

Appendix 1 – Additional Information

Report: Water System Testing and Associated Safety Works at the Barbican and HRA Estates

Minor Works

The works that may be carried out at the point of testing will be minor in nature, and the costs will be in accordance with a schedule of rates which forms part of the contract. Whilst there is some risk inherent with the same contractor identifying and completing these minor works, this will be mitigated by three factors; firstly, the professional integrity of contractors that undertake this essential safety work, secondly, 15-20% of the works will be assessed by one of our surveyors to confirm they were appropriately identified and completed and thirdly, where a contractor is required to return to complete minor items of work this would incur further costs.

Minor and Major works

Minor works would include items such as tank lid replacement, de-scaling of a tank or replacing a filter.

Major works are anticipated to be mainly the removal and replacement of cold water storage water tanks including associated pipework. Major works will be subject to a further tender process once the extent of the required works is established.

Testing Costs

The annual testing cost is currently largely static, as the requirements do not change however we expect lower costs to apply where a contractor has the certainty of a longer-term contract.

The costs for the 3-5 year contract will be based on 2014/15 prices. The contract will include an allowance for increases in future years based on the Retail Price Index or other similar index. This will remove any risk the contractor may apply through the uncertainty of future inflation. A similar approach has been adopted with the recent lift servicing contract.

Whilst the Barbican and HRA Estates will be subject to the same contract, the contractor will individually price each estate. They will price to accommodate their own operators travel costs and the technical variation of required access at each estate.

Costs of works

The estimate for the cost for the works aspect of the project has come from the records of previous testing outcomes and our surveyor's knowledge of the estate and the works that may be necessary. Testing will confirm the precise location and level of works required.

Our surveyors estimate is that a tank replacement would cost circa £13,000-15,000.

Section 20 Consultation

The works at all blocks will be subject to the statutory Section 20 pre and post-tender consultation processes. The post-tender consultation letter will set out the tenders received and an analysis of the value of each one.

Procurement

We are confident that there will be sufficient appetite from contractors to secure a contract of this nature.

Once the procurement process has been completed, we will return to RCC and BRC and provide an update on the outcomes.