

Overview & Scrutiny Committee

Monday 4 November 2024

7.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Membership

Councillor Ian Wingfield (Chair)
Councillor Irina Von Wiese (Vice-Chair)
Councillor Suzanne Abachor
Councillor Cassandra Brown
Councillor Victor Chamberlain
Councillor Sam Foster
Councillor Laura Johnson
Councillor Richard Leeming
Councillor Margy Newens
Councillor Catherine Rose
Councillor Martin Seaton
Martin Brecknell (co-opted member)
Jonathan Clay (co-opted member)
Marcin Jagodzinski (co-opted member)

Reserves

Councillor Rachel Bentley
Councillor Maggie Browning
Councillor Sunil Chopra
Councillor Sabina Emmanuel
Councillor Barrie Hargrove
Councillor Jon Hartley
Councillor Esme Hicks
Councillor Richard Livingstone
Councillor Jane Salmon
Councillor Michael Situ
Councillor Cleo Soanes

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information

You have the right to request to inspect copies of minutes and reports on this agenda as well as the background documents used in the preparation of these reports.

Babysitting/Carers allowances

If you are a resident of the borough and have paid someone to look after your children, an elderly dependant or a dependant with disabilities so that you could attend this meeting, you may claim an allowance from the council. Please collect a claim form at the meeting.

Access

The council is committed to making its meetings accessible. For details on building access, translation, provision of signers or any other requirements for this meeting, please contact the person below.

Contact

Everton Roberts on 020 7525 7221 or email: everton.roberts@southwark.gov.uk

Members of the committee are summoned to attend this meeting

Althea Loderick

Chief Executive

Date: 27 October 2024



PRINTED ON
RECYCLED PAPER

Overview & Scrutiny Committee

Monday 4 November 2024

7.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Order of Business

Item No.	Title	Page No.
	PART A - OPEN BUSINESS	
1.	APOLOGIES	
	To receive any apologies for absence.	
2.	NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT	
	In special circumstances, an item of business may be added to an agenda within five clear working days of the meeting.	
3.	DISCLOSURE OF INTERESTS AND DISPENSATIONS	
	Members to declare any interests and dispensations in respect of any item of business to be considered at this meeting.	
4.	MINUTES	1 - 6
	To approve as a correct record the Minutes of the meeting held on 15 July 2024.	
5.	SCRUTINY CALL-IN: GATEWAY 1 HOUSING - PROCUREMENT SUPPORT AND SUPPLY CHAIN MANAGEMENT SYSTEM	7 - 46
	To consider the call-in of the cabinet decision of 15 October 2024 in relation to the Gateway 1 Housing – Procurement Support and Supply Chain Management System.	

Item No.	Title	Page No.
6.	CONSORT ESTATE, SE15 MAJOR WORKS - CHARGES TO LEASEHOLDERS [REFERENCE BY COUNCILLOR - OSC PROCEDURE RULE 12]	47 - 94
	To receive a report from the strategic director of housing, and to hear from resident leaseholders in respect of Consort Estate SE15 major works charges to leaseholders, following a request from a council for the matter to be scrutinised by the overview and scrutiny committee.	
	Note: Appendix 1 to follow.	
7.	FINANCIAL POSITION: BUDGET DELIVERY AND FUTURE STRATEGY	To follow
	To receive information on the council's current budget delivery and the future strategy.	
8.	WORK PROGRAMME	95 - 104
	To note the work programme as at 4 November 2024.	
	DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING.	

Date: 27 October 2024



Overview & Scrutiny Committee

MINUTES of the of the Overview & Scrutiny Committee meeting held on Monday 15 July 2024 at 7.00 pm at 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Ian Wingfield (Chair)
 Councillor Irina Von Wiese
 Councillor Suzanne Abachor
 Councillor Cassandra Brown
 Councillor Victor Chamberlain
 Councillor Laura Johnson
 Councillor Richard Leeming
 Councillor Margy Newens
 Councillor Catherine Rose
 Councillor Martin Seaton
 Jonathan Clay (co-opted member)
 Marcin Jagodzinski (co-opted member)

OTHER MEMBERS PRESENT: Councillor John Batteson, Cabinet Member for Climate
 Emergency, Jobs and Business
 Councillor Sarah King, Cabinet Member for Council Homes

OFFICER SUPPORT: Sarah Feasey, Deputy Head of Law
 Everton Roberts, Head of Scrutiny

1. APOLOGIES

Apologies for absence were received from Councillor Sam Foster and Martin Brecknell (Co-opted Member).

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

There were no late additional items.

Item 6 – Report on the decision to self-refer to the Regulator for Social Housing regarding the status of the Council's domestic electrical inspection condition reports (DEICRs) was circulated on supplemental agenda No.1

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

4. MINUTES

RESOLVED:

The Minutes of the meeting held on 22 May 2024 were approved as a correct record.

It was reported that the outstanding Minutes would be circulated to the next meeting for approval.

5. UPDATING THE OVERVIEW AND SCRUTINY COMMITTEE ON DELIVERY OF THE COUNCIL'S CLIMATE CHANGE STRATEGY AND ACTION PLAN FOR 2023/24

The committee received an update on the climate change strategy and action plan for 2023/24, and the priority workstreams for 2024/25.

The committee heard from Councillor John Batteson, Cabinet Member for Climate Emergency, Jobs and Business, Toni Ainge, Strategic Director of Environment, Neighbourhoods and Growth, Tom Sharland, Climate Change Programme Director and Tom Buttrick, Climate Change Programme Manager.

Councillor John Batteson introduced the item. He reported that there had been a lot of great work and good progress, referencing examples such as the Streets for People campaign, the launch of the Southwark Community Energy fund, the creation of new jobs, and the Southwark Green Investment. He stressed that there were a lot of challenges in delivering the climate action plan, most notably funding, and advised that in 2021 the estimated capital costs for delivering the work required to meet net zero was £3.92b, this figure was anticipated to be higher now due to inflationary costs, with a more recent estimate from another London local authority indicating that the figure was now closer to £10b. Councillor Batteson reassured the committee that the council was aware of the challenges and had a plan to address them. The climate team were refreshing the action plan over the next year, as the council reached the halfway point to 2030.

The committee received a presentation on the Climate Action Plan 2023/24 [available to view on the meeting agenda page], which covered the highlights from the past year and issues the Climate Team would be focussing on in the year ahead.

Tom Sharland, Climate Change Programme Director explained that the Climate Action Plan was split across six key themes: greener buildings; Active and sustainable transport; Thriving natural environment; Circular economy with green jobs; Renewable energy; Resilience and adaptation. The first five themes focused

on emissions reduction and reducing carbon, and the last theme [resilience and adaptation] had a focus on how the borough can adapt and become more resilient to things such as flooding and overheating.

There were 117 actions being delivered by teams across the council. Each action had a risk rating of deliverability – 104 (89%) were rated green, 10 (9%) were rated amber, and 3 (3%) were rated red. It was highlighted that there were some large actions, particularly around building retrofits and how buildings were made more efficient, that fell within the red rating and required significant areas of investment, resource and expertise. Overall, it was a positive picture with a lot of work happening, but with a recognition that some areas needed a wholesale change to enable issues to move a lot quicker.

Tom reported that along with funding, part of the challenge was the council seeing change in the borough and taking residents and key partners forward at the same time. There was also the challenge of resource within the council to equip staff with the knowledge to understand issues such as building retrofit which was complex, and the wider resource and skills in the borough to enact the level of change needed in a short period of time. In order for the borough to hit targets there was a need for behaviour change from residents, stakeholders, and people across the borough to start enacting positive change. A number of engagement groups were launched last year, along with an approach to working much more widely across the council.

Tom brought to the committee's attention a number of delivery highlights in 2023/24 and upcoming delivery priorities for 2024/25 (highlights contained in the presentation document).

After the presentation, questions and discussion took place around the following:

- Working with key partners
- Keeping the overview and scrutiny committee updated on progress.
- Previous environment scrutiny commission report in relation to energy and heat savings, and arising recommendations around 'fabric first approach; use of SELCHP, and building properties of an environmental standard that are not reliant on connecting with SELCHP
- Staff training around climate action strategy
- Cost of delivering climate action programme, and seeking coalition with other partners/councils to make the case to government around funding
- Refresh of the Climate change strategy in 2025
- Funding gap in relation to retrofitting council homes
- Green buildings fund

- Actions and progress in respect of scope three emissions, and teaming up with local authorities with shared suppliers on bigger contracts
- Difficulty in scrutinising carbon impact due to the way information is presented to the committee
- Making greater use of the Green Investment Fund
- Funds the council has bid for over the last year
- Climate Supplementary Planning Document
- Energy purchases for schools
- Increasing resident participation and ensuring their voices are heard

RESOLVED:

That the committee receive regular updates on the delivery of the Climate Change Strategy (frequency and format to be determined).

6. REPORT ON THE DECISION TO SELF-REFER TO THE REGULATOR FOR SOCIAL HOUSING REGARDING THE STATUS OF THE COUNCIL'S DOMESTIC ELECTRICAL INSPECTION CONDITION REPORTS (DEICRS)

The committee received a report from the strategic director of housing on the decision to self-refer to the regulator for social housing regarding the status of the council's domestic electrical inspection condition reports.

The committee heard from Councillor Sarah King, Cabinet Member for Council Homes, Hakeem Osinaike, Strategic Director of Housing and Stuart Davis, Managing Director of Southwark Construction.

Councillor Sarah King welcomed the item being on the agenda as it provided a good opportunity for further scrutiny on what led to the decision to self-refer, the programme of work that had been put in place to ensure that the council reached compliance, and the lessons that needed to be learned going forward.

Councillor King explained that on joining the council, the strategic director of housing had undertaken a full review of the housing department and the services it provided. Once the strategic director reported on compliance findings an immediate decision was taken to self-refer. The decision to self-refer was accompanied with a comprehensive communications plan, recognising that a decision of this type was likely to cause concern for many residents.

Councillor King signalled that further consideration would be given to electrical safety in leasehold properties, and that the council would be prioritising this and

looking at how the council communicates and supports leaseholders in arranging their own electrical safety checks to ensure that whole estates were safe.

The committee then heard from Hakeem Osinaike who explained that having found that the council had not been doing electrical safety checks in all council properties, a decision was taken to do a self-referral to the regulator for social housing, but at the same time actions had been put in place to get to compliance as quickly as possible. Funding was available to do the tests and to carry out any remedial actions required following tests.

Hakeem stressed that this had not been a case where officers had taken a lackadaisical attitude to health and safety. The council had been carrying out electrical testing in high rise buildings, both in dwellings and communal areas, but having not done so in all the other places that the council was responsible for managing, it meant that the council was not compliant, hence the referral to the regulator.

Following the report introductions, questions and discussion took place around the following:

- Current number of homes with compliant test certificates
- Communication with residents - how this will take place
- Access to properties to carry out tests, and provision available to enforce this
- Length of time taken to get testing programme in place
- Statutory and regulatory requirements – provision in place to evaluate, sense check and ensure they are met
- Other major housing providers who have not been able deliver against the regulations specified
- Adequacy of current information technology (IT) system(s) to manage the complex range of data held by the council and suitability for rolling out this work
- Assisting leaseholders with electrical testing
- Provision of electricians to undertake the testing

RESOLVED:

That the committee be provided with an update on progress in due course.

7. OVERVIEW AND SCRUTINY COMMITTEE AND COMMISSION WORK PROGRAMMES FOR 2024/25

The committee discussed potential items for the 2024/25 municipal year.

RESOLVED:

1. That the overview and scrutiny committee annual work programme be as follows:
 - Digital Systems and Workflows – CRM System for resident responses (including looking at how the council liaises with residents, and right contact first time)
 - Refresh of Southwark Stands Together and Southwark Equality Framework – Pre decision scrutiny
 - Annual Workforce Strategy
 - Budget scrutiny process
 - Governance and oversight of the Housing revenue account and recovery plan
 - Governance and oversight of Housing Services
 - Cabinet/Senior Management Strategic Responsibility
 - Enhancement of participation of residents and community groups in the scrutiny process (looking at different models of scrutiny)
 - Interview with the Police Borough Commander
 - Council Homes Disposals Policy
 - Housing associations
 - Southwark New Homes Programme
 - Customer Services (to also include digital inclusion/exclusion)
 - Process around bidding for government grants (to be looked at as part of the budget process – but as a standalone item)
2. That it be noted that the commissions will be setting their own work programmes.

The meeting ended at 9.35pm

CHAIR:

DATED:

Meeting Name:	Overview and Scrutiny Committee
Date:	4 November 2024
Report title:	Scrutiny Call-in: Gateway 1 Housing – Procurement Support and Supply Chain Management System (Cabinet, 15 October 2024)
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a
From:	Head of Scrutiny

RECOMMENDATIONS

1. That overview and scrutiny committee consider the scrutiny call-ins of the cabinet decision in respect of the Gateway 1 Housing – Procurement Support and Supply Chain Management System.
2. That having considered the call-ins, the overview and scrutiny committee decide on the appropriate course of action as outlined in paragraph 11 and 12 of the report (potential outcomes available to the call-in meeting).

BACKGROUND INFORMATION

3. On 15 October 2024 cabinet considered a report 'Gateway 1 Housing – Procurement Support and Supply Chain Management System'. The cabinet agreed:
 1. That the procurement strategy of a direct award from the procurement for housing's social housing emerging disruptors framework to Plentific Ltd. for their supply chain and procurement management solution platform dynamic purchasing system at a total cost of £1,439,700 be approved.
 2. That the purchase for a period of three years, with the option of a one-year extension be approved.
 3. That the process for placing orders for works up to £6.45m per annum (£25.8m over four years) through the platform, once established, which will be monitored and reported as detailed in the report be approved.
 4. That it be noted that the Plentific Ltd. solution platform is intended to be used in lieu of the council's approved list for repair works for the specific areas of spend covered by this gateway report. It is not intended to be

used as a substitute for any works currently delivered by directly employed staff.

5. That this report as a gateway 1 approval for any individual works order that exceeds £100,000 be approved.
6. That the gateway 2 contract award decisions be delegated to the strategic director for housing, in consultation with the strategic director of resources.

KEY ISSUES FOR CONSIDERATION

4. A request for a 'call-in' can be made in relation to an executive decision which has been made but not yet implemented by the following:
 - a) the cabinet
 - b) an individual member of the cabinet
 - c) a committee of the cabinet
 - d) an executive decision taken by an individual member
 - e) a key decision made by an officer with delegated authority.
5. This enables the overview and scrutiny committee to consider whether the decision is appropriate.
6. It is for the overview and scrutiny committee to decide what evidence to consider and take into account when considering the call-in. The committee should however be mindful of the grounds for call-in and the specific decision(s) the call-in relates to when considering whether the decision is appropriate.
7. The committee should also be mindful of the provisions contained in the Council constitution which enable interested parties to make representations to a decision maker ahead of a decision and the onus on the decision maker to have regard to representations received when taking a decision. The committee should therefore as far as practicable not introduce new issues or rehearse points that have previously been made to the decision maker.

Call-in requests

8. Requests for call-ins have been received from two groups of councillors. On 23 October 2024, Councillor Victor Chamberlain requested a call-in of the decision. The call-in was supported by Councillors Irina von Wiese, Rachel Bentley, Jane Salmon and David Watson. Separately, also on 23 October 2024, Councillor Sam Foster requested a call-in of the decision. The call-in was supported by Councillors Suzanne Abachor, Laura Johnson, Reginald Popoola and Sabina Emmanuel.

Call-in context – both call-in requests cover similar grounds in respect of concerns around value for money, fees to the council, unknown costs, back office staff resources, consultation with stakeholders, and financial risk. Full detail in respect of the call-in requests are contained as Appendix 1 and 2 of the report.

Comments of the Head of Scrutiny

9. In requesting the call-in of a decision, the requesters of the call-in are required to indicate and give reasons for why they believe the principles of decision making set out in Article 1.3 of the constitution has failed to be applied.
10. In reviewing the call-in requests, the grounds for call-in were considered to be valid for the reasons set out in the call-in request forms. The call-in will allow the overview and scrutiny committee to seek clarification on issues around consultation, and the opportunity to explore the risks highlighted in the requests.

Potential outcomes available to the call-in meeting

11. If, having considered the decision and all relevant advice, the committee is still concerned about it then it may either:
 - a) refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns, or
 - b) refer the matter to council assembly if the decision is deemed to be outside the policy and budget framework.
 - c) not refer the matter back to the decision making person or body but decide to undertake a subsequent review of a policy or service issue, which shall not affect the implementation of the decision, or
 - d) not refer the matter back to the decision making person or body.
12. In an outcome of c) and d) above, the decision shall take effect on the date of the scrutiny meeting. Notice of the decision will be issued to all councillors and published on the council's website.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet report – (attached as an Appendix)		

APPENDICES

No.	Title
Appendix 1	Scrutiny call-in request form – Councillor Victor Chamberlain
Appendix 2	Scrutiny call-in request form – Councillor Sam Foster
Appendix 3	Cabinet report, Gateway 1 Housing – Procurement Support and Supply Chain Management System (open report)

AUDIT TRAIL

Lead Officer	Everton Roberts, Head of Scrutiny	
Report Author	Everton Roberts	
Version	Final	
Dated	25 October 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Finance	No	No
Cabinet Member	No	No
Date final report sent to Scrutiny Team		25 October 2024

Scrutiny call-in request form

This form is to be used when requesting a call-in. It has been created to elicit the required information, and to provide an audit trail of the process.

Requesting a call-in

To request a call-in, please complete section 1 and arrange for the form to be countersigned by four other members of the council and email to scrutinyteam2@southwark.gov.uk before the end of the scrutiny call-in period indicated on the decision notification issued by the constitutional team.

SECTION 1

1. Title of decision to be called in, and decision taker

Decision title:	Decision taker:
GATEWAY 1 HOUSING – PROCUREMENT SUPPORT AND SUPPLY CHAIN MANAGEMENT SYSTEM	CABINET

2. Have you [applicable to all councillors requesting the call-in] participated in taking the decision?

No:

Note: A member who participates in taking an executive decision shall not sign a call-in request on the same decision (thus avoiding any conflict of interests).

3. Does the request for call-in relate to a single recommendation in the report or the whole report?

Please specify: the recommendation to procure Plentific's platform, and subsequent recommendations to that end within the report.

4. Which of the principles of decision making in Article 1.3 of the constitution have failed to be applied? (see scrutiny call-in guidance for explanation)

Mark all that you believe have failed to be applied and state reasons:

Decision making principle:	Failed to be applied? (mark with an X)
<p>(a) The link between strategy and implementation must be maintained</p> <p>Reason: The council's delivery plan, Southwark 2030, includes value for money, creating jobs for local people, a greener environment, better employment conditions and working with residents.</p> <p>The report alludes to these, but does not demonstrate how or offer any guarantees with respect to this.</p> <p>A number of key facts and assumptions are not included, for example:</p> <ul style="list-style-type: none"> • How many local contractors are on this framework, • How many will sign up to the councils fairer future procurement framework, • What the cost of managing this contract is <p>Further, the report suggests that there will be no extra back-office cost to this decision. However, on Plentific's <u>own website</u> is testimonial from a Head of Maintenance at L&Q who said that they "created a large team to manage the platform" – which suggests that</p>	<p>x</p>

<p>a great deal more back-office time is needed than the report anticipates.</p>	
<p>(b) Decision making generally, whether by individual officers, individual cabinet members or the cabinet collectively, should have reference to the policy framework</p> <p>Reason:</p>	
<p>(c) Respect for human rights, law, probity and the constitution</p> <p>Reason:</p>	
<p>(d) reasonable and proportionate consultation</p> <p>Reason: There is no evidence that residents, even through the residents improvement board, have been consulted on this change. This is especially important given that it has been suggested that the platform could be used to collect feedback from residents – so the fact that residents have not been consulted on their needs and requirements is especially important to note.</p> <p>We also understand that consultation with Unions was very limited, to the extent that trade unions were not consulted before it was put on the forward plan. A meeting was held to discuss the issue once it was on the forward plan which led to it being deferred, but the evening before Cabinet the unions were informed that it was still to be tabled.</p>	x
<p>(e) the taking of reasonable and appropriate professional advice from officers</p> <p>Reason:</p>	

<p>(f) proportionality (i.e. the action must be proportionate to the desired outcome)</p> <p>Reason: Proportionality is not clear from the report given the significant financial risk the council is undertaking in making this procurement decision – primarily the variable fees that the platform charges.</p> <p>Comments from relevant officers in the report allude to this risk:</p> <p>Strategic Director of Resources: <i>‘Pricing: Whilst access to a competitive market place could drive down prices, there is no guarantee that Plentific will offer better value than direct award to current contractors. Contractors will factor in Plentific’s fee (currently up to 10% of work costs, which could total £640k annually) into their rates. This percentage could change at any point without the knowledge of the council as this fee is not part of the Southwark’s contract with Plentific. Additionally, contractors bidding for individual jobs rather than large volumes of work could result in higher average job costs. Any increase in the cost of works is particularly concerning given current HRA budget constraints’</i></p> <p>Director of Exchequer (For Housing contracts only): <i>‘The report does not make it clear whether this additional cost will lead to other costs efficiencies which would compensate, or how the system will provide an improved service to residents’</i></p>	x
<p>(g) a presumption in favour of openness</p> <p>Reason:</p>	
<p>(h) clarity of aims and desired outcomes, including of the options considered</p> <p>Reason:</p>	

i) consideration of the likely climate consequences and the likely equality (including socio-economic disadvantage and health inequality) consequences of the relevant decision and therefore reports for decision should include advice from officers of the likely climate and equality impacts of the decision

Reason:

5. Is the decision believed to be outside the policy or budget framework

No

Signatures of those members requesting the call-in of the decision:

Note: each member must insert his or her name in the table below. A separate email from the member communicating support for the call-in is sufficient, but should be evidenced upon submission of the form.

- 1) Councillor Victor Chamberlain
- 2) Councillor Rachel Bentley
- 3) Councillor David Watson
- 4) Councillor Jane Salmon
- 5) Councillor Irina Von Wiese

Section 2

To be completed by Head of Scrutiny (or officer of the scrutiny team)

6. Does the request meet the Call-in threshold? (All must apply for threshold to be met):	Mark with an X
(a) Five members of the council have requested the decision be called-in ¹ .	X
(b) A member who has participated in taking the executive decision has not signed a call-in request on the same decision.	X
(c) Evidence that the decision maker did not take the decision in accordance with the principles of decision making as set out in Article 1.3 of the constitution has been provided.	X
(d) The request has stated whether the members believe that the decision is outside the policy or budget framework.	X

7. Request for call-in considered valid?

(Yes / No): Yes

Reasons:

I consider that there are sufficient grounds provided to warrant the request for call-in, as detailed in section 1 above (a, d and f). The call-in will allow for the overview and scrutiny committee to seek

¹This can include education representatives (for the purpose of education decisions only)

clarification on issues around consultation, and the opportunity to explore the risks highlighted in the request, which have been arrived at from information contained in the decision making report.

Signed: Everton Roberts, Head of Scrutiny

Date: 25 October 2024

Note: If the call-in is considered to be valid, the scrutiny officer shall notify the decision taker and the relevant chief officer, who shall suspend implementation of the decision. The scrutiny officer shall a) refer the called-in decision to the next meeting of the overview and scrutiny committee, if that meeting is within ten clear working days of the receipt of the call-in request, or b) call an extraordinary meeting of the overview and scrutiny committee to consider the called-in decision, to take place as soon as possible and in any case within ten clear working days of the call-in request, or c) if appropriate arrange an extraordinary meeting of the overview and scrutiny committee to consider the matter outside the normal timetable, unless in the view of the monitoring officer and/or the chief finance officer, in consultation with the relevant chief officer, the matter cannot wait and in which case it shall be considered in accordance with the timescale set out above.

Invalid Call-in Request

Where a call-in has been ruled invalid by the scrutiny officer, a request can be made by those requesting call-in for the monitoring officer to review the ruling. The request shall be made by 4pm on the second working day after the day of the notification of the decision by the scrutiny officer.

In the event of dispute, the decision of the monitoring officer shall be final.

Request for review of scrutiny officer ruling. Please send this form to Doreen Forrester-Brown, Monitoring Officer by 4pm, @ date

(Email: Doreen.forrester-brown@southwark.gov.uk)

Section 3

To be completed by the monitoring officer upon receipt of request for review

I have reviewed the grounds for call-in and reasons given for an invalid request and conclude that the request for call-in is (Valid / Invalid)

Reasons:

Doreen Forrester-Brown, Monitoring Officer

Dated:

Scrutiny call-in request form

This form is to be used when requesting a call-in. It has been created to elicit the required information, and to provide an audit trail of the process.

Requesting a call-in

To request a call-in, please complete section 1 and arrange for the form to be countersigned by four other members of the council and email to scrutinyteam2@southwark.gov.uk before the end of the scrutiny call-in period indicated on the decision notification issued by the constitutional team.

SECTION 1

1. Title of decision to be called in, and decision taker

Decision title:	Decision taker:
Gateway 1 Housing – Procurement Support and Supply Chain Management System	Cabinet

2. Have you [applicable to all councillors requesting the call-in] participated in taking the decision?

(Yes/No): No

Note: A member who participates in taking an executive decision shall not sign a call-in request on the same decision (thus avoiding any conflict of interests).

3. Does the request for call-in relate to a single recommendation in the report or the whole report?

Please specify: Whole report

4. Which of the principles of decision making in Article 1.3 of the constitution have failed to be applied? (see scrutiny call-in guidance for explanation)

Mark all that you believe have failed to be applied and state reasons:

Decision making principle:	Failed to be applied? (mark with an X)
<p>(a) The link between strategy and implementation must be maintained</p> <p>Reason: The report makes reference to the Southwark 2030 commitments to offering value for money, openness and accountability. There is no guarantee that this decision will generate savings for the council or provide value for money – and indeed, it could represent an additional cost given the fee charged by Plentific to the council and to the contractors (who will pass it on to the council). Actual costs are not knowable. The report also anticipates delivering the relationship with Plentific with no additional back-office staff resources – this unclear in itself and the report does not explain how it will be achieved. The Strategic Director of Resources notes the governance challenge (p.100) posed by this transformation of contract management processes. Given recent challenges in contract management, the risk seems serious.</p>	X
<p>(b) Decision making generally, whether by individual officers, individual cabinet members or the cabinet collectively, should have reference to the policy framework</p> <p>Reason:</p>	
<p>(c) Respect for human rights, law, probity and the constitution</p> <p>Reason:</p>	

<p>(d) reasonable and proportionate consultation</p> <p>Reason: As this is a significant development in the management of our repairs service, there should be have been some degree of wider stakeholder consultation. We are committed to a resident-led approach to improving repairs, but the report makes no mention of any consultation with residents in this decision.</p>	X
<p>(e) the taking of reasonable and appropriate professional advice from officers</p> <p>Reason:</p>	
<p>(f) proportionality (i.e. the action must be proportionate to the desired outcome)</p> <p>Reason: Above-mentioned concerns around value for money and financial risk apply here also. We do not know exactly what if any savings this will generate, and whether it will provide an improved repairs service, but it is a significant change that will place integration and governance challenges on the Housing department, at a time when its budget is under strain. It is a major change, with significant risk, that the report does not justify – and the alternative of procuring existing suppliers is not explored or assessed in any detail.</p>	X
<p>(g) a presumption in favour of openness</p> <p>Reason:</p>	
<p>(h) clarity of aims and desired outcomes, including of the options considered</p> <p>Reason:</p>	

i) consideration of the likely climate consequences and the likely equality (including socio-economic disadvantage and health inequality) consequences of the relevant decision and therefore reports for decision should include advice from officers of the likely climate and equality impacts of the decision

Reason:

5. Is the decision believed to be outside the policy or budget framework

(Yes / No): No

Signatures of those members requesting the call-in of the decision:

Note: each member must insert his or her name in the table below. A separate email from the member communicating support for the call-in is sufficient, but should be evidenced upon submission of the form.

- 1) Councillor Sam Foster
- 2) Councillor Reginald Popoola
- 3) Councillor Laura Johnson
- 4) Councillor Sabina Emmanuel
- 5) Councillor Suzanne Abachor

Section 2

To be completed by Head of Scrutiny (or officer of the scrutiny team)

6. Does the request meet the Call-in threshold? (All must apply for threshold to be met):	Mark with an X
(a) Five members of the council have requested the decision be called-in ¹ .	x
(b) A member who has participated in taking the executive decision has not signed a call-in request on the same decision.	x
(c) Evidence that the decision maker did not take the decision in accordance with the principles of decision making as set out in Article 1.3 of the constitution has been provided.	x
(d) The request has stated whether the members believe that the decision is outside the policy or budget framework.	x

7. Request for call-in considered valid?

(Yes / No): Yes

Reasons:

I consider that there are sufficient grounds provided to warrant the request for call-in, as detailed in section 1 above (a, d and f). The call-in will allow for the overview and scrutiny committee to seek

¹This can include education representatives (for the purpose of education decisions only)

clarification on issues around consultation, and the opportunity to explore the risks highlighted in the request, which have been arrived at from information contained in the decision making report.

Signed: Everton Roberts, Head of Scrutiny

Date: 25 October 2024

Note: If the call-in is considered to be valid, the scrutiny officer shall notify the decision taker and the relevant chief officer, who shall suspend implementation of the decision. The scrutiny officer shall a) refer the called-in decision to the next meeting of the overview and scrutiny committee, if that meeting is within ten clear working days of the receipt of the call-in request, or b) call an extraordinary meeting of the overview and scrutiny committee to consider the called-in decision, to take place as soon as possible and in any case within ten clear working days of the call-in request, or c) if appropriate arrange an extraordinary meeting of the overview and scrutiny committee to consider the matter outside the normal timetable, unless in the view of the monitoring officer and/or the chief finance officer, in consultation with the relevant chief officer, the matter cannot wait and in which case it shall be considered in accordance with the timescale set out above.

Invalid Call-in Request

Where a call-in has been ruled invalid by the scrutiny officer, a request can be made by those requesting call-in for the monitoring officer to review the ruling. The request shall be made by 4pm on the second working day after the day of the notification of the decision by the scrutiny officer.

In the event of dispute, the decision of the monitoring officer shall be final.

Request for review of scrutiny officer ruling. Please send this form to Doreen Forrester-Brown, Monitoring Officer by 4pm, @ date

(Email: Doreen.forrester-brown@southwark.gov.uk)

Section 3

To be completed by the monitoring officer upon receipt of request for review

I have reviewed the grounds for call-in and reasons given for an invalid request and conclude that the request for call-in is (Valid / Invalid)

Reasons:

Doreen Forrester-Brown, Monitoring Officer

Dated:

Meeting Name:	Cabinet
Date:	15 October 2024
Report title:	GW1 Housing – Procurement Support and Supply Chain Management System
Cabinet Member:	Councillor Sarah King, Cabinet Member for Council Homes
Ward(s) or groups affected:	All Wards
Classification:	Open
Reason for lateness (if applicable):	N/A
From:	Strategic Director of Housing

FOREWORD – COUNCILOR SARAH KING, CABINET MEMBER FOR COUNCIL HOMES

We know that the council needs to do more as a landlord to support our tenants and leaseholders. In 2022, we made housing our top priority as a council, focusing on improving the experience of tenants and leaseholders as they interact with the council, getting repairs fixed and tackling damp and mould.

To achieve this, we have put residents at the heart of reshaping our repairs service, and our resident-led board has been central to changes that we are now making. Whilst there is still work to be done, over the last year we have seen a 6% increase in satisfaction with our repairs service, and we are building consistency in making sure our repairs are right first time – hitting our 90% target month on month. We are also going out into the community with our Repair Action Days, carrying out repairs on the spot and making sure bigger repairs are logged and followed up quickly. These days have been incredibly successful and we will be visiting more estates in the coming months and years.

The next stage of ensuring our tenants see further improvements in the repairs service is having the best possible contractors in place to work alongside our in house repairs service for those jobs where we do not currently have the breadth and depth of expertise within the council. The new system of procurement will allow us to procure industry leading specialists more quickly, address the issue of being out of contract with our existing suppliers and allows us to continue to work with SMEs. This will be achieved at a lower cost to the Housing Revenue Account through a pre vetted system. Importantly the system's in built processes provide real time feedback on their performance including from our own residents, which will ensure that when contractors do not perform to the standard we expect of them we will no longer continue to work with them.

The new system will ensure value for money and achieve higher levels of customer satisfaction - treating every home the council owns as if it was our own. Alongside we will continue to invest in our in house repairs team who we know are best placed to deliver on our long term commitments to tenants and leaseholders.

RECOMMENDATIONS:

1. That cabinet approve the procurement strategy of a direct award from the Procurement for Housing's Social Housing Emerging Disruptors Framework to Plentific Ltd. for their supply chain and procurement management solution platform dynamic purchasing system at a total cost of £1,439,700
2. That cabinet approve the purchase for a period of three years, with the option of a one year extension.
3. That cabinet approve the process for placing orders for works up to £6.45m per annum (£25.8m over four years) through the platform, once established, which will be monitored and reported as detailed in this report.
4. That cabinet note that the Plentific Ltd. solution platform is intended to be used in lieu of the council's approved list for repair works for the specific areas of spend covered by this GW report. It is not intended to be used as a substitute for any works currently delivered by directly employed staff.
5. That cabinet approve this report as a Gateway 1 approval for any individual works order that exceeds £100,000.
6. That cabinet delegate the Gateway 2 contract award decisions to the Strategic Director for Housing, in consultation with the Strategic Director of Resources.

REASONS FOR RECOMMENDATIONS

7. The reasons for the recommended procurement approach are detailed later in this report

ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

8. The alternative options considered for this procurement are set out in this report

POST DECISION IMPLEMENTATION

9. Once the recommendations within this report have been approved:

Key Activity	Target completion date
Agreement contract terms and conditions.	10/11/2024
GW 2 approval	26/11/2024
Implementation of the DSP system and go live.	09/12/2024
Outline tender process for engaging, awarding various works packages through the platform,	09/12/2024

Key Activity	Target completion date
and contract management approach of the packages.	
Agree tender documentation for works packages with procurement.	07/12/2024

BACKGROUND INFORMATION

10. A number of contracts across Asset Management are at the end of, or are coming to the end of their contract term. This is a risk for the Council and team within Asset Management have been looking at ways to resolve this urgently.
11. The long-term solution is to engage a procurement process, which by the volume, complexity and cost of the works needed, will be a protracted process. However, in the short to medium term, we need to ensure contractual compliance without the need for traditional, long term contractors on a fixed rate. The Council is also keen to work with SME (small and medium enterprise) contractors where possible, who may have traditionally found it more difficult to work with us. The Plentific platform enables us to achieve both of these objectives.
12. The Council is also committed to ensuring value for money and to spending the money within the Council's Housing Revenue Account (HRA) as intelligently as possible. Plentific would be less intensive across both time and labour for the Council, offering a back office saving.
13. Whilst longer term awarded contracts are the norm, other options were explored across the market to meet the Council's commitment to contractual compliance and value for money.
14. The Plentific platform enables the council to gather real time residents' feedback on their experience with each repair carried out. This enables us to react quickly to issues before they become complaints and to review our interaction with contractors receiving poor feedback.

Summary of the business case/justification for the procurement

15. This procurement is being undertaken to ensure that the council's Asset Management Team is compliant in terms of its contracts and is delivering the repairs programme in a more efficient and less resource-intensive process.
16. The Plentific Ltd. (Plentific) platform provides several additional business benefits for the council, which include:
 - Risk management: The current out of contract status of many contractors in the council's housing supply chain is unsustainable and carries risks. Plentific's dynamic purchasing system (DPS) offers access to pre-approved suppliers.

- Value for money: The system allows consistent competitive bidding for work, which will enable the council to assess and demonstrate value for money (VFM), which we cannot currently demonstrate.
 - Analytics: Information on performance, costs, variations and resident feedback, all of which we do not currently have.
 - Dashboards: Ability to monitor which contractors are selected and any justification if they do not represent the best value for money.
 - Contract management: The platform allows active and live contract management.
 - Assimilation: Contractors previously engaged by the council can be quickly and easily assimilated to the Plentific platform for a fee, as highlighted in the table in paragraph 31 of this report, thus providing potential continuity, subject to value for money.
17. Whilst many of the above could be achieved through the council's existing approved list, the Plentific system offers the council immediate contract compliance and a more competitive way of tendering these jobs, which leads to better value for money.
 18. The Plentific platform will be used for the procurement and management of repairs. It will not be used for day-to-day works normally carried out by the council's directly employed work force, with the exception of specialist trade works and where capacity requires external support to complete works, as already exists.
 19. Works assigned through the Plentific system will be limited to works that the Council cannot undertake internally with our workforce. These works are larger scale or specialist works where it makes more economic sense to go to the open market.
 20. Works contracted out through Plentific will be the exact same type and volume of the works currently contracted out to our repairs partners with expired contracts. No additional works are in scope to be contracted and it is a realistic expectation that over the length of the Plentific contract that less works will be contracted out than current.
 21. This therefore has no negative or adverse effects on the current internal DLO arrangement or staff directly employed by the council.
 22. The platform will be configured to invite a minimum of three suppliers to bid, and contracts will be awarded in accordance with the council's Contract Standing Orders (CSOs) and in line with the system of delegated authority within the Asset Management Team, according to Housing Department's scheme of delegation. The system will then be used to manage the contracts and payment of the contractors.
 23. This paper estimates works costs procured via the Plentific marketplace platform to be in the region of 6.45m a year (£25.8m over four years). This is based on spending receipts for repairs work received during the financial year 2023-24 of circa £6.45m.

24. This estimate assumes that similar budgets are available and a similar level of demand from the stock is required. The figure has not been increased to include indexation.

Housing Processes

25. The award and management of the contracted works will continue through Southwark Repairs and the Council's scheme of delegated authority.
26. Works being allocated via Plentific will always be overseen by a manager within that work stream to ensure that the works cannot be done in house and that we are achieving value for money based on the criteria of the order.
27. Southwark Repairs has a designated project lead within their management team and a dedicated officer will be allocated to oversee the works allocated through the system and adherence to processes.
28. Reporting will take place monthly to the Strategic Director of Housing on numbers of orders and spend through the Plentific system.
29. Areas of work where term contracts are currently being procured, for example voids and communal, will be outside of the initial scope of this project with the option reserved to include them during a later phase of the project.
30. The project will phase areas of Southwark repairs into the Plentific system over a period of months to minimise risk and ensure service continuity.
31. The system will allow residents to rate their contractor based on quality of works and overall satisfaction. Continuing low scores results in contractors being removed from the Plentific system. This process allows the Council to favour satisfaction in its choice of contractor as well as allowing our residents a voice in future procurement.
32. Bringing the contractors we use into contractual compliance is a key objective of the department.
33. The council will have a contract with each individual contractor, which will be managed through the Plentific system.
34. The medium to long term aim within Southwark Repairs is that as much work as possible be completed by internal, directly employed Council teams. The service isn't in a position to currently undertake any further works internally in the short term
35. Southwark repairs are bringing our damp and mould team in house currently. Once that is completed, the intention is to commence the same process for our voids and elements of our communal repairs teams.
36. Long term, the intention is to procure Southwark's own contractor framework. As a landlord with circa 55,000 homes, we should have and can sustain a framework of large, medium and small contractors, who will satisfy all of our

contract needs. However, the procurement of such a framework, will take between 18 and 24 months, which is a period we cannot continue to be out of compliance.

37. The Plentific system is therefore a stepping stone to allow the service to reach full contractual compliance and reduce costs in the short term, allowing for a review of the services delivered and an in house delivery model wherever possible.
38. Services that cannot be delivered in house will be delivered by a Southwark specific framework of contractors.

Payment Process

39. The cost of orders raised through the Plentific system is batch paid to the various contractors via a Stripe hosted virtual bank account. The council make a single batch payment which is then distributed by Stripe to individual contractors. This process is managed through the Plentific system, which ensures that only invoices for orders that have been selected by the council are paid. Any mismatch between the batch payment and invoices selected is flagged through the system and would need to be resolved before any payments are released. Unreleased money would be refunded back to the council if the problem with the payment is not resolved within a given timescale.
40. In summary, the council's officers approve individual payments to contractors on receipt of verification of successfully completed works. Payments are made on a batch basis. Contractor payments are paid via Stripe and not paid to or held in an account which is controlled by Plentific. The officer authorization levels remain as they are currently and inline with the Housing Department's scheme of delegation.
41. Plentific charges contractors a percentage commission for being suppliers on the Plentific system. The following table highlights the commission range that Plentific charge to suppliers:

Job Value Band £		Commission Fee
£0	£5,000	10.0%
£5,001	£7,500	8.0%
£7,501	£10,000	7.0%
£10,001	£25,000	6.0%
£25,001	£50,000	5.0%
£50,001	£250,000	4.0%
£250,001	£1,000,000+	3.0%

Job Value Band £	Commission Fee
Southwark Appointed Contractors (any existing council suppliers added to the system)	2.5%

42. The above supplier fees are likely to be added to the council's cost. Whilst this potentially adds costs for the council, it is anticipated that there will be efficiencies through the competitive tendering process for each job, more efficient contract controls, and less resources needed in internally manage the process, which will reduce the impact of any additional costs. These fee percentages are outside of the contract between the Council and Plentific and does not have visibility of these fees. These can change at any point and is therefore listed under the risk table.

Market considerations

43. The Plentific platform provides the council with access to over 500 pre-vetted contractors and suppliers. Their pricing is based on the latest version of the National Housing Federation (NHF) Schedule of Rates (SoR). Work is competitively tendered as required, ensuring Value for Money for the council.
44. The council can invite existing suppliers to sign up to the Plentific platform and allow them to competitively tender along with new suppliers. Suppliers on the council's approved list will be informed and given an opportunity to join the Plentific platform.
45. Plentific also gives the council access to many local Small and Medium Sized Enterprises (SMEs). The council will have the ability to set parameters around size and locality of SMEs for inclusion in invitations to bid for works. This enables the council to invest in building local wealth.
46. Plentific's platform allows SMEs to sign up with ease, whilst still providing compliance checks to meet the council's requirements. This allows SMEs who do not have back-office resources access to the marketplace in an efficient and cost-effective manner.
47. With potentially up to 10,000 work orders and circa £6.54m spend per year being channeled through Plentific, this represents a significant opportunity for SMEs in the borough and the council's ability to support them.

KEY ISSUES FOR CONSIDERATION

Options for procurement route including procurement approach

48. The following options were considered for this procurement.

Do nothing

49. Doing nothing is not an option, the council has a statutory obligation to maintain its housing stock and there are a number of gaps in the current process.

In-house

50. This would mean the council effectively either setting up its own framework of suppliers, extending the current DLO, which would all be costly and time-consuming endeavors. This is a long-term aim of the council, but Plentific enables the council to implement a short-term solution to ensure contract compliance.
51. Whilst the council does already have an approved list for contractors where the value of the contract is below the public works threshold, the Plentific system provides a wider range of tools, which should allow for a more efficient way of procurement and contract management.

Direct award new contracts to a limited number of existing suppliers

52. This is only available as a short-term/interim option. This option was discounted in favour of procurement via an existing procurement platform, as it does not offer the most efficient use of the council's resources and money, only offers a short-term solution, and does not offer the same level of transparency and consistency for the council. Furthermore, due to lack of competition, it would be difficult to assess best value.

Using a framework or a Dynamic Purchasing System

53. The transformation team have reviewed and compared the following repairs and maintenance lots from the following framework and procurement platforms in order to find a suitable procurement solution:

Provider/ Framework	Cost	Frame work	DPS	Pre- approved Supply Chain (Incl. executed contracts)
Bloom (Nepro 3)	5% (suppliers)	Yes	No	No
Crown Commercial Service (Housing Maintenance and Repair)	Average of 0.33% (suppliers)	Yes	No	No
Constilia (Neutral vendor MSP)	1.45 to 4.5% (suppliers)	Yes	No	No
South East Consortium (Refurbishment & Repairs Framework)	1.5% (members)	Yes	No	No
Plentific (Maintenance & Property Management Software)	2.5 to 10% (suppliers)	Yes	Yes	Yes

Provider/ Framework	Cost	Frame work	DPS	Pre- approved Supply Chain (Incl. executed contracts)
Using the council's approved list	Supplier Joining Fee	No	No	Yes but no Execution

54. It should be noted that DPSs will come to an end by 27 October 2028 due to changes in procurement legislation and will be replaced with a dynamic market.

Proposed procurement route

55. The proposed strategy is to make a direct award, via the Procurement for Housing's Social Housing Emerging Disruptors (SHED) Framework, to Plentific Ltd to use their supply chain and procurement management platform solution DPS.
56. The cost breakdown for the system are below:
- £497,000 – three year system use
 - £125,000 – option of additional one year of system use
 - £817,200 – additional modules
57. The council does not have the expertise or capacity within the existing in-house team, internal resources are not sufficiently structured to fully deliver these kind of services.
58. The core services offered by Plentific platform provide the council with access to the following:
- A PCR compliant procurement platform
 - Access to a DPS
 - An integrated system approach to procurement (tendering, contract management, supplier payments)
 - A short-term fix, as well as a long-term solution.
 - Ability to add existing suppliers to the supplier list.
59. The framework will allow for a mini-competition or a direct award for each project. Officers will be instructed to undertake a mini-competition unless it is an emergency, any orders without competition will need to be agreed by a manager within the service.
60. A plan is currently being drawn up to ensure that the Plentific tender and order process aligns with the council's approved delegations and the council's CSOs. It is expected that most of the individual order value range will be from £1,000 to £5,000, although some will exceed this. This report seeks approval to be considered as a GW 1 report for any individual orders that exceed £100,000. A separate GW 2 report will be required in accordance with the CSOs.
61. In order to ensure that this spend is monitored, a report will be produced on a monthly basis outlining all expenditure within the last month, upon which the

requirements of the contract register will be satisfied, and which will be presented to the Strategic Director of Housing. This process will be reviewed once in place and established.

62. The Plentific's solution platform is intended to be used in lieu of the council's approved list for repair works for the specific areas of spend covered by this GW report. The rationale for using this platform instead of the council's approved list is because it offers pre-approved and vetted contractors, a competitive approach to raising orders, monitoring functionality, and an efficient approach to the multi-transactional use of contractors.
63. Contractors on the Plentific system are assessed against the PPN Selection Questionnaire for compliance.
64. To be compliant with Southwark specific procurement and compliance the system will be adapted and contractors bidding for work will need to sign up to Southwark's Fairer Future Procurement Framework prior to placing a bid on each individual order.
65. Checks will be made by Southwark's internal teams to ensure that contractors are compliant with the standards. Any contractors who are not compliant with Southwark specific standards will not be used to undertake any works on behalf of Southwark Repairs.

Identified risks for the procurement

R/N	Risk Identified	Risk Rating	Mitigation
R1	Integration Risk	Low / Med	Early engagement with Southwark I.T. (already commenced) and third party stakeholder such as other systems providers. Mitigation early and detailed engagement.
R2	Procurement challenge	Low	This framework allows for single supplier negotiation and the council will ensure compliance with framework terms
R3	Financial viability of Plentific / Insolvency	High	<p>Council to carry out financial due diligence investigation and the usual credit checks, and engage with the company to satisfy any concerns around financial sustainability.</p> <p>A no penalty break clause will be included in the contract. Ensure robust plan in place for service delivery in the event of the platform ceasing to exist. All works will be paid for in arrears.</p> <p>Subscriptions/licenses are paid annually.</p> <p>The council will have direct contracts with each supplier, albeit through the system.</p>

R/N	Risk Identified	Risk Rating	Mitigation
			The stripe payment system ensures that any funds paid out to suppliers through the system are protected.
R4	Contractors withdraw from the platform / platform ceases to exist	Low	Ensure robust plan in place for service delivery in the event of the platform ceasing to exist. The Plentific marketplace has over 500 contractors available in the southeast within excess of 300 in London. Individual withdrawal is unlikely to impact Southwark's delivery
R5	Increased Exposure to market volatility	Low	Implement regular reviews of market trends and supplier pricing to adjust strategies proactively and manage costs effectively.
R6	Variable pricing increases likelihood of swings in spend	Low	Utilise the detailed analytics provided by Plentific to improve forecasting accuracy, even with variable pricing. Regularly update financial forecasts based on the latest market data and trends. Fixed price work will be obtained where possible.
R7	Fee charged by Plentific to Contractors increases (which increases cost of works)	Med	Consider renegotiating contracts or seeking alternative platforms if fees become prohibitive.

Key /non-key decisions

66. This report deals with a key decision.

Policy framework implications

67. The procurement of this contract will follow the commitment of 'Southwark 2030' to deliver the commitments to value for money and be open, honest, and accountable.

68. These new contractors engaged through Plentific's platform will contribute to the council's Delivery Plan for:

- a thriving and inclusive economy;
- a healthy environment;
- quality affordable homes; and
- keeping you safe.

Procurement project plan (Key Decisions)

Activity	Complete by:
Enter Gateway 1 decision on the Forward Plan	01/08/2024
DCRB Review Gateway 1	05/08/2024
CCRB Review Gateway 1	15/08/2024
CMT Review Gateway 1	20/08/2024
Brief relevant cabinet member (over £100k)	15/07/2024
Notification of forthcoming decision - Cabinet	07/10/2024
Approval of Gateway 1: Procurement strategy report	15/10/2024
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	24/10/2024
Forward Plan (if Strategic Procurement) Gateway 2	02/09/2024
DCRB Review Gateway 2:	28/11/2024
CCRB Review Gateway 2	07/11/2024
Notification of forthcoming decision	18/11/2024
Approval of Gateway 2: Contract Award Report	26/11/2024
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	06/12/2024
Contract award	06/12/2024
Add to Contract Register	06/12/2024
Place award notice on Find a Tender Service	06/12/2024
Place award notice on Contracts Finder	06/12/2024
Contract start	09/12/2024
Initial contract completion date	09/12/2027
Contract completion date – (if extension(s) exercised)	09/12/2028

69. This report is seeking delegation of the Gateway 2 decision in order to appoint Plentific Ltd as quickly as possible, in order to address the issues raised in this report have a suitable procurement process in place for future repairs.

TUPE/Pensions implications

70. No direct TUPE or pensions implications are currently anticipated for the council as the proposed service contract will be delivered by an external provider.

Development of the tender documentation

71. Asset management will review contract documentation, Plentific terms and conditions, and the framework terms and conditions with corporate legal services. Contracts for works will be direct with suppliers and not with Plentific.

Advertising the contract

72. Not required as this is a direct award.

Evaluation

73. This contract will be awarded based on cost benefits attained via competitive tendering and contract management efficiencies and monitoring provided.

Community, equalities (including socio-economic) and health impacts

Community impact statement

74. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day-to-day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.
75. The award of this contract will have a positive impact on the community as it will assist the council in keeping its statutory obligations.

Equalities (including socio-economic) impact statement

76. The Public Sector Equality Duty has been considered and no additional consultation is required.

Health impact statement

77. The new contract will have a positive impact on health inequalities as the main purpose of the works is to provide quality homes for the council's social housing.

Climate change implications

78. The contractors provided through Plentific's platform will have a positive impact on climate. The contracts include the provision for utilising public transport and organising works to limit travel and journey times. The system opens up the possibility of using local, smaller companies to carry out works the Council may not otherwise have used via existing contracts and processes

Social Value considerations

79. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and

environmental benefits that may improve the wellbeing of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.

80. The Fairer Future Procurement Framework will be embedded into the documentation Contractors procured via the Plentific's platform are required to sign up to and adopt as their own.
81. The successful contractors will be required to demonstrate that they operate an Equal Opportunities Policy, comply with the provisions of the Equalities Legislation, the Employment Relations Act 1999 (Blacklists) Regulations 2010 and the Prevent Duty under section 26 of the Counterterrorism and Security Act 2015. These provisions will be incorporated in the contract terms and conditions.
82. Small and medium local businesses will be supported by the council, through encouragement to join the Plentific platform.

Economic considerations

83. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark or Greater London pay their staff at a minimum rate equivalent to the LLW rate. For contracts performed outside London, all relevant staff should be paid at or above the real UK Living Wage. Plentific and subsequent works contractors will be expected to meet the LLW requirements and contract conditions requiring the payment of LLW which will form part of the negotiation process and the outcome will be contained within in the GW 2 report.
84. Following awards, Plentific and subsequent works contractors will be required to collect data on employment status of any sub-contracted operatives and confirm payment of LLW. All quality improvements and any cost implications will be monitored as part of the contract review process.

Social considerations

85. The successful contractors provided through Plentific's platform shall consider trade union recognition in line with the council's Fairer Future Procurement Framework.
86. The successful contractors or their sub-contractors provided through Plentific's platform will be registered and accredited with the Transport for London (TfL) Fleet Operator Recognition Scheme. TfL Fleet Operator Recognition Scheme helps fleet operators to measure and monitor performance, encompassing safety, fuel efficiency, vehicle emissions and improved operations, in order to promote fleet management best practice and reduce social / environmental impacts.
87. The successful contractors provided through Plentific's platform will need to demonstrate that they can meet the Mayors Good Working Standard foundation level or above and are committed to the End Violence at Work Charter.

Environmental/Sustainability considerations

88. The contractors provided via Plentific's platform will be required to sign up to and adopt the council's Environmental and Sustainability policies.

Plans for the monitoring and management of the contract

89. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author must ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System.
90. Annual performance reviews will be in line with the council's Contract Standing Orders.

Staffing/procurement implications

91. There is no current plans for any changes to the existing staffing structure, it is anticipated that this will be managed through existing staff resources.

Financial implications

92. The estimated cost of this proposed procurement is £1.4m and will form as part of asset management budget. Then an estimated £25.8m resulting works costs. The cost will be met from resources supporting the council's Housing Investment Programme.
93. Contractors will be charged a fee by Plentific for using the Plentific system, which is likely to be added by the contractor to the council's cost. Whilst this potentially addition costs for the council, it is anticipated that there will be efficiencies through competitive tendering process for each job, more efficient contract controls, and less resources needed in internally manage the process, which will reduce the impact,
94. Estimated contract cost including and excluding VAT:

	System & Licensing	Works	Total	Total Including VAT
Year 1	£349,292	£2,687,500	£3,036,792	£3,644,150
Year 2	£304,300	£6,450,000	£6,754,300	£8,105,160
Year 3	£304,300	£6,450,000	£6,754,300	£8,105,160
Year 4	£304,300	£6,450,000	£6,754,300	£8,105,160
Year 5	£177,508	£3,762,500	£3,940,008	£4,728,010
Total	£1,439,700	£25,800,000	£27,239,700	£32,687,640

Investment implications

95. The cost of these services will be allocated to the council's investment programme.

Legal implications

96. Please see concurrent from the Assistant Chief Executive – Governance and Assurance

Consultation

97. There were none.

Other implications or issues

98. There were none.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Resources

99. This report seeks cabinet approval for the procurement strategy of a direct award to Plentific for their DMP for a period of three years, with an option to extend for an additional year at a total potential cost for the core system and all modules (for four years) of £1.43m. Additionally this report approves the process for placing orders for works up to £6.45m per annum (£25.8m over 4 years) through the platform. This will ensure that use of repairs and maintenance subcontractors is compliant with the council's procurement guidance, ensuring transparency and accountability.
100. The table in paragraph 41 outlines various risks associated with a project involving the Plentific platform. Key risks include:
- **Financial Viability:** Plentific's cumulative significant operating losses over the past three years pose a high risk although Plentific would dispute this. Mitigation includes a no-penalty break clause and maintaining existing systems as backup. Protection against Council financial losses in the event of Plentific failure must be in place.
 - **Integration:** Plentific must interface with multiple systems (Northgate, Service Connect, SAP). The service will collaborate with IT, finance, and legal teams to develop a robust implementation plan and ensure accurate information transfer.
 - **Governance risk:** Using Plentific will involve substantial changes to contract management practices. With variable pricing and a potential pool of 300-500 contractors, establishing robust governance structures is paramount. The platform must align with the council's scheme of delegation, ensuring that decision-making authority is appropriately distributed and documented. Additionally, it's crucial to establish protocols for handling disputes, managing contractor performance, and ensuring compliance with local government regulations and procurement policies. This includes management of the stripe account. Furthermore the council is seeking further assurance that funds paid out to suppliers through the stripe account system are protected.

- **Pricing:** Whilst access to a competitive market place could drive down prices, there is no guarantee that Plentific will offer better value than direct award to current contractors. Contractors will factor in Plentific's fee (currently up to 10% of work costs, which could total £640k annually) into their rates. This percentage could change at any point without the knowledge of the council as this fee is not part of the Southwark's contract with Plentific. Additionally, contractors bidding for individual jobs rather than large volumes of work could result in higher average job costs. Any increase in the cost of works is particularly concerning given current HRA budget constraints.
- **Budget Management:** The Council should ensure that new budget management processes are established to support the Plentific implementation which ensures the HRA financial Recovery Plan is delivered.

101. For 2024-25, Asset management have a cash limit of £77.8m with which to deliver commitments. The service is therefore prioritising and rebasing all financial plans to ensure financial stability and sustainability of the HRA. All costs associated with Plentific, including set up costs, annual fee, contingency and resulting works ordered on Plentific, must be included within the HRA cash limited budget. Orders should be monitored carefully, and if necessary, the volume of work should be limited to ensure the programme does not overspend.

Head of Procurement

102. This report seeks approval from cabinet for of a direct award from the Procurement for Housing's SHED (Social Housing Emerging Disruptors) Framework to Plentific Ltd for their supply chain and procurement management solution platform dynamic purchasing system (DPS) at a total cost of £497,500 for a period of three years contract commencing 1 November 2024 with an option for a one-year extension if required, making a total cost of £622,500 for four years. Approves a further option to purchase additional elements of software in the future, if and when required at a total value of £817,200, subject to a separate gateway approval. Notes that the Plentific Ltd solution platform is intended to be used in lieu of the council's approved list for repair works for the specific areas of spend covered by this gateway report.
103. Cabinet notes the procurement is detailed in paragraphs 38 to 52 and 59 to 61, the risks are detailed in paragraphs 53, the impact on equalities, health and climate change are detailed in paragraphs 64 to 66, confirmation of the payment of London Living Wage is detailed in paragraph 71, management and monitoring of the contracts is detailed in paragraphs 77 to 78 and there are NO social value commitments.

Assistant Chief Executive – Governance and Assurance

104. This report seeks cabinet approval for the procurement strategy of a direct award from the Procurement for Housing's SHED (Social Housing Emerging Disruptors) Framework to Plentific Ltd for their supply chain and procurement management solution platform dynamic purchasing system (DPS) at a total cost of £497,500 for a period of three years commencing 1 November 2024 with an option for a one-year extension if required, making a total cost of

£622,500 for four years. Cabinet's approval is also sought for an option to purchase additional elements of software in the future, if and when required at a total value of £817,200 (subject to a Gateway 3 report), making a total contract sum of £1.439,700 which includes the core system and all modules for the four year period.

105. Cabinet is requested to note that the Plentific solution platform is intended to be used in lieu of the council's approved list for repair works for the specific areas of spend covered by this GW report, as outlined in paragraph 54.
106. The CSOs stipulate that a GW1 report is required for all contracts over £100k. Rather than seeking separate GW1 reports for individual work orders that exceeds £100k, approval is being sought from cabinet to accept this report as the required GW1 report, as outlined in paragraph 52. In addition, cabinet is asked to approve the process for placing orders for works up to £6.45m per annum (£25.8m over four years) through the platform, once established, which will be monitored and reported as detailed in paragraph 51 to 53.
107. Cabinet's approval is further sought for the delegation of the GW 2 contract award decisions to the Strategic Director for Housing, in consultation with the Strategic Director of Finance, for reasons stated in paragraph 59 of this report.
108. CSO 5.1.2 provides that any procurement involving the use of a third party's framework agreement is subject to usual Gateway 1 procedures. This report therefore seeks approval to the use of the Procurement for Housing's SHED Framework. As this framework agreement has already been tendered in accordance with the Public Procurement Regulations 2015, the council is not required to undertake a separate fully advertised tendering exercise. Instead, the procurement strategy proposes the carrying out of a direct award from for the reasons outlined in this report.
109. The business case/justification for the procurement are outlined in paragraphs 15 to 21 of this report and confirms that the Plentific system offers the council immediate contract compliance and a more competitive way of tendering the individual works. Paragraphs 31 to 34 highlights the payment process.
110. Cabinet's attention is drawn to the Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010, which requires public bodies to have due regard, when making decisions, to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. Cabinet is specifically referred to the community, equalities (including socio-economic) and health impacts at paragraphs 64 to 67 of this report setting out the consideration that has been given to these issues, which should be considered when approving the recommendation in this report.

Chief Digital and Technology Officer (For all contracts involving IT)

111. The council's Technology & Digital Services department (TDS) have assessed the Plentific platform, as described by its vendor, against our cyber security and application standards.
112. For Cyber Security a checklist of security requirements was assessed, in accordance with the Software as a Solution (SaaS) policy. The SaaS policy covers the use (or potential use) of systems provided over the internet in the Cloud, SaaS that may be provided hosted in Council infrastructure and / or developed custom solutions. In the case of Plentific it is the cloud scenario that applies. The policy ensures that recognised best practice cloud management practices and certifications are in place, that data encryption and backup procedures are in place, data recovery practices can be evidenced, multi-factor authentication requirements can be met, and appropriate governance for third-party access to Council data is in place. All of the security requirements were met by Plentific.
113. Based on this, TDS have concluded that the platform is secure enough and robust enough for its intended purpose. The Plentific vendor has proposed integrations with one existing council system (NEC) that the Housing department and TDS agree are necessary and viable.

Director of Exchequer (For Housing contracts only)

114. The report does not identify how the individual repairs to each block and estate will be coded and captured to allow accurate variable service charge construction. Customer and Exchequer Services has been informed that initially no communal repairs will be processed through Plentific, and that safeguards will be put in place to ensure that no service chargeable repairs are raised to the system. It is important to ensure that not only are these safeguards put in place, but that they perform appropriately, as there is no suggestion that the additional cost per order to be paid to Plentific can be properly identified and captured. It has been indicated that Plentific will be integrated with the Council's housing management system (i-world) through APIs, and that works orders will still be raised via i-world, but this has yet to be agreed by the provider NEC. It is imperative that integration does happen, to allow any communal works to be identified for service charge purposes in the future. The report is unclear as to what work and for which geographical area Plentific will be used. Customer and Exchequer Services have been separately informed that initially the system will only be used for day to day (individual) repairs across the Borough and for disrepair cases. Should there be any consideration given to expanding usage of the system to communal repairs detailed consideration will need to be given to how subsequent service charge construction will be managed to ensure that homeowners are charged their due and proper proportion of the total cost of the works.
115. The cost of purchasing the system will not require statutory consultation as it is below the relevant financial limits for a qualifying long term agreement. However, should any communal works be raised through Plentific, the ongoing

costs and the management of the system could be subject to a test of reasonableness by the First Tier Tribunal should any leaseholder challenge their service charge. The commission fee adds a layer of cost to each works order that would need to be justified in order to be able to resist any challenge on the grounds of reasonableness. The report does not make it clear whether this additional cost will lead to other costs efficiencies which would compensate, or how the system will provide an improved service to residents.

116. The spend will need to be authorised in line with the scheme of management and appropriate controls will need to verify vendors and comply with HMRC requirements for CIS. New processes will need to be designed so they are compliant with the Council's budget management frameworks.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
None		

APPENDICES

No	Title
None	

AUDIT TRAIL

Cabinet Member	Councilor Sarah King Cabinet Member for Council Homes	
Lead Officer	Hakeem Osinaike Strategic Director of Housing	
Report Author	Marc Cook, Continuous Improvement Manager - Southwark Repairs	
Version	Final	
Dated	26 September 2024	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Resources	Yes	Yes
Head of Procurement	Yes	Yes
Assistant Chief Executive – Governance and Assurance	Yes	Yes
Director of Exchequer (For Housing contracts only)	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		4 October 2024

Meeting Name:	Overview and Scrutiny Committee
Date:	4 November 2024
Report title:	Consort Estate Major Works – Scrutiny of section 20 charges and works proposed
Ward(s) or groups affected:	Rye Lane
Classification:	Open
Reason for lateness (if applicable):	N/a
From:	Stuart Davis - Interim Director Repairs and Maintenance

Recommendations

1. To address concerns highlighted following project review and concerns raised by Homeowners and the Tenants and Residents Association as well as the recent press release in Southwark News dated 30 September 2024.

Background Information

2. Consort Estate forms part of the 2024/25 Quality Homes Investment major works programme. Consort estate is made up of 29 blocks and a sheltered unit, which include 464 properties (365 tenanted, 99 Homeowners) and homeowners located in the Peckham and Rye Lane area.
3. The scope of works consists of: -

S/No	Scope of Works - QHIP
1	Scaffolding and External Works
2	Concrete and Brickwork Repairs (part provisional)
3	Kitchens (replacements subject to condition)
4	Bathrooms (replacements subject to condition)
5	Window repairs (provisional)
6	Electrical Works
7	Front entrance door renewal (where required/not all properties)
8	External decorations and Internal communal decorations
9	Roofing repairs
10	Fire Risk Assessment works (Including LFB enforcement notice works at Wivenhoe Close) (part provisional)
11	Asbestos removal
12	Renewal of loft insulation (provisional)
13	Proposed replacement of communal entrance doors (included at the request of Tenants and Residents Association) (provisional)

14	Proposed relocation of Eurobin/refuse facilities (included at the request of the Tenants and Residents Association) (provisional)
15	Risk Items (part provisional)

4. The Consort Estate Major works were given approval to proceed as part of the Council's 2-year major works programme for 2024/2025. These works form part of the Councils major works partnering contract.
5. Feasibilities and design work has been undertaken by the appointed partnering contractor Elkins Construction Limited (formerly A E Elkins Limited). The Southwark Project Manager reviewed the scope of works and undertook site inspections to verify/validate the works included in the scope. The appointed independent consultants from Calfordseaden also visited and verified that the works were in line with the council's Quality Housing Investment Programme (QHIP) brief and were based on the condition of the buildings with the scope being finalised following a number of joint design team meetings.
6. The detailed scope of works was priced at the sum of £17,205,067, plus 5% contingency of £860,253 for unforeseen works, internal fees of £574,033 and external fees of £375,072 making the total contract value of £19,014,425. (Appendix 1).
7. An initial drop-in consultation session was held on 14 February 2022 during the design stage of the works to discuss the scope and estimated timescales for the works. A further update letter was sent to residents on 14 November 2022.
8. These works were going to be delivered along with associated works at Wivenhoe. However, as a result of an LFB enforcement notice, essential emergency works were carried out to 1-203 Wivenhoe during 2022-23.
9. A drop-in meeting was held on 28 May 2024 with all residents, in order to obtain feedback and an issues log drawn up for consideration within the design of the final specification of works and costs.
10. Feedback and comments were received from the Tenants and Residents Association and homeowners. The TRA requested that we include the replacement of the communal entrance doors to several blocks across the estate and consider the relocation of refuse facilities. The latter items were subsequently added to the priced specification as provisional items and the adjusted scope of works and costs were re-issued to the TRA 27 August 2024.
11. The revised costs which included the items above were an additional fully priced provisional cost of £423,081, communal doors to 7 blocks and a provisional allowance was included for refuse storage improvements of £65,000. However, it should be noted that the refuse storage costs have now recently been omitted at the request of the local ward Councillor Esme Dobson as alternative funding is being sought via CGI.
12. A further meeting was held with the TRA, homeowners and residents on 30 July 2024. Several homeowners raised queries regarding the contractor's

preliminary costs/charges for mobile phones. Following this the item was reviewed and raised with the contractor and they advised and reduced the charges as a goodwill gesture. This was adjusted within a revised schedule of works and costs being re-issued to the TRA and affected homeowners.

13. This was prior to the section 20 notices being issued and consultation being undertaken. At that point we had received a large number of queries in relation to the proposed works and costs. A frequently asked questions including the queries raised document was produced in order to provide a response to the initial queries raised by the homeowners, this comprised of a 43-page FAQ document. (Appendix 2).
14. A further meeting was arranged and held on 27 August 2024 to discuss the FAQs with the TRA and affected homeowners. The TRA and homeowners requested more time to review the FAQ document and hold off issuing the section 20 notices. This was agreed and a subsequent meeting was arranged and held on 3 September 2024. Following this meeting being held the section 20 notices were issued on 5 September 2024.
15. Further observations were raised by homeowners in relation to the loft insulation renewal. This element of work has now been changed to a provisional item and will only be undertaken should more than 25% repairs be undertaken to the existing roofs. Should more than 25% repairs be required the loft insulation would need to be replaced to comply with current Building regulations.
16. As there was a scaffold erected by the Repairs section on one block to carry out a repair for a roof leak, the opportunity was taken to test the fascias and soffits for asbestos. The results on that block have come back negative and the provisional sum can be adjusted. However, we will keep a provisional sum which will only be used if the tests on other blocks are positive. Asbestos surveys had been obtained but they do not cover every soffit which is why a provisional sum needs to be included to cover that risk.
17. Following the section 20 notices being issued, drop-in sessions solely for affected homeowners were held on the 24 and 26 September 2024. This meeting was to discuss the schedule of works and discuss homeowners' payment options with the service charge collection team.
18. Section 20 notices have been issued on 5 September 2024 which indicated an end of observation end date as 7 October 2024. Copies of typical notices served are attached in Appendix 3.
19. As of 7th October, the observation period had not been formally closed due to the large number of observations that were received during the specified observation period which the council still needed to address. For those homeowners who had submitted observations during the period but had not yet had a response to their observation, holding responses were sent, which informed them that the observation period would not be formally closed until all those observations received during the statutory period had been responded to.

20. Post issuing of the Section 20 notices the investment delivery team advised that revised costings would be made available to Homeownership Services to adjust those charges/estimates previously constructed. The revisions are in relation to some provisional sums within the scheme which it is anticipated will not be used. The provisional sums themselves will remain part of the scheme budget, and if ultimately needed will be recharged to homeowners via their actual service charge for the work following agreement of the final account. These revisions will not require the reissuing of S20 Notices; however, homeowners will receive letters updating them of any changes to their individual estimate prior to invoicing in February 2025.
21. The lease requires payment of the service charge in four equal quarterly instalments. However, the Council does have a number of alternative payment options available to assist homeowners with large major works bills. These include longer interest free periods (for resident homeowners only), service charge loans (interest bearing but over a longer period of time), equity shares and equity loans (which require no upfront payment). If any leaseholder wishes to discuss the options available to them then they should contact their Homeownership Accounts officer on receipt of their invoice. The longer term interest free periods do come at a cost to the Housing Revenue Account, which is ultimately borne by the secure tenants. The policy was put in place under the council's wellbeing powers, and for this reason cannot be offered to non-resident leaseholders. However, non-resident leaseholders can apply for a discretionary loan, equity share or equity loan (unless the leaseholder is a registered company).
22. The scope of works has been further scrutinised after a visit to site by the interim Assistant Director of Planned Maintenance.
23. A draft approval report has been prepared for sign off by the Strategic Director of Housing, for the award of the contract to Elkins Construction Limited as the contractor to deliver the scope of works in table 1 above.
24. Calfordseaden have been commissioned to provide Contract Administrator services, Clerk of Works and Construction Design and Management CDM functions on behalf of the council.
25. Quantity surveying functions are being undertaken internally in house by directly employed Quantity Surveyors.

KEY ISSUES FOR CONSIDERATION

26. The TRA produced a briefing note to support leaseholders dated 10 September 2024. The key considerations they wanted addressed are as follows: -
 - Homeowners are concerned about the estimated costs and have requested that the scope of the works are reduced
 - Conduct greater scrutiny over activities and costs to ensure they represent good value for money

- Management of the works and scrutiny of costs
27. A detailed response to the issues raised in the briefing note will be provided and circulated to the committee members separately.

Policy framework implications

28. As part of the overall procurement process for the partnering contract Elkins Construction were assessed and indicated compliance with the Council's Equal Opportunities Policy. This package is for works to the housing stock and will benefit all residents in the blocks affected.
29. This report confirms that, where applicable, the works package is designed in compliance with the council's design specification as included in the overall procurement process for the partnering contracts. This report confirms it is one of the priority schemes within the investment programme to proceed.

Community, equalities (including socio-economic) and health impacts

Community impact statement

30. The works will have a positive impact on the local community and support the council's commitment to providing high quality affordable housing and great neighborhoods.

Equalities (including socio-economic) impact statement

31. The works included in this scheme will be of a medium to high impact to tenants, homeowners and other stakeholders as works will involve working within resident properties and surrounding areas.
32. Part of pre-construction activities will include gathering a wide range of information regarding resident individual needs to better provide plan and implement the programme tailored to the specific needs of the household.

Health impact statement

33. Without undertaking the type of works described in this document to invest in the Council's housing stock, residents will face increasing issues with both the internal and external aspects of their properties. Vulnerable residents will be particularly disadvantaged by any failures to components, installations or the supply of energy to power their homes. People with certain disabilities, the elderly and the very young are particularly vulnerable to such issues. Economically disadvantaged households often have fewer resources available to them to deal with the impacts of poor standards of housing. Health issues and socio-economic issues are deeply intertwined and the council is committed to the provision of a high standard of housing for all its residents through targeted investment.

Climate change implications

34. We have explored opportunities to reduce carbon emissions during the design process. Contained within the scheme detailed above, the following are agreed;
- Procuring and using material sustainably
 - Selecting materials with low lifecycle impacts
 - Using local materials
 - Use of materials with high recycling
 - Meet minimum standards set out in Building Regulation.

Resource implications

35. The works are funded form the agreed capital programme.

Consultation

36. Consultation with residents has taken place as outlined in the main report.

BACKGROUND DOCUMENTS

None

APPENDICES

No.	Title
Appendix 1	Task Order Price – priced schedule of works
Appendix 2	Frequently Asked Questions - FAQs
Appendix 3	Section 20 Notice

AUDIT TRAIL

Lead Officer	Stuart Davis - Interim Director Repairs and Maintenance	
Report Author	Sayeed Kadir – Interim Assistant Director – Planned Maintenance	
Version	Final	
Dated	25 October 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Finance	No	No
List other officers here	No	No
Cabinet Member	No	Yes/No
Date final report sent to Constitutional Team	25 October 2024	

Consort Estate QHIP 2024/2025

FAQs

FREQUENTLY ASKED QUESTIONS

& ADDITIONAL QUESTIONS POSED BY CONSORT T&RA

Question numbers	Questions from TRA / residents	Answers and responses from Home ownership, Major Works and Contractors
<u>1 - Info on the Contract as a whole</u>		
1.1	<ul style="list-style-type: none"> • What is the general outline and order for the scope of external works? 	<ul style="list-style-type: none"> ➤ Scaffolding erected ➤ External fabric repairs / structural repairs ➤ Window overhaul ➤ Roofing repairs ➤ Private and communal Balcony asphalt repairs / renewals ➤ External decorations to exterior & internal communal areas of blocks ➤ Replace worn flooring at blocks with vinyl flooring internal staircases ➤ Communal electrical & lighting works to 31-45 Philip Walk ➤ Concrete and Brickwork repairs ➤ Door Entry communal door renewal at certain blocks ➤ Review of Bin storage facilities across the estate linking with CGS funding ➤ Fire Safety Work ➤ Striking of scaffolding
1.2	<ul style="list-style-type: none"> • What is the start and end date of the programme? 	<ul style="list-style-type: none"> ➤ Estimated Start Date: estimate November 2024 (subject to S20 consultation end of observation closing date) ➤ Estimated End Date: March 2027 Residents will be reminded that block programme dates may fluctuate depending on the needs of the scheme however we aim to complete works within agreed 120 week programme, <p><i>Exact dates will be issued ahead of works commencing on site</i></p>
1.3	<ul style="list-style-type: none"> • What should we do if we have repairs issues in advance of 	<ul style="list-style-type: none"> ➤ Day to day repairs will continue to happen on the estate which may require scaffolding to attend to repair and / or leak issues to certain blocks;

	<p>the works or if they are regarding items not being included in the major works being delivered?</p>	<p>particularly if these repairs are urgent and cannot wait until major works commence, as this is a 120 week programme. This is also the case for any urgent or emergency repairs or to elements not included in the major works. We will deliver the major works program but repairs will still have responsibility for responsive day to day repairs.</p>
1.4	<ul style="list-style-type: none"> • Will we receive an actual scope of agreed works once on site? 	<ul style="list-style-type: none"> ➤ The T&RA and residents are provided with a copy of the agreed scope works ahead of the works commencing on site. ➤ Once the scaffolding has been erected and the blocks inspected in more detail, the scope of works will be adjusted in terms of provisional items and measurements etc. ➤ This updated information will be provided as part of the monthly block cost updates which also includes the works. ➤ Please note however that this will still be a working document, subject to change as the works progress and perhaps unforeseen situations arise. At the end of the works (following sign off by Calfordseaden & Southwark), a final scope can be provided outlining the actual works to the block to be kept for reference at final account stage.
1.5	<ul style="list-style-type: none"> • What happens if the scope of works changes dramatically due to unforeseen issues? 	<ul style="list-style-type: none"> ➤ If additional works are required or where substantial amounts of works do not need to be carried out and this may have a significant impact on residents service charges, we would liaise with Home Ownership Services (HOS) on whether further consultation is required and HOS will advise on any follow on actions required as a result, and update the leaseholders in writing if required. Updates will also be provided at RPT progress meetings.
1.6	<ul style="list-style-type: none"> • Can we have some definite dates around site set up & the start of works to the blocks, so that residents can plan ahead? • Will the residents of blocks where the site compound is suggested to be placed going to be reallocated parking 	<ul style="list-style-type: none"> ➤ A&E Elkins advised that until they have some certainty around the delivery of storage containers and welfare facilities they cannot advise when this will be set up. ➤ Residents will be given as much notice as possible through the Resident Services Officer to ensure they do not have to relinquish their existing parking spaces earlier than required. There are alternative spaces on the estate, however we appreciate these are limited. We are in liaison with parking services regarding any parking suspensions and alternative locations will be advised as well as residents being notified well in advance of any suspensions coming into effect and the set up of the compound.

	spaces due to the loss of spaces to accommodate site set up?	Subject to final agreement with TRA and pending upcoming site set up walk around with TRA. Date to be agreed.
1.7	<ul style="list-style-type: none"> When will the works to my block commence? 	Programme will be issued ahead of the works commencing on site
1.8	<ul style="list-style-type: none"> Vulnerable residents in particular need to know that measures have been put in place to support them (which may include the need to be decanted in some cases). Is this being done? 	<ul style="list-style-type: none"> A&E Elkins will liaise with the Resident Services Officer on any support that Southwark and the contractors are able to offer during these major works.
1.9	<ul style="list-style-type: none"> I am working from home and am concerned about the noise levels during these external works. How will this be managed? 	<ul style="list-style-type: none"> There will undoubtedly be some noise from these works from the start, particularly with scaffold erection and concrete repairs. It is the council's policy that noisy works can be conducted: Monday to Friday 8am to 6pm Saturdays 9am to 2pm No works should be carried out on Sundays and Bank Holidays
1.10	<ul style="list-style-type: none"> Surely the entire block cannot be billed for satellite removal? Satellite removal in previous major works was charged to individual residents. Precedent 	<ul style="list-style-type: none"> We do not recharge leaseholders for any TV aerial or Sat dish relocation in this contract. The Sat TV cost is shown to indicate the cost of a particular item of work just as we show tenant internal work costs as part of total contract expenditure

	should be followed and this should be removed from the spreadsheet	
1.11	<ul style="list-style-type: none"> The fact that profit is added on afterwards suggests that all the other works listed is carried out at cost price. Is there any evidence this is true? 	<ul style="list-style-type: none"> The items of work to the block show their direct labour materials cost. For work to all blocks & also prelims & other pre-start costs, the contractor then adds a 5% profit margin.
1.12	<ul style="list-style-type: none"> Bill 30 (Internals - Tenanted) has a total of £119,840.57 for 17-41 Scylla Road, and this amount is carried to the 'Main Summary' tab where it forms part of the £5.6m for 'Sub total internals' on row 47. How is this amount split? 	<ul style="list-style-type: none"> ➤ The cost of the tenant internal work at 17-41 Scylla Road & tenant internal works at all other blocks is included in the calculation of tenant rents throughout the borough as per national regulations. No leaseholder pays any money towards tenant internal work. Row 47 only included works to Internal Tenanted which is £5.6m.
1.13	<ul style="list-style-type: none"> What times is works being proposed? I have just woken up to banging building work before 9am on the weekend and it has highlighted the impact these works will have on quality of life over two entire year period 	<ul style="list-style-type: none"> There will undoubtedly be some noise from these works from the start, particularly with scaffold erection and concrete repairs. It is the council's policy that noisy works can be conducted: Monday to Friday 8am to 6pm Saturdays 9am to 2pm No works should be carried out on Sundays and Bank Holidays
1.14	<ul style="list-style-type: none"> Why do mobile phones cost £27,852.30 for 10 mobile phones? 	<ul style="list-style-type: none"> We reviewed the mobile phone cost & it has been reduced to £8,355.69
1.15	<ul style="list-style-type: none"> Do we have to pay VAT in addition to these costs? 	<ul style="list-style-type: none"> Under tax rules, public bodies such as local authorities can reclaim any VAT they pay to third party contractors. Thus VAT is not recharged to leaseholders for major works.
1.16	<ul style="list-style-type: none"> Are tenanted properties charged for costs? 	<ul style="list-style-type: none"> The rechargeable cost of work to a block is divided amongst all flats, whether tenanted or leasehold according to their size as measured by their number of bedrooms. Under statutory regulations on council tenant rent, the tenant share of communal work to a

		block is shared among all tenanted homes in the borough & factored into tenant weekly rent levels borough wide.
1.17	<ul style="list-style-type: none"> Are leaseholders due to pay costs for internal works to tenanted properties 	<ul style="list-style-type: none"> No Leaseholders only pay for elements which are communal or structural and would include windows and front entrance doors to tenanted properties, as these items are not internal. All of the cost of internal work to tenant flats in a block is shared among all the 36,000 tenanted homes in Southwark. It is factored in to the calculation of council rent levels borough wide.
1.18	<ul style="list-style-type: none"> Are preliminary and emergency work costs anticipated to be charged before the remaining costs or as upfront charges? 	<ul style="list-style-type: none"> There is a single billing of all estimate costs in late February/March 2025. Each block will take a share of Preliminaries as part of the billing. The Emergency works cost applied to 1-203 Wivenhoe & was previous billed. It will not be part of the 2025 estimate costs billing. It is included solely for council budget purposes to show the total spend for Consort Estate major works
1.19	<ul style="list-style-type: none"> The elemental summary bills do not correspond to the breakdown of works to the blocks, can this please be explained. 	<ul style="list-style-type: none"> The elemental summary will only contain summaries of costs for each aspect of work included within the block tabs and will not show a breakdown. The breakdown can be found within the block tabs.
1.20	<ul style="list-style-type: none"> What does the percentage column represent? 	<ul style="list-style-type: none"> Represents the percentage of time or value weekly that will be expended throughout the duration of the programme depending on what is required for the project. For example if it states Site Agent 200% that mean we need 2 site agents for the project
1.21	<ul style="list-style-type: none"> £222,818.40 is spent on an agent - who is this? Seems like a significant cost? 	<ul style="list-style-type: none"> Site Agent (Site Manager) – The contractor have allocated 2 site agents to this project for the entire duration, which runs for 2 years. Which the council considers as reasonable given the size and scope for this contract.
1.22	<ul style="list-style-type: none"> 10,200 m of Plywood Hoarding is costing £36,075.36 for 10,200m this would go around the entire estate around just under 10 times over, what is this estimate based upon? 	<ul style="list-style-type: none"> The Contractor has only allowed for 100m of hoarding. This will only be placed around the site welfare areas. Although as per the description of the item 'Plywood hoarding price per meter run per week', they have multiplied the 100m against the duration to get to 10,200. - <i>Contractors have allowed for 100m of Hoarding, this is then multiplied by the duration to give us 10,200. Hoarding will be present for the full duration of the project. This is an agreed partnering framework rate. Additionally our QS has only recharged 40% of the 10,200m run of plywood fencing or 4,080m to get to a total charge of £36,075.36</i>
1.23	<ul style="list-style-type: none"> 1.6 – prelims bill 1 – C1 -Parking costs – what is the breakdown of the 	<ul style="list-style-type: none"> As already specified in the description 'Per vehicle per week'. It allows for the contractors staff & also their supply chain... It covers estate parking permits; which are essential for the trades who are transporting

	<p>£6000 odd pounds listed for this? Is it per vehicle per week? Is it to provide for displaced vehicles? At present there is no CPZ so vehicles can at present park on the road, however during the course of our works a CPZ will be implemented in the area.</p>	<p>materials to site; if there are restrictions around parking on the estates it covers A-passes or street permits which the contractor & supply chain can use. For instance the scaffold lorries would need permits etc. Site staff x 4 permits; scaffolders, decorators, door fitters, external repairers, K&B team, damp & mould trades, roofers etc</p>
1.24	<ul style="list-style-type: none"> Why is levelling screed and resin being used instead of vinyl floor tiles in relation to walkways etc? 	<ul style="list-style-type: none"> Resin is a more robust product and provides a longer term guarantee of 15 years
<p><u>2 - Scaffold Access</u></p>		
2.1	<ul style="list-style-type: none"> Scaffolding is a concern to residents as a result of anti-social behaviour and potential of break-ins. Is it possible to have alarms on the scaffold? 	<ul style="list-style-type: none"> We are not able to install scaffold alarms as it's not in line with Southwark's scaffold policy. The presence of alarms on scaffold can be very inconvenient for residents as a result of being triggered by pigeons, foxes, cats etc., and the alarms do not deter those from seeking to access the scaffold. We will ensure the scaffolds are fenced off at ground level with no ladders left accessible. We would ask residents to always contact the police in the first instance if they suspect anyone using the scaffold whom is not authorised to do so.
2.2	<ul style="list-style-type: none"> When the satellite dishes are removed, I will have no access to the aerial. How will this be addressed? 	<ul style="list-style-type: none"> The council is also working hard to improve internet connections throughout the borough, by encouraging broadband suppliers to install full-fibre networks across many of our estates. So as more TV services continue to move online, residents will have the potential to access them. This includes the ability to access Sky's channels, movies and boxsets from NOW TV: https://www.nowtv.com/ Both Hyper-optic and Community Fibre should have been installed on Consort estate and should be available on most blocks. Residents should raise any issues with the Resident Services Officer in the first instance, if they are experiencing difficulty once scaffolding has been removed. Sat dish/TV aerial removal costs made non-rechargeable to all LHs, no cost payable

2.3	<ul style="list-style-type: none"> Scaffolding fees are a large part of the costs. Will the contractors ensure that scaffolding does not remain up longer than strictly necessary? 	<ul style="list-style-type: none"> As per the agreed programme, scaffolding will be erected and dismantled sequentially depending on when each block has been programmed to start and end. Scaffold will not be erected for the full duration of the programme. Scaffold costs are fixed, no extra hire costs, unless an agreed EOT (extension of time) agreed with the client and justified reasons under the terms and conditions of the contract.
2.4	<ul style="list-style-type: none"> As everyone has said, what does a weekly inspection consist of, and can we be assured that scaffolding will be both erected and removed in the most cost-efficient and timely manner from the start and end of works to ensure costs are kept to a minimum. 	<ul style="list-style-type: none"> As per the agreed programme, scaffolding will be erected and dismantled sequentially depending on when each block has been programmed to start and end. Scaffold will not be erect for the full duration of the programme. In regards to the weekly inspection – this relates to scaffold safety and the scaffold has to be signed off each week following the mandatory 7 day inspections. This is also true when the scaffold is adapted for any reason and prior to being able to use the scaffold, once erected, this needs to be signed off following inspection to say it's safe to use for access.
2.5	<ul style="list-style-type: none"> Scaffolding is planned for 19 weeks on the 11-25 block, 17 weeks on 28-29 and 16 weeks on 30-68, how are these calculated and what does a £200 weekly inspection consist of? 	<ul style="list-style-type: none"> These durations are calculated based on the works required to each block and how long these aspects of work will take. The weekly inspections will detect any issues with the scaffolding before incidents and injuries have occurred. Normally, assessors will have a checklist to ensure the scaffold is in good working order and is safe.
2.6	<ul style="list-style-type: none"> What reassurance is there that the scaffolding will be removed after these periods (especially as it earns £200 a week sitting there)? 	<ul style="list-style-type: none"> At this time we are unable to reassure that It may not overrun but Elkins have an obligation to keep within programme and we will use our best endeavours to ensure there is no delays in work and we stick to programme – there is no extra hire charges for scaffolding and the price is for the duration – if there are any delays then these will be communicated fully throughout and we will actively seek to mitigate any access issues, such as if residents fail to clear balconies, which may impede our works.

3 - Works – Asbestos

3.1	<ul style="list-style-type: none"> Section K and F - could you please justify why asbestos removal is needed? The most recent block asbestos survey (dated 2/5/24) 	<ul style="list-style-type: none"> There are a number of locations communally across these blocks which contain asbestos. From the report it shows the Soffit is presumed asbestos, therefore we will be unable to renew the soffit/fascia if the asbestos is not removed. This is the only asbestos removal that has been priced on this block excluding risk allowance. Asbestos is only low risk and therefore
-----	---	--

	found that asbestos present low/very low risk	safe to leave in place while encapsulating it, if it is not going to be disturbed. As we need to renew the fascia / soffit, this is not the case in reference to the asbestos in this area and it will need to be removed and safely disposed of.
3.2	<ul style="list-style-type: none"> When we moved in, the council's asbestos report said there was little to no asbestos. Asbestos removal in this sheet is worrying. As the Council failed to keep proper records on asbestos and built the properties, leaseholders shouldn't be charged now for those Council failures. 	<ul style="list-style-type: none"> Asbestos surveys deal with all parts of the block where in normal circumstances residents could encounter it. The asbestos survey is not intrusive though & does not go into concealed areas or parts of the block where residents have no access. Major works may involve repairs in these parts of the block & thus an asbestos provision is necessary.
3.3	<ul style="list-style-type: none"> 11-25 "Remove existing asbestos promenade tiles" from balconies. Should removal of asbestos costs be included? Has been illegal to use since 1999 shocking that it is still in the property at all. 	<ul style="list-style-type: none"> The estate was completed in the early/mid 1980s in accordance with building regulations at that time. The use of Asbestos in construction was banned in 1999, prior to this, asbestos was a material used in various building products, such as balcony tiles.
3.4	<ul style="list-style-type: none"> Section J - From where is Asbestos being removed? Can you inform us which properties have asbestos and where this is found? I note on the summary page that there are no Asbestos reports for some blocks - 1-12 Huguenot Square is not in this list - can we please have a copy of these reports? 	<ul style="list-style-type: none"> As there are no Asbestos reports for the Huguenot Blocks only a risk allowance has been made here. We suspect that the soffits do contain asbestos containing materials and as such the allowance has been made for its removal. We will undertake sampling of the soffit material, once scaffold has been erected, in order to ascertain whether there is asbestos present.

4 - Works - Balcony

4.1	<ul style="list-style-type: none"> • What will balcony repairs consist of? 	<ul style="list-style-type: none"> ➤ Repairs to asphalt and laying of Spartan tiles to help preserve the life expectancy of the balconies/asphalt surfaces. ➤ Walkway anti slip coating will be applied where required, as identified in the priced document.
4.2	<ul style="list-style-type: none"> • Will all blocks receive pigeon / bird netting? 	<ul style="list-style-type: none"> ➤ Only blocks that currently have pigeon / bird netting will have this netting renewed. (1-203 Wivenhoe only).
4.3	<ul style="list-style-type: none"> • Will I need to remove my items from the balcony in preparation for the balcony works? 	<ul style="list-style-type: none"> ➤ Yes, all items must be removed and the contractors will give enough notice for residents to clear their balconies. And will also offer assistance for those whom are unable to do so by themselves, however this will require the signing of a disclaimer for any potential damages as the removal of items is the responsibility of the resident.
4.4	<ul style="list-style-type: none"> • Section F - why are private balconies included in the external major works? Shouldn't this be considered 'internal works'? Private gardens are not included as part of the works, so balconies shouldn't be either. 	<ul style="list-style-type: none"> ➤ The private balconies form main structural part of the block for whose maintenance the council is responsible under the lease. Private garden area maintenance is not part of major works schemes. Private balconies are part of the common parts of the block, under council ownership & maintenance responsibility. Work to them is rechargeable. The leaseholder has the benefit of rights of exclusive usage & enjoyment of the private balcony. The leaseholder owning the area encompassed by the internal wall to the flat. This is standard in leases in England. The repair of private balconies is rechargeable among all flats in the block.
4.5	<ul style="list-style-type: none"> • Why are private balconies included in the external major works, shouldn't this be considered 'internal works'? Private gardens are not included as part of the works, so balconies shouldn't be either. 	<ul style="list-style-type: none"> ➤ As above – please refer to answer in 4D
4.6	<ul style="list-style-type: none"> • How is cost of private balconies being apportioned 	<ul style="list-style-type: none"> ➤ Private balconies are a main structural part of the block exterior in the same way as the roof & external walls. We share the cost of private balcony work among all flats in the block.
<u>5 - Works – Bathroom Ventilation</u>		
5.1	<ul style="list-style-type: none"> • Work was done two years ago to the bathroom ventilation system. Why was 	<ul style="list-style-type: none"> ➤ The previous ventilation contract 21/134T69 for pipework & fans provided stale bathroom air extraction via communal ductwork inside the 54/82 Wivenhoe block. It needed the services of a specialist

	these works not included then, and if it was why does it need re-doing so soon?	firm, Duct-clean, experienced in this field. We are not recharging leaseholders again in the present contract for work done in contract 21/134T69. The current contract covers rechargeable cyclical maintenance & fire safety work plus non-rechargeable tenant flat internal refurbishment to a large number of Consort Estate blocks. It is of a different nature & scale to the earlier Wivenhoe bathroom ventilation contract.
5.2	<ul style="list-style-type: none"> There is a reference to extractor fans - we had these replaced recently as part of a major works project only affecting our property and a few others, so this should be excluded from this sheet. 	<ul style="list-style-type: none"> No rechargeable work to extractor fans in this contract.
5.3	<ul style="list-style-type: none"> Carry out replacement lead work to vents on roof - should this have been included when the bathroom vents were replaced recently 	<ul style="list-style-type: none"> When contract is on-site, detailed surveys will be undertaken regarding what lead works are required, this will be checked by the independent consultant, Calfordseaden and agreed or not. Then at the contract final accounts we will omit any cost if replacement not required.
<u>6 - Works – Concrete Repairs</u>		
6.1	<ul style="list-style-type: none"> For all concrete repairs, will there be a finalised and itemised breakdown of these costs? 	<ul style="list-style-type: none"> Yes, as these allowances are provisional, a finalised and itemised break down will be provided at final account.
6.2	<ul style="list-style-type: none"> Where is the concrete listed for repair? There is no obvious concrete other than in the gardens on the ground floor. Leaseholders are not responsible for the costs in gardens, so shouldn't be charged for this work. 	<ul style="list-style-type: none"> https://www.southwark.gov.uk/housing/repairs/repairs-rights-and-responsibilities Concrete holds up the structure of the block just as the brickwork. Its repair is thus a rechargeable common part of the block whose cost is shared among all flats in that block.
7- Works – Internal Communal Door sets and Front Entrance Doors		

7.1	<ul style="list-style-type: none"> • Which fire doors are they testing and replacing. The doors were changed after the Grenfell Tower fire to fire doors, why are they being changed again. If they need to be changed then the Council need to pay for this because they should have checked that the doors replaced met the fire regulation standard and the cost should not be passed on to us leaseholders again. 	<ul style="list-style-type: none"> ➤ Front Entrance Doors, Communal Stairwell Door sets and other door sets throughout the blocks, will be surveyed, to identify whether repairs or replacements are required. Unless it is clearly stated that they are down for renewal due to fire safety. ➤ Where doors need to be replaced on fire safety grounds, this is a rechargeable cost.
7.2	<ul style="list-style-type: none"> • Fire doors - we recently had all our hallway doors upgraded and the individual flats all have good/sturdy new doors. Can they be itemized about the exact doors changing and why? 	<ul style="list-style-type: none"> ➤ Front Entrance Doors, Communal Stairwell Door sets and other door sets throughout the blocks, will be surveyed, to identify whether repairs or replacements are required. Unless it is clearly stated that they are down for renewal due to fire safety. ➤ We can identify the exact doors being replaced and why, specific to the blocks in question.
7.3	<ul style="list-style-type: none"> • For FEDs, this is described as a set. We have had our fire doors inside our property replaced, so we wouldn't require this. Again, will this be judged at an individual property level? What does this mean for front doors? When were these last replaced? Looking at other comments, it seems they were replaced following the Grenfell disaster. Are these no longer up to code? Our internal doors are FD30 approved, and their 	<ul style="list-style-type: none"> ➤ Detailed inspection of the present condition of front doors will be made on site, if the existing door is of a good condition and meets the current fire safety regulations, we will not replace it. ➤ As this question was also put forward by a resident at 54 – 82 Wivenhoe, we are clarifying that we are not replacing any Front Entrance doors to that block.

	installation has been signed off by the council.	
7.4	<ul style="list-style-type: none"> The Council's website says that leaseholders are responsible for internal door. Therefore leaseholders cannot be charged for the costs of any internal door works anywhere in the block: 	<ul style="list-style-type: none"> ➤ https://www.southwark.gov.uk/housing/repairs/repairs-rights-and-responsibilities Leaseholders own internal doors accessing one part of the flat interior to another such as to kitchens & bathrooms. Any external doors leading away from the flat interior remain under council ownership & repair responsibility as part of the block common parts.
7.5	<ul style="list-style-type: none"> Some of the external doors were replaced in 2014 and are therefore only just coming out of their warranty period - same applies as for windows replaced in those major works. 	<ul style="list-style-type: none"> ➤ If a door was replaced to fire safety standard previously & is not in a damaged state, it will not be replaced. In that case if we are recharging any Front Door renewal to the block at estimate, the leaseholder would be credited back their share of estimated front door costs at contract final accounts. In this contract we are undertaking window repair necessary given that windows are now a decade old, all windows are subject to surveys to validate the repairs required. This is a rechargeable repair.
7.6	<ul style="list-style-type: none"> Removing metal grills over external doors should be recharged to individual residents. This is what happened under the previous major works 	<ul style="list-style-type: none"> ➤ We will not recharge metal grills at any stage. Their cost is shown on the pricing of work to the block as part of overall contract expenditure only.
7.7	<ul style="list-style-type: none"> Doors and Frames decoration is the responsibility of Leaseholders, this should not be part of these works. 	<ul style="list-style-type: none"> ➤ Both external doors & doorframes belong to the council & it is responsible for their maintenance & painting. If you refer to the description of the extent of ownership of the flat at pages 1-2 of the lease, windows & external doors are specifically excluded from leaseholder ownership
7.8	<ul style="list-style-type: none"> Section F - Doors and Frames decoration is the responsibility of Leaseholders? 	<ul style="list-style-type: none"> ➤ For external doors & doorframes, leading out of the flat, the council retains ownership. The demise or description of ownership at pages 1-2 of the lease exclude external doors & windows from the leaseholder's ownership.
<u>8 - Works - FRA</u>		

8.1	<ul style="list-style-type: none"> For FRA, there are a lot of individual property costs here, so will that reflect final bills to leaseholders? Similarly, are you really suggesting it costs £300 to “install” a keep door closed signs? 	<ul style="list-style-type: none"> Fire safety work to a block is recharged among all its flats. There are multiple signs needing to be installed across the block, we have used an agreed historic rate of £50 per sign. Fire safety work to the common parts of 54 – 82 Wivenhoe is rechargeable among all its flats.
8.2	<ul style="list-style-type: none"> £74,580 is spent on flat compartmentation surveys - what does this mean? 	<ul style="list-style-type: none"> An assessment internally to a percentage of flats where the condition of elements of structure providing fire resisting compartmentation is reviewed and any subsequent defects in accordance with Building Regulations guidance, relevant British Standards, and any site-specific fire strategy information made available. This is not recharged to leaseholders.
8.3	<ul style="list-style-type: none"> Meter cupboards have been recently painted - why would this happen twice? 	<ul style="list-style-type: none"> In relation to the Southwark specification we will be redecorating any previously decorated surfaces where applicable. However if the existing condition of the paint is deemed satisfactory at time of final survey, the works may not be undertaken.

9 - Works – Lofts / Roofing

9.1	<ul style="list-style-type: none"> Section B - loft insulation - should that be included in major works as these are internal? 	<ul style="list-style-type: none"> ➤ Southwark leases do not grant ownership of areas above the flat’s internal ceiling line. The loft is a common internal part of the block, maintained by the council. Its present level of insulation is insufficient to prevent excess heat loss
9.2	<ul style="list-style-type: none"> Section J - loft space works. As lofts are internal, should these areas be excluded from major works 	<ul style="list-style-type: none"> ➤ As explained, a loft space is part of the common internal parts of the building. They are the enclosed underside of the roof. The council is responsible for maintaining them to a satisfactory standard under the lease.
9.3	<ul style="list-style-type: none"> Section F - private balconies. Private gardens are not included in major works. Why are private balconies included? 	<ul style="list-style-type: none"> ➤ The major works are to keep the block structure in good maintenance. This includes the private balconies which are part of the main structure of the block rather than belonging to a particular flat. The council is responsible in law for maintenance of this main structure. The leaseholder has though sole & exclusive usage of the private balcony since it can only be accessed by entering their flat. While balcony ownership is not with the leaseholder all the practical benefits of exclusive usage of the private balcony are with the leaseholder

9.4	<ul style="list-style-type: none"> For properties that do not include lofts, will that be taken into account for each property's bill? As lofts are internal, should these areas be excluded from major works? Loft insulation is not structural in nature and hence would fall under the remit of leaseholder responsibility - other than the council providing information as to fire safety assessment of insulation I see no need for this to be included for leaseholders. 	<ul style="list-style-type: none"> Lofts are not sold as part of the Right to Buy lease. The loft as the underside of the roof remains part of the communal structure of the block maintained by the council. The council as part of its duties to manage the block needs to prevent excessive heat loss. The management function is rechargeable under paragraph 7(6) to the lease 3rd schedule.
9.5	<ul style="list-style-type: none"> Loft insulation wasn't included in the list of possible work, and when queried in writing via a Members question and at drop sessions, one leaseholder was told that insulation couldn't be included in the major works as it wasn't dealt with by this department of the Council. Why is it now included? Please can we have one version of the truth on insulation? If a survey is being done about loft insulation, why can't it be done for wall insulation? This would help reduce energy bills and excessive heat in this block. 	<ul style="list-style-type: none"> Loft insulation is included due to excess heat loss of the top floor properties and bringing this up to current acceptable standards. This is different from cavity wall insulation and we are permitted to install in the lofts only. This was consulted on and communicated to residents by the Contract manager during the meeting held in the TRA hall on 28/05/2024.
9.6	<ul style="list-style-type: none"> Have government grants been explored for the loft 	<ul style="list-style-type: none"> There are government funds available for loft insulation, however seeking government funding is cost prohibitive, in terms of the associated costs with

	insulation? If the freehold was held by anyone other than the Council, leaseholder would be eligible for government grants	applying for loft insulation funding under the eco4 funding criteria. This aspect was already looked at on a recent project in the south of the borough where leaseholders had the same questions.
9.7	<ul style="list-style-type: none"> Is a temporary dormer required for light touch repairs - seems excessive. 	<ul style="list-style-type: none"> The temporary dormer is for the access of the loft only to enable us to access the loft space and bring labour and materials into the loft.
9.8	<ul style="list-style-type: none"> Temporary Dormer costs – for example there are 10 units for this at £750 for 1-10 Vivian square. What is the price and breakdown and why this number for a single roof to a single block? 	<ul style="list-style-type: none"> Due to the blocks having fire breaks installed to each party line, we have had to allow for 1nr dormer per property to allow us to gain access. Rate is £750 per dormer and this is a historic rate from Arnold Dobson.
9.9	<ul style="list-style-type: none"> Section A of bill 23 – Provisional costs - Spanish slates, Line 97 Bill 23: what does the provisional £250 relate to? Is this the price of each slate? 	<ul style="list-style-type: none"> This is a provisional allowance per property to repair/replace and damaged slates.
9.10	<ul style="list-style-type: none"> Roof – finish – removing tiles and battens and it states it will receive a finishing coat? What exactly will be the finish? How will it look and why not go back with tile and battens? 	<ul style="list-style-type: none"> There is no mention of a finish to the roof. We will only be carrying out repairs only, so the roofing appearance and aesthetic will remain the same.
<u>10 - Works - Redecoration</u>		
10.1	<ul style="list-style-type: none"> They say that they need to strip the hallway walls. This is overkill. They simply need a clean and a light sanding. Speaking as a decorator this is not a big job. They also said they need to strip the ceiling. Again this is already in a matt finish. It just 	<ul style="list-style-type: none"> We need to undertake redecoration of internal communal areas every decade due to wear and tear. When doing so we need to follow fire safety regulations and as such we are redecorating internal corridors & stairways in TOR Class 0 fire retardant paint. We follow the directions from TOR Coatings Ltd on how to prepare & apply its product. Complying with fire regulations and undertaking as per the manufacturers guidelines is not over scoping, this is necessary as is the method of use and application.

	needs a sweep before applying new coat of paint. Don't let them over scope the works here, it just needs freshening up with some new paint.	
<u>11 - Works – Windows</u>		
11.1	<ul style="list-style-type: none"> Section B - when were Windows last replaced? What is the time guarantee on these? Can we please see the FENSA certificate for this? £3,360 is being charged for cleaning and adjusting windows, this seems excessive. Why does glazing need replacement? 	<ul style="list-style-type: none"> The windows were replaced to numerous blocks within the Consort Estate WDS contract 12/008P6 which completed in early 2014. Warranties would not cover elements of repair being undertaken as part of this contract. The cost of £3,360 is in respect of overhaul of windows in 1-12 Huguenot for example, applies to all the rooms of the 12 flats situated within, to leave them operating correctly. There is a provisional allowance for replacement of up to 12 glass window panes @£200 per pane. Detailed surveys are undertaken to identify whether any windows are failing and what those failing components are. This is subject to re-measure and adjustment.
11.2	<ul style="list-style-type: none"> What does the overhaul of windows involve? Will broken glass be renewed? 	<ul style="list-style-type: none"> ➤ Checking / repair of window gaskets ➤ Checking / repair of silicone around window frame reveals ➤ Checking / repair of locking mechanisms, handles and hinges ➤ Any H&S issues must be reported to Repairs by the resident, as it would not be advisable to wait until the major works to the block commenced in these circumstances.
11.3	<ul style="list-style-type: none"> Why are the windows not being renewed? Previous Windows installed under WDS or previous major works schemes are under warranty, why do they require repairs? Are 'any' windows being renewed as 	<ul style="list-style-type: none"> ➤ The majority of windows were replaced around 10 years ago and existing windows do not warrant renewal. Therefore, the windows will be inspected and any repairs identified undertaken. ➤ Guarantees and warranties for windows will cover the casement / frames and installation. They will not apply to ironmongery such as handles and hinges, gaskets, seals, reveals etc. All of which are usually only covered for 12months under the terms of the guarantee

	part of this programme?	<ul style="list-style-type: none"> ➤ Not unless they are identified at survey stage that renewal is required based on condition or cannot be repaired.
11.4	<ul style="list-style-type: none"> • Section C - are windows repairs and renewals necessary? Windows are in fine working order. They were last replaced in 2014 major works 	<ul style="list-style-type: none"> ➤ All windows are subject to a detailed survey to identify any failing components which may require repair. Should no repairs be identified as part of the survey, then the costs to the block will be adjusted accordingly.
11.5	<ul style="list-style-type: none"> • All the windows in 54-70 were replaced in the major works that completed in 2014. They had a ten year warranty. An inspection should have been carried out while they were still in warranty and the repairs claimed under the warranty - some repairs have been removed from annual service charges when queried, so there is precedent for this. Leaseholders shouldn't be liable for the Council's failure to undertake inspections during the warranty period. 	<ul style="list-style-type: none"> ➤ After 10 years of operation, the window units would need adjustment & overhaul to keep them in long term good condition over future decades. ➤ We do not undertake inspections of windows generally during warranty periods, it is expected that resident will report any defective issues with windows, these will be picked up by the repairs department and when under warranty, any repairable elements covered under the warranty, the repairs department will contact the manufacturers / installer, to remedy at their costs.
11.6	<ul style="list-style-type: none"> • What is meant by renew in the context of windows and the various items that are being renewed? Will this be reviewed at an individual level and will costs be adjusted accordingly? 	<ul style="list-style-type: none"> ➤ We are not planning to renew windows as part of this contract, however, detailed surveys will be undertaken of all windows, to identify any failing components that need repair or renewal. Costs will be adjusted accordingly, where no works or limited works are required.

11.7	<ul style="list-style-type: none"> We take good care of our windows, so we don't believe that cleaning our windows or spraying WD40 on the hinges should be part of major works, not least to the cost of £4.2k. 	<ul style="list-style-type: none"> Flat windows are among the common parts to a block maintained by the council & recharged among all the flats in the block. Repairs histories and inspections have shown that windows are in need of overhauling in order to meet their serviceable life.
11.8	<ul style="list-style-type: none"> Again, on windows, I understand that some windows in some properties may need to be renewed, repaired or replaced, but charging all tenants - leaseholders or council tenants - nearly £20k seems incredulous. 	<ul style="list-style-type: none"> Detailed surveys will be undertaken of all windows, to identify any failing components that need repair, renewal or overhaul. Costs will be adjusted accordingly, where no works or limited works are required. The costs are provisional, subject to survey and costs adjusted accordingly, subject to any works required.

12 - Specially related to Leaseholders

12.1	<ul style="list-style-type: none"> Leaseholders would like indication on weekly / monthly basis of what the costs are looking like for the duration of the project as the works progress so they can keep track of what is happening. Is this possible? 	<ul style="list-style-type: none"> It would not be possible to provide cost information on a weekly basis to leaseholders and or residents. Monthly or quarterly block cost updates can be provided, bearing in mind the cost information remains live and subject to change until draft final accounts are agreed. <p>Residents can receive progress reports about the works through the regularly held RPT (Resident Project Team) meetings and will be able to raise any issues / concerns through the RPT.</p> <p>Monthly contractor newsletters will be issued and reviewed by LBS project team before issue. Regular coffee mornings will also be arranged once on site.</p> <p>For any queries regarding the major works, please contact either: Yasha King – Contract Manager Yasha.King2@southwark.gov.uk Or Ryan Small – Customer Relationship Officer</p>
------	--	--

		Ryan.Small@southwark.gov.uk
12.2	<ul style="list-style-type: none"> • Cost payment options for leaseholders and ongoing increases in service charges show lack of empathy and understanding from Southwark Council. How will this be addressed? 	<ul style="list-style-type: none"> ➤ Home Ownership Services (HOS) will invoice bills in February / March 2025 for this scheme. The invoice information will contain details of your Service Charge Officer who can arrange individual discussions / meetings to discuss your separate repayment needs and individual circumstances. For any further enquiries regarding the Section 20 notices or lease terms, please contact Joseph Sheehy– Capital Works Consultation Officer - Joseph.Sheehy@southwark.gov.uk.
12.3	<ul style="list-style-type: none"> • Why are surveys being carried out again, when our estimated bills claim that the charges are based on surveys already carried out? Are we being charged twice for surveys? Does this mean that the contractors can charge what they like once they have resurveyed and the bills are likely to increase? 	<ul style="list-style-type: none"> ➤ Initial surveys were undertaken to outline what works were required and to inform the Section 20 consultation process. Surveys at this stage were carried out mainly at street level (including some drone surveys and access to some areas). Estimates are the most accurate information available prior to the actual work taking place. Once on site, scaffolding will allow for a more detailed scope and all works identified will be confirmed to leaseholders. ➤ There are no duplicated survey costs for this scheme.
12.4	<ul style="list-style-type: none"> • Should the council be able to go ahead with works if leaseholders have not signed a contract for this? • Can we see a copy of the Partnering contract and the penalty clauses? 	<ul style="list-style-type: none"> ➤ The council as freeholder has responsibility for the maintenance of the blocks and the estate. For this reason the council is responsible for the contractual arrangement involving major works. ➤ The council will consult with leaseholders on the scope and cost of this contract during the formal section 20 consultation as laid out by legislation. ➤ The council previously consulted with all leaseholders on the awarding of the Partnering Contract for this district to A&E Elkins. The documentation is held at the council offices and due to their size and commercial sensitivity, are only available for viewing at request. Individuals can request a viewing of these documents at the Southwark Council offices in Tooley Street.
12.5	<ul style="list-style-type: none"> • Will we be charged for pigeon netting that had been previously put up at our own cost? 	<ul style="list-style-type: none"> ➤ Yes - Where there is existing pigeon netting, it would have to be removed to allow for access for other repairs & because it has no known fire retardant properties. It would be replaced by certified fire retardant netting and it is a rechargeable cost.

12.6	<ul style="list-style-type: none"> How was a 5% profit decided? Is there also profit included in the itemised costs, and this is an additional 5%? If it's claimed the itemised costs do not include profit, we request evidence that this is the case (e.g. invoices paid for raw materials etc.) We also request a cap to the 5% profit to prevent an incentive to increase costs 	<p>The 5% partnering rate is part of the partnering agreement, for which we have formally consulted with leaseholders. As a term of the contractual arrangements between the council and Elkins the profit rate is set at 5%.</p> <p>The itemised costs show the direct labour & materials expenses needed to complete the task in question. The profit is only added once on a contract wide basis rather than firstly as part of the direct labour/materials price & again a second time on a contract wide basis. As a safeguard against overcharging the council engages Quantity Surveyors independent of the contractor, to audit all contractor expenditure claims.</p>
12.7	<ul style="list-style-type: none"> Section H - Garages are not included as part of our leasehold and are provided upon request and addition to a waiting list - please remove from a proportioned costs and charge as per usage of each garage. 	<ul style="list-style-type: none"> Leaseholders are not recharged for work to garages. However, the garage work it is part of the contract & is thus included in the priced itemisation of all work planned for the block.
12.8	<ul style="list-style-type: none"> Section J - if costs are subject to adjustment anyway - why include provisional allowance in these costs at all? 	<ul style="list-style-type: none"> There are two types of cost: those where we have fully known quantities of an exact task & we come to a specific cost. The second type of cost is where work is needed but it will only become apparent with on-site investigation, the full quantity & what precisely the repair will involve. In that case, we apply our knowledge to calculate a provisional cost in the budget for that item of work which is necessary but its specific cost could not be established ahead of the work occurring.
12.9	<ul style="list-style-type: none"> I'm concerned that on the 'Main Summary' tab the central office overhead and profit are shown as percentages of the total costs (1% and 5% respectively). This means that managers' salaries and the company's profits increase if 	<p>The costs are already set and agreed, the council retains a risk allowance outside of the total cost of the contract, should for any reason the total amount of the agreed contractual works be exceeded, there is a full audit trail behind it, should an increase in costs for any reason be agreed, in line with the conditions of the contract.</p> <p>There are risk allowances already included within the costs, which are there to allow for any unforeseen cost increases.</p>

	costs increase, and so there is huge incentive to increase costs	
12.10	<ul style="list-style-type: none"> The previous owner of a flat redid the floor of the balcony and changed the original tiles, some mistakes were made. Will we be charged for changes having been made before our ownership if things like the balconies are being redone or for having to take up things other than original flooring on the balconies? We need clear caveats and communication in terms of situations like this, where changes to outdoor areas happened before our leasehold. 	<ul style="list-style-type: none"> If the unauthorised work by a previous leaseholder damaged the private balcony, we would have to repair it. The cost would be shared by all flats in the block as with other balcony work.
12.11	<ul style="list-style-type: none"> If the works run over budget, who is responsible? Will leaseholders be liable for further pay-out? Will there be assurances made in the contract that give security to tenants, that works will not be made to over run for profit of the construction company? 	<ul style="list-style-type: none"> The contractor is under obligation to deliver the planned works within the contract time frame. If due to factors in its control, the firm runs over schedule, it will have to fund the extra time on site needed to finish planned work from its own finances. The council has its own project management staff plus independent building consultants, continually monitoring the contract to ensure it runs to budget and target completion dates.
<u>13 - Block Specific – 11-25 Galatea Square</u>		
13.1	<ul style="list-style-type: none"> Concrete repairs/ jet washing - what parts of the structure are concrete 	<ul style="list-style-type: none"> There is concrete construction to the low level of Galatea square.
<u>14 - Block Specific – 1-12 Huguenot Square</u>		
14.1	<ul style="list-style-type: none"> Section B - when were roof tiles to Huguenot last 	<ul style="list-style-type: none"> As part of the previous Consort Estate WDS major works contract 12/008P66 completed in 2014, whatever deteriorated slates existed at that time was

	changed? When were they last inspected?	subject to replacement. To prepare for this present contract, drone surveys were conducted to the blocks to give a top down view of the roofs. If we find on site that less roof repairs are needed we will credit back the saving to leaseholders at contract final accounts.
14.2	<ul style="list-style-type: none"> Section E - Only 1 of 6 leasehold properties have a private balcony - please a-portion costs accordingly 	<ul style="list-style-type: none"> The private balconies do not belong to individual flats, instead they form part of the main structure of the block just as the external walls. The cost of work to them is divided among all flats.
14.3	<ul style="list-style-type: none"> Section F - only 1 of 6 leasehold properties have any decorative cladding. 	<ul style="list-style-type: none"> As all cladding forms part of the structure of the block, the cost of its re-decoration is shared among all flats.
14.4	<ul style="list-style-type: none"> Section F - We do not have 320m of Balustrade unless by this it is meant balcony balustrade in which case only 1 of 6 leasehold properties has a private balcony 	<ul style="list-style-type: none"> As mentioned, the private balconies are not part of the individual flats but remain part of the block structure, the cost of work is shared by all flats. The leaseholder has exclusive use of the private balcony. No other person can make use of the balcony unless permitted by the leaseholder. However, ownership & repair of the balcony remain with the council under the lease. The Balustrade relates to private balconies, but also in some places these also related to communal walkways and bin store areas, within 1-203 Wivenhoe for example. The allowance is for the block.
14.5	<ul style="list-style-type: none"> Section H - When were the fire doors installed? When were they last tested? Have fire door regulations changed since these were last tested/installed? How long is the guarantee for these fire doors? 	<ul style="list-style-type: none"> The fire doors are individual flat front entrance doors. These will be manufactured & tested to 30 minute fire resistance as required by fire safety regulations. Council records go back over 25 years we have not replaced Huguenot flat front doors in this period save possibly for any odd cases due to damage. Present doors would thus be a minimum of 25 years old & more likely to date back to the estate's construction in the 1980s. We have undertaken a review of the front entrance doors required to be replaced and this has been adjusted accordingly across the entire contract, in respect to front entrance doors needing renewal in Huguenot square, there is one being noted as requiring replacement. And across the whole contract we have omitted the renewal of 105 Front entrance doors.
14.6	<ul style="list-style-type: none"> Section H - as above but for glass panels 	<ul style="list-style-type: none"> If this question related to communal door sets within the stairwells and communal entrance doors, this is what the glass panels relate to as they are adjacent to some of these door sets.

15 - Block Specific – 2-116 Manaton Close		
15.1	<ul style="list-style-type: none"> 2-116 Manaton Close is listed as 'E' (even) with no mention of Odd - is this a typo or have odds not been included? See section I: Issue 7.2.4.1 which refers to flats 17-51, which are odd numbers 	<ul style="list-style-type: none"> ➤ Evens only, there is no work to 17-51 Manaton in the TOP. We have already made the cost of item 7.2.4.1 non-rechargeable to all leaseholders at 2-116.
15.2	<ul style="list-style-type: none"> The majority of this work applies only to the blocks of flats and not to the maisonettes - surely we should only be paying for the work which impacts the buildings in which we live? 	<ul style="list-style-type: none"> ➤ Due to the architectural design of Consort Estate, there are blocks where a common shared roof & external walls contain both flats & maisonettes.
15.3	<ul style="list-style-type: none"> 2 - 116 needs to be split up into one Bedroom flats blocks and the others. We need to know what work is specific to the one bed block and not be lumped together with the other blocks. Difficult to see if the work needed in the one bed block is being cover under this program. 	<ul style="list-style-type: none"> ➤ 2 - 116 Manaton is a single physical entity sharing the same roof & external walls. The one bed properties numbered from 2-72 lies on one side the two bed flats on the other along 74-116. It still remains a single block. Inside 2 -72 there is a door entry system, stairway & corridor serving just those flats. These internal elements do not provide access to the 74 - 116 wing of the block, we would not recharge work to these internal elements that is regarding flooring, redecoration & renewal of the door entry external door set, to flats in the 74 - 116 wing of the block.
15.4	<ul style="list-style-type: none"> For example 2 - 72 manaton close, 1 bed block communal area has not been painted for a long time and the proposed set of work is saying repaint areas that had been painted before. I don't think a visual inspection has been done for all blocks because each block requires different 	<ul style="list-style-type: none"> ➤ Inspections have been done to determine what categories of major works are required to each block. The last major works finished in early 2014. Every decade or so it is necessary to re-do paint work. On block exteriors this is to protect from weather exposure. For internal areas of the block, this is to compensate for wear and tear over the years. ➤ For fire safety we must ensure walls & ceilings are coated in Class 0 fire retardant paint. ➤ A survey has been carried out for the decorations and has all been measured on site. As per the Southwark specification we can only renew previously painted decorations.

	work that is why I have stated that the 1 bed block needs to be separated from the two bed etc blocks	
15.5	<ul style="list-style-type: none"> Bathroom extraction units and the fixed metal flues installed within the communal heating cupboards - this was just replaced recently so why the need for replacement again within 3 years 	<ul style="list-style-type: none"> ➤ This is a provisional allowance for replacing ducting – At the time of writing we are currently reviewing this item.
15.6	<ul style="list-style-type: none"> 1st floor stairwell doors leading to flats 38-44 Manaton, door sticking to floor, door is also warped and is required to be replaced - This is a new door and it is warped within 3 years. To the best of my knowledge this door is not sticking to the floor and does not look warped to me. I think we need a second opinion on this work stated in this programme because I am doubting some of their statements or recommendations are true 	<ul style="list-style-type: none"> ➤ If a planned item of work is omitted on site as no longer required, at contract final accounts we credit back to each leaseholder their share of the saving. - Recommendations are taken from the latest Southwark FRA reports and priced accordingly. As some of the FRA reports are dated, some of this work may have been actioned already. If this work has already been completed and is now not required, a reflection in budget can be made at the end of the project.
15.7	<ul style="list-style-type: none"> 2-116 Manaton Close is a terraced block of street accessed residential dwellings with upper-level maisonettes accessed through a communal area, with the accommodation being spread over three floors - wrong description for 2 - 72 part of the block, which are one bed flats on three floors. 	<ul style="list-style-type: none"> ➤ We were using a single block definition 2-116 Manaton. 2-116 Manaton is a single block of flats composed of two wings. The type of flat varies in each of the wings but this does not take away from the fact that it is a single block.

15.8	<ul style="list-style-type: none"> 2 - 116 Manaton Close should be broken down like Wivenhoe. Your recharges at Manaton are based on the your leases 	<p>Manaton is a single structure with a shared roof & external walls, It resembles 1- 203 Wivenhoe which is also a single block. The council has looked at the effect of recharging 2-72 Manaton as a separate block. However, it was more expensive per 2-72 flat if recharged in that manner.</p>
15.9	<ul style="list-style-type: none"> In the previous round of major works, our block was defined as 74-100 Manaton Close. Why has the definition of our block changed? How will this increase the costs we are required to pay? 	<p>The flats at 74-100 Manaton Close physically form part of the larger block, 2-116 Manaton Close. This is also how their leases define their block. An earlier answer explained how work in this contract to the block will be recharged. In the previous WDS contract, the nature of the work made it appropriate in that case to recharge on the basis of 74-100 Manaton just as the nature of the staircase & door entry means flats at 74-100 are not recharged for it in this contract.</p>
15.10	<ul style="list-style-type: none"> What is the £15,000 for unforeseen work based on? What unforeseen work might need to be carried out? If unforeseen work needs to be done due to e.g. mistakes made by the contractor, will these works be paid for by the contractors? 	<ul style="list-style-type: none"> ➤ This risk allowance is for any works that may need to be carried out due to further investigation and surveys which could not have been considered from initial surveys. ➤ Unforeseen works could be linked to any item included within the schedule of works. And these must be notified and instructed by our technical consultants, Calfordseaden. ➤ Contractor snagging issues are not unforeseen works and will not be recharged as they have already been paid to the contractor, whom has a contractual obligation to rectify them.
15.11	<ul style="list-style-type: none"> Why is 1-15 Manaton odds not included? 	<ul style="list-style-type: none"> ➤ 1-15 Manaton is actually included and is clearly listed under Bill NR 6 on the TOP document.
<p><u>16 - Block Specific – 17-41 Scylla Road</u></p>		
16.1	<ul style="list-style-type: none"> Scylla Rd - As I understand, new double glazed windows were installed in 2014. The proposed works looks excessive / disproportionate. Also it's not clear what the quantities refers to - e.g. does 13 refer to number of flats, or specific no of windows - if so, how has this been calculated?. 	<ul style="list-style-type: none"> ➤ Windows to the 13 flats in your block were replaced over a decade ago in the previous major works contract. In the present contract, we plan to survey and identify any failing components & undertake any necessary repairs as identified as part of the overhaul.

16.2	<ul style="list-style-type: none"> • Significant provisional allowances, e.g. £60k under loft space works. 	<ul style="list-style-type: none"> ➤ As we have been unable to access the loft fully, we are unable to give a firm cost at this stage until access is available. As noted these are provisional items and are subject to final survey and re-measure once access is gained into the loft areas. These works will be instructed by our technical consultant, Calfordseaden, once exact quantities are known.
16.3	<ul style="list-style-type: none"> • Where has asbestos been identified? 	<ul style="list-style-type: none"> ➤ The Asbestos report identifies asbestos containing materials throughout the communal areas, within the block.
16.4	<ul style="list-style-type: none"> • The 'Main Summary' tab states that there have been "No Asbestos reports to the following blocks" and lists 9 of the blocks on the estate. Does this mean the other blocks (which includes 17-41 Scylla Road) <u>have</u> had asbestos reports? If the estate was all built at the same time, wouldn't the same materials have been used across all blocks? 	<ul style="list-style-type: none"> ➤ Yes, Scylla Road has an asbestos report which we have used to price the asbestos removal accordingly. In regards the other blocks, this is not necessarily the case as there are many designs of building across the estate. As a contractor we will be unable to categorically state if there is or isn't asbestos in the same areas unless a test is carried out.
16.5	<ul style="list-style-type: none"> • For example, in the 17-41 Scylla Road breakdown, £28k has been estimated for 'Facade and structural repairs' before any surveys have taken place, and £35k for 'Risk items'. That's £63k of provisional costs for unknown items, but I'm sure work up to this value will be 'found' as it guarantees an extra £4k in office costs and profit. 	<ul style="list-style-type: none"> ➤ Detailed surveys are undertaken to identify the extent of works required, where these are provisional these are re-measured and then instructed by our technical consultant, Calfordseaden. This also applies to provisional items. Costs are adjusted accordingly within the priced specification.
16.6	<ul style="list-style-type: none"> • Why is the scaffolding cost for 17-41 Scylla Road £72k when the cost for 43-67 Scylla Road is £63k? The 	<p>As there are slightly different requirements and durations for these two blocks, the costs will differ.</p>

	blocks are the same size.	
<u>17 - Block Specific – 1-203 Wivenhoe Close</u>		
17.1	<ul style="list-style-type: none"> The descriptions for bills 9 and 10 Wivenhoe need to make clear that these are for odds only. In previous responsive repairs they have incorrectly been charged to evens, so it is concerning that the spreadsheet does not make clear this is odds only. 	<ul style="list-style-type: none"> In the present planned contract, leaseholders at 1-203 Wivenhoe are recharged just for work to this odd numbered block
17.2	<ul style="list-style-type: none"> Having cleaned the windows in the hallways (1st floor) on many occasions I can confirm that most if not all are in good working condition. Along with those within my flat. Will the window servicing be given a more detailed review than this clearly macro guestimate I wish to see this as an itemized list of which windows, and if those windows are within a council property then I should not be expecting to pay a share of that given that I keep my own ones in good condition - that sounds fair no 	<ul style="list-style-type: none"> At contract final accounts, we would be able to show the location & extent of overhaul & repairs to both flat windows & any communal windows. Ongoing as when block costs are updated following surveys being undertaken, if no works are required then cost would be adjusted accordingly. All windows whether they are located in individual flats, or in shared common areas, they count as common parts of the block and the cost is shared among all its flats.
<u>18 - Block Specific – 54 - 82 Wivenhoe Close</u>		

18.1	<ul style="list-style-type: none"> For 54-82, we would disagree with the definition of this block. There are ground floor street accessed dwellings AND there are upper floor maisonettes. These are two separate dwellings. It doesn't feel that the upper floor should be paying for ground level repairs, and the ground level shouldn't be paying for upper level repairs (apart from repairs that affect everyone, such as roofs and guttering). This is not the definition used on the lease of at least one leaseholder, who has 54-70 only in the lease. Responsive repairs work has been incorrectly charged previously, but been corrected when queried when the actual breakdowns have been provided, so there is precedent for this. 	<p>We class 54-82 Wivenhoe Close as a single block & recharge all the work among all the flats located between Nos 54-82 with two exceptions. Work to resurface the flooring & re-decorate the stairway & corridor serving top floor flats 72-82 will not be recharged to any flat between no's 54-70 on the bottom floor. The corridor & stairs to 72/82 gives no access to the flats at 54-70. Instead, only top floor flats at 72/82 pay towards the stairs /corridor floor & decoration together with their share of the other categories of work to the 54-82 Wivenhoe block,</p> <p>For roof work & external walls repair above ground floor level together with Fire Risk Assessment (FRA) work, the cost is rechargeable among all flats at 54-82 Wivenhoe since it provides a common benefit to the flats which form a single block under one roof & external walls. Balcony repair to the top floor is likewise rechargeable among all since the balcony is legally part of the block external structure rather than forming the interior of the top floor flats.</p>
18.2	<ul style="list-style-type: none"> The majority of this work applies only to the blocks of flats and not to the maisonettes - surely we should only be paying for the work which impacts the buildings in which we live? The leases for at least some of the leaseholders and precedent make clear this should not be happening. 	<p>➤ Despite the mix of flat types, a common roof & external walls cover 54-70 & 72 - 82 Wivenhoe which lies above the flats 54-70, thus making it a single block. Please refer to the previous answer on how we recharge individual categories of work. Repairs to numerous items of work benefit all properties both on the ground floor & above them. Likewise, fire safety work benefits all flats lying on top or below each other not just those on one level of the block.</p>

18.3	<ul style="list-style-type: none"> • 54-82 is one of the highest costs. Why is this and what has driven this higher cost compared to other blocks 	<ul style="list-style-type: none"> ➤ The recharge to leasehold flats at 54-82 Wivenhoe is more or less average for this contract.
18.4	<ul style="list-style-type: none"> • 54-70 do not have door entry systems and as the lease of at least one leaseholder defines the block as 54-70, with work cannot legally be charged to that leaseholder. This has been mistakenly charged in annual service charges and removed when queried, so there is precedent for this 	<ul style="list-style-type: none"> ➤ An earlier answer explained how the various categories of work at 54-70 Wivenhoe close would be recharged. We will not recharge for any flooring or decorations to the staircase or corridor serving 72-82. ➤ Please note there are no planned door entry works to 54-82 Wivenhoe close.
18.5	<ul style="list-style-type: none"> • How will costs be worked out for properties that neither have/use public stairways and/or don't have balconies? In a previous ventilation major works that the council massively overcharged us, we were told that costs were due to the works only "benefitting" our property. Will a similar equation be put forward as part of these works? There is a precedent where one leaseholder in block 54 - 70 managed to get these costs removed as there was no benefit to that property and a S20 notice hadn't been served for them and 	<ul style="list-style-type: none"> ➤ As mentioned the roof, block exterior and fire safety work benefits all flats at 54-82. Balconies are one of the common parts of the block and repairs to it is thus rechargeable to all flats between 54 to 82.

	they cost more than the £250 limit.	
18.6	<ul style="list-style-type: none"> • Similarly, if your property does not have access to communal areas, will this be accounted for in the final cost to individual properties? There is precedent for this when they have been added to one leaseholder in 54-70's annual service charge but removed when challenged. 	<ul style="list-style-type: none"> ➤ Please refer to the earlier answer which covered this point on recharges.
18.7	<ul style="list-style-type: none"> • There are no communal windows in block 54 - 70 so these costs should be removed from the bill for leaseholders in that block. 	<ul style="list-style-type: none"> ➤ All windows to individual flats & windows in any common part of the block remain part of the common parts of the block 54-82.
18.8	<ul style="list-style-type: none"> • There are no communal internal areas in block 54 - 70 so these should be removed from the bill for leaseholders in those blocks, including the decoration costs. There is precedent for this. 	<ul style="list-style-type: none"> ➤ Please refer to the earlier answer in respect of how the categories of work at 54-82 Wivenhoe will be recharged.

Section 20 Landlord and Tenant Act 1985
Schedule 3 - Notice of Intention



To the Leaseholder of xx Galatea Square

5 September 2024

The Leaseholder
 xx Galatea Square
 Peckham
 London
 SE15 3PL

Reference: cwg-24/083P6
Contact: Joe Sheehy
Tel: 020 7525 7640

LBS Property: xx Galatea Square
Property Ref: xxxxx

Consort Estate QHIP Major Works Contract

The council is proposing to carry out refurbishment & fire safety major works to your block at 11-25 Gatatea. In this Notice you will find details of what works are proposed and why, how much the work is estimated to cost and details on who to contact if you have any questions.

Why are we writing to you?

We are writing to you to consult on the details of this proposed work and the reason why it is required, to tell you what your estimated service charge contribution towards these major works will be and to invite leaseholders and Recognised Tenants Associations (RTA) to make observations.

Section 20 of the Landlord and Tenant Act 1985 and the Commonhold and Leasehold Reform Act 2002 requires the council to consult leaseholders on works where their service charge contribution will amount to £250 or more. This is called Section 20 consultation.

Your contribution towards this work is estimated to be £36,551.19 and will be invoiced in March 2025. Details of the charges are set out within.

This notice is **not an invoice** and the council is not yet seeking any payments. However, if you are selling your property you should advise your solicitor that you have received this notice or visit www.southwark.gov.uk/homeowners for more pre-assignment information.

Further information on your service charge and payment options is provided on the enclosed sheet.

Statement of proposed works

The contract covers blocks of flats at Galatea, Huguenot & Vivian Squares, Manaton & Wivenhoe Closes, Scylla Road & 31-45 Philip Walk plus tenanted houses along 6-44 Heaton Road, 13-18 Huguenot Square & 22-40 Philip Walk, a total of 407 properties. A general outline of proposed contract works for 11-25 Gatatea is:

- Fit fire barriers inside loft space. Install cross corridor fire doors across corridors & fire compartmentation inside block. Create stairway ventilation, replace plastic cabinets to electric meters by flat doors
- Renew present flooring cover to landings & stairway with decorative resin coat flooring
- Repair deteriorated areas of roof covering. Renew roof soffit, fascia & rainwater drainage. Provide scaffold for access to work at heights. In loft, fit loft fire barriers. Bring level of loft insulation up to adequate standard
- Renew block's communal door entry door with new steel frame, door, closing & opening controls & glazed screens
- Replace worn balcony floor spartan tiles & repair damaged asphalt underneath. Resurface in elastomeric weather proof coating
- Repaint landing & stairway ceilings & walls in Class 0 fire retardant paint. Redecorate other previously painted surfaces on block exterior & within block
- Repair block's external concrete & brickwork. Clean & apply protective coating to concrete surfaces & renew any damaged exterior cladding slates. For all windows, overhaul & repair as needed to leave in long term good working order

A & E Elkins, is the council's long term partnering contractor for your area and is proposed to carry out the works. The combined works to all homes are estimated to cost £17,238,251.18. The contract is expected to take 120 weeks to complete with a 12-month defects period.

The work will be carried out under a Qualifying Long Term Agreement (QLTA), which is a contract or agreement between the council and a contractor to provide works or goods and services for a term of more than twelve months. The council is committed to securing the best price for work that is needed. This agreement enables the council to compete to get the best prices in the market by committing to a long term relationship with a contractor, and to take advantage of its position as a large organisation with a large amount of stock to maintain in order to negotiate the most competitive rates.

The schedule of rates costs for this contract were established under competitive tender. They will be continually monitored to ensure that costs under this agreement are competitive.

Why is the council proposing these works?

The council believes that the works outlined above are necessary because:

- To prevent possible flame & smoke spread in a blaze fit corridor fire doors & stairway ventilation. Carry out compartmentation of spaces inside the block & remove non fire-resistant materials from public areas
- Existing stairway flooring is in poor state & no longer capable of being kept in satisfactory state by repair. In consequence fit new hardwearing floor covering

- Areas of slates & roof lead work need repair. Present gutters, downpipes, roof soffit & fascia need renewal due to deterioration over time. Loft fire breaks are needed for fire safety. Present loft insulation level allows excess heat loss.
- The existing door entrance doors are aged & at 30 years at the end of their working lives. They can no longer be kept in repair at economic cost. Replacement is required to prevent intruders from accessing the block
- Wear & tear to balcony tile flooring allows water penetration to the underlying asphalt base which needs repair. Resurface balconies with weatherproof coating to prevent future damage
- Fire safety regulations require Class 0 decoration along walls & ceilings of exit routes inside block. Non -Class 0 redecoration to protect exterior timber & metal from the elements & maintain appearance of block interior
- Due to wear & tear over time, overhaul & repair is needed to keep windows in satisfactory working order. Likewise, over time, exposure to the elements damages concrete, brick faces, mortar & cladding slates which now require repair

Your estimated major work service charge

Attached to this notice is a calculation spreadsheet that summarises the works and costs proposed for your building. Leaseholders *do not* pay for any items in the non-rechargeable column. The below apportionment method is explained in more detail later in this notice.

You have a 1 bedroom property and are therefore assigned 5 units. There are a total of 75 units allocated to your building. The cost of rechargeable works to your building is £467,127.81. Your proportion of the cost of works to your building is:

$$\frac{5}{75} \times £467,127.81 = £31,141.85$$

Your estimate for this contract is therefore:

Major works to your building	£467,127.81
Your Contribution	<u>£31,141.85</u>
Professional fee @ 6.70%	£2,086.50
Sub Total	<u>£33,228.36</u>
Administration fee @ 10.00%	<u>£3,322.84</u>
Estimated Service Charge	<u><u>£36,551.19</u></u>

Please note: The council is not yet asking for money and this is not an invoice.

How do leaseholders make legal observations?

Section 20 allows leaseholders to submit written observations regarding the proposed works in this contract, within 30 days from the date of this notice. If you would like to make such observations, they should be addressed to:

Mr Joseph Sheehy
Service Charge Construction
PO Box 71994
160 Tooley Street
London
SE1P 5FW

Or online: www.southwark.gov.uk/observation

Observations must reach the capital works team by **Monday, 7 October 2024**. When making written observations please include the property address and contract reference code, which can be found on the front page of this notice, on all correspondence.

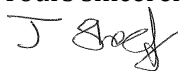
Further information

The detailed estimates for these works, as well as the information contained within this Section 20 notice, can be inspected at the council office at 132 Queens Road, London, SE15 2HP - Monday to Friday between the hours of 10am and 4pm.

An appointment is necessary to view the estimates, however if you would like to discuss this contract in detail or to arrange a more convenient time to inspect the estimates, please telephone to make an appointment. Alternatively, a copy of the detailed estimates can be sent out but this may incur an administration charge of £28.00. A copy can be sent out by email free of charge where possible.

Attached to this notice is a collection of frequently asked questions and answers. If you have any further questions regarding the contents of this notice, please contact me at your earliest convenience.

Yours sincerely



Mr Joseph Sheehy - Service Charge Construction

Tel: 020 7525 7640

www.southwark.gov.uk/observation

Information about your service charges

Your lease is a legally binding agreement between the council and you. It sets out all of the rights and obligations of both parties relating to your property and the building or estate in which it is situated.

In general, as a leaseholder you are responsible for the repair and maintenance of everything inside your home and the council is responsible for the structure, exterior and common parts of the building. The council is also responsible for the provision of routine services such as communal heating and lighting of common parts, for example stairwells and entrances.

As a leaseholder you will be required to pay a fair proportion towards the costs of maintenance, repair or renewal to your building or estate, also towards the costs of any services provided by the council for communal use. These contributions are known as service charges.

About your estimate

The law allows leaseholders to be invoiced on an estimate if the lease allows it - Southwark's leases do allow this and your service charges will be invoiced on an estimate calculated directly from the priced specification. This is the best estimate of your contribution that the council can give at present.

The specification of works was written following surveys of the relevant buildings, Provisional sums may have been included in order to ensure that funding is available to carry out all necessary work without having to ask for further, and possibly higher, quotes from the contractor. During the course of the contract and following more detailed inspections, any unnecessary work – including any provisional items - will be omitted. We will recalculate your service charges in accordance with the actual costs incurred once the contract has completed. Leaseholder's accounts will be credited or debited accordingly.

Administration and Management Fees

The council will use specialists (both in-house and external) such as building consultants and quantity surveyors, to prepare the specification of works and oversee the contract. These professional services incur a cost and are charged as a percentage of your contribution.

Administration fees are also charged to homeowners in accordance with their lease at a fixed 10% rate. This fee covers the costs incurred by various teams in the housing department to carry out Section 20 consultation, preparing and managing service charge accounts and to manage the housing stock condition.

Section 20 Legislation

This notice is constructed in accordance with Section 20 of the Landlord & Tenant Act 1985 (as amended by section 151 of the Commonhold and Leasehold Reform Act 2002). The council must consult you regarding any qualifying repair works to your block for which you will be liable to pay a service charge of £250 or more.

Calculating your proportion

Your lease states the council may adopt any reasonable method for calculating your service charge and may adopt different methods in relation to different items of costs and expenses.

Service charges are fairly proportioned between all properties in your building. The council pays the proportion relating to rent-paying tenants from the rents received. The cost of services to tenants is not subsidised in any way by leaseholders.

Typically, for works to the structure of a building such as roof, windows or external decorations, service charges are based on a unit system. This is calculated by adding four to the number of bedrooms in a property. For example, a bedsit has four units, a one-bedroom flat five units. The number of units for each block or estate is totalled and divided into the cost to give a cost per unit, and that cost is multiplied by the number of units for each individual property to come to the charge for that property. This means that the owner of a three bedroom property will pay more for an individual service than the owner of a one bedroom flat in the same block. This method was agreed by the Home Owner council.

Repayment of service charges

We are aware that some leaseholders are not in a position to settle their major works charges within a relatively short period of time as set down in the terms of their lease. We can therefore offer various payment options to help leaseholders. These include:

- Payment of interest free monthly instalments over 48 months. Please note that if the standing-order payments do not commence promptly, upon receipt of the invoice, and if any payment is missed then this scheme will no longer be available and you will be required to pay in accordance with your lease. This option is not available for leaseholder's who sublet their property.
- We may be willing to offer a discretionary service charge loan, which would help you to pay by monthly instalments over a period of up to 25 years at 1.5% above the base rate of the National Westminster Bank plc, provided there is sufficient equity in your property to cover the loan. There is an application fee which covers the council's costs in securing the loan against the property; this amount can be added to the loan.

Further details on these and other payment options will be included with the invoice. Should you require any further information in this regard, including confirmation of interest rates, please telephone the capital collections team on 020 7525 1449.

Homeowner involvement

Everyone who lives in or owns a council home can attend their Local Housing Forum. At these meetings you can take part in discussions with council officers and councillors on a wide range of housing related topics.

Additionally our online Residents' Panel gives you the opportunity to get involved in decisions that affect you and where you live, even if you can't attend meetings. You can find out more by visiting <https://www.southwark.gov.uk/housing/housing-getting-involved/>

If you are selling your property

If you are selling your property you should advise your solicitor that you have received this notice or visit www.southwark.gov.uk/homeowners for more pre-assignment information.

Prelims	£966,194.25
Pre- Commencement Costs	£52,074.70
Non-rechargeable Pre Commencement Costs	£95,793.64
Contractor Profit & Overheads	£957,720.99
Design	£318,513.57
Scaffolding	£1,485,061.60
Measured Works	£13,362,892.43
Total	£17,238,251.18

Block Scaffolding £46,443.50

Specification Item	Re-chargeable	Non-Rechargeable	Total	Description of Works
Bill 16- Rechargeable Works				Communal Work- Costs shared by leasehold & tenant flats
Section B Roof	£27,344.72		£27,344.72	replace deteriorated areas of slates, tiling battens & lead work in the roof covering, renew ridge tiles. Renew loft insulation to prevent excessive heat loss. Renew soffit, fascias & barge boards to roof
Section C Windows	£20,723.52		£20,723.52	To flats, ease & adjust windows, replace worn handles, hinges, restrictors, trickle vents & any damaged glazing. To communal windows, undertake full renewal
Section C Cladding	£3,750.00		£3,750.00	Renew areas of damaged or deteriorated cladding slates
Section D Communal Doors	£51,054.87		£51,054.87	Fit powder coated steel portcullis door entry door to block .
Section E Concrete	£14,584.01		£14,584.01	Test & repair cracking in concrete in wall structure then jet clean & apply protective anti-carbonation coating .
Section E brickwork	£3,900.00		£3,900.00	Repoint as required & repair any defective brick faces, fit Helical bars across areas of brickwork cracks
Section F Communal Staircase	£39,865.16		£39,865.16	Supply & fit new floor coating to staircase landings & stairway
Section F Private Balconies	£25,279.01		£25,279.01	Remove spartan tiles, repair damaged asphalt balcony floor surface, apply elastomeric coating to weather proof & protect surface.
Section G Redecoration	£33,772.50		£33,772.50	as required for fire safety, repaint internal communal areas in TOR Class 0 fire retardant paint
Section G Redecoration	£9,279.73		£9,279.73	Redecorate external paintwork on main entrance, woodwork & throughout block exterior
Section H Drainage	£5,263.82		£5,263.82	Renew all guttering & rainwater downpipes
Section H FRA Fire Safety Work	£50,871.47		£50,871.47	For fire safety fit FD30(S) cross corridors doors on the various floors of the block to prevent fire spread. Replace to FD30(S) standard doors to electric meters cabinets beside flats, install ventilation to staircase to disperse smoke if blaze occurred, fit fire safety signage. Fit fire rated loft hatches & carry out fire compartmentalisation to communal areas
Section H FRA Fire Safety Work	£50,000.00		£50,000.00	fire safety compartmentation allowance for loft fire breaks
Section J temporary lighting	£745.00		£745.00	Temporary lighting to enable work to loft
Section K Risk Items	£7,500.00		£7,500.00	Provision for asbestos removal
Section K Risk Items	£10,000.00		£10,000.00	Expenditure provision for any additional work identified on site
Section K Risk Items	£5,000.00		£5,000.00	Provision to fit bin bays in bin store locations.
Section J Landlords EICR communal electrics	£830.66		£830.66	Safety check on communal electrical supply system to block
Non -Rechargeable Works				Costs towards which leasehold flats do not pay
Section B Roof		£3,652.43	£3,652.43	Roof repair in respect of garages
Section E brickwork		£780.00	£780.00	Brickwork repair in respect of garages
Section F Private Balconies		£5,055.80	£5,055.80	private balcony repair in respect of garages
Section G Redecoration		£692.28	£692.28	Redecorate garage doors - not recharged to leaseholders
Section H FRA Fire Safety Work		£8,000.00	£8,000.00	Garage area fire compartmentation -not rechargeable to leaseholders
Section A		£603.47	£603.47	Relocate TV aerials/ Sat TV dishes for work access- not recharged to leaseholders
Totals measured works	£359,764.47	£18,783.99	£378,548.45	
Prelims	£26,012.51	£1,358.16	£27,370.67	
Pre- Commencement Costs Rechargeable	£2,781.82	£145.24	£2,927.07	
Contractor Profit & Overheads	£25,784.39	£1,346.25	£27,130.64	
Design	£8,575.23	£447.73	£9,022.96	
Scaffolding	£44,209.40	£2,234.10	£46,443.50	
Totals	£467,127.81	£24,315.47	£491,443.29	

Rechargeable Block Cost

£467,127.81



Notification: Service Charge Account 2024/25
Account Number:
Property Reference:
Property address: xx Galatea Square, London, SE15 3PL
Date: 05/09/2024

Service Charges previously notified:

Estimate Service Charges previously notified for 2024/25 £4,189.52

A breakdown of this service charge, how it has been calculated and what is included was issued to you on 14/02/2024

This Section 20 - Major Works Service Charge:

Estimated Major Works Service Charge for 2024/25. £14,620.48

This is the percentage of the total estimated amount in the attached Section 20 notice that Southwark estimates will be incurred this financial year. It comprises of 40% of the estimated service charge amount in the attached notice. The remainder of the amount will be notified on in future years. Please see the Q&A on the next page for further information.

Total notified for the year 2024/25 payable quarterly in advance in accordance with the terms of your lease. £18,810.00

What is this Notification?

This notification of service charges is sent in order to comply with the terms of your lease, which require that the council notify you of all of the estimated charges for the year, including both major works and day to day annual charges.

Traditionally the council have not broken down the major works charge to show what is to be spent in each financial year. Instead they have billed all of the costs for the work in one invoice that is separate from the annual charges. This allows the council to offer longer term payment schemes to leaseholders for major works, which are not available for the annual service charge.

Leaseholders who do not want to take advantage of the payment schemes available, and who want to pay all of their charges within the financial year that they relate to, are entitled under the terms of their lease to do this, and a recent legal decision means that the council will in future be required to notify all leaseholders that they have this right, and to set out what the annual charge would be as shown overleaf.

What is the previously notified Service Charge?

Your estimated service charge invoice sent out in February of each year includes a notification as per the explanation above. The previously notified amount overleaf is either the amount you were notified of at that time or the details of the latest revision of your notification. This amount includes both your revenue and major works service charges.

Do I have to start paying now?

No. If you want to make arrangements outside of the lease terms you can wait until the council sends an invoice for the major works charges in February of each year. This means that instead of arranging to pay all of the major works charges for this year now, you wait for the council to invoice you, and make an arrangement with the council to pay the charges according to various payment schemes that are available for major works which will allow you to spread the payments.

If I wait until I receive the invoice, how can I spread my payments?

Leaseholders who are resident at the property can spread payments over 36 months, and sometimes longer, without paying interest. Other schemes are available to spread payments over a longer period. These schemes are available to all leaseholders but interest is payable on the debt. Full details of the schemes available can be discussed with the collections team. Their telephone number is below.

If I want to start paying now, what do I do?

Your lease allows for payments to be made on each quarter of the year for the costs that the council estimates that it will incur within that year. The attached notification details the proportion of the total cost that the council estimates for the major works for this year.

If you want to pay in this way you should contact the collections team, who will calculate your payments for each quarter and set up a payment arrangement for the full estimated service charge for the year. You can contact the collections team on 0207 525 1449.

You should note, that if you decide to make payments on this basis, you cannot at a later date decide that you wish to take up the more extensive payment plans for major works that the council offers.

Service Charges: Summary of tenants' rights and obligations

Introduction

This summary, which briefly sets out your rights and obligations in relation to variable service charges, must by law accompany a demand for service charges. Unless a summary is sent to you with a demand, you may withhold the service charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.

1. Your lease sets out your obligations to pay service charges to your landlord in addition to your rent. Service charges are amounts payable for services, repairs, maintenance, improvements, insurance or the landlord's costs of management, to the extent that the costs have been reasonably incurred.

2. You have the right to ask the First Tier Tribunal to determine whether you are liable to pay service charges for services, repairs, maintenance, improvements, insurance or management. You may make a request before or after you have paid the service charge. If the tribunal determines that the service charge is payable, the tribunal may also determine:

- Who should pay the service charge
- Who it should be paid to
- The amount
- The date it should be paid by
- How it should be paid.

3. However, you do not have these rights where:

- A matter has been agreed or admitted by you;
- A matter has already been, or is to be, referred to arbitration
- Has been determined by an independent arbitration and you agreed to go to arbitration after the disagreement about the service charge or costs arose
- A matter has been decided by a court.

4. If your lease allows your landlord to recover costs incurred or that may be incurred in legal proceedings as service charges, you may ask the court or tribunal, before which those proceedings were brought, to rule that your landlord may not do so.

5. Where you seek a determination from the First Tier Tribunal, you will have to pay an application fee and, where the matter proceeds to an oral hearing, a hearing fee, unless you qualify for fee remission or exemption. Making such an application may incur additional costs, such as professional fees, which you may have to pay.

6. The First Tier Tribunal and the Upper Tribunal (in determining an appeal against a decision of the First Tier Tribunal) have the power to award costs in accordance with Section 29 of the Tribunals, Courts and Enforcement Act 2007.

7. If your landlord:

- Proposes works on a building or any other premises that will cost you or any other tenant more than £250 or
- Proposes to enter into an agreement for works or services which will last for more than 12 months and will cost you or any other tenant more than £100 in any 12 month accounting period.

Your contribution will be limited to these amounts unless your landlord has properly consulted on the proposed works or agreement or the First Tier Tribunal has agreed that consultation is not required.

8. You have the right to apply to the First Tier Tribunal to ask it to determine whether your lease should be varied on the grounds that it does not make satisfactory provision in respect of the calculation of a service charge payable under the lease.

9. You have the right to write to your landlord to request a written summary of the costs which make up the service charges. The summary must:

- Cover the last 12 month period used for making up the accounts relating to the service charge ending no later than the date of your request, where the accounts are made up for 12 month periods; or
- Cover the 12 month period ending with the date of your request, where the accounts are not made up for 12 month periods.

10. The summary must be given to you within one month of your request or six months of the end of the period to which the summary relates whichever is the later.

11. You have the right, within six months of receiving a written summary of costs, to require the landlord to provide you with reasonable facilities to inspect the accounts, receipts and other documents supporting the summary and for taking copies or extracts from them.

12. You have the right to ask an accountant or surveyor to carry out an audit of the financial management of the premises containing your dwelling, to establish the obligations of your landlord and the extent to which the service charges you pay are being used efficiently. It will depend on your circumstances whether you can exercise this right alone or only with the support of others living in the premises. You are strongly advised to seek independent advice before exercising this right.

13. Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.

Meeting Name:	Overview and Scrutiny Committee
Date:	4 November 2024
Report title:	Work Programme 2024-25
Ward(s) or groups affected:	N/a
Classification:	Open
Reason for lateness (if applicable):	N/a
From:	Head of Scrutiny

RECOMMENDATIONS

1. That the overview and scrutiny committee note the work programme as at 4 November 2024 attached as Appendix 1.
2. That the overview and scrutiny committee consider the addition of new items or allocation of previously identified items to specific meeting dates of the committee.

BACKGROUND INFORMATION

3. The terms of reference for the overview and scrutiny committee are:
 - a) to appoint commissions, agreeing the size, composition and terms of reference and to appoint chairs and vice chairs
 - b) to agree the annual work programme for OSC and the commissions
 - c) to consider requests from the cabinet and/or council assembly for scrutiny reviews
 - d) to exercise the right to call-in for reconsideration of executive decisions made but not yet implemented
 - e) to arrange for relevant functions in respect of health scrutiny to be exercised by an overview and scrutiny committee of another local authority where the council considers that another local authority would be better placed to undertake those relevant functions, and that local authority agrees to exercise those functions
 - f) if appropriate, to appoint a joint overview and scrutiny committee with two or more local authorities and arrange for the relevant functions of those authorities to be exercised by the joint committee
 - g) to periodically review overview and scrutiny procedures to ensure that the function is operating effectively
 - h) to report annually to all councillors on the previous year's scrutiny activity
 - i) to scrutinise matters in respect of:
 - the council's policy and budget framework

- regeneration
 - human resources and the council's role as an employer and corporate practice generally
 - customer access issues, including digital strategy, information technology and communications
 - the council's equalities and diversity programmes.
4. The work programme document lists items which have been or are to be considered in line with the committee's terms of reference.

KEY ISSUES FOR CONSIDERATION

5. Set out in Appendix 1 (Work Programme) are the issues the overview and scrutiny committee has identified for consideration in the 2024-25 municipal year.
6. The work programme is a standing item on the overview and scrutiny committee agenda and enables the committee to consider, monitor and plan issues for consideration at each meeting.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Overview and Scrutiny Committee agenda and minutes	Southwark Council Website	Everton Roberts 020 7525 7221
Link: http://moderngov.southwark.gov.uk/ieListMeetings.aspx?Committeeld=308		

APPENDICES

No.	Title
Appendix 1	Overview and Scrutiny Committee Work Programme 2024-25

AUDIT TRAIL

Lead Officer	Everton Roberts, Head of Scrutiny	
Report Author	Everton Roberts	
Version	Final	
Dated	25 October 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Resources	No	No
Cabinet Member	Yes/No	Yes/No
Date final report sent to Constitutional Team	25 October 2024	

Overview and Scrutiny Committee Work Programme – 2024-25 (as at 4 November 2024)

Meeting	Agenda items	Comment
15 July 2024	<ul style="list-style-type: none"> Update on delivery of the Council’s Climate Change Strategy and Action Plan for 2023/24 	Lead member – Cllr Batteson Lead officer – Tony Ainge (Tom Sharland)
	<ul style="list-style-type: none"> Report on the decision to self-refer to the Regulator of Social Housing regarding the status of the Council’s domestic electrical inspection condition reports 	Lead member – Cllr King Lead officer – Hakeem Osinaike (Stuart Davis)
	<ul style="list-style-type: none"> Overview and Scrutiny Committee and Commission Work Programmes for 2024/25 	Lead member – Cllr Wingfield Lead officer – Everton Roberts
4 November 2024	<ul style="list-style-type: none"> Scrutiny Call-in – Gateway 1 Housing – Procurement Support and Supply Chain Management System 	Lead member – Cllr King Lead officer – Hakeem Osinaike
	<ul style="list-style-type: none"> Consort Estate SE15, Major Works – Charges to Leaseholders [Reference by Councillor – OSC Procedure Rule 12] 	Lead member – Cllr King Lead officer – Hakeem Osinaike (Stuart Davis)
	<ul style="list-style-type: none"> Financial Position: Budget Delivery and Future Strategy 	Lead member – Cllr Cryan Lead officer – Clive Palfreyman (Tim Jones)

Meeting	Agenda items	Comment
27 November 2024	<ul style="list-style-type: none"> Customer Services (to be considered alongside Digital Systems and workflows, to also include digital inclusion and exclusion) 	Lead member – Cllr Cryan Lead officer – Clive Palfreyman (Dominic Cain)
	<ul style="list-style-type: none"> Digital Systems and Workflows - CRM System for resident responses (including looking at how the council liaises with residents, and right contact first time (residents finding it difficult to contact the correct officer to deal with their issue) 	Lead member – Cllr Cryan Lead officer – Dionne Lowndes
	<ul style="list-style-type: none"> Implementing mechanisms to enhance community participation in the scrutiny process. 	Lead member – Cllr Roberts / Cllr Wingfield Lead officer – Doreen Forrester-Brown (Everton Roberts)
	Local Community Infrastructure Levy Framework	Lead member – Cllr Dennis Lead officer – Clive Palfreyman (Neil Kirby) (Tbc, to be considered during statutory consultation period and therefore subject to timing)
	Scrutiny Improvement Review Implementation – Update	Lead member – Cllr Wingfield Lead officer (Doreen Forrester-Brown (Everton Roberts))
	Briefing on New Procurement Act	Lead member – Cllr Cryan Lead officer – Clive Palfreyman (Elaine McLester)

Meeting	Agenda items	Comment
8 January 2025	<ul style="list-style-type: none"> Canada Estate /Devon Mansions Major Works Review report back 	Lead member – Cllr King Lead officer – Hakeem Osinaike (Stuart Davis)
	<ul style="list-style-type: none"> Governance and Oversight of Housing Services 	Lead member – Cllr King Lead officer – Hakeem Osinaike
	<ul style="list-style-type: none"> Cabinet/Senior Management Strategic Responsibility 	Lead member – Cllr Williams Lead officer – Althea Loderick (Tbc)
20 January 2025	<ul style="list-style-type: none"> Annual budget Scrutiny (daytime meeting) 	Lead member – Cllr Cryan Lead officer – Clive Palfreyman
21 January 2025	<ul style="list-style-type: none"> Budget Scrutiny – Formulation of OSC recommendations to cabinet 	
	<ul style="list-style-type: none"> Statement of Community Involvement / Development Consultation Charter 	Lead member – Cllr Dennis Lead officer – Clive Palfreyman (Juliet Seymour) (Tbc, to be considered during the statutory consultation period and therefore subject to timing)
	<ul style="list-style-type: none"> Southwark 2030 outcomes framework and annual action plan (or 12 February OSC) 	Lead member – Cllr Williams Lead officer – Althea Loderick (Rhona Cadenhead / Tricia Boahene) (Tbc)

Meeting	Agenda items	Comment
	<ul style="list-style-type: none"> <li data-bbox="566 276 1032 347">Council Delivery Plan Update (or 12 February OSC) 	Lead member – Cllr Williams Lead officer – Althea Loderick (Rhona Cadenhead / Tricia Boahene) (Tbc)
12 February 2025	<ul style="list-style-type: none"> <li data-bbox="566 499 1059 531">Council Homes Disposal Policy 	Lead member – Cllr Cryan Lead officer – Clive Palfreyman (Stephen Platts)
	<ul style="list-style-type: none"> <li data-bbox="566 611 1126 643">Southwark New Homes Programme 	Lead member – Cllr Dennis Lead officer – Hakeem Osinaike (Zoe Davies)
	<ul style="list-style-type: none"> <li data-bbox="566 722 925 754">Housing Associations 	Lead member – Cllr King Lead officer – Hakeem Osinaike Confirmation required on whether this is still to be included in work programme in light of previous scrutiny work in relation to housing associations.
28 April 2025	<ul style="list-style-type: none"> <li data-bbox="566 986 1216 1018">Interview with Police Borough Commander 	Lead member – Cllr Ennin Lead officer – Toni Ainge (Stephen Douglass Caroline Thwaites) Tbc
	<ul style="list-style-type: none"> <li data-bbox="566 1209 1182 1281">Interview with Cabinet Member for Community Safety and Neighbourhoods 	Tbc
	Further items to be determined	

OSC agenda items to be scheduled

Meeting (tbc)	Agenda items	Comment
	<ul style="list-style-type: none"> <li data-bbox="555 459 987 491">Annual Workforce Strategy 	Lead member – Cllr Cryan Lead officer – Doreen Forrester-Brown (Ben Plant)
	<ul style="list-style-type: none"> <li data-bbox="555 572 1106 604">Electrical Testing in Council Homes 	Lead member – Cllr King Lead officer – Hakeem Osinaike Timing of report back to be established
	<ul style="list-style-type: none"> <li data-bbox="555 759 1010 791">Asset Management Strategy 	Lead member – Cllr King Lead officer – Hakeem Osinaike (Paul Wood) Requested at 30 July agenda planning meeting Scheduled for 4 February cabinet – appropriate time for this to come scrutiny to be established
	<ul style="list-style-type: none"> <li data-bbox="555 1019 1025 1051">Climate Change Performance 	Lead member – Cllr Batteson Lead officer – Toni Ainge (Tom Sharland) Standing item – frequency and information to be determined with cabinet member following discussion with OSC members.

	<ul style="list-style-type: none"> Process around bidding for government grants, including how the council approaches government grants and the council's success rate (to be looked at as part of the budget process – but as a standalone item) 	<p>Lead member – Cllr Cryan Lead officer – Clive Palfreyman</p> <p>Note from Clive – to be built into future budget discussion</p>
	<ul style="list-style-type: none"> Refresh of Southwark Stands Together and Southwark Equality Framework – Pre decision scrutiny 	<p>Lead member – Cllr Cryan Lead officer – Ben Plant (Evereth Willis)</p> <p>Note: was due to be received at 4 November OSC. Item deferred, as further analysis required around Equality Framework data.</p>
	<ul style="list-style-type: none"> Refresh of Procurement Framework to support Southwark 2030 	<p>Lead member – Cllr Cryan Lead officer – Clive Palfreyman / Elaine McLester</p> <p>Note: scheduled for March 2025 cabinet</p>
	<ul style="list-style-type: none"> Cabinet Member Interviews <p>Cllr Kieron Williams, Leader of the Council</p> <p>Cllr Jasmine Ali, Children, Education & Refugees</p> <p>Cllr Evelyn Akoto, Health & Wellbeing</p> <p>Cllr John Batteson, Climate Emergency, Jobs & Business</p> <p>Cllr Stephanie Cryan, Equalities, Democracy & Finance</p>	<p>To be determined (as and when appropriate).</p>

	<p>Helen Dennis, New Homes & Sustainable Development</p> <p>Cllr Natasha Ennin, Community Safety & Neighbourhoods</p> <p>Cllr Sarah King, Council Homes</p> <p>James McAsh, Clean Air, Streets & Waste</p> <p>Cllr Portia Mwangangye, Leisure, Parks & Young People</p> <p>Cllr Sam Dalton, Supported Housing</p> <p>Cllr Emily Hickson, Green Finance</p> <p>Cllr Bethan Roberts, Resident Engagement</p> <p>Cllr Joseph Vambe, Neighbourhoods</p>	
--	---	--

This page is intentionally blank.

OVERVIEW AND SCRUTINY COMMITTEE

MUNICIPAL YEAR 24/25

AGENDA DISTRIBUTION LIST (OPEN)

NOTE: Original held by Scrutiny Team; all amendments/queries to Everton Roberts Tel: 020 7525 7221

Name	No of copies	Name	No of copies
Overview and Scrutiny Committee Members		Officers	
Paper copy		Joseph Brown – Cabinet Office	
Councillor Suzanne Abachor	1	Arthur Holmes – Cabinet Office	
Councillor Victor Chamberlain	1	Euan Cadzow-Webb – Liberal	
Councillor Laura Johnson	1	Democrat Group Office	
Electronic Versions (no hard copy)		Paper copy	
Councillor Ian Wingfield		Sarah Feasey, Legal Department	
Councillor Irina Von Wiese		Everton Roberts, Governance and	
Councillor Cassandra Brown		Assurance (Spares)	
Councillor Sam Foster			1
Councillor Richard Leeming			10
Councillor Margy Newens			
Councillor Catherine Rose			
Councillor Martin Seaton			
Martin Brecknell			
Lynette Murphy-O'Dwyer			
Jonathan Clay			
Marcin Jagodzinski			
RESERVES		Total paper copies	
Councillor Rachel Bentley		14	
Councillor Maggie Browning			
Councillor Sunil Chopra			
Councillor Sabina Emmanuel			
Councillor Barrie Hargrove			
Councillor Jon Hartley			
Councillor Esme Hicks			
Councillor Richard Livingstone			
Councillor Jane Salmon			
Councillor Michael Situ			
Councillor Cleo Soanes			
		Dated: July 2024	