

Committee(s): Housing Management and Almshouses Sub (Community and Children's Services) Committee	Dated: 09 October 2024
Subject: Housing Major Works Programme – Progress 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: Director of Community and Children's Services	For Information
Report author: David Downing Acting Head of Major Works Housing, DCCS 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. From its original inception, this report has since been expanded to include information relating to Phase 2 of the Housing Major Works Programme (Future Programme).

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The purpose of this report is to present progress and highlight slippage within the portfolio of projects which make up the Housing Major Works Programme to Members of the Housing Management and Almshouses Sub Committee.
2. The City of London Corporation (City Corporation) is committed to investing around £110million 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.
3. 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.
4. 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 persistent staff resourcing issues and the additional of extra unprogrammed works, has meant that it is more likely to take 8 or 9 years to complete.
5. The Housing Major Works Programme is monitored and managed at several levels both corporately and within the department. This includes:
- Gateway Process;
 - Community & Children's Services Committee (C&CS);
 - Projects and Procurement Sub Committee;
 - Housing Management & Almshouses Sub Committee;
 - Housing Programme Board.
6. The Housing Programme Board (HPB) is a cross-departmental group which meets every two months to oversee the Major Works Programme. It is 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.
7. Attached at Appendix 1 to this report, for Members' consideration, are progress reports for the Housing Major Works Improvement Programme. The reporting has

been redesigned following requests from Members at the previous Committee meeting. Feedback on the revised format is very much welcome.

8. In line with a request from Members and, as subsequently agreed by the C&CS Committee, attached to this report as Appendix 2 is Phase 2 of the Housing Major Works Programme (Future Programme). The format of Phase 2 has been designed to reflect the following:
 - a new, revised five-year programme with the dates reset to the start of the 2025/26 financial year.
 - the carryover and incorporation of projects from the original five-year Major Works Programme that will be incomplete by the beginning of the 2025/26 financial year.
9. As members will see from the 'Future Programme' at Appendix 2, and as described at the Members briefing held 17 September 2024, there are circa £30 million of new projects that are currently '**unfunded**'. These projects comprise works identified in the Savills Stock Condition Survey (2018) and, projects that have been identified as a result of further surveys and testing works carried out as part of the current Major Works Programme. These 'unfunded' works are currently programmed to commence in a phased approach from 2026/27 subject to sufficient capacity within the HRA/HRA borrowing.
10. Although, the Future Programme does include some provision for 'Net Zero Pilots' across all our social housing estates, Members are reminded that no provision has been made for any future Net Zero Capital Projects. The reason for this, as Members will be aware, is that these projects are still largely unknown and, will only emerge over the next few years, as further research, surveys, and investigations are completed in line with the Housing Net Zero Action Plan. It is likely that Housing Net Zero Capital Projects will be funded from a combination of external grant funding and the City Corporation's Climate Action Strategy Budget.

Progress of note on key projects

Window Replacements and External Redecorations

Works to Holloway Estate, Sydenham Hill Estate and Windsor House have all reached Practical Completion.

Southwark Estate – Pakeman House, Stopher House & Sumner Buildings

An Issues Report was submitted and approved by Community & Children's Services Committee in July 2024 to cover additional costs incurred by the need to renew planning permission, changes to ventilation to comply with changes in legislation and for inclusion of balcony doors at Sumner Buildings which had been omitted from the original scope of works. Works are now approaching completion.

Programme Status:

* Pakeman House:

Redecoration Works: 90%

Window Replacement: 100%
Mechanical Ventilation: 100%
Snagging: In Progress.

* Stopher House:
Redecoration Works: 90%
Window Replacement: 65%
Mechanical Ventilation: 65%
Snagging: In Progress.

* Sumner Buildings:
Redecoration Works: 87%
Window Replacement: 65%
Mechanical Ventilation: 65%
Snagging: In Progress.

Practical completion expected 31/10/2024

Window Refurbishment, Roofing, Ventilation and Heating (Golden Lane Estate)

Phase 1 - Crescent House

The procurement process is currently underway; It's a two-stage tender. Stage 1 closed 13 August, the evaluation process is currently underway and proceeding with due care due to the risk to the project if the wrong profile of contractor should be selected. The issue of stage 2 of the tender is anticipated by late October. Legal opinion in terms of recoverability of costs as well as considering issues such as status of decanting costs and costs relating to converting leasehold flats to electric heating has been sought. This information is critical for the Stage 2 S20 consultation.

Phase 2 – Wider Estate

Design work and testing is continuing for the blocks of the Wider Estate; planning applications are expected to be submitted in January 2025. A consultation event has been arranged for residents on 3rd October.

Middlesex Street Estate Communal Heating

Installations of replacement heating systems remain ongoing across Petticoat Square. There are still five refusals in Petticoat Tower, and a further one, possibly two, flats in Petticoat Square now awaiting the outcome of the tribunal that is being dealt with by the City's legal department (to be heard December 2024). We are also having more standard access issues with some residents around Petticoat Square and are working with our colleagues in the estate office to try and overcome these.

Once the legal issues have been resolved, if as seems likely, the contractor will have vacated the site then there will be additional costs for them to return to complete any properties outstanding as their site setup and welfare facilities would need to be reestablished.

A further Issues Report is in preparation to seek additional funding following the discovery of unanticipated asbestos which is required to be removed to complete the remaining installations. A contract uplift circa £200k is anticipated to be requested.

Fire Door Replacement Programme (Multiple Estates)

Lot 2 (Avondale Square Estate)

Works to the low-rise general needs blocks are complete. Replacement of communal corridor doors within the Point Blocks remains on hold pending resolution of an issue relating to the sprinkler installation. Replacements within Harman Close are on hold pending renewal of the fire alarm and warden call systems.

Lot 3 (Sumner Buildings, William Blake, Dron House, Petticoat Tower communal doors)

Works at Dron House and William Blake Estate are complete. One flat in Sumner Buildings continues to deny access; this is with City Solicitors to resolve. Works to the communal doors in Petticoat Tower are now being mobilised following grant of access to site from the sprinkler install contractor who has now vacated.

Lot 4 (Southwark Estate, Windsor House, Isleden House, Sydenham Hill, Spitalfields)

Reform Architects have been appointed to lead the design work for Lot 4. There will be an initial focus on Sydenham Hill due to the extra complications of the Listing and previous experience of lengthy timescales when dealing with Lewisham.

Appendices

Appendix 1: Housing Major Works Project Update Reports (September 2024)

Appendix 2: Housing Major Works Programme (Future Programme)

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