

Item No. 6.	Classification: Open	Date: 29 November 2023	Meeting Name: Overview and Scrutiny Committee
Report title:		Canada Estate Quality Homes Improvement Programme (QHIP) – Scrutiny of Major Works - Update	
Ward(s) or groups affected:		London Bridge and West Bermondsey	
From:		Desmond Vincent AD Building Safety and Major Works	

Recommendations

1. To note the concerns highlighted following project review and concerns raised at the overview and scrutiny committee meeting which was held on the 4th October 2023.
2. To note proposals by way of next steps to address concerns highlighted within this report, including timeframes.

Background Information

3. Canada Estate forms part of the 2017/2018 QHIP programme.
4. The Contract Administrator commissioned on behalf of the Council is Potter Raper Ltd.
5. A Gateway 2 Report was approved on 22 June 2020 to award the framework contract to Durkan Ltd for a period of 60 weeks in the sum of £4,228,513. There was a 5% risk contingency fund of £211,426 giving a total scheme construction cost of £4,439,939.
6. Practical Completion was issued on the 28th April 2023 resulting in 72 weeks delay.
7. A number of concerns have been noted by the new Head of Major Works and the RPG/TRA, including Lead Member and Cllrs. These concerns were also highlighted at Scrutiny. The main concerns are as follows: -
 - Inadequate Consultation
 - Inadequate window design to provide safe access to balcony
 - Officers misleading Members relating to the reasons the new windows could not match the original design.
 - Inadequate scoping of works, particularly around FEDs
 - Lack of management supervision by council and consultant Potter Raper.

- Poor workmanship undertaken by Durkan.
 - Unnecessary delays leading to increased preliminary and scaffolding costs.
8. The chair of overview and scrutiny has asked for updates from major works on next steps.

Key Issues for Consideration

9. It was noted at the overview and scrutiny meeting that the council would seek to commission an Independent Review of the Major Works programme.
10. The council will be engaging with the TRA to agree the brief to engage an Independent Consultant to review the entire project.
11. The Council has also agreed, in the interim ahead of any recommendations from the Independent review, to provide an option appraisal to ensure safe access on to the balcony, in consultation with the TRA and Building Control.
12. The window design proposal will be undertaken in a void property.
13. Building Control has updated Major Works following their inspection of the window installation. They advised that the windows pose no technical issues. However noted that the remedial works need to be completed before the installation can be signed off.
14. Potter Raper was commissioned to manage the project on behalf of the council to undertake: -
- Review initial scope to ensure suitable feasibility in place to achieve QHIP criteria
 - Prepare valuations for payment to Equans for works completed each month
 - Ensure the quality of work undertaken and reported by contractor as complete are delivered to the correct standards
 - Ensure the correct labour on site and ensuring that Equans progresses with the works regularly and diligently
 - All delays recorded and reported on risk register with clear owners of these risks
 - Capture any changes to the scope of works and present in cash flow forecasts and reports
15. Performance management of staff has commenced and continues.
16. The Strategic Director of Housing & the Director of Asset Management met with the TRA chair at Canada Estate on 26th October 2023 to understand the issues

raised and to have a clear way forward by way of next steps.

Ongoing/Outstanding Issues to be resolved

S/N	Next Steps	Timetable
1	Concerns around the current window design and how residents will clean the windows safely. Residents claim that they were promised like for like windows.	<p>In addition, Building Control has undertaken inspection of windows and confirmed window meets standards but workmanship poor in areas. Defects to be addressed pending access.</p> <p>LBS undertaking option appraisal to present to TRA and trial on void property.</p> <p>The brief will include review of window design by the Independent surveyor.</p> <p>The brief to be agreed with TRA by the end of November. The Council will then commission an independent survey.</p>
2	<p>Reports of some window defects.</p> <p>Also some residents are experiencing “whistling sounds” from the windows.</p>	<p>Previously 18 window defects were identified, which have been remedied. A new list is being compiled and will also be addressed as part of the snagging ahead of the defects period.</p> <p>Airey Miller carried out an independent review of the windows, which was carried out in August 2023. Recommendations similar to defects reported by Building control.</p>
3	Poor quality of painting on the concrete ring beams.	<p>We have three options for resolution, which will form part of the TRA discussions scheduled for November which are:</p> <p>A. We await the independent review recommendations.</p> <p>B. We are in negotiation with the contract administrator to get some cost savings back for the redecoration works on the high-rise blocks. (The reason why we are considering this option is that the patches will fade into the colour of the beam due to weather conditions.)</p>

		<p>C. We will list as a defect to be remedied and seek alternative contractor to undertake if not undertaken in reasonable time frame.</p> <p>D. The next step is to conclude communication with Durkans.</p>
4	Concerns around the communal fire doors in the 2 HRBs opening onto the lift landings.	The Building Safety team has engaged with the Fire Engineering team who advised no risks identified impacting on the fire evacuation strategy.
5	Request that the quarry tiles in the lift lobby areas should be cleaned due to the poor quality of cleaning done.	The contractor has not undertaken the remedial work within a reasonable time so Southwark has appointed an alternative contractor to remedy the defects. Additional cost will be recovered from the contractor.
6	Why did the contractor cut open the timber panels in the lift lobby areas instead of using the screws and who will pay for replacing the panels because of the botched work done?	The contractor has been invited to replace the damaged timber panels as part of the snagging. If this is not done, Southwark has to appoint an alternative contractor to remedy the defects. Additional cost will be recovered from the contractor.
7	Confusion around the information on the Fire Action Notices (FANs).	The Fire safety team has advised that the signage is industry standard. However, there is a wider review of FANs across the borough by the Fire & Building Safety teams, which will be finalised this financial year.
8	Duct on roof has been covered with asphalt.	Inspection undertaken and the contractor will be attending site to remedy by the end of November.
9	All non-urgent defects	All defects will be captured and remedied before the end of the defects liability period which is scheduled for April 2024.
10	To provide a Gateway 1 and brief to appoint a Chartered Building Surveyor to review project as set out in the recommendations. Commitment given by LBS at Scrutiny on the 4th of October, 2023.	Gateway 1 has been completed and will be at Housing Board for authorisation.

11	There is a reoccurring query from the TRA regarding the cavity wall insulation stating that insulation has been breached and causing penetrating damp.	<p>The Council took steps and undertook three separate surveys. A number of openings were undertaken to the brick works and found that the insulation was dry, intact and not causing any damp. A report following the inspection was shared and explained to the T&RA.</p> <p>By way of next steps, the Council Damp and Mould strategy team, which is led by the repairs team, will be making contact with resident to address any concerns.</p>
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