

**OPERATIONAL BOARD  
20 AUGUST 2015**

# **ITEM A4**

## **FURNISHING STANDARD FOR NEW BUILD**

Report of the Head of Development

### **1. SUMMARY**

Following the handover of a number of recent schemes there has been feedback to staff on the level of furnishing included in the property. New properties currently have minimal flooring to the kitchen and bathrooms and no other areas and no installed cooking facilities. This has led to numerous tenants requesting access to the furniture packs. This report looks at an alternative to the current standard which could be included in the initial letting.

### **2. RECOMMENDATION**

1. To increase the specification of Derby Homes new build properties to include flooring to the kitchen, bathroom and ground floor living areas and carpets to bedrooms and stairs, where applicable. In addition an electric oven and hob with extractor hood above to be fitted. The properties would then be let part furnished with a furniture pack.
2. To recommend to the Council that it agrees to the same increase in new build specification to properties developed in the HRA.

### **3. MATTER FOR CONSIDERATION**

- 3.1 A number of new build schemes have recently been completed. The properties handed over either by the Derby Homes new build team or external contractors have been of high quality with internal decoration completed and external features such as turf in place rather than levelled ground ready for seeding.
- 3.2 It has been apparent on handover that a further limited amount of investment in flooring and carpets plus cooking facilities would create a more complete property. Currently there is bare concrete screed on ground floors and boarding to upper floors.
- 3.3 This would help increase the likelihood of long term sustainability for the properties and aid letting. It should be noted that many of the tenants accessing the new properties are in housing need where funds to furnish a property will be limited. By including limited furnishing, funded through a built in service charge, would ease this pressure. This has often been applied post building completion at the request of tenants. Tenants of new build homes have been accessing carpets and cooking facilities via the furniture packs once they have accepted the offer from allocations.

- 3.4 This creates an issue with the rents where HCA grant has funded the development. Where the new build is supported by HCA funds affordable rents are usually set at a percentage of the total market rent including service charges. If the furniture pack is not included as a service charge at the bid and build out stages, HCA rules prevent the service charge being added on a case by case basis during the drawdown of funds at completion of development. Where a service charge is made as a standard creating a part furnished tenancy this becomes a part of the market rent assessment.
- 3.5 The proposal is to carpet stairs and bedrooms in addition to the flooring which is currently installed to bathroom and kitchen areas. Where there are ground floor living areas which are accessed from outside, a hard flooring is proposed which could be easily cleaned.
- 3.6 In the kitchen areas a built in electric cooker is proposed with an electric hob set in the worktop with extractor hood above.
- 3.7 The specification and selection of the furnishing can be brought in line with current suppliers of the furniture pack.

#### **4. CONSULTATION IMPLICATIONS**

The views of individual tenants moving into properties have been taken into account. In addition a focus group of tenants and staff looked at issues in July 2015. The views of the DACP have also been sought.

Housing management and maintenance staff have been consulted on changes to the standard.

#### **5. FINANCIAL AND BUSINESS PLAN IMPLICATIONS**

The cost of the furnishing will be recovered from a service charge included in the rent which will cover the planned replacement of items. The current estimated cost of the service charge is approximately £7 per week.

The appliances and furnishings would be sourced in line with current furniture pack contracts.

#### **6. LEGAL AND CONFIDENTIALITY IMPLICATIONS**

The installation of electrical appliances will require periodic testing by Derby Homes. This will be covered by existing procedures

#### **7. COUNCIL IMPLICATIONS**

The properties currently being built are a mixture of Derby Homes and Derby City Council HRA properties. The support and agreement of the Council will need to be sought for the new build furnishing standard to be applied to HRA properties.

## **8. ENVIRONMENTAL IMPLICATIONS**

Appliances that are installed as a part of new build will be energy efficiency A rated.

## **9. EQUALITIES IMPACT ASSESSMENT**

The installation of flooring, carpets and cooking facilities will be available to all tenants.

## **10. HEALTH & SAFETY IMPLICATIONS**

The electrical appliances installed, cooker, hob and extractor, will fall within the periodic testing carried out by Derby Homes.

## **11. RISK IMPLICATIONS**

By not including furnishing in the new build specification there is a risk that the ability to add a service charge post completion will be restricted.

The areas listed below have no implications directly arising from this report:

Personnel  
Policy Review

If Board Members or others would like to discuss this report ahead of the meeting please contact:

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Background Information: None  
Supporting Information: None