



# Observation Report

FINAL

City Of London Housing Design Guide Issue 16  
Hawkins Brown LLP 23rd October 2020

making the **difference**



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## 1 Executive Summary

This report has been prepared by Turner & Townsend (T&T) in response to the request from Hawkins Brown LLP, whom on behalf of the City of London Corporation have commissioned Turner & Townsend, to undertake a commentary of the '20016\_Issue\_16\_FinalIssue' provided by Hawkins Brown LLP on 23<sup>rd</sup> June 2020.

The purpose of this report is to review the following:

- Examine the City of London Corporation 'Housing Design Guide to support the expansion of Social Housing' Issue 16 22.06.20 and report observations
- Commentary on the document as a whole and the affect it may have on cost
- Comment on relevant sections and appendices of the Housing Guide
- Comment on Abnormal cost headings
- Highlight risks for consideration

The key document used for this review is:

- City of London Corporation 'Housing Design Guide to support the expansion of Social Housing' Issue 16 22.06.20

The review culminated in identification of a number of observations and potential cost considerations. Our key findings are summarised in the table in Section 2.

We would draw attention to the fact that our report is not based on price assessment. It has focused on any risk implications per our methodology detailed below.

This report summarises the findings from this review process capturing the key findings on risk. For ease of reference, we have given a 'RAG' status to each item. Red denotes a key area of risk that requires immediate attention, Amber denotes concerns that should be reviewed by the project team in the short term, and Green denotes that there are no concerns.

Turner & Townsend are commissioned by Hawkins Brown LLP to conduct a cost assurance review of the City of London Corporation 'Housing Design Guide to support the expansion of Social Housing' Issue 16 22.06.20

## 2 Summary of Findings

This report summarises the findings from the review. For ease of reference, we have given a 'RAG' status to each item.

**RED** denotes a key area of risk that **requires immediate attention**: area of risk that requires immediate attention and review by the team

**AMBER** denotes concerns that should be **reviewed by the project team in the short term**: concerns that should be reviewed by the project team

**GREEN** denotes that **there are no concerns**: no short term concerns

The following sections of this report set out the detailed findings of our assurance review. The final section sets out a summary for consideration by City of London Corporation.

This report has been prepared for the confidential use of City of London Corporation in accordance with the terms of our appointment with Hawkins Brown LLP and should not be relied upon or used by any other third party. The opinions expressed within this report are those of Turner & Townsend acting in accordance with the terms of this appointment. Turner & Townsend accepts no responsibility or liability for any consequences of this document being used for a purpose other than the purposes for which it was commissioned.

Our key findings are as follows.

RAG status	
Yellow	<p><b><u>Content of the Guide that require better definition</u></b></p> <ul style="list-style-type: none"> <li>▪ Green roofs: page 106 of the Guide calls up this requirement. The extent and minimum areas required are undefined and should be determined on a project by project basis by a consultant ecologist.</li> <li>▪ PV Cells: page 88 of the Guide calls up this requirement but the extent, quantity and minimum area requirements are not defined. Extent should be determined by energy strategy, unique to each and every project.</li> <li>▪ Fixtures and fittings: Contractors bidding for construction works needs to clearly understand what loose FFE (fridges, ovens etc.) is excluded from the unit specifications. The Guide does not clearly define this and the extent of Landlord/Tenant FFE should be determined on a project by project basis.</li> <li>▪ Pattressing: location and design of WBP plywood backing to stud walls is dictated by FFE locations. The Guide does not set out any criterion for same.</li> <li>▪ Sprinklers: the Guide does not differentiate landlord and tenant area requirements and should be determined on a project by project basis.</li> <li>▪ Appendix A6: Levels of BIM Maturity are not defined and BIM levels should be defined on a project by project basis.</li> </ul>
Yellow	<p><b><u>Content of the Guide that attracts additional cost</u></b></p> <ul style="list-style-type: none"> <li>▪ Comfort cooling: If this is considered with Housing project designs, this will attract a c. £15,000 to £25,000 EX VAT per unit cost uplift (order of cost) and should be determined on a project by project basis.</li> <li>▪ Green roofs: page 106 of the Guide calls up this requirement but the extent and minimum areas required are undefined in the Guide and should be determined on a project by project basis.</li> <li>▪ Energy Centres: the Guide does not appear to consider this and should be determined on a project by project basis.</li> </ul>
Red	<p><b><u>Potential conflict in Employer’s Requirements design</u></b></p> <p>Page 9 of the Guide states <i>‘What is the City of London Corporation Housing Design Guide’</i> and further states <i>‘A document which sets out the City Corporation’s Employer’s Requirements to support and inform the development of new social housing to deliver new homes while providing pleasant places in which to live work and play’.</i></p> <p><b>Risk:</b> Conflict between CoL Corporation ERs and design team ERs in ITT documentation may attract higher contractor price returns.</p>

RAG status	
Orange	<p><b><u>Main Contractor cost headings that need to be included in the Guide.</u></b></p> <ul style="list-style-type: none"> <li>▪ The Guide does not factor in any design and cost considerations due to COVID-19</li> <li>▪ HQM standard of 4 stars: HQM standards needs to be determined on a project by project basis.</li> <li>▪ Electric Vehicle Charging points: The Guide p89 refers to points but futureproofing of estates is not defined and futureproofing needs to be determined on a project by project basis.</li> </ul>
Green	<p><b><u>Procurement Risk</u></b></p> <p>The guide expresses a preference for single stage Design Build and alternative procurement routes should be considered on a project by project basis. The balance between a tender enquiry based on largely undeveloped design, as compared to a developed design needs to be carefully considered</p>
Orange	<p><b><u>Statutory undertakings</u></b></p> <p>Project Risk Registers need to take account of Section 106, Section 278 and Carbon tax and late agreements with Local Authorities may add cost to the programme and Contractor work scope.</p>
Green	<p><b><u>CoL Corporation Cost book project budgets</u></b></p> <ul style="list-style-type: none"> <li>▪ Budget should include for Clerk of Works (page 21 of the Guide)</li> <li>▪ Budget should include for Independent Commissioning Manager consultant cost (page 80 of the Guide)</li> <li>▪ Budget should include for Home Quality Mark requirements (page 121 of the Guide)</li> </ul>

### **3 Summary**

Appointed cost consultants acting behalf of the City of London Corporation should not let the design proceed unless it is affordable and the Gateways (section 3.3 of the Guide) should be complied with in order to provide a collaborative process with the City and the designers. For establishment of City of London Corporation cost book budgets, the Guide should be aligned project scope, site location, building and site abnormal costs, site conditions, Client brief, Works programme and Employer Requirements.

For establishment of City of London Corporation cost book budgets, the Housing Design Guide should be aligned to each particular project scope and should inform the design, site location, building and site abnormal costs, site conditions, Client brief, Works programme and Employer Requirements.