

Impact Assessment, The Home Office

Title: Personal Emergency Evacuation Plans consultation

Date: 8 June 2021

IA No: HO0390 **RPC Reference No:** N/A

Stage: Consultation

Other departments or agencies: N/A

Intervention: Domestic

Measure: Secondary legislation

Enquiries:

FireSafetyUnitconsultations@homeoffice.gov.uk

RPC Opinion: Not Applicable

Business Impact Target: Not a regulatory provision

Cost of Preferred (or more likely) Option (in 2021/22 prices)

| | | | | | |
|---|-------|---|------|--|-----|
| Net Present Social Value NPSV (£m) | -17.3 | Business Net Present Value BNPV (£m) | -8.7 | Net cost to business per year EANDCB (£m) | 1.0 |
|---|-------|---|------|--|-----|

What is the problem under consideration? Why is government intervention necessary?

As part of Government's building safety reform and following the Grenfell Tower Inquiry Phase 1 report (GTI P1), legislative changes are required to ensure high and proportionate standards of fire safety in high-rise residential buildings. Government intervention is required to implement the Inquiry's recommendations in relation to evacuation and ensure that residents who cannot evacuate from high-rise residential buildings by themselves can do so safely in the event of a fire incident.

What is the strategic objective? What are the main policy objectives and intended effects?

Strategic objective: Improve public safety and reduce the impact of fires through fire reform which considers the GTI P1 report.

Policy objectives: Implement the GTI P1 recommendations related to Personal Emergency Evacuation Plans (PEEPs) and deliver meaningful change to assist residents of high-rise residential buildings who are unable to evacuate by themselves in the event of a fire incident. This will ensure that people feel safe and are safer in their homes and will also ensure that those required to comply with, or enforce against, the FSO are clear about their roles and responsibilities.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 0: (do-nothing). This does not meet the Inquiry recommendations nor the Government's objectives.

Option 1: PEEPs for all residents whose ability to self-evacuate may be compromised, and place their PEEPs in information box on premises.

Option 2: PEEPs for those residents whose ability to self-evacuate may be compromised who self-identify and agree to have one, and place summary information in information box on premises

Main assumptions/sensitivities and economic/analytical risks

Discount rate (%)

3.5

The best available data is used in the analysis but some assumptions are made. The proportion of individuals in high-rise residential buildings who will require a PEEP and, for **Option 2**, the proportion of these individuals who will self-identify are highly uncertain. The time required to update PEEPs annually is uncertain due to a lack of data on how often residents move in and out of high-rise residential buildings. Sensitivity analysis has been conducted on these assumptions. There is little data on benefits, therefore the NPSV does not accurately represent the benefits of this policy.

Will the policy be reviewed? It will be reviewed. **If applicable, set review date:** October 2025

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: _____



Date: _____

7 June 2021

Summary: Analysis & Evidence

Policy Option 1

Description: Provide PEEPs for all residents whose ability to self-evacuate may be compromised and place their PEEPs in information box on premises.

FULL ECONOMIC ASSESSMENT

| | | | | | | | | |
|--|------------|---------|---------|---------|-----------|-----------------------|------------|---|
| Year(s): | Price Base | 2021/22 | PV Base | 2021/22 | Appraisal | 10 | Transition | 1 |
| Estimate of Net Present Social Value NPSV (£m) | | | | | | Estimate of BNPV (£m) | | |
| Low: | -28.7 | High: | -65.5 | Best: | -45.8 | Best BNPV | -23.0 | |

| COSTS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 6.8 | 22.0 | 28.7 | 3.3 | 14.4 |
| High | 15.4 | 50.0 | 65.5 | 7.5 | 32.9 |
| Best Estimate | 10.8 | 35.0 | 45.8 | 5.3 | 23.0 |

Description and scale of key monetised costs by 'main affected groups'

All monetised costs accrue to Responsible Persons (RPs) of which 50 per cent are private businesses and 50 per cent are public. The estimated transition costs from conducting a PEEP are expected to be £6.8 to £15.4 million in year 1 only. Ongoing costs (10 year PV) from new builds and annual PEEP updates are £22.0 to £50.0 million. Costs to business are £14.4 to £32.9 million.

Other key non-monetised costs by 'main affected groups'

Residents or tenants will need to input their time into contributing to PEEPs, however this has not been monetised due to a lack of information on this.

| BENEFITS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| High | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Best Estimate | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Description and scale of key monetised benefits by 'main affected groups'

It has not been possible to monetise the benefits of these proposals.

Other key non-monetised benefits by 'main affected groups'

The policy aims to improve evacuations for those unable to evacuate themselves from high-rise residential buildings. This will reduce the danger to these individuals posed by fires and potentially the number of fire related injuries and fatalities. Breakeven analysis suggests that 22 fatalities and 591 injuries need to be prevented over 10 years for the policy to breakeven.

BUSINESS ASSESSMENT (Option 1)

| | | | | | | | | | |
|---|-----|-------------|-----|---------|-----|-------------|-----|-------|---|
| Direct impact on business (Equivalent Annual) £m: | | | | | | | | | |
| Cost, £m | 2.6 | Benefit, £m | 0.0 | Net, £m | 2.6 | | | | |
| Score for Business Impact Target (qualifying provisions only) £m: | | | | | N/A | | | | |
| Is this measure likely to impact on trade and investment? | | | | | N | | | | |
| Are any of these organisations in scope? | | Micro | Y | Small | Y | Medium | Y | Large | Y |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | | | Traded: | N/A | Non-Traded: | N/A | | |

PEOPLE AND SPECIFIC IMPACTS ASSESSMENT (Option 2)

| | | | |
|---|---|---|---|
| Are all relevant Specific Impacts included? | Y | Are there any impacts on particular groups? | Y |
|---|---|---|---|

Summary: Analysis & Evidence

Policy Option 2

Description: Provide PEEPs for those residents whose ability to self-evacuate may be compromised who self-identify and agree to have one, and place summary information in information box on premises

FULL ECONOMIC ASSESSMENT

| | | | | | | | | |
|--|------------|---------|---------|---------|-----------|-----------------------|------------|---|
| Year(s): | Price Base | 2021/22 | PV Base | 2021/22 | Appraisal | 10 | Transition | 1 |
| Estimate of Net Present Social Value NPSV (£m) | | | | | | Estimate of BNPV (£m) | | |
| Low: | -10.6 | High: | -25.1 | Best: | -17.3 | Best BNPV | -8.7 | |

| COSTS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 2.5 | 8.1 | 10.6 | 1.2 | 5.3 |
| High | 5.9 | 19.2 | 25.1 | 2.9 | 12.6 |
| Best Estimate | 4.1 | 13.2 | 17.3 | 2.0 | 8.7 |

Description and scale of key monetised costs by 'main affected groups'

The costs are calculated as in **Option 1**, however only those who self-identify to the RP have a PEEP conducted, and RPs also complete an extra document which is placed in an information box on the premises. Year 1 costs are estimated to be £2.5 to 5.9 million, and ongoing costs (PV over 10 years) are estimated at £8.1 to £19.2 million. Costs to business are £5.3 to £12.6 million.

Other key non-monetised costs by 'main affected groups'

Residents or tenants will need to input their time into contributing to PEEPs, however this has not been monetised due to a lack of information on this.

| BENEFITS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| High | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Best Estimate | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Description and scale of key monetised benefits by 'main affected groups'

It has not been possible to monetise benefits for these proposals.

Other key non-monetised benefits by 'main affected groups'

The policy aims to improve evacuations for those unable to evacuate themselves from high-rise residential buildings. This will reduce the danger to these individuals posed by fires and potentially the number of fire related injuries and fatalities. Breakeven analysis suggests that 9 fatalities and 223 injuries need to be prevented over 10 years for the policy to breakeven.

BUSINESS ASSESSMENT (Option 2)

| | | | | | | | | | | |
|---|-----|-------------|-------|---------|-------|-------------|--------|---|-------|---|
| Direct impact on business (Equivalent Annual) £m: | | | | | | | | | | |
| Cost, £m | 1.0 | Benefit, £m | 0.0 | Net, £m | 1.0 | | | | | |
| Score for Business Impact Target (qualifying provisions only) £m: | | | | | N/A | | | | | |
| Is this measure likely to impact on trade and investment? | | | | | N/A | | | | | |
| Are any of these organisations in scope? | | | Micro | Y | Small | Y | Medium | Y | Large | Y |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | | | Traded: | N/A | Non-Traded: | N/A | | | |

PEOPLE AND SPECIFIC IMPACTS ASSESSMENT (Option 2)

| | | | |
|---|---|---|---|
| Are all relevant Specific Impacts included? | Y | Are there any impacts on particular groups? | Y |
|---|---|---|---|

Evidence Base

A. Strategic Objective and Overview

A.1 Strategic Objective

This legislation fits within the Home Office's overarching strategic objective to improve public safety and security, detailed in the Home Office single departmental plan (SDP).¹ Specifically, the policy aims to reduce the impact of fires by improving the protection against fire risks through the delivery of fire reform, considering the findings of the Grenfell Tower Public Inquiry's Phase 1 (GTI P1) report.

A.2 Background

The Grenfell Tower Fire (14 June 2017) was a national tragedy that resulted in the greatest loss of life in a residential fire since the Second World War. Following the fire a full public inquiry into it was commissioned. The Inquiry was split into two phases. Phase 1, which has now concluded, focussed on the events and actions taken on the night of the fire, including the emergency response.

The Government is determined to learn lessons from the fire and ensure that others do not suffer the loss and trauma that the Grenfell community have faced as a result of the events in June 2017. This is reflected in the actions taken in the years that have passed since the fire. These have included:

- Setting up and acting on the recommendations of Dame Judith Hackitt's independent review of building and fire safety.
- Commissioning the Grenfell Tower Public Inquiry.
- Establishing a remediation programme supported by £5 billion investment in building safety (including £3.5 billion announced on 10 February 2021) to fully fund the cost of replacing unsafe cladding for all leaseholders in residential buildings 18 metres (m) and over in England.
- Announcement of a generous financing scheme for the removal of unsafe cladding from buildings of 11-18m, under which leaseholders will contribute no more than £50 per month.
- Establishing a Fire Protection Board, chaired by the Chair of the National Fire Chiefs Council, which is leading a programme of work, supported by £10 million of government funding, to ensure that all high-rise residential buildings in England are inspected or reviewed by the end of 2021.
- Undertaking a public consultation on Fire Safety in 2020 which was open for 12 weeks.
- Publishing the Government response to the Fire Safety consultation.
- Committing to legislate to reform the regulatory system through the Fire Safety Bill and the Building Safety Bill.

On 30 October 2019, the GTI P1 report was published². It included a number of recommendations largely related to improvements in the way that high-rise residential buildings are constructed, refurbished and managed, and in the way that FRSs respond to fires in such buildings. These recommendations were accepted in principle by the Government on the day of the report's publication.

It also made a number of important recommendations to ensure the safe evacuation of all residents in high-rise buildings, especially those who are unable to self-evacuation. The Inquiry's

¹ Home Office single departmental plan - GOV.UK (www.gov.uk). Objective 1.2

² Available at <https://www.grenfelltowerinquiry.org.uk/phase-1-report>

recommendations that are specific to this and require changes in law are recommendations 33.22 (e) and (f). These state:

“e) (...) that the owner and manager of every high-rise residential building be required by law to prepare personal emergency evacuation plans for all residents whose ability to self-evacuate may be compromised (such as persons with reduced mobility or cognition);

f) (...) that the owner and manager of every high-rise residential building be required by law to include up-to-date information about persons with reduced mobility and their associated PEEPs in the premises information box.” (see p. 777)

To deliver the change in law, it is proposed to use the power in Article 24 of the Regulatory Reform (Fire Safety) Order 2005 (FSO) to implement the recommendations by making regulations setting out precautions which will need to be taken, or observed, by those on whom such duties are conferred. The FSO applies to all premises (save for those expressly excluded) including workplaces and the non-domestic parts of all multi-occupied residential buildings. Regulations made under Article 24 of the FSO can apply new requirements to Responsible Persons (RPs) and duty-holders, including building owners and building managers with control of premises.

Using the FSO through the regulation making power as described to implement the Personal Emergency Evacuation Plans (PEEPs) recommendations fits with their underpinning intention which is to ensure that those responsible for relevant buildings take the necessary steps to ensure that residents are safe. The responsibilities and requirements imposed on RPs (and/or duty-holders) will be generally linked to matters over which they have control. The RP will need to demonstrate that they have done all that could reasonably be expected of them to avoid committing an offence. Fire and Rescue Services (FRS) will be able to take enforcement action against any relevant RP (or duty-holder) who does not comply with these requirements and failure to comply with regulations is a criminal offence where doing so places one or more relevant persons at risk of death or serious injury in case of fire. The relevant RP could be subsequently prosecuted and if found guilty could be liable to an unlimited fine, imprisonment or both.

The FSO places fire safety duties on persons with control of non-domestic premises – the RPs - and on others (duty holders) to the extent of their responsibilities under the FSO. Therefore, RPs already have a duty to take general fire precautions as may reasonably be required to ensure, in relation to “relevant persons”, that the premises are safe. In doing so, the RPs must also ensure that there are adequate means of escape from the building and that the means of escape can be safely and effectively used.³ The term “relevant persons” includes anyone who is lawfully on the premises or in the immediate vicinity of the premises at risk from a fire on the premises. For multi-occupied residential premises, this includes residents.

The FSO principally adopts a risk-based approach to fire safety requiring RPs to ensure that general fire precautions are in place. This risk-based approach is further explained in Article 9 of the Order. The FSO also states that the RPs needs to record the prescribed information, specifically as outlined in article 7 (b) in relation to “any group of persons identified by the assessment as being especially at risk.”

A.3 Groups Affected

The proposed legislation would affect the following groups:

Residents of high-rise residential buildings⁴: Residents will be affected as the PEEPs will be prepared with them if they chose to have such a plan.

³ As stated in Article 4 of the Fire Safety Order.

⁴ As the Inquiry did not take a position on a height threshold for high-rise buildings, in the PEEPs consultation it is proposed that a high-rise residential building is defined as being at least 18 metres in height or having at least seven storeys, and outlines the reasons for this position.

Responsible Persons for high-rise residential buildings and duty holders. There will be new requirements for RPs and they will be required to comply with the new legislation. This will affect both the private sector and the public sector (local authorities).

Enforcement authorities: These include fire and rescue authorities as the leading enforcement authority for non-domestic premises under the FSO. Enforcement authorities will be able to take enforcement action against any relevant RP who does not comply with the PEEP legislation.

A.4 Consultation

Within Government

The Home Office has engaged with several government departments and devolved administrations as part of the development of the consultation, including:

- Department for Business, Energy and Industrial Strategy (BEIS).
- Ministry of Defence (MoD).
- Department for Education (DfE).
- Department of Health and Social Care (DHSC).
- Ministry of Housing, Communities and Local Government (MHCLG).
- Ministry of Justice (MoJ).
- HM Treasury.
- The Welsh Government.
- The Scottish Government.
- Northern Ireland Executive.
- Health and Safety Executive (HSE).

Public Consultation

The Government previously put forward proposals on PEEPs as part of the Fire Safety consultation which began on 20 July 2020⁵ and closed on 12 October 2020. Following the responses to that consultation, further discussions with stakeholders, and additional research, new policy proposals to address the Inquiry's recommendations regarding PEEPs in high-rise residential buildings have been developed.

A new public consultation exercise has therefore been launched. This consultation is a central part of the considerations on how to take forward the proposals to implement the recommendations made in the GTI P1 report in relation to PEEPs.

Proposed implementation of the PEEPs proposals is intended to be enacted under Article 24 of the FSO which requires consultation with appropriate persons or bodies.

The Government is keen to seek the views of those affected by the proposals to ensure that they have broad support and practical value on the ground. The consultation is open to the public over a six-week period.

⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/919566/20200717_FINAL_Fire_Safety_Consultation_Document.pdf

B. Rationale for intervention

The Grenfell Tower fire and the GTI P1 Report and specifically the PEEP recommendations indicate that there is more to do to ensure to the safe evacuation of all residents in high-rise residential buildings, and especially those who are unable to self-evacuate.

For context, in the year ending September 2020 fire and rescue services attended 27,797 dwelling fires⁶, of which 742 occurred in purpose built high rise (10+ storeys) flats. There were three fire-related fatalities in purpose built high rise (10+ storeys) flats in the year ending September 2020⁷, and 37 non-fatal casualties requiring hospital treatment⁸.

To implement these recommendations as set out in the GTI P1 report, legislative changes are required, which can be achieved by new regulations via Article 24 of the Fire Safety Order (FSO). The new regulations will also ensure that those required to comply with, or enforce against, the FSO are clear about their roles and responsibilities, and that those affected by it feel safe and are safe in their homes.

These proposals create no new duties or offences. They clarify existing duties with respect to high rise buildings. The coverage will be England.

C. Policy objective

The policy objective is to reduce the societal harm caused by fires. The legislation aims to improve evacuations for those unable to evacuate themselves, which should reduce the number of fire-related injuries and fatalities and help ensure these individuals remain safe from fire in their homes.

The policy also aims to ensure that:

- Residents in high-rise residential buildings can feel reassured that government has learnt lessons from the Grenfell Tower tragedy and has taken the appropriate steps to ensure their safety so that they feel safe and are safe in their homes.
- RPs (including building owners and managers) and duty holders understand their roles and responsibilities to ensure compliance with the FSO and protect the safety of relevant persons, including residents.
- The Government delivers on its commitment to implement the Inquiry's recommendations in principle.

D. Options considered and implementation

A non-regulatory approach to encourage PEEPs to be put in place without legislating would not meet the recommendations or the Government's objectives, so is not considered here.

Option 0: To take no action and make no legislative changes (do-nothing).

Under this option there would be no legislative changes and no implementation of the GTI P1 recommendations in relation to PEEPs. This option does not meet the Government's objectives. The

⁶ Home Office (2021): FIRE STATISTICS TABLE 0205a: Dwelling fires attended by fire and rescue services in England. 10 + storeys used to provide context as the Home Office does not publish this data on dwelling fires in 18m+ high rise flats.

⁷ Home Office (2021): FIRE STATISTICS TABLE 0205b: Fatalities in dwelling fires attended by fire and rescue services in England, by dwelling type

⁸Home Office (2021): FIRE STATISTICS TABLE 0205c: Non-fatal casualties in dwelling fires attended by fire and rescue services in England, by dwelling type and severity of injury, England

Inquiry was specific in making recommendations “required by law,” therefore, this option does not meet the Inquiry recommendations nor the Government’s objectives.

Option 1: Provide PEEPs for all residents whose ability to self-evacuate may be compromised and place their PEEPs in information box on premises

Under this option, legislative change is undertaken to implement the GTI P1 recommendations in relation to PEEPs exactly as written in sections 33.22 (e) and (f). However, implementing the GTI P1 recommendations as written may be disproportionate to the risks the Inquiry identified, and potentially practically and operationally challenging to deliver.

The Government agrees with the Inquiry that more should be done to ensure that people who cannot evacuate from high-rise residential buildings by themselves can do so safely in the event of a fire incident. The Government agrees that it is critical for RPs to have in place an evacuation plan to ensure that building occupants can safely exit the building in case of an emergency, and that FRSs are aware of the evacuation plan and have an appropriate operational response prepared should this be required.

These PEEPs are being taken forward as one of a package of measures being taken across government to support persons with disabilities to remain safe in their homes from fire. As part of this, MHCLG will be shortly publishing the work they are doing on research into building regulations (Approved Document Part M⁹) and the use of buildings by disabled persons. Separately, Health and Safety Executive (HSE) in April are launching their Interim Residents Committee which will engage disability groups alongside other partners on related matters while proposed legislative measures make their way through Parliament.

The Inquiry’s recommendations on PEEPs are in the context of high-rise residential buildings. The Inquiry did not include a definition of a PEEP; only a clear requirement that a PEEP should be in place and tasked the building owner / manager to ensure such a PEEP is completed.

To give effect to the Inquiry’s recommendations, the view is taken that the purpose of a PEEP is to provide people who cannot get themselves out of a building without assistance or additional support with the best possible escape plan in case of a fire emergency.

It is important to note that there is a difference between “evacuation” and “rescue”. Incident Reporting System (IRS) records, which Home Office fire statistics are based on, include the following definitions:

- a. An **evacuation** is the direction of people from a dangerous place to somewhere safe.
- b. A **rescue** is where a person has received physical assistance to get clear of the area involved in the incident.

A PEEP, then, is an evacuation plan that is prepared in advance based on discussions with the resident whose ability to evacuate may be compromised, and like other evacuation plans, it is intended to be executed without relying on intervention from FRSs to make it work.

It is known that PEEPs are routinely put in place in workplaces such as offices, hospitals and care homes, where a third party is present, or equipment is available and can be used to facilitate the evacuation of a person whose ability to self-evacuate may be compromised. Public bodies have a clear duty, called the Equality Duty. From June 2011, it has required them to proactively promote the equality of people who are disabled¹⁰. In relation to PEEPs, it requires employers to make reasonable adjustments to ensure that people who are disabled (employees and/or visitors) do not face discrimination by not being provided with a safe evacuation plan from a building.

The reasons why PEEPs do work in workplaces include (and not limited to):

- There are always other employees present.

⁹ [Access to and use of buildings: Approved Document M - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

¹⁰ [Equality Act 2010: Public Sector Equality Duty](http://www.gov.uk)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/85041/equality-duty.pdf

- The RP (that is, the employer) has full control of the premises.
- The RP can engage in discussion with the employee and enquire about their specific needs.
- The RP can identify and implement staff training requirements
- The RP can set up a back-up or a buddy system in discussion with the employee, and provide adaptations or equipment as required as they control their respective budgets.

In contrast, in multi-occupied residential buildings, the RP does not have full control of their premises. They are however, responsible for the parts used in common (such as hallways or lobby). In general blocks of flats, there are generally no staff members present who could assist with evacuation. The RP is highly unlikely to know who is present in their building at all times as this is the private business of the residents. Similarly, the RP will not know the level of need of each resident. Therefore, the RP would need to proactively seek relevant information from the residents. The RP would also need to ensure that in doing so they comply with the General Data Protection Regulation (GDPR).

The GDPR singles out some types of personal data that are likely to be more sensitive and identify a person and gives them extra protection¹¹. Information about a person's health (including disability) is part of this category. In order to process such data explicit consent is required. Explicit consent is not defined in the GDPR, but it must meet the GDPR standards such as it must be freely given, specific, affirmative (opt-in), unambiguous, and able to be withdrawn at any time.

Working on the assumption that the building owner / manager is able to obtain explicit consent from the resident and a PEEP is completed, the next task is to keep it up to date. Residents' circumstances can change quickly (for example, a broken hip) or their health condition can change (for example, a relapse which make the original arrangements unworkable). Similarly, there may be difficulties arising in the context of high-turnover of tenants or sub-letting agreements which the building owner/manager may not be aware of in the first instance.

Another added complication is the existence of multiple RPs and how this works in practice. For example, there might be more than one building owner / manager in a building however, under the FSO, there is no requirement for a lead RP or a centralised RP. Therefore, there is no formal avenue to ensure whole building oversight.

Information on occupants' ability to self-evacuate needs to be up to date. Having the wrong information would impact fire-fighters' ability to rescue a resident (for example, searching for a resident who they thought was unable to self-evacuate might put other residents at risk because fire-fighters lose precious time trying to locate a resident who no longer needs assistance, and potentially put their own lives at risk).

This proposal will be assessed following the consultation as it is expected to improve evacuations and therefore, meet the Government's objective., However implementing the GTI P1 recommendations as written may be disproportionate to the risks the Inquiry identified, and potentially practically and operationally challenging to deliver.

Option 2: Provide PEEPs for those residents whose ability to self-evacuate may be compromised who self-identify and agree to have one, and place summary information in information box on premises

In this option, proposals aim to deliver the Inquiry's objective that residents who need help to evacuate in the event of fire have a plan to do so safely. It will require the RP to prepare a PEEP with every resident who self-identifies to them as unable to self-evacuate (subject to the resident engagement, resident self-identification and with resident's consent). The RP would need to proactively share fire safety information with residents (including instructions for evacuation) and explain that residents who identify themselves as mobility impaired can enter into a discussion with

¹¹ <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/special-category-data/>

them in order for a PEEP to be completed. The fire safety information will need to take into account the nature of specific buildings and the RP's knowledge of the occupants living in the building.

These proposals also include a legal requirement for the RP to complete and keep up to date information about people requiring assistance with evacuation in their building and place it in the information box on premises (subject to the resident engagement, resident self-identification and with the resident's consent). The local FRS would thus have access to key information on opening the box. These proposals therefore, implement the PEEPs recommendations as written by the Inquiry without requiring a paper copy of the PEEP in the information box on premises. The box will include other documents described elsewhere in the Inquiry recommendations which would support the FRS's response to an incident. The intent is that having an alternative template in the box that includes all the key information about people requiring assistance with evacuation, means that FRSs will be able to quickly assess who may need additional assistance and prioritise their response accordingly, if a rescue is required.

These proposals provide a way of implementing the Inquiry's recommendations while taking into account the practical challenges associated with implementing the Inquiry's PEEPs recommendations and put forward solutions to ensure these can be delivered in practice whilst ensuring vulnerable residents are protected. These proposals take forward the GT1 P1 report's PEEP recommendations in a practical and effective manner. It is expected to improve evacuations for those unable to evacuate themselves and takes into account an initial assessment of practical and operational implications whilst assuring resident safety.

Preferred option and implementation plan

As this is a consultation IA, there is no preferred option at this stage. The purpose of IA is to capture to potential impacts of the policy, and the purpose of the consultation is to seek views from those with experience of the FSO, PEEPs and/or are likely to be affected by these proposals. These views will be used to further the Government's understanding of PEEPs and inform future policy considerations. Option 2 is deemed to be a more effective and efficient option. However, this consultation is genuinely seeking meaningful consultation and views on what is the most effective option to implement PEEPs.

This is a consultation stage IA. Subject to the outcome of the consultation, it is expected that the measures set out in this IA will require secondary legislation. These are likely to be implemented by the end of October 2021 and will consist of amendments to the Regulatory Reform (Fire Safety) Order 2005 (FSO).

E. Appraisal

The following sections present the analysis of costs and benefits of the proposals in the consultation compared to the do-nothing option.

A previous IA was published on the 9 July 2020¹² which assessed the cost and benefits of PEEPs. The methodology in this section has been altered and improved to account for updated data on the number of residents living in 18 m+ buildings and the changed proposals under Option 2. Option 2, in this IA, now covers all high-rise residential buildings and includes the cost of RPs completing a summary template that will be placed in an information box on premises. It is no longer expected that PEEPs will be shared with the local FRS.

General assumptions and data

The best available data has been used for this IA. Costings for the appraisal section are based on data primarily from the NFCC, MHCLG and the Home Office.

¹² Home Office; [Impact Assessment \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk)

The appraisal period for measuring the impact of the PEEP proposals is 10 years in line with HM Treasury, Green Book (2020) guidance¹³. A social discount rate of 3.5 per cent is used to discount future values to present values. All costs and benefits are in 2021/22 prices (price base year, PBY, and present value base year, PVBY).

Transition/set-up costs are assumed to occur in year 1 only, and ongoing costs are expected to occur from year 2 of the policy onwards. It is hoped that the consultation may provide further data and information to refine the estimates of costs and benefits presented here.

The main assumptions used in this IA are listed below:

1. The number of residents living in 18m+ residential buildings is assumed to be 1,310,000. This was taken from MHCLG's February 2021 Building Safety Programme data release¹⁴.
2. The low estimate for the number of vulnerable people eligible for a PEEP is taken from the 2018/19 English Housing Survey accessibility fact sheet¹⁵ which states that 10 per cent of homes in the UK have at least one adaptation for a person with a disability. The high estimate is taken from the latest publication of the Department for Work and Pensions' family resource survey¹⁶, which states that 19 per cent of working age adults are disabled. The central estimate is the midpoint of the low and high estimates, 15 per cent¹⁷.
3. The number of individuals potentially qualifying for a PEEP in year 1 of the policy is calculated as:

Volume of residents living in 18+m buildings x % vulnerable people

The number of vulnerable individuals is estimated as 131,000, 189,950 and 248,900 in the low, central and high scenarios respectively.

4. The wage of the RP is taken to be that of the private building safety manager. This is taken from the Annual Survey of Households and Earnings (ASHE) 2020¹⁸, uplifted to include non-wage costs¹⁹ and modified for the price base year using HM Treasury's GDP Deflator²⁰. The gross hourly RP wage is assumed to be £20.68.
5. For **Option 2**, only individuals who self-identify have the PEEP created. It is assumed that 35 per cent of vulnerable people self-identify and consent for their information to be placed in the information box on premises. This was estimated using data on the number of people who opt out of being in the open register in England and Wales²¹. This assumption is highly uncertain, and based on the best available proxy, so it is tested in the Risks section (see **G**, p19).
6. The NFCC assumes that it will take 45 minutes to conduct a PEEP risk assessment. This is a central estimate within a low-high range of between 30 minutes and 1 hour.
7. The NFCC assumes that it will take two hours to create the PEEP.
8. It is estimated that the number of PEEPs required increases by three per cent a year as a result of new-build high-rise residential properties being built²².
9. It is assumed that approximately 50.2 per cent of costs to RPs fall to business, and 49.8 per cent of costs fall to the public sector. This is based off the assumption that there are 691,000

¹³ HM Treasury; [The Green Book \(2020\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/523212/gb2020.pdf) - GOV.UK (www.gov.uk)

¹⁴ MHCLG; [Building Safety Programme Monthly Data Release England: 28 February 2021](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/523212/building-safety-programme-monthly-data-release-england-28-february-2021.pdf) (publishing.service.gov.uk) pages 11-13

¹⁵ EHS; [2018-19 EHS Adaptations and Accessibility Fact Sheet.pdf](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/523212/2018-19-ehs-adaptations-and-accessibility-fact-sheet.pdf) (publishing.service.gov.uk)

¹⁶ DWP; [Family Resources Survey 2018/19](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/523212/family-resources-survey-2018-19.pdf) (publishing.service.gov.uk)

¹⁷ Rounded for simplicity, central estimate equal to 14.5 per cent to 1 decimal place.

¹⁸ ASHE; [Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14](https://ons.gov.uk/economy/earningsandhours/earningsandhoursworked/occupationbyfourdigitSOC) - Office for National Statistics (ons.gov.uk)

¹⁹ Eurostat data, 2018, <https://ec.europa.eu/eurostat/web/labour-market/labour-costs> 18% of UK labour costs are non-wage costs. Therefore, a 22% uplift is applied to the hourly wage.

²⁰ HM Treasury; [GDP deflators at market prices, and money GDP](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/523212/gdp-deflators-at-market-prices-and-money-gdp.pdf) - GOV.UK (www.gov.uk)

²¹ ONS;

<https://www.ons.gov.uk/peoplepopulationandcommunity/elections/electoralregistration/bulletins/electoralstatisticsforuk/2019#electors-opted-out-of-the-open-register>

²² MHCLG estimates, 2021

dwellings in high-rise residential buildings in England, of which 344,000 are in the social sector (49.8%) and 347,000 (50.2%) are in the private sector.²³

10. In **Option 2**, the RP is expected to fill out a summary sheet on the PEEP that is placed in the information box on premises. This is assumed to take 15 minutes, within a range of 10 to 20 minutes.
11. The ongoing costs to RPs to update PEEPs consist of two components. Firstly, the residents who remain in high-rise residential buildings will need to have their PEEPs reviewed annually or when their circumstances change to allow for revisions to be made. The length of these updates is expected to vary from person to person with the majority likely to be quick catch ups between the resident and the RP to establish that their circumstances have not changed. However, some updates may be longer if circumstances have changed. Secondly, some residents will move in and out of high-rise residential buildings over time. Some residents moving into high rise residential buildings will require new PEEPs to be created, and when a resident with a PEEP moves out of a high-rise building, their PEEP will no longer need to be updated. There is no available data to suggest how often residents who require a PEEP will move in and out of high-rise residential buildings, and how this compares with the number of residents who will only need short ongoing revisions to their PEEP. It has been assumed that from year 2, the time required to annually update each PEEP is equal to 35 per cent the time of the original PEEP assessment (risk assessment and create the PEEP). In **Option 2**, this includes the additional template summary time too.
12. In **Option 1**, the ongoing updates are expected to take 0.96 hours per PEEP, within a range of 0.88 to 1.05 hours, and in **Option 2**, the ongoing updates are expected to take 1.05 hours per PEEP, within a range of 0.93 to 1.17 hours. This is the current best estimate but is highly uncertain and so it is hoped that the Consultation will provide a more refined assumption. These assumptions are tested in the sensitivity analysis in the Risks section (see **G**, p19).

Appraisal

COSTS

Set-up costs

Familiarisation costs associated with reading the guidance on changes to the Fire Safety Order was previously estimated in the 9 July 2020 IA. These costs were estimated for the all measures being introduced in the FSO and so included a level of familiarisation costs for PEEPs. This cost will be captured in the final version of that IA, and it has not been possible to disaggregate the familiarisation costs associated with this guidance for this IA. This IA assumes that all familiarisation time specifically to PEEPs is captured within the current total time estimates spent on PEEPs. Therefore, no specific and separate familiarisation cost estimate for PEEPs is presented within this analysis.

Option 1

There will be set-up costs in year 1 of the appraisal period as all vulnerable individuals that live in in-scope buildings will require a PEEP. The costs are as follows:

The cost to RPs of conducting a PEEP risk assessment is calculated as: (See assumptions 3, 4 and 6).

$$\text{Volume of vulnerable people} \times \text{time for risk assessment (hrs)} \times \text{RP wage (£/hr)}$$

The estimated cost for undertaking the risk assessment for **Option 1**, lies in a range of **£1.4 to £5.1 million**, with a central estimate of **£2.9 million** (2021/22 prices) in year 1 only.

The cost to RPs of creating a PEEP is calculated as: (See assumptions 3, 4 and 7)

$$\text{Volume of vulnerable people} \times \text{time to create PEEP (hrs)} \times \text{RP wage (£/hr)}$$

²³ Building Safety Programme Monthly Data Release England: 28 February 2021 (publishing.service.gov.uk) Page 11.

The cost for creating the PEEP lies in a range of **£5.4 to £10.3 million**, with a central estimate of **£7.9 million** (2021/22 prices) in year 1 only.

Total set-up Costs for Option 1

The total set up costs for **Option 1** are estimated to be **£6.8 to £15.4 million**, with a central estimate of **£10.8 million** (2021/22 prices) in year 1 only. Of these, **£5.4 million** are private business costs (in a range of **£3.4 and £7.8 million**) and public sector costs to Local Authorities have a low and high estimate of **£3.4 and £7.7 million**, with a central estimate of **£5.4 million**, (2021/22 prices).

Option 2

Option 2 set-up costs are estimated in the same way as **Option 1**, however only those who self-identify as wanting a PEEP would have one created. Therefore, the two calculations above are the same, however for **Option 2** they are all multiplied by the percentage expected to self-identify (Assumption 5 - 35%).

The cost for undertaking the risk assessment for **Option 2** is, lies in a range of **£0.5 to £1.8 million**, with a central estimate of **£1.0 million** (2021/22 prices) in year 1 only.

The estimated cost for creating the PEEP is in a range of **£1.9 to £3.6 million**, with a central estimate of **£2.7 million** (2021/22 prices), in year 1 only.

Under **Option 2**, it is expected that the RP will fill out a concise summary document template provided by the Home Office which will be placed in the information box on premises and allow FRS to quickly identify individuals' mobility impairments in the event of an emergency. There is an additional cost to RPs for **Option 2** calculated as follows: (See assumptions 3, 4, 5, and 10)

Volume of vulnerable people x % of vulnerable people who self-identify x time to fill in template for information box on premises (hrs) x RP wage (£/hr)

The cost for filling out this template is estimated in a range of **£0.2 to £0.6 million**, with a central estimate of **£0.3 million** (2021/22 prices), in year 1 only.

Total set-up costs for Option 2

The total set up costs for **Option 2** are estimated in a range of **£2.5 to £5.9 million**, with a central estimate of **£4.1 million** (2021/22 prices) in year 1 only. Of these, **£2.0 million** are private business costs (a low and high of **£1.3 and £3.0 million**) and public sector costs to Local Authorities are estimated to lie in a range of **£1.2 and £3.0 million**, with a central estimate of **£2.0 million**, all in 2021/22 prices.²⁴.

Ongoing and total costs

Ongoing costs for both **Options 1 and 2** result from residents who move into new build in-scope buildings and then require a PEEP, updates and revisions to existing PEEPs and from new residents who move into current in-scope buildings and require a PEEP.

Option 1

PEEPs as a result of new builds

The estimation of the volume of PEEPs as a result of new builds are estimated in Table 1. This assumes that there is a three per cent annual increase in the number of new builds.

²⁴ All costs are either private business or public sector. Totals may not sum due to rounding.

Table 1: The volume of PEEPs as a result of new builds per year of the appraisal period, England, 2022 onwards

| Year of appraisal period | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Low | 3,930 | 4,048 | 4,169 | 4,294 | 4,423 | 4,556 | 4,693 | 4,833 | 4,978 |
| Central | 5,699 | 5,869 | 6,046 | 6,227 | 6,414 | 6,606 | 6,804 | 7,008 | 7,219 |
| High | 7,467 | 7,691 | 7,922 | 8,159 | 8,404 | 8,656 | 8,916 | 9,183 | 9,459 |

Source: Home Office own estimates, 2021

The cost to RPs of performing the PEEP risk assessment in new builds is calculated using the same methodology detailed in set-up costs (using Table 1 and assumptions 4 and 6). It is estimated to be between **£0.3 to £1.3 million (PV)** over the last nine years of the appraisal period, with a central estimate of **£0.8 million (PV)**.

The cost to RPs of creating the PEEP in new builds is also calculated in the same way as the set-up costs (using Table 1 and assumptions 4 and 7). It is estimated to be is between **£1.4 to £2.6 million (PV)** over the last nine years of the appraisal period, with a central estimate of **£2.0 million (PV)**.

The time required to do a PEEP risk assessment and creating a PEEP in these new builds is kept the same as in the set-up costs for all buildings (see assumptions 6 and 7). However, new buildings are expected to be built with better safety features; for example, the Mayor of London is looking to introduce fire evacuation lifts in all new builds²⁵. These improved fire safety measures could reduce the time required to carry out a PEEP.

Additional ongoing costs

From year 2 of the appraisal period onwards there is an annual cost of updating PEEPs for residents and providing them to new residents, calculated as: (See assumptions 3, 4, and 12)

$$\text{Volume of vulnerable people} \times \text{assumed time to carry out update (hrs)} \times \text{RP wage (£/hr)}$$

The ongoing cost to RPs for the ongoing updates is estimated to be between **£20.2 to £46.1 million (PV)** over the last nine years of the appraisal period, with a central estimate of **£32.2 million (PV)**.

Total Ongoing Costs for Option 1

The total ongoing cost to RPs from **Option 1** is estimated between **£22.0 to £50.0 million (PV)** for the last nine years of the appraisal period, with a central estimate of **£35.0 million (PV)**. Of these, **£17.6 million (PV)** fall to private business (between **£11.0 and £25.1 million (PV)**) and public sector costs to Local Authorities are estimated to be between **£10.9 and £24.9 million (PV)**, with a central estimate of **£17.4 million (PV)**.

Option 2

Option 2 is costed the same way as **Option 1**, but only for the proportion of vulnerable individuals who self-identify as requiring a PEEP. For new PEEPs conducted (as a result of new builds) there is also the additional cost to the RP of filling out the concise template to be placed in the information box on premises. The breakdown of **Option 2** costs in new builds is as follows:

The cost to RPs of performing the PEEP risk assessment is estimated to be between **£0.1 to £0.5 million (PV)** over the last nine years of the appraisal period with a central estimate of **£0.3 million (PV)** (see Table 1 and assumptions 4, 5 and 6).

²⁵ Mayor of London; New High-Rise Residential Blocks: London Plan | Mayor's Question Time

The estimated cost to RPs of creating the PEEP lies in a range of **£0.5 to £0.9 million (PV)** over the last nine years of the appraisal period, with a central estimate of **£0.7 million (PV)**. (see Table 1 and assumptions 4, 5 and 7).

The estimated cost to RPs of completing the summary document template for the information box on premises is between **£0.0 to £0.2 million (PV)** over the last nine years of the appraisal period, with a central estimate of **£0.1 million (PV)**. (see Table 1 and assumptions 4, 5 and 10).

Additional ongoing costs

For **Option 2** this is calculated as: (see assumptions 3, 4, 5, and 12).

Volume of vulnerable people x % who self-identify x time to carry out update (hrs) x RP wage (£/hr)

The ongoing cost to RPs for the ongoing updates is between £7.5 to £17.7 million (PV) over the last nine years of the appraisal period, with a central estimate of £12.2 million (PV).

Total ongoing costs for Option 2

The total ongoing cost to RPs from **Option 2** is estimated to lie between **£8.1 to £19.2 million (PV)** between years 2-10 of the appraisal period, with a central estimate of **£13.2 million (PV)**. Of these, **£6.6 million (PV)** are private business costs (between **£4.1 and £9.6 million (PV)**) and public sector costs to Local Authorities are estimated to be between **£4.0 and £9.6 million (PV)**, with a central estimate of **£6.6 million (PV)**.

Total costs

Total costs for Option 1

The total estimated cost of **Option 1** lies between **£28.7 to £65.5 million (PV)**, with a central estimate of **£45.8 million (PV)**. The average per year cost is estimated to be between **£3.3 to £7.5 million**, with a central estimate of **£5.3 million** (2021/22 prices). Of these, **£23.0 million (PV)** are private business costs (between **£14.4 and £32.9 million (PV)**) and public sector costs to Local Authorities are estimated to be between **£14.3 and £32.6 million (PV)**, with a central estimate of **£22.8 million (PV)**.

Total costs for Option 2

The total estimated cost of **Option 2** is between **£10.6 to £25.1 million (PV)**, with a central estimate of **£17.3 million (PV)**. The average per year cost is estimated to be between **£1.2 to £2.9 million**, with a central estimate of **£2.0 million** (2021/22 prices). Of these, **£8.7 million (PV)** are private business costs (between **£5.3 and £12.6 million (PV)**) and public sector costs to Local Authorities are estimated in a range of **£5.3 and £12.5 million (PV)**, with a central estimate of **£8.6 million (PV)**.

BENEFITS

The benefits of the proposals if successful are an improvement in evacuations for those unable to evacuate themselves. This should reduce the number of fire-related injuries and fatalities, lead to greater awareness of fire safety in high-rise residential buildings, and help ensure these individuals remain safe from fire in their homes.

There is good evidence to suggest that a building's evacuation plans should be tailored to the needs of residents, that evacuation is more difficult for some individuals, and that firefighters should provide direct assistance to those unable to evacuate independently. For example:

- Multiple evidence reviews of evacuation strategies have found that buildings should have tailored plans which consider the characteristics and composition of residents²⁶.
- Studies have found that stair movement (in the context of evacuations) is slower in buildings which house older or mobility-impaired individuals²⁷
- An experiment with 45 older and disabled residents living in a six-storey assisted living facility in the US, identified the importance of firefighters providing direct assistance to those unable to evacuate independently²⁸

However, none of the above studies specifically advocate the use of PEEPs or used cost-benefit analysis. Therefore, there are no monetised benefits in this IA due to a lack of evidence around the specific impact of PEEPs, and the difficulty in robustly estimating the number of fire-related injuries or fatalities that could be avoided as a result of these proposals. It is hoped that the consultation may provide further information on the specific benefits of this policy.

Breakeven analysis

It is standard practice in IA to carry out an appraisal that compares costs against benefits. In this case it has not been possible to quantify the benefits of the proposals. A breakeven analysis has been completed to make comparisons between the options and illustrate the magnitude of benefits required in order for this policy to have a positive Net Present Social Value (NPSV).

To do this, DfT's value of a road traffic fatality or casualty is used as a proxy for the cost to life in fire²⁹. The published DfT value for a fatality (over a lifetime) is £2,146,852, and the value given for an average casualty is £77,607 (2021/22 prices).

Dividing the estimate of the total cost of **Option 1, £45.8 million (PV)** over 10 years, by the value of a life illustrates that **22 fire related fatalities need to be avoided over 10 years**. Using the low and high cost estimates in this calculation produces a range of 14 and 31 fire related fatalities need to be avoided over 10 years.

Similarly, **591 fire related casualties requiring hospital treatment need to be avoided over 10 years**. Using the low and high cost estimates in this calculation produces a range of 371 and 844 fire related casualties requiring hospital treatment need to be avoided over 10 years.

Using the same calculation for **Option 2**, where the estimated cost was £17.3 million PV over 10 years, suggests that **9 fire related fatalities need to be avoided over 10 years**. Using the low and high cost estimates in this calculation produces a range of 5 and 12 fire related fatalities need to be avoided over 10 years.

Similarly, for **Option 2**, **223 fire related casualties requiring hospital treatment need to be avoided over 10 years**. Using the low and high cost estimates in this calculation produces a range of 137 and 324 fire related casualties requiring hospital treatment need to be avoided over 10 years.

For context, in the year ending September 2020, fire and rescue services attended 742 dwelling fires in purpose built, high rise (10+ storeys) flats³⁰. Over the last 5 years, from year ending September 2016 to the year ending September 2020, there have been 88 fire-related fatalities in these buildings³¹. This total is largely driven by the Grenfell Tower fire in June 2017. The annual figures for

²⁶ Groner, N.E. (2016) 'A decision model for recommending which building occupants should move where during fire emergencies', Fire Safety Journal, vol. 80, pp. 20-29, Ronchi, E. and Nilsson, D. (2013) 'Fire evacuation in high-rise buildings: a review of human behaviour and modelling research', Fire Science Review, vol. 2(7)

²⁷ Peacock, R.D., Reneke, P.A., Kuligowski, E.D. and Hagwood, C.R. (2016) 'Movement on Stairs During Building Evacuation', Fire Technology, vol. 53, pp. 845-871

²⁸ Kuligowski, E., Peacock, R., Wiess, E. and Hoskins, B. (2015) 'Stair evacuation of people with mobility impairments', Fire and Materials, vol. 39, pp. 371-384

²⁹ Department for Transport (2019) Tag Data Book, May, v1.12, Table A4.1.1, Average value of prevention of a casualty, (2010 prices uprated to 2021 prices and values) including lost output, human costs and medical/ambulance cost. See: <https://www.gov.uk/government/publications/tag-data-book>

³⁰ Home Office (2021): FIRE STATISTICS TABLE 0205a: Dwelling fires attended by fire and rescue services in England. 10 + storeys used to provide context as the Home Office does not publish this data on dwelling fires in 18m+ high rise flats.

³¹ Home Office (2021): FIRE STATISTICS TABLE 0205b: Fatalities in dwelling fires attended by fire and rescue services in England, by dwelling type

fatalities in purpose built high rise flats (10+ storeys) over the 5 year period are 3, 76, 0, 6 and 3 respectively (all figures year ending September), leading to an average of 18 per year. Over the last 5 years, from year ending September 2016 to the year ending September 2020, there were 363 fire related non-fatal casualties requiring hospital treatment in purpose-built high-rise (10+ storeys) flats. This total is also impacted by the Grenfell Tower fire in June 2017, with the annual figures for non-fatal casualties requiring hospital treatment being 78, 125, 62, 61 and 37 each year (all figures year ending September) giving an average of 73 per year³².

The breakeven analysis demonstrates that **Option 2 is a more effective option**, in terms of the number of fire fatalities or fire-related casualties avoided, given the total estimated cost of Option 1 compared to Option 2.

³²Home Office (2021): FIRE STATISTICS TABLE 0205c: Non-fatal casualties in dwelling fires attended by fire and rescue services in England, by dwelling type and severity of injury, England

NPSV, BNPV, EANDCB

The NPSV, BNPV and EANDCB of this policy are presented in Table 2.

Table 2, Summary Table of Monetised Benefits and Costs (NPSV, BNPV and EANDCB), 2021/22 prices, £ million.

| £ million (10 yr PV) | Low | Central | High |
|---------------------------|--------------|--------------|--------------|
| Option 1 | | | |
| Total Benefits | 0.0 | 0.0 | 0.0 |
| Total Set-up Cost | 6.8 | 10.8 | 15.4 |
| Undertake risk assessment | 1.4 | 2.9 | 5.1 |
| Creating the PEEP | 5.4 | 7.9 | 10.3 |
| Total Ongoing Cost | 22.0 | 35.0 | 50.0 |
| New builds | 1.7 | 2.8 | 4.0 |
| Additional annual costs | 20.2 | 32.2 | 46.1 |
| Total cost | 28.7 | 45.8 | 65.5 |
| NPSV | -28.7 | -45.8 | -65.5 |
| Of which is public | -14.3 | -22.8 | -32.6 |
| BNPV | -14.4 | -23.0 | -32.9 |
| EANDCB | 1.7 | 2.6 | 3.8 |
| | | | |
| Option 2 | | | |
| Total Benefits | 0.0 | 0.0 | 0.0 |
| Total Set-up Cost | 2.5 | 4.1 | 5.9 |
| Undertake risk assessment | 0.5 | 1.0 | 1.8 |
| Creating the PEEP | 1.9 | 2.7 | 3.6 |
| Summary PEEP template | 0.2 | 0.3 | 0.6 |
| Total Ongoing Cost | 8.1 | 13.2 | 19.2 |
| New builds | 0.6 | 1.0 | 1.5 |
| Additional annual costs | 7.5 | 12.2 | 17.7 |
| Total cost | 10.6 | 17.3 | 25.1 |
| NPSV | -10.6 | -17.3 | -25.1 |
| Of which is public | -5.3 | -8.6 | -12.5 |
| BNPV | -5.3 | -8.7 | -12.6 |
| EANDCB | 0.6 | 1.0 | 1.4 |

Source: Home Office, own estimates, March 2021. Totals may not sum due to rounding

Total Costs, Benefits, NPSV, BNPV and EANDCB

Option 1

The set-up cost is estimated to be in a range of **£6.8 to £15.4 million**, with a central estimate of **£10.8 million** in year 1 only. Over 10 years, the ongoing costs are estimated to be in a range of **£22.0 to £50.0 million (PV)**, with a central estimate of **£35.0 million (PV)**. The **total cost of Option 1** is estimated in a range of **£28.7 to £65.5 million (PV)** over 10 years, with a central estimate of **£45.8 million (PV)** over the same time period.

No benefits have been monetised for this policy, so the **Net Present Social Value (NPSV)** is estimated to be in the range of **-£28.7 to -£65.5 million (PV)** over 10 years, with a central estimate of **-£45.8 million (PV)**.

The **Business Net Present Value (BNPV)** is estimated to be in the range of **-£14.4 to -£32.9 million (PV)** over 10 years, with a central estimate of **-£23.0 million (PV)**. The **net cost to business per year** expressed as the (**EANDCB³³**) is **£2.6 million**. In the high scenario the **net cost to business** increases to **£3.8 million** per year, and in the low scenario it is **£1.7 million** per year.

Option 2

The set-up cost is estimated to be in a range of **£2.5 to £5.9 million**, with a central estimate of **£4.1 million** in year 1 only. Over 10 years, the ongoing costs are estimated to be in a range of **£8.1 to £19.2 million (PV)**, with a central estimate of **£13.2 million (PV)**. The **total cost of Option 2** is therefore estimated in a range of **£10.6 to £25.1 million (PV)** over 10 years, with a central estimate of **£17.3 million (PV)** over the same time period.

No benefits have been monetised for this policy, so the **NPSV** is estimated to be in the range of **-£10.6 to -£25.1 million (PV)** over 10 years, with a central estimate of **-£17.3 million (PV)**.

The **BNPV** is estimated to be in the range of **-£5.3 to -£12.5 million (PV)** over 10 years, with a central estimate of **-£8.6 million (PV)**. The **net cost to business** is **£1.0 million per year**. In the high scenario the **net cost to business** increases to **£1.4 million** per year, and in the low scenario it is **£0.6 million** per year.

Value for money

For a policy to be considered value for money (VfM), it must meet its strategic and policy objectives. **Options 1 and 2** both meet the objectives of reducing the impact of fires and improving evacuations for those unable to evacuate themselves. **Option 1** goes further than **Option 2** as all residents who are vulnerable will have a PEEP conducted and it is expected to have a higher cost. However, **Option 2** still ensures that all residents who self-identify as being unable to self-evacuate will receive a PEEP and has a significantly less negative NPSV. **Option 2** has an additional cost to the RP of completing an additional template with vital information to be placed in the information box on premises so that in the event of an emergency FRS can quickly identify who is mobility impaired and what actions are required. It is hoped this will increase the speed with which the FRS are able to identify vulnerable residents and evacuate accordingly, which could be crucial in the event of fire. **Option 2** may better improve evacuations compared to **Option 1** and despite being the lower cost option. With a lower cost and probable more effective outcome, this suggests that **Option 2** may be better VfM compared to **Option 1**. The consultation will be used to better understand if this is the case.

All costs in both options accrue to RPs and benefits would accrue to residents and the FRS. However, RPs may indirectly benefit if residents feel safer in the in-scope buildings because of this policy. Benefits are not monetised, so it is not possible to accurately determine which option offers a higher benefit-cost ratio.

Place-based analysis

This measure does not have any specific spatial objectives; however the impact will be greater in urban areas compared to rural because urban areas have a higher concentration of multi-occupied high-rise residential buildings. London contains approximately 61 per cent of all in-scope buildings³⁴, the highest concentration of any region. Therefore, it is likely that this measure will have a disproportionate impact on London compared to the rest of the UK. Other large cities with a high concentration of in-scope buildings will also have a greater associated cost than rural areas.

However, these areas will also reap the benefits of the proposal. The aim of the policy is for disabled and vulnerable residents of in-scope buildings to feel safer in their homes, which could lead to an increase in social welfare.

Impact on small and micro-businesses

³³ Defined as the Equivalent Annual Net Direct Cost to Business.

³⁴ MHCLG (2017); [English Housing Survey 2017: stock condition - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/614422/English_Housing_Survey_2017_stock_condition_-_GOV.UK_(www.gov.uk)_Chapter_4_Table_AT4.2.pdf) Chapter 4, Table AT4.2

Small and micro-businesses will be affected by these proposals. There are around one million micro-businesses and about 182,000 small businesses in England which employ approximately 3.6 and 3.5 million people respectively³⁵. However, this data does not show which businesses are currently regulated by the FSO and cannot be used to identify sectors where small and micro-businesses would be wholly or mostly covered by the FSO.

Given these constraints, it is only possible to seek further information as part of the consultation from small and micro-businesses on potential disproportionate impacts they may face. It is widely recognised that landlords, building owners, agents, managers (and anyone else who may be an RP) already work in a significantly regulated environment.

A full SaMBA has not been conducted here. However, given the importance of these proposals to improving evacuations for those unable to evacuate themselves, it is not possible to give small and micro-businesses an exemption from these measures. Landlords and building owners are already subject to regulation and the in-scope buildings are already subject to the FSO. On receipt of consultation responses the analysis of micro- and small businesses will be re-examined.

F. Proportionality

The level of analysis in this IA is considered proportionate to the GTI P1 recommendations in relation to PEEPs. Appropriate resource and time were applied to the analysis. The consultation will seek input from stakeholders and the public, and also attempt to obtain more data. It is hoped that this will allow refinement and a strengthened assessment of the potential impacts of these policy changes in the FINAL IA, ahead of any legislation.

G. Risks

Proportion of individuals in high-rise residential buildings who will require a PEEP

The exact proportion of individuals in high-rise residential buildings who will require a PEEP is uncertain. In this IA, the low estimate used is the percentage of individuals who require adaptations made to their home (10%), while the high estimate is the percentage of working age adults who are disabled (19%). The central estimate is the average of these two estimates, 15 per cent. However, these estimates are based on the whole population, and there is no available data to suggest if the figures will be higher or lower specifically in high-rise residential buildings. These estimates also do not account for individuals who may be vulnerable in the short term and therefore be entitled to a PEEP.

To account for this uncertainty, sensitivity analysis has been conducted. Table 3 demonstrates the impact on the central estimate of the NPSV for **Options 1 and 2** when the proportion of individuals who are eligible for a PEEP changes.

³⁵ Business population Estimates 2019, Department of Business, Energy and Industrial Strategy, London. see: <https://www.gov.uk/government/statistics/business-population-estimates-2019> .

Table 3: Sensitivity analysis on the proportion (%) of individuals in high-rise residential buildings who would be eligible for a PEEP (NPSV over 10 years, £million)

| Proportion of individuals (%) | 10 | 15 | 20 | 25 | 30 |
|-------------------------------|-------|--------------|-------|-------|-------|
| Option 1 (£m) | -31.6 | -45.8 | -63.2 | -79.0 | -94.8 |
| Option 2 (£m) | -11.9 | -17.3 | -23.8 | -29.8 | -35.7 |

Source: Home Office, own estimates, 2021. **Central estimates (15%)** and assumptions used

This demonstrates that the NPSV is sensitive to the proportion of individuals who qualify for a PEEP. Currently, the central estimate is that **15 per cent of residents are eligible for a PEEP**. However, if the true proportion is 30 per cent then this more than doubles the cost of the policy³⁶. It is important that if this proportion is underestimated, then costs could be considerably higher than the estimate presented in Tables 2 and 3.

Proportion of vulnerable individuals who self-identify as requiring a PEEP.

Another uncertain assumption is the proportion of vulnerable individuals in **Option 2** who self-identify as requiring a PEEP. The proportion of people who opt out of the open electoral register (**35%**) is **used as the central estimate**, being the best available proxy, but this estimate is uncertain as it does not directly link to vulnerable people or fire safety. Therefore, sensitivity analysis has also been performed on this assumption.

Table 4: Sensitivity analysis on the proportion (%) of vulnerable people who self-identify as eligible for a PEEP (NPSV over 10 years, £million)

| Proportion self-identifying (%) | 30 | 35 | 40 | 45 | 50 | 55 | 60 |
|---------------------------------|-------|--------------|-------|-------|-------|-------|-------|
| Option 2 (£m) | -15.0 | -17.3 | -20.0 | -22.5 | -25.0 | -27.5 | -30.0 |

Source: Home Office, own estimates, 2021. **Central estimates (35%)** and assumptions used

This NPSV for **Option 2** is also sensitive to the proportion of individuals who self-identify. If a higher proportion of individuals self-identify, costs will increase. It is hoped that the consultation will provide additional information on this proportion.

It is possible that if the proportion of individuals increased significantly, the cost of **Option 2** could be higher than **Option 1**. As the proportion who self-identify increases, the NPSV for **Option 2** decreases, becoming closer to the NPSV of **Option 1**. **Option 2** is presented as the more effective option but the extent to which it has a lower cost is dependent on this assumption. **Option 2** remains the lower cost option, and has a less negative NPSV, as long as under 92 per cent of individuals self-identify as being eligible for a PEEP. This a very significant increase on the current assumption (it is 2.7 times higher than 35%) and so it remains likely **Option 2** will be the option with a higher NPSV.

Additional ongoing costs

The annual time required to update PEEPs for current residents and provide PEEPs for new residents is also uncertain as there is no available data on the churn of vulnerable residents into, out of, and within the high-rise residential building sector. When a vulnerable resident moves into a high-rise residential building, if they self-identify to the RP then it is expected that a new PEEP will be completed. Since it is not possible to estimate the frequency with which this happens, and how it compares to shorter updates or other changes in circumstance, it has been assumed in this IA that from year 2, the time required to annually update each PEEP is equal to **35 per cent (the central estimate)** of the time of the original PEEP assessment (risk assessment and create the PEEP). In **Option 2**, this includes the additional template summary time too.

³⁶ Total cost of the policy increases proportionally to the proportion (%) of individuals in high-rise residential buildings. Total cost more than doubles as 15 per cent central estimate rounded from 14.5 per cent in the text for simplicity – see assumption 2.

As this is uncertain, and there is a risk that this cost could be an over or underestimate, sensitivity analysis has been conducted on this assumption to assess how the NPSV would change if the time required to annually update each PEEP is equal to a) 20 per cent of the time of the original PEEP assessment and b) 50 per cent.

Table 5: Sensitivity analysis on the proportion of the original PEEP time spent on the annual update (NPSV over 10 years, £million)

| Annual time required for update as proportion of time in year 1 (%) | 20 | 35 | 50 |
|---|-------|--------------|-------|
| Option 1 (£m) | -32.0 | -45.8 | -59.6 |
| Option 2 (£m) | -12.1 | -17.3 | -22.5 |

Source: Home Office, own estimates, 2021. Note: **Central estimates (35%)** used throughout sensitivity analysis

The NPSV is sensitive to the assumption of the time associated with updating and providing new PEEPs for residents. If the time presented in the main analysis is an under-estimate, then the NPSV could be over-estimated. Similarly, the NPSV could be an under-estimate if the annual updates take less time than is assumed. Currently, there is little evidence to inform the assumption, however the consultation will be used to gather information to strengthen the evidence base so that a more accurate estimate can ideally be produced in the FINAL IA.

There are some additional risks in this analysis that should be noted. It is possible that some costs of the policy could fall on residents or tenants. These costs have not been monetised and will be further assessed following the consultation. In addition, an area with very little information associated with it is the realisation of monetised benefits from this policy. The expectation is that there will be improved evacuation plans for vulnerable individuals, residents and employees should feel safer in their homes and ultimately there should be a reduction in fire fatalities and casualties. Additionally, there may be a greater awareness of fire safety for all parties.

H. Direct costs and benefits to business calculation

Table 6: Costs to business for Options 1 and 2, 2021

| £ million (10 yr PV) | Low | Central | High |
|-------------------------------|--------------|--------------|--------------|
| Option 1 | | | |
| Total Benefits | 0.0 | 0.0 | 0.0 |
| Total Set-up Cost | 3.4 | 5.4 | 7.8 |
| Undertake risk assessment | 0.7 | 1.5 | 2.6 |
| Creating the PEEP | 2.7 | 3.9 | 5.2 |
| Total Ongoing Cost | 11.0 | 17.6 | 25.1 |
| New builds | 0.9 | 1.4 | 2.0 |
| Additional annual costs | 10.2 | 16.2 | 23.1 |
| | | | |
| Total cost to business | 14.4 | 23.0 | 32.9 |
| BNPV | -14.4 | -23.0 | -32.9 |
| EANDCB | 1.7 | 2.6 | 3.8 |
| | | | |
| Option 2 | | | |
| Total Benefits | 0.0 | 0.0 | 0.0 |
| Total Set-up Cost | 1.3 | 2.0 | 3.0 |
| Undertake risk assessment | 0.2 | 0.5 | 0.9 |
| Creating the PEEP | 0.9 | 1.4 | 1.8 |
| Summary PEEP template | 0.1 | 0.2 | 0.3 |
| Total Ongoing Cost | 4.1 | 6.6 | 9.6 |
| New builds | 0.3 | 0.5 | 0.8 |
| Additional annual costs | 3.7 | 6.1 | 8.9 |
| | | | |
| Total cost to business | 5.3 | 8.7 | 12.6 |
| BNPV | -5.3 | -8.7 | -12.6 |
| EANDCB | 0.6 | 1.0 | 1.4 |

Source: Home Office, own estimates, March 2021. Note: figures may not sum due to rounding

I. Wider impacts

An Equality Impact Assessment has been completed as part of the consultation planning process. A summary of its findings is that the policy is likely to mean that the majority of Personal Emergency Evacuation Plans will be produced for those residents whose self-identification is related to one or more protected characteristics (notably age, disability or pregnancy and maternity). Policy officials expect that the proposals will have a greater impact on those groups due to the nature of these protected characteristics than other groups who do not share these characteristics. This, however, is due to these groups being disproportionately likely to need a PEEP when compared to others.

J. Trade Impact.

There are no expected trade impacts from this policy.

K. Monitoring and evaluation (PIR if necessary), enforcement principles

The new regulations of the FSO secondary legislation are proposed to be introduced in autumn 2021; implementation will depend on how swiftly these progress through Parliament.

The Home Office and FRSs collect data on fire safety audits and other fire and rescue service activity and incident data. This will be closely monitored.

The enforcement of this legislative change will be the same as for other issues which are covered by the FSO.

It is likely that this policy will be evaluated in October 2025.

L. Annexes.

Impact Assessment Checklist

| Mandatory specific impact test - Statutory Equalities Duties | Complete |
|--|-------------------|
| <p>Statutory Equalities Duties</p> <p>Policy officials are actively considering the impact of these proposals, how it might or will affect people with protected characteristics. This is an ongoing process. At this stage, having considered the equality duties and the equality implications of these proposals, policy officials anticipate that the overall impact will be positive. Policy officials will keep the Equality Impact Assessment (EIA) closely under review as the policy options develop.</p> <p>An Equality Impact Assessment has been completed as part of the consultation planning process. A summary of its findings is that the policy is likely to mean that the majority of Personal Emergency Evacuation Plans will be produced for those residents whose self-identification is related to one or more protected characteristics (notably age, disability or pregnancy and maternity). Policy officials expect that the proposals will have a greater impact on those groups due to the nature of these protected characteristics than other groups who do not share these characteristics. This, however, is due to these groups being disproportionately likely to need a PEEP when compared to others.</p> <p>The SRO has agreed these findings.</p> | <p>Yes</p> |

Economic Impact Tests

| | |
|---|------------------------|
| <p>Small and Micro-business Assessment (SaMBA)</p> <p>Analysts have investigated the potential impacts on small and micro-businesses, but the Business Population Estimates, Annual Survey of Hours and Earnings and other relevant datasets did not provide the data required to fully assess the potential impacts on small and micro-businesses. The consultation will be used to seek further information on the potential impacts of these regulatory changes on small and micro-businesses.</p> | <p>Yes</p> |
| <p>New Burdens Doctrine</p> <p>The new burdens doctrine is part of a suite of measures to ensure Council Tax payers do not face excessive increases. It requires all Whitehall departments to justify why new duties, powers, targets and other bureaucratic burdens should be placed on local authorities, as well as how much these policies and initiatives will cost and where the money will come from to pay for them.</p> <p>Some of the costs noted in this IA will fall on the public sector, specifically local authorities. Policy officials are actively considering whether any of these costs are new burdens.</p> | <p>To be completed</p> |