and safe position in the switched power sockets set at a convenient height and safe position in the switched power sockets set at a convenient height and safe position in the switched power sockets set at a convenient height and safe position.

must be provided for every 5 persons. This is in addition to any dedicated sockets serving major appliances such as dishwashers, washing machines and refrigerators.

# (iv) Food Storage

 Adequate refrigerated food storage must be provided within the shared kitchen.

For every 3 persons there must be a standard domestic refrigerator of at least 100 litres capacity and a freezer compartment of at least 15 litres capacity.

Alternatively a tall upright fridge freezer will be acceptable for every 5 persons. These usually have a fridge capacity of around 140 to 180 litres and a freezer capacity of around 70 to 90 litres.

A combination of separate larder refrigerators and freezers will also be acceptable provided they give an approximate equivalent standard.

- Adequate dry/canned food storage and utensil storage cupboards must also be provided. A half standard base unit or standard single wall unit per person will be acceptable for this purpose. The space beneath a sink is not acceptable for food storage purposes.
- In shared kitchens where it is likely that there will be a high degree of communality (for example students or professionals) it is not normally a requirement for refrigerators or storage cupboards to be locked.

In shared kitchens where a lesser degree of communality may be expected, the sharing of refrigerators and storage cupboards may lead to poor storage practice and conflict between residents.

Lockable cupboards and refrigerators may be appropriate in certain circumstances although providing them in each individual unit of accommodation will always be preferable where there is any doubt as to how the residents will interact.

# 2.35 Personal Washing and Bathing Facilities for Halls of Residence

### (a) Baths and Shows

Bedrooms with en-suite facilities are becoming increasingly common in halls of residence type property. This is the ideal standard to aim for. However, in may older buildings, bathroom and toilet facilities continue to be shared in which case the following minimum provisions shall apply:

A bathroom containing a bath or shower shall be provided on a ratio of at least one bath or shower to every 5 persons sharing. A shower facility installed over a bath will not count as an additional shower.

Any bathrooms should, wherever possible, be situated on the same floor as the accommodation having use of it. Consideration should be given as to whether separate bathroom facilities for males and females should be provided in mixed sex accommodation.

#### (b) Wash Hand Basins

Each separate bedroom shall be provided with a wash had basin, together with constant supplies of hot and cold water. (In most cases this will be within the en-suite bathroom).

All bathrooms or separate compartments containing a WC must be provided with a wash hand basin.

### 2.36 <u>Toilet Facilities for Halls of Residence</u>

Where toilet facilities are shared they shall be provided on the same floor as the accommodation of any person having use thereof and on a ratio of at least:-

- One WC per five persons sharing where the WC is separate from the bathroom (and is accessible from a communal area without going through the bathroom)
- One WC per four persons sharing where the WC is located within the bathroom

Examples of acceptable minimum combinations of WCs and bathrooms are given in the table below. (Other combinations may achieve the same required minimum provisions , however.)

#### Explanatory note

{ The term "full suite "shall mean a bathroom containing a bath or shower, a wash hand basin pus a WC.

The term "bath only "shall mean a bathroom containing a bath or shower plus a wash hand basin.

The term "separate WC" shall mean a separate WC compartment with a wash hand basin.}

NUMBER OF PERSONS SHARING	FULL SUITE	BATH ONLY	SEPARATE WC
4 or less	1		
5	1		1
5		1	1
6,7 or 8	2		
9	1	1	1
9 or 10	2		1
11 or 12	3		
13 , 14 or 15	3		1
16	4		
17,18,19or 20	4		1

Consideration should be given as to whether separate toilet facilities for males and females should be provided in mixed sex accommodation.

#### 2.37 <u>Fire Precaution in Halls of Residence</u>

Having regard to the potentially large scale and complex layout often encountered in halls of residence, it is not possible to specify any standard scheme.

Each case must be given individual consideration acting an consultation with Fire Authority in order to design an appropriate fire protection scheme for the building in question.

Buildings constructed recently to current Building Regulation Standards should provide a satisfactory standard of fire protection.

#### 2.38 <u>Heating in Halls of Residence</u>

All bedrooms and communal rooms must be provided with adequate fixed form of heating, capable of maintaining indoor temperatures of  $21^{\circ}$ C when the temperature outside is  $-1^{\circ}$ C.

Where central heating or night storage heating is provided, it is acceptable for this to be operated via a pre-set timer programmed to ensure that the building as a whole is kept adequately heated.

In such cases it is acceptable for the residents not to have control of the heating system at all times, provided there is a procedure in place to report any problems of inadequate or excessive heating, and that steps can be quickly take to adjust the heating input accordingly.

Where individual fixed electric heaters using full price electricity are provided within bedrooms, it must be shown that the operating costs are affordable.

Gas or electric heaters which have glowing radiants are not generally acceptable in a bedroom/study unless there is sufficient space to position the bed at least 2 metres away from the heater. Such heaters must also not be positioned beneath or adjacent to any window where there is any possibility of the curtains/blinds catching fire.

Any open flued gas heater provided in a room used for sleeping purposes must be of modern design and fitted with an automatic oxygen depletion cut off device.

Paraffin heaters, LPG heaters and free-standing plug-in electric heaters are not acceptable.

All heating appliances must be fixed to either the wall or the floor and be provided with an appropriate base or surround if one is specified by the appliance manufacturer.

All gas heaters or boilers of any type must be properly serviced and maintained in a safe condition in accordance with the manufacturer's instructions and the Gas Safety (Installation and Use) Regulations 1998 (as amended).

All bathrooms, whether for exclusive or shared use, must also be provided with a fixed form of heating.

Electric fan or radiant wall heaters are acceptable in bathrooms provided they are designed to operate in moist atmospheres.

# 2.40 Category D HMOs (Hostels and Bed and Breakfast Establishments)

#### 2.41 Definition

Houses generally referred to as 'hostels', 'guest houses' and 'bed and breakfast hotels' or the like. These will provide accommodation for people with no other permanent place of residence as distinct from hotels which provide accommodation for temporary visitors to an area. This category would include establishments used by local authorities to house homeless families or persons pending permanent placement, and similar establishments which provide accommodation for people who would otherwise be homeless. It would also include bona fide hotels used for such purposes even on a casual basis and hotels housing a mixture of homeless households and visitors.

Normally each occupant (or family) has exclusive use of a room but would share bathroom and toilet facilities, although in some cases there may be en-suite facilities.

Some or all meals may be provided on a catered basis, however, some hostels operate on a fully self catering basis. There is usually a communal living room and dining room.

# 2.42 Room Sizes and Permitted Occupation for Hostel Type Accommodation

# (a) General Principles of Occupation

- (i) The sharing of a room for sleeping purposes by persons who are neither related or living as a married couple or partners shall be permitted only where both persons give their consent.
- (ii) In general no bedroom shall be occupied by more than two unrelated persons.

It is, however, acceptable for a room to be occupied by a maximum of three unrelated persons provided the room is large enough (ie meets the family room standard for three persons – see details later) and the persons concerned have lived together for a prolonged period of time such that they have become interdependent. In such cases the occupation must reduce to a maximum of two when one or more of the group naturally leaves the property or agrees to move to another room.

It is not acceptable to permit any new occupation agreements to arise resulting in the multiple sharing of a room (ie more than two unrelated persons) as from July 2006.

- (iii) Provided a bedroom is large enough it may be used for occupation by more than two persons subject to them all being members of the same family (family includes married couples, or couples living as husband and wife or equivalent same sex relationship, parent, grandparent, child, step-child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin).
- (iv) Persons of the opposite sex and of age 12 or over shall not be permitted to share the same room for sleeping purposes unless they are of marriageable age and are either married or living as partners.

An exception to this general rule may be considered appropriate in cases whereby a family is placed in emergency accommodation and their stay does not exceed five nights. For example, a mother with a son aged 13 and a daughter aged 14 may, in exceptional circumstances, be allowed to occupy a family room for a maximum of five nights if there is no other appropriate accommodation available within the same premises or within the locality

- (v) Family rooms are considered to be suitable for use only as temporary accommodation and for a maximum of four persons. Occupation must be limited to a maximum of 30 nights unless exceptional demand otherwise. Such circumstances must be agreed by the local housing authority.
- (vi) Rooms containing cooking facilities are not suitable to accommodate families with children below the age of five years.
  - (vii) Children below the age of ten years now count as a whole person.
- (viii) No unit of accommodation shall be occupied on the basis of a divided or shared tenancy or licence. This is to avoid the situation arising whereby a unit of accommodation may be occupied by different persons at different times of the day or different days of the week (for instance shift workers or seasonal/migrant workers who occupy a property in connection with their employment.
  - (ix) Only rooms designated as bedrooms may be used for sleeping purposes.
- (x) Circulation spaces such as hallways, landings and other rooms such as kitchens, bathrooms, or cellars, roof spaces etc, shall be deemed unsuitable for use as sleeping/living accommodation.
- (xi) Irrespective of overall floor area, consideration will be given to the shape and usable living space within the room when determining its suitability for occupation. No account will be taken of any part of a room where the ceiling height is less that 1.525 m (5ft).
  - (b) The following are the minimum floor areas required:
    - (i) Bedrooms where kitchen facilities are separately provided:

1 person	$6.5 \text{ m}^2$	(10 m <sup>2</sup> )
2 persons	11.0 m <sup>2</sup>	(15 m <sup>2</sup> )
3 person family room	15.0 m <sup>2</sup>	$(20 \text{ m}^2)$
4 person family room	19.5 m <sup>2</sup>	$(24 \text{ m}^2)$

(ii) Bedrooms where kitchen facilities are provided within the room

		Adenda Item /
1 person	10.0 m <sup>2</sup>	Agenga Item /
2 persons	$14.0 \; m^2$	(20 m <sup>2</sup> )
3 person family room	18.5 m <sup>2</sup>	$(24 \text{ m}^2)$
4 person family room	$23.0 \; m^2$	(28 m <sup>2</sup> )

The above room sizes are based upon the assumption that communal living space is also available for use by all occupants. In cases where there is no communal room available, the appropriate room sizes are indicated in brackets.

#### (iii) Communal Rooms

In general need or short term accommodation there must be a communal living room (or rooms) provided unless the bedrooms meet the higher room area standard as detailed above. A communal living room of at least 15 m<sup>2</sup> must be provided for the first four persons in occupation plus 1 m<sup>2</sup> for each additional person thereafter.

In long term accommodation where occupiers are likely to reside for periods of more than six months, perhaps for the purposes of rehabilitation etc, an additional 2 m² for each additional person shall be required.

# 2.43 <u>Kitchen Facilities for Hostel Type Accommodation</u>

(a) Where any meals are provided for residents, all food must be stored, handled, prepared and served in accordance with the provisions of the Food Safety Act 1990 and associated regulations (in particular the Food Hygiene (England) Regulations 2006).

All persons who are employed to handle food must have received appropriate and approved food hygiene training and the operation must be registered as a food business with the Regulatory Services Department.

Kitchens must be adequately equipped according to the number of meals expected to be served on a daily basis.

Further information on food hygiene matters and the adequacy of kitchen facilities can be found on the Government's website <a href="www.food.gov.uk">www.food.gov.uk</a> and follow the link to 'Safer Food Better Business'.

The following general principles apply to catered accommodation.

- Meals must be served and consumed in the premises in which the occupants reside (ie residents should not be expected to travel to another hostel/hotel or café premises in the locality to obtain their meals).
  - It is acceptable for hotels which have an annexe building within the same curtilage to serve meals in the main building provided there is safe and well lit access between the buildings.
- Where there are insufficient catering facilities within a particular premises, meals may be prepared elsewhere and brought in, provided the food is prepared in a food safety compliant kitchen and transported in hygienic conditions under proper temperature control.
- An appropriate dining room must be provided together with sufficient tables and chairs for the number of users. (Meals may be served on a sitting basis, however.)

 Residents must not generally have access to any catering kitchen in order to prepare their own meals.

In some small hostels (ie those with six or less occupants in total), it may
be acceptable for residents to prepare some meals within the kitchen
which is also used for catering purposes provided such meals are
prepared under the supervision of a person having undertaken appropriate
food hygiene training.

This will normally be 'Supported Lodgings' type accommodation where residents are assisted to gain skills which may help them to live independently in the community.

• The extent that meals are provided for residents will vary from premises to premises with some providing breakfast only, and some providing full board. Meal provision may also vary between weekdays and weekends.

There may also be variation from person to person with some choosing to take meals and some choosing to cater for themselves.

Whatever the arrangements, all residents must have access to adequate kitchen Facilities (separate from any catering kitchen) in order to prepare their own food.

The following separate kitchen facilities shall be provided for use by residents according to the predominant characteristics of the catering operation:

# (i) All Meals Provided (Three Meals per Day)

Kitchen facilities must be sufficient for residents to prepare light meals and hot drinks.

One set of facilities shall be provided for every **fifteen** persons consisting as a minimum of:

- One kitchen sink complete with hot and cold water supplies and trapped waste.
- A conventional four burner/hob cooker with oven and grill or a combination microwave oven/grill of minimum 20 litres capacity,
  - A minimum two metre run of fixed work surface (minimum 500mm depth).
- A standard work top domestic refrigerator incorporating a freezer compartment.
- Two twin 13 amp switched power sockets suitably sited in relation to the work surface and in addition to any sockets serving major appliances.
  - Adequate storage for cooking utensils, crockery and cutlery etc.
- A kettle for making hot drinks or a vending machine if considered appropriate.

Such facilities may be located within an appropriately laid out area within a communal room but should preferably be located within a separate kitchen or kitchens.

A minimum floor area of 7m<sup>2</sup> per set of such kitchen facilities is required.

Page 120

# (ii) Breakfast and evening Meals Provided

A set of kitchen facilities as described above for premises providing all meals shall be provided on a ration of one set of facilities to every **ten** persons.

# (iii) Breakfasts Only Provided

One set of kitchen facilities shall be provided for every **seven** persons, consisting as a minimum of:

- One kitchen sink complete with hot and cold water supplies and trapped waste.
- A conventional four burner/hob cooker with oven and grill or two combination microwave ovens/grills of minimum 20 litres capacity each.

The use of microwave ovens may be more appropriate if there are any concerns over the ability of residents to prepare hot food safely.

The use of deep fat fryers shall not be generally permitted unless supervision of cooking activity is likely to take place.

- A minimum two metre run of fixed work surface (minimum 500mm depth).
- Two twin 13 amp switched power sockets suitably sites in relation to the work surface and in addition to any sockets serving any major appliances.

A minimum kitchen floor area of 7m<sup>2</sup> per set of such kitchen facilities is required.

- For food storage purposes a refrigerator plus adequate storage for dry/canned foods and utensils/crockery/cutlery shall be provided within each unit of accommodation.

#### (b) Self Catering Accommodation

For hostels providing fully self-catered accommodation, food preparation facilities may be located either within each unit of accommodation or within shared kitchens.

# (i) Food Preparation Facilities within the Unit of Accommodation

The facilities shall comprise as a minimum:

Cooking:

Single Person: a gas or electric cooker with two burners/ hobs, oven and grill

Two Persons or Family Room: a gas or electric cooker with four burners/hobs, oven and grill

A microwave oven may be substituted for one or two of the burners/hobs respectively and a combination microwave oven / grill in place of a conventional oven.

- A metal or ceramic kitchen sink and drainer with a constant supply of hot and cold water.
- Sufficient fixed work surface to enable food to be prepared safely and hygienically.
- A suitable refrigerator of adequate size according to the number of occupants. A family room would require a standard work top height refrigerator with freezer compartment.
- Sufficient storage cupboard space for dry and canned food goods plus cooking utensils, crockery and cutlery.
- Electric power sockets: two twin switched power sockets set at a convenient height and safe position in relation to the kitchen facilities.
- The kitchen area must be provided with an easily cleansable non-slip floor covering to an adequate extent and separated from any adjoining carpeted floor area by suitable dividing strips securely fixed in position.
- Cookers must be safely positioned within the room such that they do
  not compromise escape in the event of a fire associated with the
  cooker, ie they must not be positioned adjacent to the exit doorway.
  In particular gas cookers must not be positioned directly adjacent to
  openable windows where flames are likely to be extinguished by
  excessive draughts or where curtains are likely to catch fire.

# (ii) Shared Kitchens

One set of kitchen facilities shall be provided for every five persons, consisting as a minimum of:

- One kitchen sink complete with hot and cold water supplies and trapped waste.
- A conventional four burner/hob cooker with oven and grill or two combination microwave ovens/grills of minimum 20 litres capacity each.

The use of microwave ovens may be more appropriate if there are any concerns over the ability of residents to prepare hot food safely.

The use of deep fat fryers shall not generally be permitted unless supervision of cooking activity is likely to take place.

- A minimum two metre run of fixed work surface (minimum 500 mm depth).
- Two twin 13 amp switched power sockets suitably sited in relation to the work surface and in addition to any sockets serving any major appliances.
- A minimum kitchen floor area of 7m<sup>2</sup> per set of such kitchen facilities is required.
- For food storage purposes a refrigerator plus adequate storage for dry/canned foods and utensils/crockery/cutlery shall be provided within each unit of accommodation.

# 2.44 Personal Washing and Bathing Facilities for Hostel Type Accommodation

#### (a) Baths and Showers

Where it is not practicable to provide each unit of accommodation with its own bathroom, a readily accessible bathroom containing a bath or shower shall be provided on a ratio of one bath or shower to every five persons on occupation.

A bathroom must be available within one floor of any unit of accommodation. A shower facility installed over a bath will not count as an additional shower.

Institutionalised type bathroom arrangements with communal changing facilities shall not be permitted.

#### (b) Wash Hand Basins

Each separate occupancy shall be provided with a wash hand basin together with constant supplies of hot and cold water and sited within the unit of accommodation.

If a sink is fitted within a room then a separate wash hand basin will not be required.

All bathrooms or separate compartments containing a WC must be provided with a wash hand basin. Page 123

# 2.45 Toilet Facilities for Hostel-type Accommodation

Toilet facilities shall be provided on a ratio of at least :-

- One WC per five persons sharing where the WC is separate from the bathroom (and is accessible from a communal area without going through the bathroom)
- One WC per four persons sharing where the WC is located within the bathroom Examples of acceptable minimum combinations of WCs and bathrooms are given in

Examples of acceptable minimum combinations of WCs and bathrooms are given in the table below. (Other combinations may achieve the same required minimum provisions, however.)

# Explanatory note

{ The term "full suite "shall mean a bathroom containing a bath or shower, a wash hand basin pus a WC.

The term "bath only "shall mean a bathroom containing a bath or shower plus a wash hand basin.

The term "separate WC" shall mean a separate WC compartment with a wash hand basin.}

NUMBER OF PERSONS SHARING	FULL SUITE	BATH ONLY	SEPARATE WC
4 or less	1		
5	1		1
5		1	1
6,7 or 8	2		
9	1	1	1
9 or 10	2		1
11 or 12	3		
13 , 14 or 15	3		1
16	4		
17,18,19or 20	4		1

Wherever possible, WCs should be located not more than one floor distant from any bedroom

Institutionalised type toilet arrangements where there is more than one WC cubicle within the same room shall not be permitted.

Consideration should be given as to whether separate toilet facilities for males and females should be provided in mixed sex accommodation.

#### 2.46 Fire Precautions Hostel Type Accommodation

Hostel type accommodation may vary greatly in its size and complexity, ranging from small 'Supported Lodgings' schemes to large direct access hostels having over 50 bedrooms.

It is therefore difficult to specify standard fire protection schemes and as such each case must be assessed individually in consultation with the Fire Authority.

Page 124

In general, hostels of three or more storeys having up to 10 occupants will require an

In general, hostels of three or more storeys having up to 10% ccupants will require an automatic fire detection and warning system in accordance with British Standard 5839 Part 6: 2004 Grade A giving a Category LD2 level of coverage.

Larger hostels or hotels will, in most cases, require a more sophisticated system in accordance with British Standard 5839 Part 1: 2002 giving an L2 level of coverage.

In all cases the communal escape route must be made a protected escape route by fitting half hour fire resisting self-closing doors to all adjoining risk rooms in accordance with British Standard 476 Part 22.

In certain circumstances this may need to be supplemented by providing alternative escape routes, double fire door lobby separation or fire door breaks to long corridors, where escape travel distances are excessive, complex or particularly hazardous.

Communal escape routes and communal lounges or dining rooms etc must always be provided with emergency lighting in accordance with British Standard 5266 and fire escape signage may also need to be fixed in place.

Communal kitchens must be provided with fire blankets and appropriate fire extinguishers. Additional fire extinguishers may be required at appropriate locations throughout the building if staff are employed who have been trained to use them.

The specific advice of the Council's Private Sector Housing Team should always be sought before carrying out fire protection work to any hostel-type premises.

# 2.47 <u>Heating in Hostel Type Accommodation</u>

All habitable rooms within a hostel or bed and breakfast establishment must be provided with an adequate fixed form of heating capable of achieving a room temperature of 21°C within one hour of turning on when the air temperature outside is –1°C.

For heating to be properly used by residents, it must be affordable. Central heating is the preferred option but electric night storage heaters and balanced flue gas heaters are also satisfactory.

Where open-flue gas fires are provided in a room used for sleeping purposes, they must be of modern design and fitted with an automatic oxygen depletion cut- off device. Heaters which use full price electricity are not normally acceptable as the main form of heating.

In many hostels, the heating is operated by timer and undercontrol of the landlord or manager. This is acceptable provided adequate temperatures are maintained and adjustments are quickly made when problems of cold or excessive heat are brought to attention.

Central heating radiators in residents rooms should be fitted with a thermostat under control of the occupier.

All heaters, other than water filled radiators, must be suitably positioned such that there is at least two metres between the heater and any bedding and such heaters must also not be located where curtains/blinds are likely to catch fire.

Paraffin heaters, LPG heaters and free standing plug-in electric heaters are not acceptable.

All heating appliances must be fixed to either the wall or the floor and be provided with an appropriate base or surround if one is specified by the appliance manufacturer.

All gas heaters or boilers of any type must be properly serviced and maintained in a safe condition in accordance with the manufacturer's recommendations and the Gas Safety (Installation and Use) Regulations 1998 (as amended).

All bathrooms, whether for exclusive use or shared use, must also be provided with a fixed form of heating. Electric fan or radiant wall heaters are acceptable in bathrooms provided they are design to operate in moist atmospheres.

Where heating is provided to any communal rooms or areas, the running costs must be met out of general rental charges or general energy charges rather than any type of prepayment meter.

# 2.50 Category F HMOs (Self-Contained Flats)

# 2.51 Definition

Houses or buildings which are constructed as or converted entirely in to self-contained flats. Access to the house or building would be via a communal entrance doorway and hallway but thereafter the entrance to each individual flat is via a single doorway. All amenities (ie. WC, wash hand basin, bath or shower plus kitchen facilities) must be accessible from within each individual flat and the flat must be occupied by a single household to be regarded as self-contained.

Houses which have been converted in to self contained flats to a proper standard in accordance with the 1991 Building Regulations or equivalent are exempted from the HMO definition.

Houses which were converted prior to this date or which have been subsequently converted to a lesser standard not in accordance with Building Regulations are not included within the mandatory licensing requirements. Such houses converted into self contained flats could however become subject to licensing if the Council were to declare any "additional licensing schemes" at some time in the future.

Larger individual flats which are occupied by groups of 3 or more unrelated persons are regarded as houses in multiple occupation in their own right and those standards relevant to Category B HMOs (shared houses) would be applicable within each such flat

#### 2.52 Room Sizes and Permitted Occupation

The minimum room sizes for existing properties are as given below. Please note that if a house is about to be converted in to self contained flats then Planning consent and Building Regulation approval must be obtained. Planning conditions may call for higher standards than those given.

#### One Person, Four Room Flat

Bedroom	7.0 m <sup>2</sup>
Living room	11.5 m <sup>2</sup>
Kitchen	5.5 m <sup>2</sup>

Total habitable floor area 24 m<sup>2</sup>

# One Person Flatlet With Separate Kitchen

Bed/living room	14 m <sup>2</sup>
Kitchen	5.5 m <sup>2</sup>

Total habitable floor area 19.5 m<sup>2</sup>

#### One Person Flatlet With Separate Bedroom

Bedroom Kitchen/living room	7.0 m <sup>2</sup> 14.5 m <sup>2</sup>
Total habitable floor area	21.5 m <sup>2</sup>
Two Person, One Bedroom Flat	
Bedroom Living room Kitchen	10.5 m <sup>2</sup> 13.0 m <sup>2</sup> 5.5 m <sup>2</sup>
Total habitable floor area	29.0 m <sup>2</sup>
Three Person, Two Bedroom Flat	

Main bedroom	10.0 m <sup>2</sup>
Secondary bedroom	$7.0 \text{ m}^2$
Living room	16 m <sup>2</sup>
Kitchen	$7 \text{ m}^2$

Total habitable floor area 40.0 m<sup>2</sup>

#### Four Person, Three Bedroom Flat

Main bedroom	10.0 m <sup>2</sup>
Second bedroom	7.0 m <sup>2</sup>
Third bedroom	7.0 m <sup>2</sup>
Living room	18.0 m <sup>2</sup>
Kitchen	7.0 m <sup>2</sup>

Total habitable floor area 49.0 m<sup>2</sup>

#### 2.53 General Principles Of Occupation

- Children below the age of 10 years now count as a whole person.
- In no case shall any bedroom be occupied by more than two persons for sleeping purposes.
- Persons of the opposite sex over the age of 12 shall not be permitted to share the same room for sleeping purposes unless they are of marriageable age and are either married or living as partners.
- The sharing of a room for sleeping purposes by persons who are neither related or living as a married couple or partners shall be permitted only when both persons give their consent.
- No unit of accommodation shall be occupied on the basis of a divided or shared tenancy or licence. This is to avoid the situation arising whereby a unit of accommodation may be occupied by different persons at different times of the day or different days of the week (for instance shift workers or seasonal/migrant workers who occupy a property in connection with their employment).
- Only rooms designated as living rooms, bedrooms or bed/sitting rooms may be used for livin agatebag purposes.

- Circulation spaces such as hallways, landings and other rooms such as kitchens, bathrooms, or cellars, roof spaces etc shall be deemed unsuitable for use as sleeping/living accommodation.
- Irrespective of overall floor area, consideration will be given to the shape and useable living space within the room when determining its suitability for occupation. No account will be taken of any part of a room where the ceiling height is less than 1.525 m (5ft).
- All bedrooms, living rooms, bathrooms and kitchens must be accessible directly from a lobby or hallway within the flat and not through another room. (except one room flatlets in which case access is usually directly off a communal hallway or landing).
- Each flat shall be provided with a lockable post box situated on the ground floor in a lobby or hallway accessible to the postal delivery service (unless the flat has its own front door accessible directly from the exterior).

### 2.54 Kitchen Facilities For Flats

Kitchen facilities should be provided in a separate kitchen or clearly defined kitchen area within any studio-type flat and consist of the following minimum provisions:

Cooking

Single person: a gas or electric cooker with two burners/hobs, oven and grill

Two or more persons: a gas or electric cooker with four burners/hobs, oven and grill

A microwave oven may be substituted for one or two of the burners/hobs respectively or in place of a conventional oven

- A metal or ceramic kitchen sink and drainer with a constant supply of hot and cold water
  - Sufficient fixed work surface to enable each user to prepare food safely and hygienically
  - A suitable refrigerator of sufficient size according to the number of occupants, A standard worktop height domestic refrigerator with freezer compartment (or equivalent) is required in most cases.
  - Sufficient storage cupboard space for dry and canned food goods plus cooking utensils, crockery and cutlery.
  - Electric power sockets: two twin switched power sockets set at a convenient height and safe position in relation to the kitchen facilities.
  - Cookers must be safely positioned within the room such that they do not compromise escape in the event of a fire associated with the cooker ie. they must not be positioned adjacent to the exit doorway - in particular gas cookers must not be positioned directly adjacent to openable windows where flames are likely to be extinguished by excessive draughts or where curtains are likely to catch fire Page 129

# 2.55 Personal Washing and Bathing Facilities for Flats

# (a) Baths and Showers

Each flat must be provided with its own bath or shower together with constant supplies of hot and cold water. Wherever possible the bath or shower should be provided in a separate bathroom. Shower cubicles may however be permitted within a bedroom or the bed/living room of a one room single person flatlet provided the following precautions are taken to avoid condensation dampness within the room and electrical hazards:

The room containing the shower must be provided with an automatic humidistat controlled extractor fan of minimum extract capacity 60 litres per second.

Any electrical switches, sockets or equipment must be safely positioned in relation to the shower in accordance with current IEE Regulations and Part P of the Building Regulations.

#### (b) Wash hand Basins

Each flat must have its own wash hand basin together with constant supplies of hot and cold water. The wash hand basin should be provided within the bathroom but may be located within a bedroom.

Each room or compartment containing a WC must be provided with a wash hand basin.

# 2.56 <u>Toilet Facilities for Flats</u>

Each flat must be provided with its own WC which must be located either within a bathroom or in a separate compartment.

#### 2.57 Fire Precautions in Flats

Refer to the Homestamp fire safety guidance as well as to LACORS National Fire Safety Guide.

#### 2.58 **Heating in Flats**

All units of accommodation must be provided with an adequate fixed form of heating to all habitable rooms.

Within the main living room the heating appliance must be capable of achieving a room temperature of at least 21°C within one hour of turning on when the air temperature outside is -1°C. Within any separate bedroom a room temperature of 18°C will be sufficient.

For heating to be properly used by the tenants, it must be affordable. Central heating is the preferred option but electric night storage heaters and balanced flue gas heaters are also satisfactory.

Where open-flue gas fires are provided in a room used for sleeping purposes, they must be of modern design and fitted with an automatic oxygen depletion cut-off device. All heaters, other than water filled radiators, must be suitably positioned such that there is at least two metres between the heater and any bedding and such heaters must also not be located where curtains are likely to catch fire.

Heaters which use full price electricity are not normally acceptable as the main form of heating.

Page 130

Whichever form of heating is installed it must be controllable by the occupants at all times. Where heating is provided to any communal areas, the running costs must be met out of general rental charges or general energy charges rather than any type of prepayment meter.

Paraffin heaters, LPG heaters and freestanding plug in electric heaters are not acceptable.

In fully insulated and draught-proofed accommodation, full price electricity may be a viable option if it can be shown that the overall costs are affordable.

All heating appliances must be fixed to either the wall or the floor and be provided with an appropriate base or surround if one is specified by the appliance manufacturer.

All gas heaters or boilers of any type must be properly serviced and maintained in a safe condition in accordance with the manufacturers recommendations and the Gas Safety (installation and Use) Regulations 1998 (as amended).

All bathrooms must also be provided with a fixed form of heating.

Electric fan or radiant wall heaters are acceptable in bathrooms provided they are designed to operate in moist atmospheres.

# 2.60 Mixed Category A and F (Bedsits and Flats)

In many cases houses are converted to a combination of bedsits (where occupants may share some amenities) and self-contained flats. Such houses will always fall within the HMO definition and may be subject to mandatory licensing. The relevant standards for Category A and Category F houses would be applied as appropriate.

# 2.70 Temporary Accommodation for Seasonal or Migrant Workers

This type of accommodation is more likely to be prevalent in rural areas (for instance accommodation for fruit pickers etc) and is not known to be widespread in Bromsgrove and Redditch. The situation will be kept under review however and specific standards may be developed if considered necessary.

Standards as for Category B (shared houses) or Category D (hostels) would most likely be applied to any such house in residential areas.

### Section 3

# General Specification Applicable To Amenities And Associated Services In All Categories Of HMO

#### **Kitchens**

#### The room

All kitchens, whether for exclusive or shared use must have floor coverings which are impervious, reasonably smooth and easily cleansable. Ideally floor coverings should be slip resistant. Walls and ceilings must also be reasonably smooth such that they can be kept clean and easily redecorated.

#### Ventilation

In addition to any natural means of ventilation, all shared kitchens must be provided with adequate mechanical ventilation. Extractor fans with an extract rate of 60 litres per second venting directly to the extended air will normally be sufficient.

Kitchens for exclusive use may also need to be provided with mechanical extract ventilation where there is inadequate natural ventilation or where a gas cooker is provided and opening a window would lead to excessive draughts, which might extinguish the burner flames.

#### Lighting

Adequate ceiling mounted electric lighting must be provided to the working area of the kitchen.

#### Layout

Kitchens must be arranged such that hot food can be prepared and handled safely. In particular cookers must be located away from any door, which might open on to and collide with a person standing in front of the cooker.

There must be adequate space in front of any cooker for persons to retrieve hot food from the oven.

There should be fixed work surfaces either side of any cooker to shield any overhanging panhandles and so that hot foods and utensils can be placed down quickly and safely.

#### Sinks

Must be stainless steel or have a comparable impermeable, easily cleansable surface. They must be provided with a drainer, overflow, supplies of constantly available hot and cold water and all requisite drainage. The sink top (or surface into which it is inset) must be a minimum 900mm x 500mm. Sinks must have a tiled or similar waterproof splash back (where the sink abuts a window reveal, the sill of the window must be clad in waterproof tiles or similar) extending to a minimum height of 150mm above the sink top. There must be a flexible waterproof joint between the sink and the splash back.

#### Food Preparation Surfaces

Must be of impermeable, heat resistant, durable and easily cleansable materials. Where these are fixed, the joint between the food preparation surface and any abutting units or the wall must be watertight and a tiled splash back as detailed above for sinks must be provided.

### Food Storage Cupboards

The internal and external surfaces must be of durable and easily cleansable materials and, where wall mounted, must be fixed securely to take the considerable weight of stored tinned/bottled foods. Food storage underneath a sink is not acceptable.

#### **Cooking Appliances**

Must be installed according to the manufacturer's instructions and in particular, electric cookers must be connected via an appropriately rated switch and fuse. Gas cookers must be fitted with a safety restraint to prevent them tipping over.

# **Compact Domestic Kitchens**

Compact domestic kitchens in a modular layout are becoming increasingly available from various manufacturers.

Provided such kitchen facilities are installed in accordance with the manufacturers recommendations and give an equivalent level of provision to that specified above, then their use may be acceptable rather than installing individual pieces of equipment.

It is advisable to obtain prior approval of the Council's Private Sector Housing Team before installing this type of kitchen.

### **Bathrooms** (Includes Shower Rooms)

#### The Room

Bathrooms must be of adequate size to enable users to dry themselves and get dressed without undue restriction. Showers fitted in to small restricted spaces such as under stairs cupboards may therefore not be regarded as being adequate.

Floors to bathrooms must be impervious reasonably smooth and easily cleanable. Ideally floor coverings should be slip-resistant. Walls and ceilings must also be reasonably smooth such that they can be kept clean and easily redecorated.

Obscured glazing must be provided to bathroom windows and doors as appropriate and all shared bathrooms to be fitted with a privacy lock/bolt.

#### Ventilation

All bathroom must be adequately ventilated. Mechanical extract ventilation giving an extract rate of at least 15 litres per second must be fitted where there is no openable window to provide natural ventilation.

Any extractor fan installed in a bath or shower room must be provided with an "overrun" device which is connected to the artificial lighting circuit in the room and ensures that the fan continues to operate for 20 minutes (or at least one air change) after the artificial room lighting is switched off. This helps to remove moisture from the room, which might otherwise lead to condensation and black mould growth. Alternatively a humidistat controlled extractor may be provided.

# **Baths and Showers**

Baths should be a minimum 1.67 meters in length and be provided with a tiled splash back to a height of at least 150mm where they abut walls. A waterproof seal between the bath must be provided using a flexible silicon mastic sealant or a sealant gasket with a similar degree (high) elasticity.

Where showers are provided they must either purpose designed waterproof shower cubicles or formed from a proper shower base with waterproof wall tiling and associated waterproof screen/doors. Seals between the shower base and walls must be provided with elastic mastic sealant as specified for baths. Shower trays should be minimum 800 mm x 800 mm

Showers which rely on a curtain to contain the water spray are not permitted above the ground floor.

Baths or showers shall not be provided in kitchens.

All baths and showers must be provided with an adequate supply of constantly available hot and cold water and adequate drainage. Hot water to showers must be capable of being delivered at a thermostatically controlled temperature.

# **Wash Hand Basins**

All wash basins must be provided with supplies of constantly available hot and cold water plus adequate drainage. Washbasins must be firmly and securely anchored to the wall which they abut or surface in which they are inset.

Unless there are severe space constraints the minimum dimension of wash-basins shall be 500mm x 400mm. All washbasins must be provided with an overflow and splash back with a minimum height of 150mm where they abut a wall and be sealed to the splash back using a flexible silicon mastic sealant.

#### **Water Closets**

Every separate room or compartment containing a WC must have: -

- An easily cleansable impervious floor covering
- Reasonably smooth wall and ceiling surfaces which can be easily cleaned and redecorated

Adequate natural or mechanical extract ventilation supplemented by permanent background ventilation in the form of an air brick or trickle vent.

- Obscured glazing to windows and doors as appropriate
- A privacy lock fitted to the door
- WC pedestals must be securely fixed to the floor and properly connected to the drainage system in accordance with current building Regulations
- Be provided with a high or low level cistern fitted with an efficient flushing mechanism.
- WCs accessed from outside do not count towards the overall number of WCs available for use in a property.

# **Cold Water Supplies**

All HMOs must be provided with an adequate water supply via a proper service connection from the public supply provided by the statutory undertaker (in Redditch and Bromsgrove this would be Severn Trent Water plc or South Staffordshire Water plc).

The supply of water for drinking purposes (ie at the sink) must be taken from the rising main. Where there is any doubt as to whether a supply point is suitable for drinking water it shall be conspicuously marked accordingly.

In the rare event that a public water supply is not available the landlord must demonstrate that an adequate supply is available and that arrangements are in place to ensure that the supply is safe for drinking both from a chemical and bacteriological point of view. The Council will insist on seeing that periodical chemical and bacteriological tests are carried out to verify its wholesomeness.

All water supply pipes and any water control valves, apparatus and littings connected with a

supply of water must be protected from frost where they are vulnerable to freezing. This will generally be in any unheated common areas, but landlords should consider insulating all water pipes where central heating is not employed in the house or where the house is not likely to be heated for several days, for example, over the Christmas period.

The water supply must be capable of being turned off in case of emergency or to enable repair works to be carried out – stop valves should therefore be provided to isolate individual units of accommodation or each floor within the HMO as appropriate.

# **Hot Water Supplies**

All systems supplying hot water must be designed and installed so that hot water is available at wash-basins, sinks, baths or showers at all reasonable times. "Creda Corvette" type batch boiling appliances are not acceptable as a means of heating water. Electric instantaneous type heaters are only acceptable for sinks if they are rated at 5 Kilowatts or above and are fitted with a proper hot water delivery arm.

The cost of supplying hot water to wash-basins, sinks, baths or showers which are exclusive to particular lets may be met out of general rental charges or may be charged for by meter so long as the occupier of the let has total and exclusive control over the use of that hot water.

Any hot water storage tank must be provided with an accessible stop cock to the down service pipe, and be adequately insulated.

Hot water to showers must be capable of being delivered at a thermostatically controlled temperature.

#### **Disposal of Waste Water And Drainage**

All waste pipes serving sinks, wash hand basins, baths and showers must be of the appropriate diameter and fitted with a trap. Waste pipes must be adequately supported along their entire length to prevent sagging and to maintain proper drainage falls. Waste water must be discharged in to the correct drainage system in accordance with current Building Regulations and Water Authority Bye-Laws.

# **Property and Tenancy Management Standards**

# 4.10 <u>The Management of Houses in Multiple Occupation (England)</u> Regulations 2006

These new regulations replace the previous similar management regulations and apply to **most HMOs**, whether licensable or not, but do not apply to HMOs comprising properties converted into self-contained flats – these will become subject to a separate set of management regulations due to come in to force in October 2006. In the meantime, houses converted entirely in to self-contained flats will continue to be subject to The Housing (Management of Houses in Multiple Occupation) Regulations 1990 which were previously in force. The new regulations detail the management standards to be met and require the manager of the premises to carry out certain duties to maintain their property, taking account of the age, character, locality and prospective life of the house. The Regulations are summarised below but a full copy may be obtained by clicking on the link <a href="www.opsi.gov.uk">www.opsi.gov.uk</a>. Follow the links to *legislation; statutory instruments; year 2006; statutory instrument number 372*. They may also be purchased from The Stationery Office Limited.

The duties of the manager are as follows:

- To display their contact details the manager's name, address and contact telephone number must be clearly displayed in a prominent position. On the wall in the entrance hall is usually the best place. (Regulation 3)
- To maintain all means of escape from fire all fire doors must be maintained in a good condition, free from damage and fully self-closing so that they will close fully into the rebates of the frame. The main routes of escape eg exit doors, landings, staircases and hallways must be kept free from obstruction. Escape routes must also be clearly indicated by fixing notices in appropriate places in all HMOs having five or more occupants. The fire detection and warning system and emergency lighting system must be tested regularly. For most small and medium sized HMOs a monthly test by the landlord should suffice in addition to a thorough annual test by a suitably competent person (such as a qualified electrician or specialist fire alarm engineer). For larger HMOs more regular testing may be required. Fire fighting equipment, where provided, must also be maintained in good working order. (Regulation 4).
- To take safety measures all necessary measures to protect the occupiers from injury must be taken, having regard to the design, the structural condition and the number of occupiers in an HMO. In particular this relates to the prevention of accidents associated with access to any roof or balcony and any low window sill (Also Regulation 4).
- To maintain the water supply and drainage system the water supply or drainage system must be maintained in a good, clean and working condition. They must not be unreasonably interrupted from use by any occupier and any water storage tank must be covered and kept clean. Any water fitting which is liable to damage by frost must be suitably protected (Regulation 5).
- To maintain gas and electrical supplies and to provide safety certificates the gas installation and any appliances must be tested annually by a Gas-Safe registered engineer who will issue a 'Landlords gas safety certificate'. This must be supplied to the local authority within 7 days of any written request to do so. The electrical installation must be inspected and tested at least every five years by a qualified electritham with 37 must issue a test certificate. Again, this

must be supplied to the local authority within 7 days of a written request to do so. Neither the gas or electricity supplies must be unreasonably interrupted. (Regulation 6).

- To maintain all common parts and installations within the property all common parts of the HMO eg. Entrance hallways, entrance doors, porches, steps, staircases, landings, shared bathrooms and kitchens plus all shared fittings and appliances must be maintained in a good state of repair and safe and working condition and kept clear from obstruction. Communal areas must also be kept clean and well decorated. In HMOs where the occupants are previously acquainted with each other and rent the house under the terms of a single tenancy agreement, for example a student shared house, it may be acceptable to expect the tenants to undertake the cleaning of the common areas on a group basis. The manager should visit from time to time, by prior appointment, to ensure that the common areas are being maintained to a satisfactory standard of cleanliness. In all other types of HMO, cleaning of communal areas will normally be the responsibility of the manager (Regulation 7).
- To maintain in good order and repair any outbuildings, yards, gardens or boundary fences any outbuilding, yard, forecourt, boundary wall, fence or railing belonging to the HMO must be maintained in good and safe repair so as not to constitute a danger to the occupiers. Any yard or garden belonging to the HMO must be kept in a safe and tidy condition (also Regulation 7).
- To maintain each unit of accommodation each unit and any furnishings must be clean at the beginning of a person's occupation of it. The internal structure, any fixtures, fittings or appliances, any window or other means of ventilation must be maintained in good repair as long as the tenant has treated the accommodation properly in accordance with the conditions contained within his lease or tenancy agreement (Regulation 8).
- To ensure refuse is stored and disposed of adequately a sufficient number of bins must be provided for the storage of refuse pending disposal. Arrangements must be in place to ensure that all refuse is removed and disposed of on a regular basis, generally this will be undertaken by the Local Authority. It would be expected that one standard refuse bin be provided per three occupiers and that appropriate instructions are provided to each tenant at the beginning of the tenancy as to the refuse collection arrangements. For larger hostel type premises (10 or more occupiers), a Trade Refuse Contract with the local authority would be expected. This may also be necessary for smaller premises, particularly where meals are provided (Regulation 9).

The regulations (Regulation 10) also place a duty on all occupiers of an HMO to:

- Conduct themselves in a way that will not hinder or frustrate the manager in the performance of his duties.
- Allow the manager at all reasonable times to enter any living accommodation to enable him to carry out any duty. Except in the case of emergencies, at least 24 hours notice either in writing or by phone of any intended visit should be given to the occupiers.
- Provide the manager with any information requested to enable him to carry out his duties.
- Take reasonable care to avolageusing damage to the property and its contents.

- Store and dispose of refuse in accordance with the arrangements made by the manager.
- Comply with the reasonable instructions of the manager in respect of any means of escape from fire, the prevention of fire and the use of fire equipment.

Under regulation 11, the manager is not expected to carry out any works or actions with respect to the supply of water, gas or electricity or to the drainage of the house where responsibility for a particular fault or problem lies with either the local authority or the supply company. The manager is however expected to bring any such faults or problems to the attention of the appropriate person, authority or company as necessary as soon as he becomes aware of the matter (for example a blocked sewer or power failure)

It is an offence not to comply with these regulations. A person who is convicted of such an offence may be fined up to level 5 on the standard scale (currently £5000). This applies to both the manager of a property and to the occupiers as appropriate.

# 4.20 Management Arrangements and Competency of the Manager

#### 4.21 Management Arrangements

Before issuing a licence, the Council must be satisfied that the management arrangements for the property are satisfactory and that the person involved in the management is a fit and proper person and competent to do so. Where there are any concerns over the competency of the manager, the Council can require that he / she attends an approved training course as a condition of a licence. Management arrangements will obviously be different for each property, depending upon the age, size and type of house, the number and the type of tenants and the type of accommodation provided. However, the sort of issues for which arrangements should be in place are as follows:

- Procedure for tenants to report any repairs.
- Procedure for ensuring that any repair work or general maintenance work is carried out.
- Ensure that sufficient funds are available to enable emergency repairs to be carried out.
- Procedure for checking that the emergency lighting and the fire detection and warning devices are in good working order.
- Ensure that all tenants are made aware of the fire safety procedures and the proper use of fire safety installations.
- Procedure for ensuring that the escape routes are kept free from obstructions.
- Arrangements to ensure that the gas installation and all appliances are kept in safe and good working order.
- Arrangements to ensure that the electrical installation and appliances are kept in a safe and good working order.
- Ensure that tenancies are created and terminated in accordance with the law.

- Ensure that the common areas such as shared kitchens, bathrooms, entrance hallway and stairwells are kept clean and in good order.
- Ensure satisfactory arrangements are in place for the storage and collection of refuse.
- Ensure that the front and rear yards, gardens and fencing are kept in good order.

# 4.22 Financial Arrangements

The Council must also assess that suitable financial arrangements are in place before a licence can be issued. Again, these will vary from property to property but, in the majority of cases, the manager will need to demonstrate that arrangements have been made for the following:

- Financing the cost of repairs and general maintenance
- Receiving rents
- Receiving and handling deposits
- Paying the mortgage (if appropriate)
- Paying the Council Tax (if appropriate)
- Paying utility bills (if the owners responsibility)

For larger hostel type premises further financial arrangements may need to be in place, such as:

- To hire and pay staff such as caretakers, cooks, cleaners etc
- To purchase food and other supplies

# 4.23 Terms of Occupation

When a licence is issued by the Council it will contain a number of conditions, some of which are mandatory for all licences and others will be specific to that particular property. One of the mandatory conditions is a requirement of the licence holder to supply to the occupiers of the house a written statement of the terms on which they occupy it. In many cases the landlord may already have fulfilled this requirement by the provision and signing of a Tenancy Agreement at the start of each tenancy. It is important that any such statement or tenancy agreement contains certain information, as listed below: (references to licence or licensee below relate to a persons occupation of a property and not to the property licence).

- Name of tenant(s) or licensee and address of property
- Name and address of landlord(s)
- Name and address of agent (if any)
- Tenancy or licence start date

- Amount of deposit paid, how held and terms of return
- Inventory of items supplied by landlord eg. Furniture
- Length of tenancy, if a fixed term tenancy
- Amount of rent and how often due
- Arrangements for payment/collection of rent
- Recording of rent ie. Rent book or receipt
- How and when rent can be increased
- Responsibility for payment of Council Tax, Water Rates and fuel bills
- Repairing obligations for both parties
- Arrangements for reporting repairs
- A statement as to expected standards of behaviour of tenants and their visitors.
   For instance prohibiting use of the premises for illegal activities, not playing loud
   music -- particularly late at night, not holding parties involving excessive noise
   or numbers of people, not using the premises for illegal business eg car repairs
   or second hand car sales.
- The consequences of failing to abide by these prohibited behaviours.
- Tenants right to quiet enjoyment of the property.
- Ending a tenancy notice requirements on both parties, including the need for a Possession Order and a Warrant before eviction. Procedure for ending a term of occupation under a licence.
- Landlords right of access into the property
- Duty of the tenant to enable the landlord to perform his management responsibilities
- Duty of the tenant to avoid causing unnecessary damage to the property and its contents
- Duty of the tenant to store and dispose of refuse as arranged by the landlord and in accordance with local authority arrangements for refuse collection.
- Duty of the tenant to comply with the landlords reasonable instructions in respect of any means of escape from fire, the prevention of fire and the use of fire equipment

There is a procedure to be followed to terminate any tenancy. It is a criminal offence to either illegally evict or to harass a tenant so as to cause them to leave a property, for example threatening them or cutting off supplies of fuel or water. The Council will take legal action against anyone committing harassment or illegal eviction. In addition, the HMO licence may be revoked and a Management Order may be made whereby the Council will take over the day to day management of the property, including receipt of the rent.

#### 4.24 Temporary Exemption Notices

If a landlord or a person in control of a licensable property intends to stop operating as an HMO or reduce the number of occupants and can give clear evidence of this then he or she can apply for a Temporary Exemption Notice (TEN). Where occupation levels are to be reduced, the tenants being displaced must confirm (in writing if possible) that they intend to vacate the property. Where it is intended that a property will cease to be in multiple occupation, the landlord must be able to provide evidence that any existing tenants have made suitable alternative housing arrangements and that they will have moved out within 3 months from the date of application for the TEN. If necessary, consideration may be given to issuing a further TEN for another 3 months but each case will be considered separately. A person who applies for a TEN but is refused may appeal to the Residential Property Tribunal within 28 days.

Upon expiry of a TEN, the property must either be licensed, cease to be an HMO, be no longer licensable or become subject to an Interim Management Order.

#### 4.25 HMO Declarations

The Council may declare a building or part of a building to be an HMO if it is used for some other purpose but the living accommodation is also occupied, by persons who do not form a single household, as their main residence and this constitutes a significant use of that accommodation. This may be most commonly used for premises operating as bed & breakfast type establishments where a number of rooms are also used to house people who would otherwise be homeless. Such use will be deemed as significant if 25% or more of the total number of sleeping rooms are occupied by persons in receipt of benefits such as housing benefit or paying a weekly or monthly rent as opposed to an overnight charge.

In order to make such a declaration the Council must serve a notice on the owner

In order to make such a declaration the Council must serve a notice on the owner and/or manager of the premises who will have the right to appeal to a residential property tribunal within 28 days. If no appeal is made the premises will be deemed to be an HMO and may require to be licensed. If circumstances change and the premises is no longer occupied in a similar manner, the Council may revoke the declaration, either by its own initiative or on application by the owner or manager.

#### 4.30 Regulatory Powers

#### 4.31 Offences

It is an offence if a landlord or the person in control of a property either fails to apply for a licence for a licensable property or allows a property to be occupied by more people than are permitted under the licence without reasonable excuse. A fine of up to £30,000 may be imposed.

It is also an offence to break any of the licence conditions without reasonable excuse and conviction can result in fines of up to £5,000.

#### 4.32 <u>Interim Management Orders</u>

Where the condition of a property is such that it presents an imminent risk to the health and safety of the occupiers or if a landlord fails to apply for a licence or bring a HMO up to the required standard, or fails to meet the fit and proper person criteria, the Council can issue an Interim Management Order (IMO), which allows it to step in and manage the property. The owner keeps their rights as an owner but the rental income will be collected by the Council and can be used to fund repairs and other charges incurred in managing the property. The order can last for a year but once it has expired the Council must decide whether a licence can now be issued or whether to make a Final Management Order (FMO).

In IMO can also be issued if the Council intends to revoke a licence and it is necessary to make the order to protect the health, safety and welfare of the occupants of the property.

#### 4.33 Final Management Orders

A Final Management Order (FMO) cannot be made unless immediately beforehand an IMO or another FMO was in force. A Final Management Order lasts for a maximum of five years but can be renewed. It transfers the management of the house to the Council for the duration of the order. As with an IMO the owner retains rights as an owner but the Council will collect the rental income to fund repairs and other charges incurred in managing the property and may also create new tenancies without the owners agreement. The Council would need to produce a written management scheme detailing how it would intend to manage the property during the period the FMO was in force.

A person who is aggrieved by the making of a FMO may appeal to the Residential Property Tribunal within 28 days.

#### 4.34 Rent Repayment Orders

A tenant living in a HMO that should have been licensed, but was not, can apply to the Residential Property Tribunal to claim back any rent they have paid during the unlicensed period (up to a limit of 12 months). The Residential property tribunal must make such an order if the landlord has been found guilty of the offence of failing to obtain a licence or where an order has already been made in favour of a local authority to claim back housing benefit payments. Councils can also reclaim any housing benefit that has been paid during the time the property was without a licence where a landlord has been found guilty of the offence of

failing to obtain a licence or if the Council has sufficient evidence that an offence has been committed.

#### 5.0 The Housing Health And Safety Rating System (HHSRS)

The housing health and safety rating system is a new method of assessing how poor or dangerous housing conditions can affect the health and safety of occupiers.

The legislation is contained within the Housing Act 2004 and came in to effect on 6<sup>th</sup> April 2006 along with the licensing provisions.

It replaces the former Housing Fitness standard under the Housing Act 1985 and applies to all dwellings regardless of whether they are HMOs or single households and regardless of the type of tenure.

The basic theory behind the system is that all dwellings should provide a safe and healthy environment for all occupiers, potential occupiers or their visitors. The system relies upon an assessment of the whole dwelling to identify any deficiencies which could pose a risk to health and safety.

Deficiencies are then related to a wide range of hazards ranging for example from excess cold, falling on stairs to fire and structural collapse (the full list contains 29 identified hazards).

To assess the seriousness of any particular hazard an assessment is made as to the likelihood of a person suffering harm during the forthcoming twelve months and how serious the harm is likely to be .For example if a house has a steep poorly lit staircase with no handrail, an assessment is made as to the likelihood of a person falling on the stairs and if they do fall, how serious will their injuries be. An assumption is made that the dwelling is occupied by the most vulnerable age group. For example when assessing falling on stairs it is assumed that the dwelling is occupied by a person aged 60 or over.

In order to reach an informed decision the Government has issued guidance based upon national accident and ill health statistics.

By application of a prescribed formula, hazards are given a numerical score. The scores have been divided in to bands ranging from A to J for ease of comparison.

Hazards which have a score in the top 3 bands (A, B, and C) are known as Category 1 hazards and every local authority has a duty to take some form of action to remove or lessen the hazard, once identified, using a range of new powers contained in part 1 of the Housing Act 2004.

Hazards falling in the lower bands, D to J are known as Category 2 hazards for which every local authority has discretionary powers to take action to remove or lessen.

This is a very brief description of the HHSRS and to find out more you are advised to refer to a new document recently issued by the Government (Department for Communities and Local Government) entitled: HHSRS – GUIDANCE FOR LANDLORDS AND PROPERTY RELATED PROFFESSIONALS.

You can download a version of the document from the website <a href="https://www.communities.gov.uk">www.communities.gov.uk</a>

Follow the links to Housing or enter HHSRS in the search box.

Alternatively you can obtain a copyrigon: 144

DCLG Publications PO Box 236 Wetherby West Yorkshire LS23 7NB

Tel 08701 226 236 Fax 08701 226 237 e-mail communities@twoten.com

Quote the publishing ref ISBN: 978 185 112 8563 published on 26/5/06).

This DCLG document gives a full explanation of the HHSRS and how you as a landlord can carry out your own assessments to reduce risks to the health and safety of your tenants.

Local authorities are under a duty to inspect every property for which a licence has been issued within 5 years from the date of application to assess for hazards under the HHSRS.

Carrying out your own risk assessment and attending to any hazards so identified is therefore considered very worthwhile in order to lessen the likelihood of any enforcement action having to be taken following this compulsory inspection by the Council.



## **CABINET MEETING**

6<sup>th</sup> August 2020

#### **Replacement of Burcot Hostel**

Relevant Portfolio Holder	Cllr Shirley Webb
Portfolio Holder Consulted	N/A
Relevant Head of Service	Judith Willis
Ward(s) Affected	All wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non-key decision

#### 1.0 SUMMARY OF PROPOSALS

In February 2016 the Cabinet Committee received a report entitled 'Replacement of Burcot Lodge Hostel', and noted that the hostel would be closing as part of any redevelopment of the wider area. It also agreed that the Head of Community Services in consultation with the Portfolio Holder for Strategic Housing be granted delegated authority to organise the replacement of the hostel with alternative temporary accommodation to be provided by Bromsgrove District Housing Trust (BDHT), and that the cost of the alternative option for the provision of temporary accommodation be released from balances. This report sets out how Burcot hostel has now finally been replaced by alternative facilities in the district provided by BDHT.

#### 2.0 RECOMMENDATIONS

#### The Cabinet is asked to recommend

- 2.1 the creation of a £35k capital budget for the scheme for the 2020/2021 capital programme funded from borrowing
- the creation of a new net revenue budget of £41k as per 3.5 and 3.6 below to be funded from balances in 2020/2021 and an ongoing unavoidable revenue pressure for future years to be considered as part of the review of the medium term financial plan
- 2.3 the creation of a bad debt provision of £5k per annum for potential non payment of council tax liabilities as per 3.7 to be funded from balances in 2020/21 and as an unavoidable pressure from 2021/22 onwards

#### **BROMSGROVE DISTRICT COUNCIL**

## **CABINET MEETING**

6<sup>th</sup> August 2020

#### 3.0 KEY ISSUES

- 3.1 Careful consideration has been given to the most cost-effective way to replace the hostel and as part of this, the matter has been considered several times in detail by the Overview and Scrutiny Board, and by the Preventing Homelessness Task Group in 2016.
- 3.2 In discussion with BDHT it was agreed to replace the hostel with six units of alternative temporary accommodation from their stock. These units comprise of 2x1 beds, 2x2 beds and 2x3 beds and they will form part of the emergency facilities available to homeless households for the duration of the housing agency contract currently in place between the Council and BDHT. Currently BDHT have made good progress in terms of preparing the alternative resources, with five of the six properties now in a position to take homeless households.
- 3.3 It is also worth noting that since the outbreak of the Covid 19 crisis, the government has actively encouraged homelessness services not to place homeless households in facilities with shared living spaces and there is no indication that this will change in the foreseeable future. So from this perspective the hostel is therefore no longer fit for purpose and its closure is timely in the current circumstances.

#### **Financial Implications**

- 3.4 There is a capital requirement of £35k to complete the works on the properties. A capital budget will be needed to fund this and approval is sought for the capital monies and associated financing costs, which are minimal due to the scale of the expenditure.
- 3.5 There is an estimated net £50k budget requirement to run the scheme on going made up by the following estimates with the income being based on recovering 40% of the utilities and rent:

## **CABINET MEETING**

6<sup>th</sup> August 2020

	£
Ongoing Furniture/carpet replacement	5,000
Predicted Void and Safety Check Budget	22,500
Rent	27,040
Utility Cost	10,804
Income Rent	-10,816
Income Utilities	-4,322
Total	50,206
Current budget in place	9,628
Total budget requested	40,578

- 3.6 There is at present a net budget of £9,628 which can be used to offset these costs. This results in approval being required for an additional £40,578 revenue budget per annum.
- 3.7 A provision will be required to offset the potential bad debts arising from occupiers not paying the council tax when in residence as this liability arises when the units are occupied. An assessment will be carried out when the units are completed. This is estimated to be a maximum of £5k based on 40% occupancy and a revenue budget will be required to fund this.

#### **Legal Implications**

3.8 The council has a statutory duty to provide temporary accommodation to homeless households under the Housing Act 1996. Although this accommodation does not have to be furnished it is considered good practice to provide basic facilities including carpets and most local authorities do this as part of their temporary accommodation offer.

#### 4.0 Background / Service Implications

#### <u>Customer / Equalities and Diversity Implications</u>

Homeless households face considerable disadvantages at a time of crisis and providing temporary accommodation offers them the opportunity to

#### **BROMSGROVE DISTRICT COUNCIL**

# **CABINET MEETING**

6<sup>th</sup> August 2020

address these. The provision of temporary accommodation can also play a role in meeting the Council's Strategic Purposes.

#### 5.0 RISK MANAGEMENT

- 5.1 If demand for temporary accommodation outstrips supply, there is an increased risk that households may be placed in bed and breakfast which is the most costly form of temporary accommodation placement. Supply and demand issues will therefore be monitored on an ongoing basis as part of the wider contract monitoring arrangements in place between the council and BDHT to ensure that the provision of six units as a replacement for the hostel provides adequate enough provision to avoid any increased use of bed and breakfast in the district.
- 5.2 The units will be funded by rental payments so it will be important for BDHT to achieve a consistent and high collection rate for rents due this will also be monitored on a regular basis. The budget in 3.4 is based on a 40% collection rate maximising/improving upon these collection rates will reduce the overall spend per annum.

#### 6.0 BACKGROUND PAPERS

Two written updates for Overview and Scrutiny Board on 26th October 2015 and 18th January 2016

Cabinet Report - Replacement of Burcot Lodge Homeless Hostel, Bromsgrove 3<sup>rd</sup> February 2016

#### 7.0 APPENDICES

None

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Cabinet 6th August 2020

#### BURCOT LANE DEVELOPMENT - next steps, finance and operating model

Relevant Portfolio Holder	Councillor Shirley Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Sue Hanley – Deputy Chief Executive
Ward(s) Affected	All
Ward Councillor(s) Consulted	
Non-Key Decision	
This remark contains assembling assembling and defined in Development 2 of Doublet	

This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended

#### 1. SUMMARY OF PROPOSALS

This report follows the Cabinet reports in September 2017 and October 2018 - it outlines progress made since then on the Burcot Lane housing development. It considers current funding issues and an operating model which includes disposal, retention and management of the properties once construction is completed.

#### 2. **RECOMMENDATIONS**

Cabinet is asked to RESOLVE that:

- 2.1 Officers develop a business case for the formation of a Housing Company to hold the market rent units for the Council's consideration
- 2.2 The development model is progressed on the presumption that the affordable housing units will be transferred to an existing registered provider.

#### 3. KEY ISSUES

#### **Background Information**

- 3.1 At the Cabinet meeting on 6 September 2017 members considered the options available to the Council regarding the 1.47 ha (3.64 acres) development site at Burcot Lane being the former Council House and Burcot Hostel site.
- 3.2 Previously members have considered disposal through an open market sale thereby securing a capital receipt (option 1), developing the site in partnership with a Housing Provider (option 2), or the retention of the site whereby its redevelopment might achieve a medium/long term revenue stream for the council (option 3). Each of these options will deliver housing, but the number of affordable homes delivered, financial risk/returns and level of council involvement varies considerably across the three options. However, the successful outcome of a bid to Homes England Local Authority Accelerated Construction Fund which resulted in an agreement to support the scheme financially reduced the level of risk in

Cabinet 6th August 2020

option 3 and this is the option that the Council has pursued since then. Option 1 was discounted as it focusses heavily on home ownership and the council recognises the need to increase the number of rental options available locally to try and rebalance the local market in Bromsgrove. Option 2, working in partnership with a registered provider was discounted on the basis that such an arrangement could not provide the council with a sufficient enough and long term revenue stream. The council decided that option 3 would enable it to achieve its preferred outcomes at Burcot Lane, which were to provide policy-compliant housing for local residents that is affordable for them, and to create a sufficient, long term revenue stream for the authority. As part of option 3, the council recognised that it would need to explore the position in terms of forming a housing company to achieve its aims at Burcot Lane.

- 3.3 The application to Homes England for support from the Accelerated Construction Fund was subsequently confirmed and a Funding Agreement between Homes England and Bromsgrove District Council was signed in February 2020. Further detail about the value of the grant is contained in Appendix 1.
- 3.4 Officers have worked through a development model which would enable the Council to meet the funding requirements whilst continuing to deliver against the Council's wider strategic purposes. Potential volatility in the housing market as a result of Covid-19 increases the financial risks associated with the development model.
- 3.5 Council should note that in the light of the Covid-19 outbreak the milestones under the Funding Agreement with Homes England have been revised. Officers will continue to work with Homes England to mitigate the risks associated with the milestones as far as possible.

#### **Disposal options**

- 3.6 The current disposal model envisages 6 units which will be sold at market value, 18 units of affordable housing and 37 units which will be offered at market rent. The 18 affordable housing units are required by planning and this number cannot change. The balance between the units for sale and units for rent could change if the economic climate necessitates.
- 3.7 Officers have sought external advice about the legal implications of different holding options for the affordable and market rent units. This advice has been included at the end of this report in Appendix 1.
- 3.8 Taking the market rent units first, these units could be sold or leased to a third party, retained by the Council, or transferred to a Council owned company. If the units were sold to a third party the Council would lose all control and any rental income and if leased would receive a reduced income. If they were retained by the Council, they would be required to be let by way of a secure tenancy under the Housing Act 1985 (known as a Lifetime tenancy). This would require the rents to be set at social rent levels following the Rent Standard 2020 and

Cabinet 6th August 2020

therefore would not be open market private rented properties. They will also be subject to right to buy. Units held by a housing company would not be subject to secure tenancies or right to buy, ensuring that the Council is able through the development make market rent units available to the community in the longer term. The Company could also reinvest rental income or return profits to the Council.

- 3.9 The affordable housing element of the scheme is being developed as a requirement of planning and needs to be held in a way that meets the planning requirements relating to affordable housing. A key part of this is that the housing must held by a registered provider (RP).
- 3.10 These units could be retained by the Council, transferred to a RP, or transferred to a Council owned company which would itself have to register as an RP. If the Council retained the units it would have to register as an RP (although with only 18 units it would not have to set up a HRA). However, the Council has no recent experience or infrastructure for providing housing and setting up such infrastructure for just 18 units is unlikely to be cost effective.
- 3.11 Registering a Council owned housing company which also holds the market rent units as a RP would add an administrative burden to that company and compromise its ability to retain the market rented units in the longer term, as they would then become susceptible to right to buy. Establishing a separate company for the 18 units is unlikely to be cost effective.
- 3.12 Given the above (as set out in more detail in the external advice), the most appropriate way of dealing with the affordable housing units would appear to be to transfer to an existing Registered Provider. The Council needs to obtain best value for these units and officers will obtain valuations of these properties (subject to the affordable housing restrictions on them). Further information on this is contained in Appendix 1.

#### **Financial Implications**

- 3.13 Covid-19 has created an uncertain financial climate and officers will revisit the development model when construction tender figures have been received on 13 August 2020 and evaluated between the 14 August to 21 August 2020 and going forwards in the light of any changes to the housing market.
- 3.14 The business case for the proposed Housing Company will consider the financial implications of this model. Legislation requires that any local authority trading company is charged by the Council for all administrative and other services that it provides to it. If the business case does not show that the Housing Company is financially viable it will not be possible to proceed and other options for the disposal of the market rent units will need to be considered.

#### **Legal Implications**

Cabinet 6th August 2020

3.15 The Council is required to comply with its overarching Best Value obligations in terms of income, capital receipt and social benefit. This Best Value duty must be factored into decisions regarding disposal of any of the units.

- 3.16 The terms of transfer of the affordable housing units to an RP must take full account of the Best Value obligation. Private sale units must also be sold at best market rates. If the market rent units are transferred to a local authority trading company the company financing and the transfer would need to be structured so that the company gives full consideration for the units.
- 3.17 The Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009 provides that that the Council may not undertake commercial activity through a local authority trading company without first considering and approving a comprehensive business case for the company and its proposed activity. The business case must consider the objectives of the business, the investment and other resources required to achieve those objectives, any risks the business might face and how significant these risks are, and the expected financial results of the business, together with any other relevant outcomes that the business is expected to achieve. Moreover, the Order provides that the Council must recover from the company the costs of any accommodation, goods, services, staff or any other thing that it supplies to the company in the course of its business. The business case must therefore address the way in which the Council will provide resources to the company and how the company will pay for these.
- 3.18 The establishment and operation of local authority trading companies also requires consideration of the State Aid regime and the *Teckal* exemption, which allows for the procurement of goods and services between the local authority and the company without external competition. These matters will need to be considered fully by the Council when it considers the business case.
- 3.19 The Council cannot prejudge the outcome of its consideration of the business case so it cannot at this stage make any decision to establish a housing company.

#### **Service / Operational Implications**

3.20 These are outlined in detail in the 2017 and 2018 reports. Key ones include establishing the best way to provide ongoing support and housing management to future tenants and dovetailing development works in with BDHT's regeneration activity in the area.

#### **Customer / Equalities and Diversity Implications**

3.21 Increasing the supply of affordable housing in the district helps households on low incomes by providing them with good quality and secure accommodation options. Improvement in the market rent sector will help rebalance the private

Cabinet 6th August 2020

rented sector in the district.

#### 4. RISK MANAGEMENT

4.1 Risks remain around the revised milestones as contained in the appendices and in the light of the economic outfall from Covid-19. Officers will continue to monitor and mitigate these risks and the issues raised by Covid-19 will be considered in more detail by the housing company business case.

#### 5. APPENDICES

Appendix 1 - External legal advice, Homes England milestones, grant detail and further information on disposal options (information exempt)

#### 6. BACKGROUND PAPERS

Report to Cabinet Site Disposal Burcot Lane, Bromsgrove 6<sup>th</sup> September 2017 and 31<sup>st</sup> October 2018.

#### 7. <u>KEY</u>

N/A

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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