

Committee	Dated:
Housing Management & Almshouses Sub Committee	20 July 2020
Subject: Housing Major Works Programme – Progress Report	Public
Report of: Director of Community & Children’s Services	For Information
Report author: Paul Murtagh Assistant Director Barbican & Property Services	

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 fourteenth update report highlights specific areas of ‘slippage’ or ‘acceleration’ since the last meeting of the Sub-Committee on 23 March 2020 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;
 - 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. Unfortunately, due to the current COVID-19 situation, this progress report has not yet been submitted to and considered by the HPB.

10. Members will note from the progress report at Appendix 1 that there are currently 14 projects that have 'slipped' since the last meeting of this Sub-Committee. However, this is the first report on progress with the Housing Major Works Programme since the outbreak of COVID-19 and, hopefully, Members will understand the impact this has had on the programme. Members are asked to specifically note the following updates:

Slippage to contract start date

H39 – Window Replacement and External Decoration (Multiple Estates)

Although we have been able to carry out some site surveys and desktop work such as preparing design drawings and specifications, the COVID-19 situation has meant that slippage on this project generally, across all the estates is around 6 to 7 months than last reported. In the current climate, of course, this is subject to further change although, we are looking at ways to mitigate further slippage.

Members will be aware that we did, prior to lockdown, carry out a procurement exercise for the Window Replacement programme at Dron House. The tender submissions came in significantly higher than budget and, the Chamberlain is currently undertaking an assessment of the financial viability of the project given the scale of the public health crisis and, the higher than expected tender submissions. This assessment will have implications for the Window Replacement and External Redecoration Programme across all of our estates and, it may be necessary for the programme to be re-prioritised and staggered over a longer period of time.

H41 - Great Arthur House - Front Entrance Door Replacement

Design work has been ongoing where it has been safe to do however, it has not been possible to access the properties to carry out the necessary detailed internal surveys. The design period is currently scheduled to finish in November however, this relies heavily on further easing of the current restrictions. The full extent of the slippage to this programme has yet to be confirmed but, is highly dependent on the wider public health situation.

H42 – Petticoat Tower Front Door Replacement

Gerda Security Holdings are to be appointed to carry out the replacement of the front entrance doors in petticoat Tower. However, for the reasons outlined above, it is not currently possible to access all of the properties to complete the work safely. As a result, the scheduling of the delivery of the contract cannot be confirmed at this stage.

H50 – Southwark Estates – Concrete Testing and Repairs

Concrete testing to the 7 blocks that make up the Southwark Estates has now been completed. Receipt of the testing reports was delayed by 3 months due to the testing contractor 'furloughing' staff due to the COVID-19 crisis. The reports have now been received in full. Whilst revealing no major problems to the structures of the buildings the testing has identified a significant number of minor repairs to be completed. As the required works are all to the exterior of the buildings the works contract will be able to proceed as envisaged albeit reprogrammed to avoid the worst of the winter months where low temperatures would affect the durability of the concrete repairs. Overall delay to programme is 6 months.

H54 – Fire Door Replacements (Multiple Estates)

A procurement route has been identified that will allow for a speedy award of this contract that will ensure the works will be completed to a high standard and specification and, will provide us with competitive and sustainable costs. A business case, supported by the Chairman of the Community and Children's Services Committee, has been submitted to City Procurement for the direct award of this contract through the OJEU compliant Hyde Framework and, this is now being progressed.

As with all other projects, there is an ongoing uncertainty as to when it will be possible to access residents' homes to undertake the necessary surveys and to complete the works. In this case however, the work includes the replacement of communal doors, which can progress largely unhindered. The current delay to this project is 3 months although, we are hopeful that further delays can be minimised.

H55 – Installation of Sprinklers

This project is also subject to significant delays as a result of our inability to access homes to carry out the necessary internal pre-tender surveys. All other design work has progressed well with the current start date set for March 2021. Clearly, however, this will also be subject to changes in the COVID-19 crisis. The current overall delay to this project is 7 months.

Extension of projects in delivery

H23 – Lift Refurbishment – Middlesex Street Estate

Works were suspended for 3 months as a result of the COVID-19 restrictions and, the contractor having to furlough his staff. The contractor has now resumed on site with an anticipated completion date of September 2020.

H24 – Balcony Doors and Windows – Petticoat Tower

Works are currently on hold until further notice as, it is not possible to comply with the guidelines around safe-distancing during the installation process. The resumption date and subsequent completion date will need to be confirmed when circumstances allow.

H25 – Replacement Stairwell Panels – Petticoat Tower

As in the case above, works are currently on hold until further notice as, it is not possible to comply with the guidelines around safe-distancing during the installation process. The resumption date and subsequent completion date will need to be confirmed when circumstances allow.

H26 – Water Tank Replacement/Repairs

Works are now completed on all blocks with the exception of Hatfield House on the Golden Lane Estate. The work at Hatfield House requires a complete drain down of the water supply which, will cause disruption to the supply for up to 3 days. Given the current health situation, with so many residents confined to their flats, this work simply cannot proceed. The works on this block will recommence when it is safe to do so and residents have been informed.

H43 – Decent Homes – Harman Close

Although the majority of this work has been completed, there are some minor works and snagging still left to be done. It is expected that this may take between 6 and 9 months to be completed.

H44 – Refurbishment Works - City of London & Gresham Almshouses

Works are currently on hold due to the current health crisis and the number of vulnerable residents in our homes. The resumption date and, date for completion are yet to be confirmed however, it is currently estimated that there will be a delay of between 6 and 9 months.

H47 – Electrical Testing Phase IV (Landlord's Electrics)

Work has been delayed by 2 months due to the COVID-19 restrictions however, the contractor is due to return to site at the beginning of July. Prior to lockdown, several potentially dangerous installations were identified and made safe. Consequently, the electricians will now proceed with the main testing programme to ensure there are no further potentially dangerous installations. The emergency lighting in our flat blocks is also being tested to ensure compliance. Any major works identified as part of the testing work will form part of a new project and tender.

H48 – Electrical Testing Phase III Multiple Estates (Tenanted Flats)

Officers continue to undertake relevant processes and procedures to gain access to 'difficult-to-access' properties to ensure that we, as a landlord, comply with our statutory obligations and, our tenants remain safe.

Progress of note on key projects

H15 – Cullum Welch Concrete Balustrade Replacement and Repairs

The works included in this project are now complete and, the contract has been delivered on time, with the final cost £124,000 below the budget approved at Gateway 5. A final Gateway 6 – Outcome Report is expected to be submitted to the September meeting of this Sub – Committee.

H17 – Heating Replacement Phase II (Crescent House and Cullum Welch House)

Our appointed consultant, Ingleton Wood, is due to complete its detailed design drawings and specification in August, which will allow us to commence a procurement exercise in November. We expect, subject to a successful procurement exercise, to appoint a contractor ready to start the project in February 2021.

H40 – Golden Lane – Window Replacement/Refurbishment Programme

Our appointed consultant, Studio Partington, is progressing well with the design phase despite the difficult circumstances. Information gathering for the energy modelling of the estate continues, along with the external surveys of the various blocks. The design phase is due to complete in November, along with a more detailed programme for the delivery of this project.

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, we are currently operating in what are, for most of us, unprecedented times. The COVID-19 situation is having a significant impact on service delivery and, the Major Works Programme is badly affected. That said, we are meeting with our contractors and consultants on a regular basis to see what can be done to get these projects back up and running.

Appendices

Appendix 1: Housing Major Works Programme Progress Report (June 2020)

Paul Murtagh
Assistant Director, Barbican & Property Services
T: 020 7332 3015 E: paul.murtagh@cityoflondon.gov.uk