

**CABINET  
13 DECEMBER 2022**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: CHANGES TO PROPERTY COMPLIANCE SERVICES PROVIDED TO COMMUNITY BUILDINGS**

REPORT OF: *Service Director: Resources*

EXECUTIVE MEMBER: *Finance and IT*

COUNCIL PRIORITY: SUSTAINABILITY

**1. EXECUTIVE SUMMARY**

*The Council leases a number of buildings to community groups. These are mainly buildings referred to as Community Centres, but also includes a bowls club, pavilion and a day centre (referred to as Community Buildings in this report). Under the lease the community group are required to take on various property checking and compliance tasks. However, the Council has continued to provide almost all of these tasks through a property compliance contract. Some of these tasks are carried out on a monthly basis and do not require any specialist knowledge or training to carry them out. This report recommends that the Council stops providing these specific elements of the compliance service, and therefore the community groups (either their staff or volunteers) would need to take them on. As well as helping to keep under control the cost of providing the service, it would also lead to reduced vehicle travel, and the associated environmental benefits. The Council would still continue to provide those tasks that require specialist knowledge or training.*

**2. RECOMMENDATIONS**

- 2.1. That Cabinet agrees that the Council will stop providing the monthly property compliance tasks (as detailed in paragraph 8.1) to community groups/ buildings (as detailed in paragraph 8.3).
- 2.2. That Cabinet agrees that the Council should continue to fund low value repairs in such a way so that community groups/ buildings do not lose out from changes to the way that the compliance contract is expected to operate from February 2023.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1. *The decision helps the Council keep under control the cost of providing property compliance contract. It also leads to reduced vehicle travel and associated environmental benefits. It also reflects that the Council will focus its support (and resources) on providing those property compliance services that require specialist knowledge and training.*

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1. *It would be possible to retain services as they are, but that would come with an additional financial and environmental cost.*
- 4.2. *The Council could seek to withdraw all property compliance support. This is rejected due to the cost and complexity involved for each community group obtaining these services individually.*

#### **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1. *The community groups have been consulted on these proposals. This started with an e-mail in July seeking any feedback or questions. This e-mail was copied to Local Ward Councillors. This has been followed up with responses to any questions raised and also clarification e-mails.*
- 5.2. *Due to the timing some of the Area Committees (i.e. there was not a meeting in advance of this Cabinet meeting), feedback has been sought via e-mail to the Chair of the Area Committee. As Baldock and District do not have a Chair, the e-mail was sent to all Members of the Area Committee.*
- 5.3. *The feedback from the community groups is detailed in section 8. At the time of writing the report, none of the Area Committees have provided a response. Some of the Ward Councillors have supported their Community Centres, but to date there have not been any specific separate responses from Ward Councillors.*

#### **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 6<sup>th</sup> September 2022.

#### **7. BACKGROUND**

- 7.1 The Council has compliance contracts which include the provision statutory building checks (e.g. gas checks, electric tests, water hygiene tests). The Council has been served notice by the company that currently provides this service, and the current contract will end in February 2023. Officers have therefore reviewed alternative contracting arrangements. Part of this involves determining whether the services should be delivered in the same way. The intention is that any new main contract would focus on building compliance, repairs and maintenance tasks, rather than regular building checks.
- 7.2 The Council has previously said that it will continue to provide the compliance contract free of charge to community buildings whilst it is still affordable.
- 7.3 The property compliance services that are provided to community buildings fall in to two broad categories.
  - Checks and works that require professional knowledge, skills or training to carry them out. These cover a broad range of areas including gas, electrical,

legionella and fire, with frequencies of six monthly, annual, five or ten yearly, depending on the type of compliance check.

- Checks that do **not** require professional knowledge, skills or training to carry them out. These also cover a wide range of areas and include visual and other basic checks. These are carried out on a monthly basis, so would require at least 12 visits to the building across the year, each time by van.

7.4 Members of Cabinet will be aware of the financial position that the Council faces, and that there is a need to manage and reduce costs. The Council has also declared a climate emergency.

## **8. RELEVANT CONSIDERATIONS**

8.1. After discussing with Executive Members, it was agreed that the lessees of community buildings would be consulted on changes to the compliance tasks that the Council would provide. The proposal would be that the Council would stop providing the following monthly checks (and therefore these would need to be taken on by the community group's staff or volunteers):

- General visual checks of the building in relation to guttering, leaks, window and door security, fire doors working properly, fire extinguishers in the right place and signed correctly, light bulbs and light fittings all ok. These are things that anyone who is in the building on a regular basis would be as able (if not more able) to spot as someone who only comes into the building occasionally.
- Meter readings- this is for the benefit of the community group as they will be the ones that will be paying the utility bills.
- Checking any plant/ boilers for leaks (just a visual check of anything that looks wrong and smelling for gas)
- Checking emergency lighting is working correctly- involves turning off the power to the lights (to be done during the day) and checking that the emergency lights turn on. Can then make sure that it is carried out when there isn't a booking.
- Water temperature checks- holding a thermometer under a running tap (again better to be carried out when known that the building was quiet). Not all taps have to be checked.

8.2 In advance of the tasks being taken on, training would be provided. Council Officers would also make available video guides and a way of recording the results of the checks. That would include what would constitute a failure and what to do if that happened. In most cases it would involve contacting the Council's Property Services Team.

8.3 An e-mail was sent in early July 2022 to a contact at each of the following buildings:

- Westmill Community Centre, Hitchin
- Hitchin Town Bowls Club
- Jackmans Community Centre, Letchworth Garden City
- Mrs Howard Hall, Letchworth Garden City
- St Michaels Community Centre, Hitchin
- King Street Day Centre, Royston
- Great Ashby Community Centre
- Walsworth Community Centre, Hitchin
- Baldock Community Centre
- St Johns Community Centre, Hitchin

- Coombes Community Centre, Royston
- Grange Community Centre, Letchworth Garden City
- King George V Pavilion, Hitchin (part of the building only, as the majority is not covered at all by the Council)

8.4 Originally the request was for any responses (either feedback or questions) by the end of August 2022, but this was extended to the end of September 2022. Most of the community groups provided a response, with a number of questions being raised. The questions were generally answered quite quickly. Where responses were not received, attempts were made to try other routes to contact the community groups. The responses received were as follows (specific responses that have been provided are shown in red):

Property	Content with proposal?	Comments/ issues
Westmill CC	Yes	Caretaker already does most of the tasks, will add water checks to duties.
Hitchin Town Bowls Club	Yes	Is there a need to calibrate equipment? <b>The only equipment would be a thermometer and should be no need to calibrate, unless readings seemed odd.</b> Does it create a liability issue?
Jackmans CC	Neutral/ Yes	Officers went to meet with them and despite initial concerns, were generally content with what was being proposed.
Mrs Howard Hall	No	Only one manager and P/T caretaker. Busy building. Like the reassurance of the current contractor coming in. Query over liability.
St Michaels	No	Query over faults and getting these repaired. <b>These could still be reported to us and we can arrange repairs, although costs over £100 would be recharged (as per existing arrangements).</b> Concerns over getting the staff to do it, Taking the view that they couldn't ask volunteers. Query over liability and impact on insurance.
King Street Day Centre	No	Will take on, but only if we confirm that they would not take on any liability.
Great Ashby	Yes	Query about impact on insurance.
Walsworth	Yes	Raised some issues on behalf of other Community Centres.
Baldock Community Centre	No	Concern about responsibility being taken on. Who will make the decision on necessary repairs. <b>The training will detail what would constitute a compliance failure and what to do if that happens. The Council can still arrange repairs, but these will still need to be funded by the community group when above the set limit.</b> Who will provide the equipment? <b>The only test that requires any equipment is a thermometer for the water temperature checks. The Council can provide this if required.</b> How will it be made sure it is safe to carry out any checks in difficult to access areas. <b>If there are any, this will be covered as part of the training.</b> Query over saying that the emergency lighting test is a bit more involved. <b>This was relative comment. The test involves</b>

		turning off power to the lights, and then checking the emergency lights come on.
St Johns	Generally yes	Content to take on most of the tasks, but some concerns over gas. The gas checks are general inspections for obvious faults only.
Coombes	Mixed	Reluctant to take on doing water temperature checks due to the time involved. Not prepared to do emergency lighting checks as believe that it would require using a ladder at the top of a flight of stairs. Emergency lighting checks would not require the use of a ladder as just need to be able to see if the light came on. Our estimate is that water checks would take a maximum of 30 minutes per month. Not all outlets would need to be checked- just those closest to and furthest from a water source (e.g., mains water coming in or water heater). Query over whether the emergency lighting test would include a battery run-down test. Confirmed that this would still be provided through a Council contract, and is an annual task.
Grange		No response at time of writing
King George V	Yes	May have some questions, but broadly supportive.

- 8.5 There were a few comments about insurance and liability. As the responses are more detailed, these are covered in the following paragraphs.
- 8.6 In terms of insurance. Insurers would expect a level of maintenance to be in place for all the buildings that they cover. They specifically always expect the 5 year fixed wiring tests to be carried out and would expect regular maintenance of any boilers. Both of these items will continue to be provided by the Council. Beyond that they would expect the Centres would call on qualified trades people to carry out any work and keep the property in a good state of repair. The Centres would still be able to report any faults to the Council and we would arrange a qualified contractor to carry out any repairs. As currently, this would be subject to the recharging of some costs.
- 8.7 The matter concerning liability is likely to be relevant if something were to 'go wrong' (e.g. injury or damage as a result of property fault). The community groups (as lessees) as a matter of course will be under a duty to take reasonable care to maintain the building(s), including reasonable checks (in terms of scope, frequency and acting upon them) of that building, and liability is likely to arise for failure to comply with the same, given their obligations to exercise reasonable care within the course of their duties. At the moment (if a failure as outlined above were to happen) the community groups would be liable as they are responsible for the buildings and the safety of any staff and users. If any failure was down to checks that are currently undertaken by the Council's compliance contractor, then that liability may also extend to the Council/ the Council's contractor. That extension of liability may be limited if it could also be shown that the community group could also have reasonably been expected to spot any fault, especially as their staff/ volunteers are regularly on site.
- 8.8 Under the proposed arrangements, the checks that the Community Centres would take on, would be ones that they would not require any specialist skills or equipment. The staff/ volunteers would also receive training and guidance on how to record the results of those checks. As above, if reasonable care was taken in carrying out and acting on

the results of those checks, then there should be no liability even if something was to go wrong.

- 8.9 There have been a few references in this report to the costs of repairs. Under the current compliance contract, the costs of labour associated with some smaller repairs is generally covered within the overall contract sum. In those cases, the Council pays the contractor for the costs of any materials. Where the costs of those materials or any labour costs not covered within the main contract sum (for any individual repair) is over £100 then the Council will recharge those additional costs on to the lessee (for those properties under a full repairing lease, the arrangements for other lease types will be determined by what is stipulated in that lease). Note that for full repairing leases, this is above what the Council is required to fund by the lease, which would make the lessee liable for all costs. The Council will seek permission to continue with any works that will be subject to a recharge, as the community group have the right to get the work done by another contractor, although they would then pay the full cost.
- 8.10 Baldock Community Centre asked if we would increase that £100 limit to recompense the community groups for the savings that we would be making. It is not the intention for the Council to do that, as this change (as well as the environmental benefits) is helping to mitigate some of the increased costs of this contract. The service being provided by the Council is still well above what it is required to provide.
- 8.11 It is likely that under a new contract arrangement the Council would not choose to include labour costs for repairs within a fixed contract sum and instead choose to pay them on a usage basis. Therefore, if the £100 limit (as per paragraph 8.9) was retained then the community groups would end up paying more towards repairs (as the combination of labour and materials would be far more likely to breach that total). It is therefore proposed that the limit will be increased, but only with the intention of trying to make sure that the community groups are no worse off (and the Council is no better off). It is likely that the limit would initially be set at around £400, but would be reviewed on a quarterly basis. Any changes to the limit would not be retrospective, so a community group would never be charged for a repair unless they had authorised it (and the estimated charge for it) in advance. Cabinet are asked to confirm if they agree to this approach, rather than retaining the £100 limit.

## **9. LEGAL IMPLICATIONS**

- 9.1 This decision relates to lessees taking over those duties to which they have already been bound, through their lease. On that basis the decision could have been taken via Officer delegation, i.e. by the Service Director: Resources. However, the constitution (under rule 14.6.2 (e)) allows those decisions that could be taken by an Officer, to be considered by Cabinet. Executive Members have expressed a preference to use that decision making route. As the decision affects more than two wards, it is therefore a Key Executive decision.
- 9.2 Paragraphs 8.7 and 8.8 cover the issues over legal liability in relation to compliance.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 It is estimated that this proposal would save the Council around £15k, against what the costs would otherwise have been. It is still expected that the costs of compliance services will increase by around £30k compared to the current contract.

## **11. RISK IMPLICATIONS**

- 11.1. The community groups taking on these compliance tasks, does slightly reduce the risk to the Council. However the Council is putting in place measures to continue to reduce the risk for all parties, e.g. by providing training and providing advice and support if compliance checks do not pass, or there is any uncertainty.

## **12. EQUALITIES IMPLICATIONS**

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. Whilst the community buildings themselves are likely to be used by individuals or groups who have a protected characteristic, this proposal is about the carrying out of property compliance checks by community building staff and/or volunteers.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

## **14. ENVIRONMENTAL IMPLICATIONS**

- 14.1. This decision is seeking to reduce the miles travelled by contractors working on behalf of the Council. Therefore it is expected to have a positive environmental impact.

## **15. HUMAN RESOURCE IMPLICATIONS**

- 15.1 There are no direct HR implications on Council staff arising from this report.

## **16. APPENDICES**

- 16.1 *None.*

## **17. CONTACT OFFICERS**

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## **18. BACKGROUND PAPERS**

18.1 *None*