

Executive Board – 24 May 2022

Subject:	Implementation of Safety Improvements to NCC properties
Corporate Director(s)/Director(s):	Sajeeda Rose, Corporate Director for Growth and City Development
Portfolio Holder(s):	Councillor Toby Neal - Portfolio Holder for Housing, and Human Resources
Report author and contact details:	Mark Lowe, Head of Housing & Regeneration, Growth and City Development
Other colleagues who have provided input:	Steve Edlin, Assistant Director Asset Management, Nottingham City Homes
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date: 12 April 2022
Total value of the decision:	£896,784 in financial year 2022/2023
Wards affected:	All
Date of consultation with Portfolio Holder(s):	31 January 2022
Relevant Council Plan Key Outcome:	
Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Healthy and Inclusive	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input checked="" type="checkbox"/>
Financial Stability	<input type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>The government consultation on domestic smoke detection and carbon monoxide alarms was concluded and published in November 2021. Following this consultation, new legislation is due to come into force in Autumn 2022. New regulations will be clarified for installing smoke alarms and carbon monoxide alarms in social housing. The Council therefore requires this work to be done and this report proposes allocation of funding for this purpose. The Council's managing agent, Nottingham City Homes (NCH), will be instructed to undertake the programme of installing carbon monoxide alarms in all NCC HRA properties in line with the management and maintenance work they perform on the Councils behalf.</p> <p>This report requests approval to allocate a budget of £896,784 in 2022/23 for NCH to carry out the installation of CO detectors across all of the Housing Revenue Account (HRA) housing stock in any room with a fixed combustion appliance.</p>	

Does this report contain any information that is exempt from publication?

No

Recommendation(s):

- 1** To approve the expenditure via the Housing Revenue Account Capital Programme associated with the implementation of the new legislation.
- 2** To authorise Nottingham City Homes (NCH) to act as the City's agent and manage the installation of these alarms on Nottingham City Council's behalf
- 3** To note in relation to the recent Section 114 Notice relating to management controls between Nottingham City Council and Nottingham City Homes, that although this report involves a new allocation of funding within the Housing Revenue Account programme, the proposed expenditure is in relation to existing functions of Nottingham City Homes to carry out the management and maintenance of properties and ensure compliance with statutory requirements for housing standards on behalf of the Council.

1. Reasons for recommendations

- 1.1 NCC is required to be compliant with the new legislation, which will come into force in Autumn 2022.
- 1.2 The funding for the works has already been identified within the HRA budget. As such it is an extension of existing duties and does not involve entering into new agreements between Nottingham City Council and Nottingham City Homes. It is a legitimate and statutory required use of HRA funds and has been approved by the deputy s151 officer.

2. Background (including outcomes of consultation)

- 2.1 Since the Grenfell Tower disaster in 2017 there has been a significantly increased focus on safety within social housing. After a government-sponsored review of building safety, draft legislation and regulation has been introduced by the Government in order to provide greater levels of safety and assurance in higher-risk residential buildings. This includes the Building Safety Bill and Fire Safety Act, which both apply to social housing, plus the Social Housing White Paper, which has as its top priority ensuring that tenants are safe in their homes.
- 2.2 The flow of new regulations has recently included proposals on the compulsory installation of smoke and carbon monoxide alarms in all social homes.
- 2.3 A breakdown of the costs for the alarms are as follows;

NCC properties on gas contract 23,273 @ £34.68 per alarm = £807,106
Material = £18.16
Labour = £16.52
Contingency = £89,678, based on 10%
Total costs = £896,784
- 2.4 Installation will be carried out by NCH during annual safety checks and when new boilers are installed in order to maximise efficient use of officer time.
- 2.5 The government consultation on Domestic smoke and carbon monoxide alarms was concluded and published on the 17/11/21.
<https://www.gov.uk/government/consultations/domestic-smoke-and-carbon-monoxide-alarms#history>

The review considered the evidence base around smoke and carbon monoxide alarms and whether requirements in the rented sectors and the installation requirements in the building regulations are fit for purpose and should be extended to social landlords.

2.6 Based on the outcome from this consultation the government intends to bring forward the following changes:

- social landlords will be obliged to ensure at least one smoke alarm is installed on each floor of their homes
- both social and private landlords will be obliged to ensure a carbon monoxide alarm is installed in any room in their homes with a fixed combustion appliance (excluding gas cookers)
- in any home, when a new fixed combustion appliance (excluding gas cookers) is installed, a carbon monoxide alarm will be required by law to be installed
- landlords will be legally obliged to repair or replace alarms once informed that they are faulty (testing will remain the resident's responsibility)

2.7 In response to the above changes, NCC in conjunction with NCH already fit hardwired smoke alarms on each floor of its homes and have now included a commitment to cover the new CO requirements as part of its current Building Safety Compliance Policy, which was approved by the NCC-NCH Partnership Forum.

2.8 To enable these commitments to be achieved, it is necessary to commence a programme of installing CO detectors where new and existing appliances are fitted as part of the gas servicing programme.

2.9 Future maintenance requirements including any funding required will be agreed as part of the annual NCH management fee setting process.

2.10 On 9 March 2022 Eddie Hughes MP (Parliamentary Under-Secretary for Rough Sleeping and Housing) wrote to all stock-holding local authorities in England to request that they begin fitting new smoke and carbon monoxide alarms as soon as possible. Refer to Appendix 4.

2.11 For avoidance of doubt, this funding allocation only relates to NCC HRA owned properties. NCH group also own homes within NCH Ltd, NCH RP and NCH EL. NCH Group have obligations in relation to these properties which they are aware of and have committed to meet. This will be funded separately by NCH Group and NCH have confirmed that no HRA funds will be utilised to meet the cost of fitting alarms and detectors to these properties.

3. **Other options considered in making recommendations**

3.1 Nottingham City Council would not be complying with a legal requirement if these works were not completed – for this reason, this option was rejected.

4. **Consideration of Risk**

4.1 The purpose of these measures is to decrease risk to tenants. As these are statutory requirements then the Council is required to comply so consideration of

risk around implementation of these measures is not required. The measures will have an impact on the HRA Capital Programme as detailed in the Finance comments but this funding has been allocated to ensure compliance with the requirements.

5. Finance colleague comments

5.1 As detailed in the budget papers approved at Executive Board February 2022 this scheme is not included in the current published Public Sector Housing (PSH) Capital Programme. Therefore, due to the control totals approved in February this scheme is required to be funded without exceeding the control totals as approved for the following eligible funding; Major Repairs Reserve, Capital Receipts.

5.2 Appendix 3 of the February Executive Board report confirms the HRA revenue budget has set aside £0.4m (2021/22) and £0.6m (2022/23) of Direct Revenue Financing (DRF) as funding for capital projects. As yet this revenue budget earmarked for the PSH Capital Programme has not been allocated, therefore this scheme of works is envisaged to be funded from HRA revenue earmarked for capital.

5.3 Therefore, the proposed funding for the 2022/23 capital expenditure to meet legislative requirements will be funded as detailed below:

Table 1 – 2022/23 Capital Funding	
	£m
2022/23 Capital Expenditure	0.897
Capital Funding	
2021/22 DRF (HRA Revenue Earmarked for Capital)	(0.400)
2022/23 DRF (HRA Revenue Earmarked for Capital)	(0.497)
Total Funding (*)	(0.897)

(*) The remaining unallocated DRF from 22/23 is **£0.103m**

The 2021/22 DRF will be carried over in a Capital Reserve for allocation in the 2022/23 Capital Programme. Therefore it will not be allocated in the 2021/22 Capital Programme which is consistent with current 2021/22 capital forecasts as presented at Executive Board February 2022.

5.4 Prior to the 2022/23 project being added to the Capital Programme it is required to be endorsed by the Capital Board as this report is for an addition to the PSH Capital Programme.

Comments provided by Tom Straw (Senior Accountant, Capital Programmes)
7th March 2022

6. Legal colleague comments

6.1 As set out in the main report, the installation of domestic smoke detection and carbon monoxide alarms is required in order to comply with changes to the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 in relation to social rented sector which will come into force later this year.

Comments provided by Sarah O'Bradaigh (Senior Solicitor, Legal Services)
2nd March 2022

7. Strategic Assets & Property colleague comments

- 7.1 The proposals do not raise any concerns from a Strategic Assets & Property perspective. The planned works will ensure NCC stock complies with all safety requirements.

Comments provided by Beverley Gouveia (Development & Disposals Manager)
25th February 2022

8. Procurement comments

- 8.1 There are no significant Procurement concerns with the decision being sought. Nottingham City Homes must ensure that any procurement activity they undertake in support of this scheme (i.e. for the purchase of goods, and services and works not being carried out by NCH in-house resources) are done so in compliance with their Contract Procedure Rules and, where applicable, the Public Contracts Regulations 2015.

Comments provided by Jonathan Whitmarsh (Lead Procurement Officer)
7th March 2022.

9. Building Services comments

- 9.1 This decision raises no significant issues.

Comments provided by Trevor Bone (Property Maintenance Manager, NCH)
25th January 2022

10. Crime and Disorder Implications (If Applicable)

- 10.1 n/a

11. Social value considerations (If Applicable)

- 11.1 n/a

12. Regard to the NHS Constitution (If Applicable)

- 12.1 n/a

13. Equality Impact Assessment (EIA)

- 13.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:
(Please explain why an EIA is not necessary)

Yes

Attached as Appendix 1, and due regard will be given to any implications identified in it.

14. Data Protection Impact Assessment (DPIA)

14.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because:

This does not involve sharing any personal information.

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

15. **Carbon Impact Assessment (CIA)**

15.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because:

(Please explain why a DPIA is not necessary)

Yes

Attached as Appendix 2, and due regard will be given to any implications identified in it.

16. **List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

16.1 None

17. **Published documents referred to in this report**

17.1 Medium Term Financial Plan 2022/23 to 2025/26 Executive Board, February 2022