

Committees:		Dates:
Housing Management & Almshouses Sub-Committee Projects Sub		16/01/2017 31/01/2017
Subject: Lift Refurbishment – Middlesex Street Estate	Issue Report: Regular	Public
Report of: Director of Community & Children's Services Report Author: David Downing		For Decision

Summary

Project Status	Green
Time Line	March 2017 – formalise specification June 2017 – commence procurement August 2017 – appoint contractor Winter 2017 – commence works Winter 2018 – complete works
Programme status	Gateway 3/4 Options Appraisal approved 29/06/2016. Approval of issues report requesting additional budget pending.
Last approved estimated cost of works	£900,000 (at Gateway 3/4)
Current estimated cost of works	£920,000
Total estimated project budget	£1,032,500 (including £112,500 fees and staff costs as approved at Gateway 3/4)
Expenditure to date	None

Last Gateway Approved including resources expended

A Gateway 3/4 Options Appraisal was presented to Housing Management Sub Committee on 4th July 2016 and Projects Sub Committee on 29th June 2016. The recommended option of full refurbishment of the six residential lifts at Middlesex Street Estate (four in Petticoat Square, two in Petticoat Tower) was approved. None of the approved resources have been expended so far on this project.

Summary of Issue

Post Gateway 4, a request from Estate Management to install a new lift stop serving the newly converted flats 3a-3d for the two lifts in Petticoat Tower has been received. These flats (first floor up from the podium) are currently accessible by staircase only. A combined sum of £10,000 for professional fees has so far been approved pre-Gateway 5 to complete equipment surveys (£5,000 as part of the Middlesex Street Refurbishment

project) and specification (£5,000 in the aforementioned Gateway 3/4 report). At present, there is no provision in the approved professional fees sum to cover a feasibility study and specification for the installation of an additional lift stop. A sum of an additional £8,000 professional fees is therefore requested to reach the next Gateway to cover this extra work. This could be drawn down from the existing total project estimate for fees and staff costs; no extra fees budget over and above this is required. The additional work, if authorised, will also necessitate an increase of £20,000 to the estimated works budget.

Proposed Way Forward

Approve a change of project scope to include the feasibility study and potential installation of the new lift stop on the first floor (above podium) of Petticoat Tower; increasing the estimated cost of works by £20,000 to £920,000 to accommodate this. This additional work should only cause a minor delay to the works programme.

Financial implications

1. Previous estimates

Description	
Lift Refurbishment Works	£900,000
Fees and staff costs	£112,500
Total	£1,012,500
Funding strategy	Housing Revenue Account (HRA) with 31.9% recoverable from leaseholders via service charges

2. Current estimates

Description	
Lift Refurbishment Works	£920,000
Fees and staff costs	£112,500
Total	£1,032,500
Funding strategy	Housing Revenue Account (HRA) with 31.9% recoverable from leaseholders via service charges

The project costs included in this report are shown at current prices (02/2015 price base). As a consequence no uplift has been included for inflation.

Recommendations

1. Approve change of project scope to incorporate installing additional lift stops for the two lifts in Petticoat Tower to serve flats 3a-3d.
2. Note the increase in total estimated budget to £1,032,500 to accommodate this additional work.
3. Approve an additional sum of £8,000 professional fees to reach Gateway 5.

Main Report

1. Issue description	<p>1. Background</p> <p>The six residential lifts at Middlesex Street Estate have reached the end of their recommended life cycle and require full refurbishment. The requirement for refurbishment at this time has been confirmed by an independent lift consultant. The option for full refurbishment was approved by Committee at Gateway 3/4 (Housing Management & Almshouses Sub Committee on 04/07/2016 and Projects Sub Committee on 29/06/2016 respectively).</p> <p>2. Additional Works</p> <p>Flats 3a-3d on the first floor up from the podium of Petticoat Tower were recently converted to residential use as part of the Middlesex Street Estate Phase II project. Access to these new flats is currently by staircase from the floor above or below only; the existing two lifts within the tower serve all other floors (including the basement car park). Access for mobility impaired residents to these flats is thus currently restricted. Estate Management have requested that the planned lift refurbishment project encompass installation of a new stop on both Petticoat Tower lifts to serve these residences. Subject to approval, the works will not only improve accessibility but also increase the value of these assets with a potential beneficial impact on future right to buy revenues in the event that these residences are sold under that scheme. To incorporate this work within the wider lift refurbishment project is highly likely to prove cost effective, as opposed to the potentially more expensive and disruptive option of pursuing at a later date with a separate contractor. Further specialist investigation however is needed to determine the feasibility of these additional works; a consultant would be required to determine the implications for the shaft and machine room (in terms of overruns and clearances), the structural implications of forming the new entrance openings for both lifts, and the specification of the additional lift equipment required.</p> <p>3. Financial Implications</p> <p>It is estimated that an additional sum of £20,000 would be sufficient to cover the increased scope of works to both Petticoat Tower lifts. The estimated total project budget would therefore increase by this amount to £1,032,500. Furthermore, a sum of £8,000 to cover the additional feasibility and specification works described above would need to be drawn down from the overall fees and staff costs budget of £112,500 and made available for use before Gateway 5. No increase to the total fees and staff</p>
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	<p>cost budgets approved at Gateway 3/4 would therefore be required; the sum indicated would merely need to be made available earlier than previously envisaged.</p> <p>4. Proposed Way Forward</p> <p>Approve the change of project scope to include the feasibility study and potential installation of the new lift stop serving flats 3a-3d Petticoat Tower; noting the concomitant increase in estimated cost of works by £20,000 to £920,000 to accommodate this.</p> <p>Approve an additional sum of £8,000 professional fees to reach the next Gateway.</p> <p>Note the increased overall total estimated project budget of £1,032,500.</p>
<p>2. Last approved limit</p>	<p>A total estimated project budget of £1,012,500 (of which works £900,000 & fees and staff costs £112,500); a total of £10,000 professional fees and £3,000 staff costs have been approved for expenditure pre-Gateway 5.</p>
<p>3. Options</p>	<p>1. Approve the change of project scope (additional lift stop serving flats 3a-3d Petticoat Tower), noting the increase in estimated budget by £20,000, and approving an additional sum of £8,000 to reach Gateway 5.</p> <p>2. No change to project scope (no additional lift stop serving flats 3a-3d Petticoat Tower to be installed), no increase in total estimated budget required.</p> <p>Option 1 is recommended.</p>

Appendices

None.

Contact

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