

Committee	Dated:
Housing Management & Almshouses Sub Committee	26 March 2019
Subject: Housing Major Works Programme – Progress Report	Public
Report of: Director of Community & Children’s Services	For Information
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Summary

The purpose of this report is to update Members on the progress that has been made with the Housing Major Works Programme and to advise Members on issues affecting progress on individual schemes.

Recommendation

Members are asked to note the report.

Main Report

Background

1. At its meeting on 27 November 2017, the Housing Management & Almshouses Sub-Committee received a presentation from officers in Housing Property Services on the scope of, and progress with, the Housing Major Works Programme. Members subsequently agreed that it would be useful if further updates and progress reports be brought to future meetings of this Sub-Committee.
2. The first update and progress report was presented to this Sub-Committee at its meeting on 12 February 2018. This seventh update report highlights specific areas of ‘slippage’ or ‘acceleration’ since the last meeting of the Sub-Committee on 27 November 2018 as well as, progress against the programme as originally reported in November 2017.

Considerations

3. The City of London Corporation (City Corporation) is committed to investing around £55million on a Major Works Programme for the maintenance, refurbishment and improvement of its social housing portfolio. The works, in the main comprise:
 - Window replacements;
 - Re-roofing;
 - Decent Homes (new kitchens and bathrooms);
 - Electrical rewiring and upgrades;
 - Heating replacements;

- Concrete repairs.
4. The funding for these extensive works, which are intended to bring all the City Corporation's social housing stock up to, and beyond, the Decent Homes Standard, comes from the Housing Revenue Account (HRA), which is ring-fenced solely for housing. The HRA is made up of:
 - Income from rents;
 - Income from service charges.
 5. The Housing Major Works Programme was originally intended to be a 5-year programme however, the size and complexity of some of the projects included, along with initial staff resourcing issues, has meant that it is more likely to take 7 or 8 years to complete.
 6. The Housing Major Works Programme is monitored and managed at several levels both corporately and within the department. This includes:
 - Gateway Process;
 - DCCS Committee;
 - Projects Sub-Committee;
 - Housing Management & Almshouses Sub-Committee (recent addition);
 - Housing Programme Board.
 7. The Housing Programme Board (HPB) is a cross-departmental group, chaired by the Director of Community & Children's Services and comprising senior officers from:
 - Housing Management;
 - Housing Property Services;
 - City Surveyors;
 - Planning;
 - Finance;
 - Town Clerks;
 - City Procurement.
 8. For the purpose of the HPB, officers have developed detailed report templates that show progress of the various works programmes and these are analysed and discussed monthly. At its meeting on 27 November 2017, following a presentation from officers in Housing Property Services on the scope of, and progress with the Housing Major Works Programme, Members agreed that a simplified version of the progress reports be brought to future meetings of this Sub-Committee.
 9. Attached at Appendix 1 to this report, for Members consideration, is the latest version of the progress report for the Housing Major Works Improvement Programme, which will be submitted to the HPB at its next meeting on 28 March 2019.

10. Members will note from the progress report at Appendix 1 that there has been little change to the status of the various projects since the last meeting of this Sub-Committee. Members are asked to specifically note the following updates:

H41: Great Arthur House – Front Door Replacement

This project has been delayed mainly as a result of agreeing with the City Corporation's Planning Officers a finalised design for the temporary installations for the two door sets that are being sent away for destructive testing. The necessary approvals have now been obtained and one of the door sets has now been removed and a temporary installation fitted. The removed door set has been booked in for destructive testing at the European test facility on 12 March. We are hopeful that some of the reported delay may be recovered once the test results have been received and reviewed.

H24: Petticoat Tower Balcony Doors and Windows

The successful bidder has withdrawn its contract offer as a result of its refusal to agree to the City Corporation's standard contract terms and conditions. The revised programme which shows a four-month delay, is based on the potential award of the contract to the second placed bidder. However, should it not be possible to proceed with the second placed bidder and, further procurement is required, the project will be subject to a further delay.

H42: Petticoat Tower Front Door Replacement

This project has suffered a two-month delay as a result the need to seek Committee approval to uplift the project budget as, tender returns were in excess of the approved Gateway 3/4 estimates. An Issues Report was approved by the Community and Children's Committee at its meeting on 8 March and was due to be considered by the Projects Sub-Committee at its meeting on 22 March.

It should be noted however, that this project is at risk of further slippage as it is not yet apparent whether the successful bidder will again reject the City Corporation's standard contract terms and conditions as it has already done in relation to project H24 above.

H10: Dron House/William Blake Door Entry

Whilst the procurement process has been completed, there is again an issue with the successful tender bid exceeding the approved estimates at Gateway 3/4. An Issues Report is being prepared for submission to the next cycle of Committees for approval for an uplift in budget to allow the contract to be awarded. Subject to Committee approval, the contract should be in place to allow for a start in May, a delay of two months.

H43: Harman Close – Decent Homes

Repairs and redecoration work to the common areas including the library and corridors started in November last year. At the time of writing this report, 90% of properties have been surveyed and 10 properties have now had new kitchens and bathrooms installed.

H15: Cullum Welch – Concrete Repairs

A new procurement process has now been completed and 6 tender submissions have been received. Tenders have been evaluated and a new post-tender Section 20 process instigated which, finishes on 2 April. It is expected that a contractor will be appointed in May 2019.

H17: Golden Lane Heating (Phase 2 – Crescent House and Cullum Welch House)

Whilst there is no change to the overall programme, the delivery timeline has been reconfigured to show a separate Design and Listed Building Consent period. Officers met with Planning and Building Control at the beginning of March to discuss further proposals. Discussions have been held with representatives from Citigen and EON in relation to the supplies to this site and COLPAI. Procurement of the design team for this project is nearing completion. Once we have obtained planning permission for this project, we will, subject to the relevant approvals, look to procure the works in the summer.

H1: Avondale Estate – Window Overhaul

Metwin has been appointed to carry out this works and has made a good start with more than 25 flats completed so far to date. The project remains on programme.

H25: Petticoat Tower Stairwell

A new procurement process has been completed and 9 tender submissions have been received. Tenders are currently being evaluated and post-tender Section 20 Notices will be issued at the end of March.

11. As Members will appreciate, there will always be problems with contracts and projects such as those contained within the Housing Major Works Programme. However, our own in-house team of Project Managers and Clerk of Works is allocated to each project to ensure that projects are properly managed, and the expectations of our tenants are met. Members will also appreciate that the momentum of the Housing Major Works Programme has increased significantly, and good progress is now being made.

Appendices

Appendix 1: Housing Major Works Programme Progress Report (March 2019)

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