



New burden assessment pro forma

In advance of discussions with others, or as part of these discussions, the lead department should complete the pro forma below (this can be tailored to the specific policy where appropriate but should cover the same information).

As highlighted in the guidance, these issues should be discussed with Housing, Communities and Local Government at the earliest possible stage, and the pro forma can be revised as the assessment is taken forward. The signed off pro forma should be sent to Housing, Communities and Local Government.

If this is a first assessment, departments must complete those fields in bold to provide a sufficient level of reassurance that the requirements of the Cabinet are being met. The remaining fields must then be completed when policy is more developed. Section 20 requires departments to state when a full assessment will be completed.

Details of the proposal – please answer in area provided below question	
Q1	Name of Lead Department.
A1	Ministry of Housing, Communities and Local Government
Q2	Working level contact details in lead department.
A2	Name: Chris Clapham/Rebecca Carpenter Team: Building Safety Programme – Industry team Telephone: 0303 444 1278 E-mail: chris.clapham@communities.gov.uk/rebecca.carpenter@communities.gov.uk
Q3	Name of policy/duty/expectation.
A3	Private sector data collection
Q4	Description of the policy objective.
A4	This is a new burdens assessment for the reporting of data regarding ongoing remediation works onto the DELTA system. As part of the Building Safety Programme’s purpose to make buildings safe and residents feel safe, local authorities have been providing monthly updates on the identification of buildings in their area with ACM cladding systems which have failed the BRE large scale tests, and what plans are in place for remediation work. This

	will then be used to track remediation work so that we can ensure that where cladding which has failed the BRE tests has been found, steps are being taken to make the building safe.
Q5	Stage proposal is at (e.g. initial draft, consultation document, Cabinet clearance, etc.). If first draft, please state when update will be submitted.
A5	The work is already under way but the previous new burdens payment covered the identification phase only. We do not want to local authorities to de-prioritise and lose momentum as we move to the important phase of long-term remediation. We have considered funding the second stage of the data collection but have ultimately decided that the costs are negligible.
Q6	Brief expected timeline of the forthcoming key stages, including committee clearance.
A6	N/A
Q7	What the proposal requires local authorities to do, and how this differs from what they are doing now. If there is no difference, why is the new power/duty/ expectation being made?
A7	<p>Local authorities are already working to identify the owners of private sector high-rise buildings fitted with ACM cladding, and that the interim fire safety measures have been implemented and an adequate remediation plan is in place. A separate new burdens form was submitted and approved for this work. They have also been providing data on the social residential buildings that they own.</p> <p>The identification work is on-going with final estimates for the total privately owned affected buildings expected to be in excess of 300 (social 159). The identification phase involved elements which constituted a new burden: (a) collecting the data (which involved substantial work to identify building owners) and (b) returning it to MHCLG in a particular format. We are also asking local authorities to use their enforcement powers under the Housing Act but we do not believe that this is a new burden.</p> <p>As we move to the second phase of tracking long-term remediation works LAs will continue to be the main interlocutor with the owners. This work will involve continued engagement with private building owners, collation of remediation data and the inputting of that data onto the DELTA system. DELTA is an online system provided by MHCLG to streamline the processes and systems for collecting statistical data and grant applications.</p> <p>Local authorities do have duties under the Housing Act 2004 to assess and enforce housing standards as regards health and safety. Asking LAs to collect the relevant information has been interpreted as an existing requirement on LAs under the 2004 Act. However, the legislation does not require or contemplate the reporting of this data onto the DELTA system. That is the basis of the current new burdens assessment.</p>

	There are 66 local authorities with at least one building (social or private) undergoing remediation.
Q8	Expected date the policy impacts on local authorities. If implementation is to be phased in, please give estimated dates for each phase.
A8	The work is already under way but the previous new burdens payment covered the identification phase only. We do not want to local authorities to de-prioritise and lose momentum as we move to the important phase of long-term remediation.
Q9	Is an impact assessment being completed? If this shows that the policy impacts on the private sector in the same way with no disproportionate impact on local authorities, contact the MHCLG New Burdens Team to confirm that the new burdens rules do not apply in this case - this does not mean there are no local government finance matters that might need to be addressed.
A9	No. Although we will be asking the private sector to cooperate with local authorities in this data collection, we do not assess this will meet the £5 million threshold required for an impact assessment.
Estimated costs/savings	
Q10	Has the proposal been appraised in accordance with HM Treasury <i>Green Book</i> principles? What was the outcome of the appraisal?
A10	<p>The impacts of the data collection in terms of cost have generally been appraised in line with Green Book principles as well as being based on the guidance set out in the Standard Cost Model for measuring administrative work.</p> <p>The model adds 30% to the hourly wage rate to cover overheads, and uses the 2017 "administrative occupation" wage rate from the 2017 Annual Survey of Hours and Earnings.</p> <p>On average, an administrative worker is paid £13.29 an hour, adding 30% for overheads brings this to £17.27 an hour. Assuming each data entry takes five minutes, each entry will cost £1.44. Assuming six collections per year, Tower Hamlets' 56 buildings will result in an annual total of £483.63. Tower Hamlets are the local authority with the most private sector buildings in their area with ACM and this is therefore the authority that would undergo the most costs. For Local Authorities with only one block, the annual total will be £8.64.</p> <p>The overall cost of this data collection, assuming six collections a year for the 66 Local Authorities, is in total estimated to be around £2,500. We have assessed that the size of the new burden is negligible and it is proposed that a new burdens payment is not appropriate in this case.</p>
Q11	Best estimate of reasonable costs and savings involved for local authorities for each individual year. Please give breakdown <u>by financial year</u> and state whether costs are revenue or capital.

(a)	Overall <u>additional</u> total costs to local authorities for each year.
A(a)	£2,500
i.	Element attributable to 'one off' implementation costs.
A(i)	NA
ii.	Recurring costs element (for the first 3 years).
A(ii)	N/A
(b)	Estimated specific and identified <u>savings</u> for each year - these must be additional to the annual savings authorities are expected to make and their treatment consistent with the appropriate HM Treasury guidance on efficiency.
A(b)	N/A
(c)	What are the direct and indirect impacts on local authorities pay and pensions costs?
A(c)	N/A
(d)	Overall estimate of the <u>Net</u> Additional Cost (costs-savings) to local authorities for each year.
A(d)	N/A
Discussion with authorities	
Q12	What discussions have taken place with local authority associations, e.g. with the LGA or LC? If there is no planned contact with local authorities through representative bodies, please explain why.
A12	We have consulted with the LGA who have sought the views of local authorities on what they assess the costs of monitoring progress with remediation work to be. The LGA does not agree with our cost evaluation- please see more detail below.
Q13	Give a brief description of the authorities' views, particularly on costs and financing (note: there is no obligation to agree final finance assessments with them).
A13	<p>The LGA told us that based on the work councils have done to date to identify private high-rise residential buildings with ACM cladding systems they do not think that monitoring progress with remediation work by building owners will be a straightforward process in all instances, and that the resources councils need to complete the process will be greater.</p> <p>The LGA fed back from two local authorities about the costs they might incur in conducting this work. The two authorities are ones where they have more than ten private high-rise residential buildings with ACM cladding on them. Their comments on the costs they might face doing this work are as follows:</p>

	<p>Authority 1</p> <ul style="list-style-type: none"> • They estimate that it will cost £25,000 per annum to gather and input data on progress with the remediation work being undertaken on private high-rise residential blocks in their area – they are working on the basis there will be around 80 blocks they need to report on. This includes the costs of using agency Environmental Health Officers, data inputting and management. <p>Authority 2</p> <ul style="list-style-type: none"> • In order to input the data into DELTA there will need to be a continuous chasing of information, keeping to timescales and getting technical clarification from building control in order to move these on. They estimate they would need to use 1 EHO, plus the additional admin costs of constantly monitoring timescales and updating including Building Control input plus management assistance. This is because they would have to rely on building notices being submitted for recladding work by the building owners if they are not to go out and physically inspect progress on blocks. Relying on building notices would involve interrogating case management systems regularly to see what had come in for the relevant buildings. If an Approved Inspector was being used the council would only know if the work was complete if the Approved Inspector chose to send it a completion certificate (which should happen but doesn't always). Again in those instances there might need to be a site visit. If work progressed without notification then the council would not know unless someone saw it on site. They estimate it would cost them a minimum of £10,000 a year to report back on 12 blocks. <p>We do not agree with the LGA assessment. Local authorities already have duties under the Housing Act 2004 to assess and enforce housing standards as regards health and safety. Therefore we consider that asking local authorities to collect this data already falls under this requirement. However, the legislation does not require the reporting and inputting of this data onto the DELTA system. That is the basis of the current new burdens assessment.</p>
Providing the resources	
Q14	If there are net additional costs, has the lead department identified where the funding for this new burden is coming from and agreed to fully fund them? Please give details.
A14	N/A – it is not proposed that a new burdens payment is made in this case.
Q15	What costing evidence/analysis do you have/are you going to undertake to demonstrate that the funding is sufficient, and when will you be providing this?
A15	N/A
Q16	If costs are to be met by charging, do these cover the full net additional costs, and do authorities have the freedom to determine the fee levels consistent with recovering reasonable costs?

A16	N/A
Q17	If your assessment is that the proposal will result in no additional costs being placed on local authorities, how will you ensure that this is the case?
A17	N/A
MHCLG New Burdens Team Sign Off	
Q18	Have you shared your assessment with the New Burdens Team?
A18	Yes
Departmental Finance Director Sign Off	
Q19	Please state if this is a first or a final assessment of your proposal. If first please indicate when a final assessment will be submitted.
A19	Final
<p>Certification that the estimated net additional costs falling on local authorities has been assessed in accordance with the guidance on new burdens and that this will be fully funded. That to the best of finance director's knowledge the estimates are a true and fair assessment of the net additional costs falling on authorities. Confirmation that their department is aware that if the proposed policy or initiative is implemented, there may be an independent post-implementation scrutiny carried out (paid for from within their department's existing resources) and that under or over-payments of grant revealed by the scrutiny may inform future decisions on funding.</p> <p>Signed: </p> <p>Name: David Thomas</p> <p>Date: 13/11/18</p> <p>Telephone number: 07458 125874</p> <p>Address: 2 Marsham Street, Westminster, London, SW1P 4DF</p>	

Please send the form to the relevant Housing, Communities and Local Government contact.

For completion by the MHCLG New Burdens Team:

Date received: Reference number:

WITHDRAWN