

	Date: 29 June 2011	To: Chair of Housing and Community Safety scrutiny sub-committee
Report title:	Fire safety works at Canada Estate (1-80 Columbia Point and 1-80 Regina Point)	
From:	Housing Services	

1. The Chair of the Housing and Community Safety scrutiny sub-committee is asked to note this report.

Process of contract award

2. Following fire risk assessments carried out in September/October 2009 it was originally intended to follow a traditional procurement route for the necessary remedial works and tender to a number of companies from the Exor approved list.
3. To this effect a Gateway 1 was drafted and presented to Departmental Contracts Review Board (DCRB) on 18 February 2010. This was approved (subject to minor amendments).
4. Following this the London Fire and Emergency Planning Authority (LFEPA) served two Notices of Fire Safety Deficiencies indicating fire safety work considered necessary at both blocks to comply with regulations. These were received on 22 February 2010 and required completion by 17 August 2010.
5. Having considered the above completion date and the likely timescale required to complete the traditional procurement it became apparent that the LFEPA deadline could not be met.
6. Therefore it was decided, in order to meet the deadline, to recommend the use of Strategic Director emergency powers and use an existing contract vehicle (the major voids term contract) to undertake the works, as was done in response to Enforcement Notice relating to Perronet House during the last 6 months of 2009.
7. The major voids term contractor, Standage & Co Ltd, provided an initial price against the specification which was comparable to the pre tender estimates.
8. Comments were sought and received from the Head of the Home Ownership Unit, who confirmed that as the original proposed procurement was subject to section 20 consultation under schedule 4 part 2 of the regulations, the notices of intention were correctly served on the leaseholders of both blocks on 1st December 2009, with the observation period ending on 30th December 2009. The notices were

served on 29 leaseholders (21 in Columbia Point and 8 in Regina Point). The notices invited the leaseholders to make observations on the proposed works and to nominate contractors to tender for the works. No observations or nominations were received. Had this procurement route continued, the leaseholders would have received a notice of proposal post tender, which would have detailed the tender process and invited further observations. However, because of the change in circumstances leading to the need to complete the works at an earlier stage, it was proposed to use a term contractor to carry out the work. When a term contractor is used the statutory consultation process with leaseholders falls under schedule 3 of the regulations. This still requires a notice to be served on the leaseholders, giving details of the costs involved. The notice must also give details of the work proposed, and the justification for that work. These details were already included in the notice of intention served in December, but they would be re-iterated in the new notice, with a brief explanation of the change in the procurement route and the reasons why. Ultimately, the only difference to the leaseholders would be that these specific works would not have been tendered out, but would be costed via a previously tendered schedule of rates. This is allowed under the legislation, as long as the overarching agreement has been subject to section 20. Standage was the term contractor for the voids contract, which had not been subject to section 20, but we had previously obtained dispensation from the Leasehold Valuation Tribunal to be able to use this contractor for such works. Should the notices have been challenged in the Leasehold Valuation Tribunal, we would have applied for retrospective dispensation if necessary.

9. Comments were also sought and received from the Departmental Procurement Manager, Mike Green, who endorsed the strategy suggesting that the Head of Housing Management produced a formal note setting out the need to treat this as an emergency situation because of the change in circumstances. He further advised that in the case of an emergency, the Strategic Director could approve action without a prior written Gateway report, indicating that such action should be limited to dealing with the emergency and it should be subsequently recorded in a written report to the CCRB.
10. An order was subsequently placed on 17 May 2010 through the major voids term contract with Standage Ltd.

Assessment of the quality of work so far

11. In terms of the issues identified by LFEPA on their Notices, these were satisfactorily completed by the deadline. The LFEPA inspected the blocks on 16 August 2010 and confirmed their satisfaction in writing on 08 September 2010.
12. Although the above specific works had been completed, other associated works hadn't been and there have been some technical difficulties in completing all the work to the required standards of the project management team and some residents.
13. At a joint inspection on 07 January 2011, which was also attended by Councillors' Ian Wingfield and Lewis Robinson and the T&RA chair, issues were identified that have now been addressed, although there was some debate as to whether some of these related to the quality of the works delivered or abuse by others.

Details of the cost of the work

14. The following appendices are attached to this report:

- Appendix 1 – Current account summary
- Appendix 2 – Columbia block activity costs
- Appendix 3 – Columbia costs by floor
- Appendix 4 – Regina block activity costs
- Appendix 5 – Regina costs by floor
- Appendix 6 – Columbia tender versus current account comparison
- Appendix 7 – Regina tender versus current account comparison

15. The current draft final account for the works is at £1,261,839.93.

16. The original estimate was £1,066,892.00.

17. The main reasons for the increase of £194,947.93 are attributed to the change in works required to address the ventilation of the communal lobbies – one of the LFEPA requirements – and level of replacement required to chute hoppers and meter cupboard doors.

18. To clarify the change in works required to address the ventilation of the communal lobbies, it was originally envisaged to maintain the current configuration using the windows within the manifold rooms on each level to provide the ventilation. Subsequently however, LBS Building Control advised that the only way to do this with their approval would be to fully enclose and fire proof all of the district heating and hot water pipework within. This was considered by the design team to be impractical and very costly. After consideration of the limited options then available it was decided to install doors to the open louvers on the other side of the buildings which would be opened in the event of fire by being linked to communal smoke detection on each level.

Update on current state of the works

19. As in paragraph 14 above, the issues identified at the joint inspection have been resolved. A further joint inspection on 17 May 2011 confirmed this and the works are now considered complete.

Details of communications between LBS and the contractor as the works have progressed

20. As is standard for any major work contract the project team attended monthly progress meetings. On this contract the project team is made up of the Project Manager (LBS), Contract Manager (LBS), Construction Project Manager (consultant working for LBS), Clerk of Works (LBS), Customer Relationship Officer (LBS), Contract Manager (contractor), Site Manager (contractor), Resident Liaison Officer (contractor), and Quantity Surveyor (external consultant). Resident volunteers were also invited to form part of the project team and attend these meetings which were held monthly during the main bulk of the works. Details of these meetings can be made available if required.

21. As is common during major work contracts there have also been ad hoc site meetings involving various members of the project team across the contract period

to discuss and/or resolve technical issues. Details of these site meetings can be made available if required.

Details of the communications between LBS and residents of the estate about any reported problems with the works

22. Apart from some general queries from a small number of residents at the start of the contract, complaints have been received from two residents: one a resident leaseholder of 56 Columbia Point, and the other the Chair of the Tenants and Residents Association, who advised that complaints were being channelled through him.
23. At the initial residents meeting prior to commencement of the works two volunteers were sought to sit on the project team. Two residents volunteered their services but were not always able to attend the progress meetings owing to other commitments. Because of this the two residents were always invited to advise of concerns or complaints prior to the meetings so that they could be raised and addressed at them.
24. A complaints/comments book was available in the contractors site office for residents to record their complaints and/or comments. Seven entries were made, all with positive comments. A copy of this book can be made available if required.
25. A customer satisfaction survey is also underway and whilst not yet complete, nor the results fully analysed, those returned so far show that residents seem to be broadly satisfied with the work.