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| Committee: | Dated: |
| Barbican Residents Consultation Committee Barbican Residential Committee Property Investment Board | 30 November 2022 09 December 2022 03 February 2023 |
| Subject: Blake Tower – Update 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: Clare Chamberlain, Interim Executive Director of Community and Children’s Services | For Information |
| Report author: Paul Murtagh Assistant Director Housing & Barbican | |

Summary

The purpose of this report is to provide Members of this Board with an update on matters relating to Blake Tower and, progress towards the reversion of the management of the building to the City of London Corporation (the Corporation).

Recommendation

Members are asked to note the report.

Main Report

Background

1. Having received vacant possession of the former Barbican YMCA premises at 2 Fann Street, EC2 on the 1 October 2012 (of which, the Corporation is the freeholder), the Corporation, following a competitive marketing process, agreed the disposal of a long leasehold interest in the building to Redrow Homes Limited (Redrow), for the purpose of residential development involving the refurbishment and alteration of the Grade II Listed Building.
2. The disposal transaction was completed on 18th October 2013 by way of a legal Agreement for Lease, which required Redrow to carry out the development works

and then, take out a 150-year lease. It was also provided that Redrow would be able to grant underleases of the residential units that were built, using the standard form of Barbican residential lease.

3. In line with the expressed wish of members at the time, that the property reverted to the Barbican Estate management, the Corporation also entered into a deed of surrender that obliged it to take back the Redrow lease either:
 - 30 months after the date of Practical Completion of the second phase of the development or,
 - Two years after the sale of the last of the units by way of an underlease.
4. Of the above two provisions, the first one is the earliest. Practical Completion of the second phase of the development was issued on 18 April 2017 and 30 months from then gives us a date for completion of **18 October 2019**.

Considerations

5. Unfortunately, although the Corporation has been prepared for the transfer of the management of 2 Fann Street (now known as Blake Tower) to the Barbican Estate Office (BEO) for some time now, there have been many outstanding issues with the development works and, considerable resident dissatisfaction that has prevented the transfer.
6. For some considerable time now, the Corporation has been liaising with Redrow, its management agent (JAR) and residents of the Blake Tower Residents Association (BTRA) to try and bring this matter to a satisfactory conclusion.
7. Through its several meetings with the BTRA, the Corporation is aware of many perceived 'defects and maintenance issues with the flats and communal areas in Blake Tower including:
 - water ingress between the flats and, into the communal areas.
 - mould growth.
 - blocked pipes and soil stack.
 - dislodged roof panels.
 - non-compliant front entrance doors.
 - heating, drainage and ventilation problems.
 - fire stopping/fire compartmentation.
8. On 20 September, officers met again with representatives from Redrow and JAR to discuss the current issues and Redrow's lack of response to various letters sent by the Corporation. As far as Redrow and JAR are concerned, there are no outstanding defects in Blake Tower that require attention. Redrow did advise however, that there are several ongoing legal disputes with some of the residents and, these could not be discussed at the meeting.
9. Redrow and JAR also advised that the many of the emails that the Corporation has received, and continues to receive, from the BTRA relate to routine maintenance matters, not defects. Moreover, in Redrow's opinion, many of these matters are a

result of lack of maintenance and housekeeping on the part of the residents themselves.

10. On 21 September, officers and members met with representatives of the BTRA to report back on the outcome of the meeting with Redrow and JAR. Clearly, the BTRA disputes very strongly the views of Redrow.

Fire Stopping/Compartmentation

11. On 12 September 2022, as instructed by the Corporation, BRFP, a specialist fire safety consultant, commenced a representative sample of intrusive surveys to the interior of the flats in Blake Tower to establish the level of fire stopping installed along the fire compartment walls particularly, those relating to the shared services that pass through the walls.
12. The survey took six working days to complete and, ten flats were surveyed as part of the commission. At various stages of the survey, representatives from Redrow and its agents attended to inspect and take photographs.
13. We have now received the final report from BRFP which, has been shared with Redrow and the BTRA. The report highlights specific potentially serious issues with the fire stopping (or lack of) between the fire compartment walls dividing apartments from communal areas and on fire compartment walls inside apartments.
14. The Corporation is now working with its legal adviser, Fieldfisher, on progressing this matter with Redrow.

Current position

15. From the Corporation's perspective, Redrow is still not in a position to surrender the head lease of Blake Tower to the Corporation. There are still several outstanding issues with the standard and quality of the construction works and, it is likely that the recent internal fire stopping surveys will require further attention from Redrow.
16. The Corporation continues to write to residents of Blake Tower to update them on the position with the transfer and, a further letter will go out in December after the meeting of the Barbican Residential Committee.
17. Officers will continue to meet with Redrow, its agents and the BTRA to facilitate a satisfactory solution to this matter.

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