

Committee(s): Housing Management and Almshouses Sub (Community and Children's Services) Committee	Dated: 30 January 2024
Subject: Housing Major Works Programme – Progress Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 2, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Director of Community and Children's Services	For Information
Report author: Jason Hayes Head of Major Works, DCCS 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. From its original inception, this report has since been expanded to include information relating to Phase 2 of the Housing Major Works Programme (Future Programme).

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The purpose of this report is to present progress and highlight slippage within the portfolio of projects which make up the Housing Major Works Programme to Members of the Housing Management and Almshouses Sub Committee.
2. The City of London Corporation (City Corporation) is committed to investing around £110million 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;
 - Fire safety improvement works.
3. The funding for these extensive works, which is intended to bring all the City Corporation's social housing stock 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.
4. 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.
5. The Housing Major Works Programme is monitored and managed at several levels both corporately and within the department. This includes:
- Gateway Process;
 - Community & Children's Services Committee (C&CS);
 - Projects and Procurement Sub Committee;
 - Housing Management & Almshouses Sub Committee;
 - Housing Programme Board.
6. The Housing Programme Board (HPB) is a cross-departmental group which meets every two months to oversee the Major Works Programme. It is 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.
7. 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.

8. Following requests from Members, projects that have been added to the original five-year Housing Major Works Programme over the last few years have been highlighted in the progress report. This helps to demonstrate the extent as to which the scope of the five-year Housing Major Works Programme has increased since its inception. Members will note from the latest progress report that the value of these additional projects is approximately £23.4million (a 43% increase in the cost of the original programme).
9. In line with a request from Members and, as subsequently agreed by the C&CS Committee, attached to this report as Appendix 2 is Phase 2 of the Housing Major Works Programme (Future Programme). The format of Phase 2 has been designed to reflect the following:
 - a new, revised five-year programme with the dates reset to the start of the 2022/23 financial year.
 - the carryover and incorporation of projects from the original five-year Major Works Programme that will be incomplete by the beginning of the 2022/23 financial year.
 - the omission of all projects on the original five-year Major Works Programme that were substantially completed before the beginning of the 2022/23 financial year.
10. As members will see from the 'Future Programme' at Appendix 2, there are nearly £30million of new projects that are currently '**unfunded**'. These projects comprise works identified in the Savills Stock Condition Survey (2018) and, projects that have been identified as a result of further surveys and testing works carried out as part of the current Major Works Programme.
11. It is apparent from the scale of unfunded works described above that an Asset Management Strategy is required to shape investment for all the Corporation's Social Housing Assets. Such a strategy is critical for enabling the prioritisation of works for the future. The Interim Assistant Director Housing and Barbican is in the process of commissioning such a strategy. The strategy will include consultation with, Members, tenants and leaseholders.
12. Members will note that the Future Programme is substantively unchanged from that submitted to previous meetings of this Sub Committee. The Future Programme will likely be affected by current and future economic factors and, at some time in the future, a substantial review and redrafting will be required. Clearly, this can only be done once we have more clarity on the future funding capacity of the HRA. The report, as it stands, remains a useful reminder of the extent of work to be carried out (and forecast costs) to maintain the Corporation's Housing Estates to the required standard.
13. Although, the Future Programme does include some provision for 'Net Zero Pilots' across all our social housing estates, Members are reminded that no provision has been made for any future Net Zero Capital Projects. The reason for this, as Members will be aware, is that these projects are still largely unknown and, will only emerge over the next few years, as further research, surveys, and investigations are completed in line with the Housing Net Zero Action Plan. It is

likely that Housing Net Zero Capital Projects will be funded from a combination of external grant funding and the City Corporation's Climate Action Strategy Budget.

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

Progress of note on key projects

H39b – Window Replacements and External Redecorations (Holloway Estate)

Works have resumed following the Christmas shutdown and are expected to conclude shortly. The expected date for practical completion remains the end of January 2024.

H39c – Window Replacements and External Redecorations (Southwark Estate - Pakeman, Stopher, Sumner)

Redecoration is nearly complete at Pakeman House and Stopher House, and continuing as planned at Sumner Buildings. Appointments are being made with residents to facilitate the window installations. The estimated completion of all works included in this project remains the end of June 2024.

H39d – Window Replacements and External Redecorations (Sydenham Hill)

Works have resumed following the Christmas shutdown and are expected to conclude shortly. The expected date for practical completion is February 2024.

H39e – Window Replacements and External Redecorations (William Blake Estate)

As reported previously, the initial tendered bids received and the planning approvals for this project expired during the temporary hiatus for the Capital Programme Review. A new Gateway 3/4 report was approved at the December meeting of the Community and Children's Services Committee and will be reviewed at the January Projects & Procurement Sub Committee. Statutory leaseholder consultation on the appointment of the design team will begin once all necessary approvals are in place. Works are forecast to commence April 2025.

H39f – Window Replacements and External Redecorations (Windsor House)

The majority of blocks A, B & C have had their windows renewed except for the dormer windows on the highest level. Treatment of the lead painted railings continues. An updated programme to replace the dormer windows is now being compiled. Expected date for practical completion is July/August 2024.

H40a – Window Refurbishment, Roofing, Ventilation and Heating (Crescent House)

Window Refurbishment, Roofing, Ventilation and Heating for Crescent House has now received planning and listed building consent. Officers are working with colleagues in procurement to finalise the full scope of work and produce the tender documents.

H40b, c, d, e – Window Refurbishment, Roofing and Ventilation (Golden Lane Estate - Remaining Blocks)

A Gateway 4 Detailed Options Appraisal recommending the repair of existing frames with the installation of vacuum glazing was approved at the November 2023 meeting of the Community & Children's Services Committee. Work to this part of the project is

awaiting budgets to be set up, so consultants can be commissioned to finish the design work.

H45 - York Way Communal Heating

All works have now been completed. We are now working with the contractor to agree the final accounts. A Gateway 6 (Outcome Report) will be prepared and submitted in due course.

H46 - Middlesex Street Estate Communal Heating

Work is progressing as planned at Petticoat Square. The installations within Petticoat Tower are complete bar five remaining properties where access issues remain a barrier to progress. This is in the hands of the leaseholder and legal teams to resolve.

H54 – Fire Door Replacement Programme (Multiple Estates)

- Lot 2 (Avondale Square Estate)

Installations to the three Point Blocks remain on hold pending the completion of the sprinkler installation programme, the work to install fibre optics and gas mains.

- Lot 3 (Sumner Buildings, William Blake, Dron House, Petticoat Tower communal doors)

Installations in Sumner Buildings, Dron House, and William Blake Estate continue to progress well. We are working collaboratively with the estate team to try and make final appointments. Works to upgrade the communal doors in Petticoat Tower are on hold pending the completion of the installation of the sprinkler system.

H55a - Installation of Sprinklers (Avondale Square Point Blocks)

Sprinkler programme across Avondale point blocks nearing completion. A short delay has been incurred to support in answering outstanding queries raised by Building Control pertaining to sign-off/certification. Anticipated date to vacate site is early February 2024.

H55b - Installation of Sprinklers (Petticoat Tower)

Delivery of the Petticoat Tower programme began w/c 16th October. Work across common parts is ongoing as planned. Anticipated date of project completion is currently June 2024. There is an expected increase in costs due to additional work tied to communal boxing approach linking sprinklers and communal heating pipe routes; an Issues Report is in preparation for March 2024 Committees. Other major works programmes remain to be present across Middlesex Street estate, requiring regular monitoring by project officers and CDM principal designer.

15. Members will appreciate, there will always be problems with contracts and projects such as those contained within the Housing Major Works Programme. The last 18 to 24 months have been particularly challenging and, one of the most significant challenges that we continue to face is the huge increase in the cost of construction projects nationally. The Corporation is not immune from these cost increases which, typically, are between 20 and 30%.

16. Members will also recognise that progress with any of the projects included in the Housing Major Works Programme can change at short notice. It is often the case that notable changes in projects will have occurred from the time that reports are written to the time that they are presented to this Sub-Committee. Where

appropriate, Officers will provide further updates to Members when presenting this report.

Appendices

Appendix 1: Housing Major Works Programme Progress Report (January 2024)

Appendix 2: Housing Major Works Programme (Future Programme)

Jason Hayes

Head of Major Works, DCCS Property Services

T: 07850 513364

E: jason.hayes@cityoflondon.gov.uk