

<b>Committees:</b>	<b>Dates:</b>
Corporate Projects Board – For decision Community & Children’s Services – For decision Projects Sub-Committee – For decision	25/11/2019 13/12/2019 16/12/2019
<b>Subject:</b> Fire Door Replacement Programme  <b>Unique Project Identifier:</b> 12196	<b>Public</b>  <b>Gateway 1–4 Project Proposal &amp; Options Appraisal Regular</b>
<b>Report of:</b> Director of Community & Children's Services <b>Report Author:</b> David Downing, Asset Programme Manager, DCCS	<b>For Decision</b>

## **Recommendations**

<p><b>1. Approval track, next steps and requested decisions</b></p>	<p><b>Project Description:</b> This project proposes a programme of works to replace all front entrance doors (including any associated panel surrounds and fanlight windows) within City of London Housing managed residential blocks of flats – excluding those covered by existing programmes).</p> <p>The project will also include the replacement of any communal corridor fire doors, any fire escape doors from flats, and also any doors to electrical intake cupboards that need to be fire rated. Replacement doors are to give up to 60 minutes fire resistance (30 minutes as an absolute minimum where 60 minutes is not achievable or appropriate).</p> <p><b>Next Gateway:</b> Gateway 5 (Multiple Gateway 5 reports on an Estate by Estate basis to be submitted.)</p> <p><b>Next Steps:</b></p> <ol style="list-style-type: none"> <li>1. Draft tender documents</li> <li>2. Procurement</li> <li>3. Gateway 5 (Multiple reports on an estate-by-estate basis to be submitted)</li> <li>4. Progress to be reported monthly to the Housing Programme Board.</li> </ol> <p><b>Requested Decisions:</b></p> <ol style="list-style-type: none"> <li>1. That budget of <b>£150,000</b> is approved for internal staff costs and professional fees to reach the next Gateway</li> <li>2. Note the project budget of <b>£150,000</b> (excluding risk)</li> <li>3. Note the total estimated cost of the project at <b>£9,100,000</b> (excluding risk)</li> </ol>
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	4. That <b>Option 2</b> to procure contracts to replace fire doors on an estate-by-estate basis is approved with each procured contract to be authorised by a separate Gateway 5 on the regular approval track.																
2. Resource requirements to reach next Gateway	<p>For recommended Option 2 (Procure contracts on an estate-by-estate basis):</p> <table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Internal Staff Costs</td><td>Project management; procurement</td><td>Housing Revenue Account</td><td>£30,000</td></tr><tr><td>Architectural/ Heritage Consultant</td><td>Detailed design &amp; listed building consent for heritage sites</td><td>Housing Revenue Account</td><td>£120,000</td></tr><tr><td>Total</td><td></td><td></td><td>£150,000</td></tr></table>	Item	Reason	Funds/ Source of Funding	Cost (£)	Internal Staff Costs	Project management; procurement	Housing Revenue Account	£30,000	Architectural/ Heritage Consultant	Detailed design & listed building consent for heritage sites	Housing Revenue Account	£120,000	Total			£150,000
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3. Governance arrangements	<ul style="list-style-type: none"><li>• <b>Service Committee:</b> Community and Children’s Services</li><li>• <b>Senior Responsible Officer:</b> Paul Murtagh, Assistant Director Barbican and Property Services, DCCS</li><li>• The project will be monitored by the Housing Programme Board.</li></ul>																

### Project Summary

<b>4. Context</b>	<p>Random sample testing of several front entrance doors to individual flats within residential blocks has been carried out. This destructive testing indicated an average fire resistance of 16 minutes. Although this is in line with what was predicted for doors in their original state, it gives serious cause for concern when set against recommendations from many of the 2018 Fire Risk Assessments. Furthermore, post Grenfell Tower, the City has made public commitments to embark on an enhanced front door replacement programme to bring all front doors up to a 60-minute fire resistance standard where possible. It should also be noted that the vast majority of front entrance doors in our residential blocks are as originally installed and have reached the end of their useful life; the expected lifespan of a</p>
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	<p>timber main entrance door is between 20 and 30 years, which has (in the main) been comfortably exceeded.</p> <p>With the City's public commitment to upgrade the doors in place, sample testing already complete and the safety critical nature of this work in mind this project can be expedited through the Gateway process with a combined Gateway 1-4 report to ensure no undue delay in delivering the works.</p>
<b>5. Brief description of project</b>	<p>Appoint a contractor or contractors to replace all front entrance doors to City of London residential flats (excluding those covered by existing programmes or new installations which meet the relevant standards), and also replace any communal corridor fire doors, fire escape doors from flats and doors to electrical intake cupboards, with fire doors that give up to 60-minutes fire resistance (30 minutes as an absolute minimum where 60 minutes is not achievable or appropriate).</p>
<b>6. Consequences if project not approved</b>	<p>The City has a statutory duty to keep its residential properties in good repair and meet the requirements for fire safety in Social Housing as laid out in Part B of the Buildings Regulations 2010.</p> <p>If the project is not approved, there are several potential consequences including:</p> <ul style="list-style-type: none"> <li>• risk to the safety of residents in the event of a fire</li> <li>• risk of damage to the buildings in the event of a fire</li> <li>• potential reputational risks of not implementing further fire safety improvement measures agreed by Committee</li> <li>• resident dissatisfaction.</li> </ul> <p>The City has also made public commitments to embark on an enhanced fire door replacement programme to bring all front doors up to a 60-minute fire resistance standard where possible.</p>
<b>7. SMART project objectives</b>	<ul style="list-style-type: none"> <li>• All replacement doors to have expected lifespan of 30 years.</li> <li>• All replacement doors to meet statutory and City standards</li> <li>• Improved security for residents and improved thermal performance.</li> </ul>
<b>8. Key benefits</b>	<ul style="list-style-type: none"> <li>• Enhanced level of protection for residents in the event of a fire.</li> <li>• Enhanced level of protection for the building fabric and structure in the event of a fire.</li> <li>• Compliance with building and fire safety regulations.</li> <li>• Preservation of the City of London Corporation's reputation.</li> </ul>

<b>9. Project category</b>	7a. Asset enhancement/improvement (capital)
<b>10. Project priority</b>	A. Essential
<b>11. Notable exclusions</b>	The project will exclude new build blocks (Horace Jones House, Twelve Acres House), the City's stock of residential houses, and blocks where front entrance doors have been recently upgraded (Petticoat Square) or where projects to upgrade front entrance doors to an appropriate standard are already well advanced (Petticoat Tower, Great Arthur House).

### **Options Appraisal**

<b>12. Overview of options</b>	<p>1. Procure a single contractor to complete the fire door replacement programme via an Official Journal of the European Union (OJEU) compliant open tender process.</p> <p>2. Procure multiple contracts on an estate-by-estate basis to complete the fire door replacement programme via a compliant open tender process with separate Gateway 5 reports to be submitted for each estate following successful procurement (mirroring the approach taken for the Window Replacement Programme). This is the recommended option, as it will provide the quickest route to getting the fire doors up to standard at multiple sites simultaneously. The cost differences between the two options are believed to be negligible at this stage.</p> <p>Doing nothing is not a valid option as these works are considered statutory. Furthermore, the City has made public commitments to upgrade all front doors up to a 60-minute fire resistance standard where possible.</p>
<b>13. Risk</b>	<p><b>Overall project risk:</b> Low</p> <p>Further information available within the Risk Register (Appendix 3) and Options Appraisal.</p> <p>Key risks:</p> <ul style="list-style-type: none"> <li>• Securing heritage approvals may cause delays to the entire delivery programme. This is to be mitigated by procuring contracts on an estate-by-estate basis.</li> <li>• Lead-in time for manufacture of fire doors may be greater than anticipated due to demand pressures on manufacturers.</li> </ul>

## Resource Implications

14. Total estimated cost	For recommended option, £8,100,000 (works) + £1,000,000 (fees and staff costs) <b>Total estimated cost (excluding risk):</b> £9,100,000 <b>Total estimated cost (including risk):</b> N/A																																																																																		
15. Funding strategy	Is funding confirmed: Partial funding confirmed	Who is providing funding: Internal - Funded wholly by City's own resource																																																																																	
	<b>Recommended option</b> Front Entrance Doors to Flats (estimated unit cost £2,500 for full door including door furniture, surrounds and installation):																																																																																		
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Total Estimated Works Cost By Estate:

Estate	TOTAL	Source of Funding
Avondale Square	£2,787,000	Housing Revenue Account (HRA)
Dron House	£217,500	
Golden Lane Estate	£1,157,500	
Holloway Estate	£537,500	
Isleden House	£230,000	
Southwark Estate	£1,013,500	
Sydenham Hill Estate	£192,500	
William Blake Estate	£441,000	
Windsor House	£275,000	
York Way Estate	£1,112,500	
Spitalfields	£136,000	City Fund
<b>WORKS TOTAL</b>	<b>£8,100,000</b>	

Fees & Staff Costs	£990,000	HRA
Fees & Staff Costs	£10,000	City Fund
<b>PROJECT TOTAL</b>	<b>£9,100,000</b>	

HRA funding is confirmed, although a reprioritisation of other less safety critical works may be required to ensure sufficient resource is available when required. Funding for the City Fund aspect of the programme (covering flats at Spitalfields only – estimated at £136,000 plus £10,000 fees and staff costs) will be requested via the Capital Bids process.

The works will include the replacement of front doors to long leaseholders' flats, which is the City's responsibility. However, it has been determined that these are works of improvement rather than repair, and that there is therefore no scope for leaseholder recovery via service charge.

Estimated costs have doubled since the Project Briefing was drafted. The reasons for this are threefold.

1. The Project Briefing was based on pre-survey estimates. A full desktop survey of front entrance doors to flats and a physical survey of internal corridor doors has now been carried out. The number requiring upgrade was significantly underestimated prior to survey.
2. The project scope has expanded to include all doors to electrical intake cupboards and lift motor rooms which are required to be fire rated. This is essential in order to maximise protection to occupants and the building fabric.

	<p>3. Individual unit cost prices have been uplifted in line with recently tendered contracts that have included installation of similar doors. With the majority of responsible landlords across the UK currently also engaged in upgrading residential fire doors post the tragedy at Grenfell Tower, it should be noted that we are in a supplier's market.</p>
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### **Appendices**

<b>Appendix 1</b>	Project Briefing
<b>Appendix 2</b>	PT4 Procurement Form
<b>Appendix 3</b>	Risk Register

### **Contact**

<b>Report Author</b>	David Downing
<b>Email Address</b>	david.downing@cityoflondon.gov.uk
<b>Telephone Number</b>	0207 332 1645

## Options appraisal table

	<i>Option 1</i>	<i>Option 2</i>
<b>1. Brief description</b>	Procure a single contractor to complete the fire door replacement programme via an OJEU-compliant open tender process. This is specialist work and therefore not suitable for procurement via a generalised framework.	Procure multiple contracts on an estate-by-estate basis to complete the fire door replacement programme via a compliant open tender or specialist framework process. Separate Gateway 5 reports to be submitted for each estate following successful procurement (mirroring the approach taken for the Window Replacement Programme). This is specialist work and therefore not suitable for procurement via a generalised framework.
<b>2. Scope and exclusions</b>	<p><b>Scope:</b></p> <p>This project proposes a programme of works to replace all front entrance doors (including any associated panel surrounds and fanlight windows) within City of London Housing managed residential blocks of flats (excluding those covered by existing programmes). The project will also include the replacement of any communal corridor fire doors, electrical intake cupboard doors, and any secondary fire escape doors from flats. Replacement doors are to give up to 60 minutes fire resistance (30 minutes as an absolute minimum where 60 minutes is not achievable or appropriate).</p> <p><b>Exclusions:</b></p> <p>The project will exclude new build blocks (Horace Jones House, Twelve Acres House), the City's stock of residential houses, and blocks where front entrance doors have been recently upgraded (Petticoat Square) or where projects to upgrade front entrance doors to an appropriate standard are already well advanced (Petticoat Tower, Great Arthur House).</p>	



	<b>Option 1</b>	<b>Option 2</b>
<b>Project Planning</b>		
<b>3. Programme and key dates</b>	<p>Gateway 4 approval – December 2019</p> <p>Procurement – May 2020</p> <p>Gateway 5 – October 2020</p> <p>Contractor Appointed – Winter 2020</p>	<p>Gateway 4 approval – December 2019</p> <p>Procurement – April 2020</p> <p>Gateway 5 – Multiple reports – from June 2020</p> <p>Contractor(s) Appointed – from July 2020</p>
<b>4. Risk implications</b>	<p>Low overall project risk.</p> <ul style="list-style-type: none"> <li>• The works are carried out as required by a single contractor. Any delays delivering works to one estate could cause slippage to delivery timescales at other estates.</li> <li>• All replacement doors will be certified as compliant.</li> <li>• Any delay in obtaining heritage approvals for applicable sites could delay the whole programme.</li> </ul>	<p>Low overall project risk.</p> <ul style="list-style-type: none"> <li>• The works are carried out to different estates concurrently by potentially a number of contractors, which would enable a quicker delivery programme and mitigate the risks of a single procurement failure.</li> <li>• All replacement doors will be certified as compliant.</li> </ul>
<b>5. Benefits</b>	<ul style="list-style-type: none"> <li>• Consistency of work throughout the contract.</li> <li>• One contractor to manage (although there is the potential for multiple subcontractors to be engaged).</li> <li>• Single procurement exercise.</li> </ul>	<ul style="list-style-type: none"> <li>• Works to multiple sites will be able to proceed concurrently with programme duration not restricted by a single contractors delivery capacity.</li> <li>• Quickest route to getting fire doors up to standard at multiple sites simultaneously. Geographical spread of sites means that no savings are lost by having one contractor with one site set up.</li> </ul>

	<i>Option 1</i>	<i>Option 2</i>
		<ul style="list-style-type: none"> <li>• Shorter procurement timescales.</li> </ul>
<b>6. Disbenefits</b>	<ul style="list-style-type: none"> <li>• Delivery programme may be elongated depending on successful contractor's capacity.</li> <li>• Single large procurement will be complex and may limit field of potential bidders to large concerns only, with small and medium enterprises (SMEs) and smaller specialists unable to bid.</li> <li>• Extended OJEU tender period.</li> <li>• Any delay in obtaining heritage approvals for applicable sites could delay the whole programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Running multiple contracts may incur additional management costs.</li> <li>• Multiple contracts to be procured.</li> <li>• Different contractors could lead to inconsistencies in the works between estates if not well managed.</li> </ul>
<b>7. Stakeholders and consultees</b>	<ul style="list-style-type: none"> <li>• Members and Ward Members</li> <li>• Officers including City Surveyors, Chamberlain's, Housing and Neighbourhood Management and Town Clerk's</li> <li>• Residents of the relevant properties.</li> </ul>	
<b>Resource Implications</b>		
<b>8. Total estimated cost</b>	£9,100,000	£9,100,000
<b>9. Funding strategy</b>	98.32% of works will be funded by the Housing Revenue Account (HRA). The remaining 1.38% covering the work to the residential flats at Spitalfields will be funded by City Fund.	

	<i><b>Option 1</b></i>	<i><b>Option 2</b></i>
	In line with legal advice received, it is not intended that any of the project costs will be recovered from long leaseholders.	
<b>10. Estimated capital value/return</b>	N/A	
<b>11. Ongoing revenue implications</b>	<p>The responsive repairs and maintenance budget will resume responsibility for these assets following the completion of the works and lapsing of the guarantee period. The responsive repairs budget will benefit from savings, as fewer repairs will be required to the replaced installations.</p> <p>Proportional future maintenance costs will be recovered from long leaseholders.</p>	
<b>12. Investment appraisal</b>	The option is costed and provided for within the Department's five-year Major Works Programme, its Asset Management Plan, and the 30-year Business Plan for the HRA.	
<b>13. Affordability</b>	The option is costed and provided for within the Department's five-year Major Works Programme, its Asset Management Plan, and the 30-year Business Plan for the HRA.	
<b>14. Procurement strategy/Route to market</b>	City Procurement is being consulted on the best option for a route to market that will ensure the timely delivery of the project as well as quality and value for money. This may be through a specialist framework or through an open competitive tendering process.	City Procurement is being consulted on the best option for a route to market that will ensure the timely delivery of the project as well as quality and value for money. This may be through a specialist framework or through an open competitive tendering process.
<b>15. Legal implications</b>	Works will ensure statutory compliance with Building Regulations Approved Document B Fire Safety.	
<b>16. Corporate property implications</b>	It is important that the City's assets remain in good, safe and statutory compliant condition. Therefore, all necessary action should be taken to ensure that assets are kept as such throughout the assets' lifetime.	

	<i>Option 1</i>	<i>Option 2</i>
<b>17. Traffic implications</b>	Any local traffic implications will be discussed and addressed prior to commencement of the works.	
<b>18. Sustainability and energy implications</b>	The works should help to improve the energy efficiency of the dwellings and should help residents reduce their own domestic fuel costs.	
<b>19. IS implications</b>	None	
<b>20. Equality Impact Assessment</b>	The proposed works will not have an impact on equality or protected characteristics. The design or dimensions of doors will not change and therefore there is no negative impact on accessibility. We are looking to replicate the existing design, using materials that will enable full compliance with Building Regulations Approved Document B, at the same time improving security (secure by design), thermal comfort and acoustics impacts.	
<b>21. Data Protection Impact Assessment</b>	The risk to personal data is less than high or not applicable, and a data protection impact assessment will not be undertaken.	
<b>22. Recommendation</b>	Not recommended	Recommended