

Committee(s):	Date(s):
Projects Sub	22 January 2014
Subject: Project Proposal – To carry out renewal of the door entry systems at the Holloway Estate, York Way Estate and Golden Lane Estate (partial), following a detailed assessment of the current conditions and consideration of options.	Public
Report of: Director of the Department of Community and Children’s Services.	For Decision

Overview

1. Spending Committee	Community and Children’s Services
2. Senior Responsible Officer	Eddie Stevens, Housing Service Director
3. Project Board	Not recommended. It is anticipated that decisions relating to the project will be made without formal ratification, as per previous projects of this nature in this department.
4. Context	<p>Condition surveys were undertaken in 2010 to Holloway Estate, York Way Estate and Golden Lane Estate (blocks Crescent House, Cullum Welch House, Cuthbert Harrowing House, Great Arthur House, Hatfield House and Stanley Cohen House). The door entry systems are between 20-40 years old and have had various repairs. The surveys indicated the door entry systems had ‘life expired’, i.e. performed beyond their expected life at the point of installation. The survey reports indicate the door entry systems require major works of repair, refurbishment or replacement in order to continue functioning.</p> <p>There have been ongoing problems with the door entry systems at these blocks. System failures provide an ineffective level of service, below that which residents expect and pay for through their rent and service charges. Furthermore, the failures cause anxiety to residents owing to the reduction in security.</p> <p>A more detailed assessment is required to establish the best approach to resolve the functionality problems and preserve the value of our assets.</p>
5. Brief description of project	The door entry systems at Holloway Estate, York Way Estate and Golden Lane Estate (selected blocks, as above) will be assessed with a view to an options appraisal. At this stage, the options are:

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	<p>1. Repair existing systems to extend the useful life by 10 plus years, by utilising as much of the existing cables as possible but with new entrance panels and receivers.</p> <p>2. Undertake complete system replacement with either (i) an audio only installation or (ii) an audio-visual installation for a 20+ year life.</p> <p>The project will include determining the estimated costs for both options via a further survey. The options and associated cost estimates will then be used for consultation in order to determine which approach to proceed with.</p> <p>At this stage, it is anticipated that the existing entrance doors and doorframes will be repaired and re-used for the repair and replacement options, unless the survey indicates otherwise.</p>
<p>6. Business case</p>	<p>It is uneconomical to continue to repair faults with door entry systems which are between 20-30 years old. Furthermore, due to the age of the systems, it is becoming harder to source the necessary spare parts (panels and receivers) required to keep these systems operational.</p> <p>In the financial year 2012-13, the cost of repairs to communal door entry systems at the affected blocks was £6961.46.</p> <p>This is formed of:</p> <ul style="list-style-type: none"> • Repairs to the door entry to the relevant blocks on the Golden Lane Estate totalling £3080.46. • Repairs to the door entry to the blocks of the Holloway Estate totalling £1086.90. • Repairs to the door entry to the blocks of the York Way Estate totalling £2794.10. <p>By assessing the options available, the City will be able to determine the most cost effective method of maintaining the assets and reduce spending on response repairs to these systems.</p>
<p>7. Consequences if project not approved</p>	<p>The door entry systems will continue to degrade and potentially could fail completely.</p> <p>Continued spending on responsive repairs.</p> <p>The City failing to provide the required facilities to residents and the likely dissatisfaction that this will cause.</p> <p>A potential increase in anti-social behaviour caused by an inability to prevent non-residents gaining access to the block.</p>
<p>8. Success criteria</p>	<p>Door entry systems with an extended life between 10-20+ years (dependent upon upgrade/replacement option selected).</p>

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	<p>Reduced spending on the responsive repairs budget.</p> <p>Improved facilities (and therefore fewer complaints) from the residents living in the blocks.</p> <p>Extension of the lifetime of our assets.</p> <p>Improvement in safety and security for residents.</p>
9. Notable exclusions	<p>Other housing estates, where door entry systems have recently been replaced or do not have existing door entry systems.</p> <p>Bayer, Basterfield and Bowater Houses on the Golden Lane Estate, where door entry replacement was carried out in 2006.</p>
10. Key options to be considered	<p>To carry on maintaining the systems through responsive repairs is becoming more difficult and more costly. The surveys indicate that for some systems, at the Golden Lane and Holloway Estates, parts are already obsolete, and for all, parts are becoming harder to replace. Whilst it may be possible to continue in the short term, this does not offer a long term solution. Therefore, the following options must be considered:</p> <ol style="list-style-type: none"> 1. Repair existing system to extend the useful life by 10 plus years, by utilising as much of the existing cable as possible but with new entrance panels and receivers. 2. Undertake complete replacement with either (i) an audio only installation or (ii) an audio-visual installation for a 20+ year life.

Prioritisation

11. Link to Strategic Aims	<p>SA2: To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes'. This project supports this aim.</p>
12. Link to departmental business plan	<p>Key priority 1 Improving the health and wellbeing of communities and individuals</p> <p>Key priority 4 Supporting and empowering our communities</p> <p>Key priority 5 Making best use of resources and improving the way we work.</p>
13. Links to other existing strategies, programmes and/or projects	<p>These works tie in with the Department of Community and Children's Services programme to upgrade or improve existing door entry systems, the Asset Management Strategy and the 30 year maintenance plan.</p> <p>This project also links with a CCTV installation project which is commencing shortly. The combination of the two projects</p>

	will improve security for residents of the estates.
14. Within which category does this project fit?	7a) Asset enhancement/improvement (capital)
15. What is the priority of the project?	Essential

Financial Implications

16. Likely capital/ supplementary revenue cost range	<p>Subject to approval, the consultant will undertake the condition survey, and this will require up to two days for liaison with property services and estate staff. As at item 24, the consultant cost will be £3802.98.</p> <p>The surveys will indicate the viability and costs of the options, based on those outlined above.</p> <p>It is estimated that the cost of the project, whether option 1 or 2, will sit within the £250,000 - £2m range of projects.</p> <p>It is estimated at this stage, that should the surveys determine that the full upgrade of the door entry systems are required (Option 2), the costs would be :</p> <ul style="list-style-type: none"> • Golden Lane Estate: £458,000 • Holloway Estate: £225,000 • York Way Estate £293,000 TOTAL: £976,000 <p>There was a previous capital project addressing solely the door entry systems at Golden Lane (number 29100032). However, owing to the cost savings that would be achieved through principles of economies of scale it is suggested to combine the works on these 3 estates.</p> <p>The works will be proportionately recoverable via service charges.</p>
17. Potential source(s) of funding	The Housing Revenue Account (HRA).
18. On-going revenue requirements and departmental local risk budget(s) affected	<p>The response repairs budget will benefit from cost savings as fewer repairs to the renewed door entry systems will be required.</p> <p>Following the completion of the works, and expiry of any manufacturer's guarantees, the new installations will be the City of London Corporation's responsibility to maintain under normal contract repair and maintenance arrangements.</p>

Project Planning

19. Estimated programme and implications	<p>Corporate Projects Board – December 2013 Projects Sub – January 2014 Appoint Consultant – February 2014 Completion of Surveys – March 2014 Condition Survey reports issued – April 2014 Options Appraisal – May 2014 Tender for and appoint a contractor to carry out works – September 2014. (Procurement will be carried out in consultation with the City of London Procurement Service [CLPS] and using frameworks wherever possible in order to achieve best value.) Seek authority to commence works – October 2014 Schedule works through 2014/15.</p>
20. Potential risk implications	<p>The risk implications are low given the expected relatively low cost of the project and the limited affect that the works will have on residents, owing to the fact they are being carried out in communal areas.</p> <p>Once the recommended options for works are known, further risks will be drawn out based on the cost-benefit analysis of each option.</p>
21. Anticipated stakeholders and consultees	<p>Members, Department of Community and Children's Services Staff, residents of the estates, with reference to works completion and service charge recovery. The Chamberlains and Town Clerks will be involved in future reports.</p>
22. Equality Impact Assessment	<p>No equality impact assessment will be carried out. If works are subsequently approved all residents of the affected blocks should benefit from improved facilities. The works themselves are anticipated to be carried out with a minimum of disruption to residents of the blocks.</p>

Recommended Course of Action

23. Next Steps	<p>A consultant will be appointed to undertake the condition surveys of the blocks that are part of this project. The consultant's report will then be used to inform the Options Appraisal (Gateway 3/4) report where the required works and procurement approach will be determined.</p>
24. Resource requirements to reach next Gateway	<p>Following a competitive tendering process, quotes have been received as follows:</p> <p>Butler and Young: £7471.00 Concero Ltd: £3802.98.</p> <p>The department intend to proceed with the best value quote, and Concero Ltd carrying out the surveys.</p>

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	Staff fees to assist in the facilitation of the condition surveys is estimated to be up to two days, at a cost of not more than £500 (internal staffing cost).
25. Funding source to reach next Gateway	Existing Housing Revenue Account local risk provision for feasibility studies.
26. Standard or Streamlined Approval Track	Streamlined

Appendices

N/A

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