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| Committee | Dated: |
| Housing Management & Almshouses Sub Committee | 24 May 2021 |
| 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 latest update report highlights specific areas of ‘slippage’ or ‘acceleration’ since the last meeting of the Sub-Committee on 22 March 2021 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 £75million 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.
4. The funding for these extensive works, which is 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. This progress report was submitted to and considered by the HPB at its meeting on 29 April 2021.

10. Members will note from the progress report at Appendix 1 that there are currently three projects that have 'slipped' since the last meeting of this Sub-Committee, five of which, are directly attributable to the current COVID-19 restrictions. Given that we continue to operate in difficult and challenging times as a result of the outbreak of COVID-19, Members will understand the impact this has had on the programme. Members are asked to specifically note the following updates:

Extension of projects in delivery

H46 – Middlesex Street Estate Communal Heating

Surveys for the internal parts of the system began in May whilst, the installation of the wider plant and distribution system, which began back in January, is on-going. It has recently been agreed that we need to install a new cold-water distribution system as, it has become apparent that the existing system is badly corroded and, long past its expected life span. The new cold-water distribution system will be installed in conjunction with the new heating system and will significantly benefit and improve the performance of the new system. Completion of this project, which has been seriously affected by COVID-19, is likely to be delayed until the Spring next year.

Slippage to forecast contract commencement date

H50 – Southwark Concrete Testing and Repair

Works have been deferred in order to prioritise the Window Replacement Programme across the estates. It would simply not be advisable to have multiple contractors working across a shared site on the same elevations. As the concrete has been verified as being in a safe condition, it is felt to be prudent to allow the Window Replacement Programme to take precedence.

H53 – Refurbishment of Play and Ball Game Areas (Multiple Estates)

The contract start date has been delayed by one month to June 2021, to allow enough time to re-tender the contract to ensure that value and a competitive price is secured. The closing date for tenders has now passed and, disappointingly, only one tender submission has been received. This has implications for the recovery of costs from leaseholders as, a minimum of two bids are required to satisfy the requirements of the Section 20 process. Officers are consulting with colleagues in Legal to identify a compliant way in which to proceed.

Progress of note on key projects

H39 – Window Replacements and External Redecorations (Multiple Estates)

Contracts have now been exchanged and agreed for the window replacement programme at Dron House, with the installation work due to commence in May this

year. Tenders have also been received for the window replacement programme on the Southwark and Holloway Estates with final financial clarifications being undertaken. Tenders have also been received for the Windsor and William Blake Estates and, with the conclusion of the tender analysis, Gateway 5 reports (Authority to Start Work) are being prepared for submission to the relevant Committees.

H44 – Refurbishment Works - City of London & Gresham Almshouses

Following lengthy delays resulting from the COVID-19 situation and, the easing of restrictions, it is hoped that the internal works to the almshouses can resume towards the end of May 2021. This will, however, depend on the agreement of tenants to allow the contractor back into their homes to complete the works. To make it cost effective for our contractor to return to complete the works, we will need almost all our tenants to allow us access.

H45 – York Way Estate Communal Heating

Works to replace the distribution pipework are complete and work in the plant room is ongoing. The in-flat installations have been on hold as a result of the COVID-19 restrictions. However, now the restrictions are being lifted, the contractor has sent letters to the residents to arrange surveys in preparation for the in-flat installations.

H54 – Fire Door Replacement Programme (Multiple Estates)

A measured survey of the works for Phase 1 of this programme (York Way and Holloway Estates) is now complete and, the pricing submission for this phase is expected by the beginning of May. If the tender submission is within the expected range, a Gateway 5 report will be prepared and submitted to the relevant Committees for approval to award the contract. Other estates covered by this programme will move into active survey and procurement on a priority basis.

H55 – Installation of Sprinklers (HRA Towers)

The procurement exercise for this project is now complete and, a Gateway 5 report has been prepared and submitted for Committee approval. The project costs remain in line with previously approved estimates. It is intended that the installation work will commence first at Petticoat Tower on the Middlesex Street Estate at the end of the Summer or early Autumn this year.

11. As Members will appreciate, there will always be problems with contracts and projects such as those contained within the Housing Major Works Programme. In addition, we continue to operate in what are, for most of us, unprecedented times. The COVID-19 situation has had a significant impact on service delivery and, the Major Works Programme has been particularly adversely affected. The recent easing of restrictions is very welcome and, we continue to meet with our contractors and consultants on a regular basis to see what can be done to get these projects back up and running.

12. 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 (March 2021)

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