

Committee(s): Community & Children's Services	Dated: 13 March 2023
Subject: Major Works Refurbishment Programme – Golden Lane Estate	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 2, 12
Does this proposal require extra revenue and/or capital spending? Y/N	Y
If so, how much?	£14 million
What is the source of Funding?	HRA Major Repairs Reserve
Has this Funding Source been agreed upon with the Chamberlain's Department?	Yes
Report of: Clare Chamberlain Interim Executive Director of Community & Children's Services	For Decision
Report author: Paul Murtagh, Assistant Director Housing and Barbican	

Summary

The purpose of this report is to seek members approval for a proposal for an expedited Major Works Refurbishment Programme for the Golden Lane Estate that includes an agreed expanded option for the repair/refurbishment of existing window frames and, associated roofing, heating and ventilation works.

Recommendations

Members of the Community and Children's Services Committee are requested to:

1. Agree to the proposal (Option 4) outlined in this report for an expedited Major Works Refurbishment Programme for the Golden Lane Estate that includes an agreed expanded option for the repair/refurbishment of existing window frames and, all associated roofing, heating and ventilation works.
2. Agree to Option 2 outlined in this report for repairing/refurbishing the windows and installing new vacuum glazing as part of the expedited Major Works Refurbishment Programme on the Golden Lane Estate
3. Agree to the overall estimated cost of £29,054,000 for the Major Works Refurbishment Programme for the Golden Lane Estate, to be funded from the current provision for the HRA Major Works Programme. Affordability is subject to making ongoing revenue savings from 2025/26 and will need to be kept under review.

Main Report

Background

1. As part of its Housing Major Works Programme, the City of London Corporation (the Corporation) is carrying out a Major Works Refurbishment Programme across the whole of the Golden Lane Estate (GLE). The GLE is a Grade II Listed Estate with one of the blocks, Crescent House, a Grade II* Listed Building.
2. It is widely recognised that Crescent House is in the worst condition of all the nine blocks on the GLE (particularly, the condition of the windows) and, the block is the most complex due to its listed status and design. To date, therefore, officers have been focusing their efforts primarily on the refurbishment of the windows at Crescent House and, this relatively well advanced.
3. Due to the continuing deterioration of the windows and roofs on the GLE and the huge increases in energy costs that have a direct and significant impact on residents, concerns have heightened as to the length of time this estate-wide project may take to be implemented and completed.

Considerations

4. With the current uncertainty around budgets and costs for the Major Works Refurbishment Programme for the Golden Lane Estate and, the current agreement to explore various options for the windows across the estate, the estimated timescale for delivering the project is between three and five years. In addition, at present, it is unlikely that the substantive work on the GLE will start for at least another 18 months.
5. Given the overall condition of the Golden Lane Estate and the poor condition of the homes of some of the residents, officers have been working with members and the various consultants engaged on the project to look at ways in which the project may be expedited, and options are set out in this report for members to consider and agree.

Current Options

6. As stated previously, to date, officers have been focusing their efforts, primarily, on the refurbishment/replacement of the windows at Crescent House and, three options are currently being explored as below:

Option 1 - Repairing/refurbishing the windows and installing new double-glazing.

Option 2 - Repairing/refurbishing the windows and installing new vacuum glazing.

Option 3 - Replacing the windows entirely, incorporating new triple-glazing.

7. Option 3 will mean that the existing window frames will be lost (even though replacement windows will respect previous design) and this will cause considerable concern for some residents and stakeholders who are keen to retain the original features of the building. In addition, the cost of this option will be considerably more than the other two options and is considered uneconomical.

Pilot Flat

8. Following extensive consultation with residents, Planning, Historic England, 20th Century Society and other stakeholders, it was decided that we would use the vacant flat at 347 Crescent House, as a 'pilot' flat to explore the three options for the refurbishment of the windows set out in Paragraph 6. The idea was that, before deciding on a preferred option that would have an impact on over 550 homes (150 in Crescent House alone), a pilot project will help us fully understand:
 - the condition of the existing window frames,
 - the condition of the fixings,
 - the condition of the structure,
 - the feasibility of retrofitting the existing windows with double glazing/vacuum glazing,
 - the appearance and operation of the proposed triple glazing,
 - the appearance of the insulation works and,
 - provide an opportunity for residents and stakeholders to visit and inspect the pilot flat.
9. Consent was granted for the works to the pilot flat in September last year and work is now underway. The works to the pilot flat will not be completed until June/July this year. This will mean that currently, a decision on the preferred option will be agreed in August/September (depending on Committee cycles) and an application for Listed Building Consent for the remainder of the building submitted later in the year. The substantive works on the block will not start until March/April 2024.

Proposed Expanded Option (Option 4)

10. Following extensive discussions between officers, members, the Chamberlain, and the various consultants engaged on the project, a new expanded holistic option (Option 4) is proposed to expedite the Major Works Refurbishment Programme for the Golden Lane Estate.
11. Option 4 provides for the refurbishment of the windows (as per Option 2 - repairing/refurbishing and installing vacuum glazing) **and** the completion of all associated roofing, heating, ventilation, and redecoration works as part of the project.
12. There are several benefits to the Corporation and its residents in pursuing Option 4 including:
 - expediting the refurbishment programme across the whole of the GLE (as set out below).
 - carrying out all essential works (windows, roofing, heating, ventilation and redecoration) as part of one project, minimising disruption to residents and achieving efficiency in delivery and economies of scale.
 - contributes at an early stage to the work we are doing to address issues and reduce future problems with damp and mould in our homes.

- more certainty in the timescales for delivering the works.
- retaining the original windows that are an integral feature of the GLE and, contribute to the estate's listed status but significantly enhancing their performance in terms of thermal efficiency, acoustics and comfort.
- affordability, consistency, and deliverability.
- greater control over programme delivery (one main contractor).

13. If members of the Community and Children's Services Committee subsequently agree to Option 4, the Major Works Refurbishment Programme for the Golden Lane Estate can be accelerated as set out below:

Activity	Completion Date
Community and Children's Services Committee agrees to Option 2.	13 March 2023
Submission of Application for Listed Building Consent (Phase 1 – Crescent House)	31 March 2023
Planning Decision (8 to 12 weeks)	30 June 2023
Procurement Process	18 August 2023
Contract Award	15 September 2023
Contract/Site Mobilisation	20 October 2023
Start on Site (Crescent House)	November 2023
Estimated Length of Project	18 -24 months

14. We need to be mindful that there may be objections to the proposal at the planning stage that ultimately delay Listed Building Consent. It should also be noted that Option 4 does not require the completion of works to the 'pilot' flat and this may be a concern for Planning who, may want to see the 'pilot' flat completed before deciding whether to approve the application for Listed Building Consent, which will also cause delay.

15. A considerable amount of work has been done on the other blocks on the GLE and, if members do agree to pursue the expanded option for all blocks on the estate, we can commence the consultation process with all residents very quickly. We will also engage with colleagues in Planning at an early stage to try and ensure that the process for achieving Listed Building Consent runs smoothly.

16. It is strongly recommended that we continue to press ahead with Crescent House as a priority, particularly given the progress that has been made to date. We need to make sure that progress with the project for Crescent House is not hampered by issues relating to the other blocks on the GLE.

17. Notwithstanding the above, we do expect that we will be able to submit applications for Listed Building Consent for the other blocks on the GLE in the Autumn of this year, with works potentially starting on site in the Spring of 2024. We are exploring the option of combining blocks into one or two applications but, we need to be mindful that this could lead to several blocks being held up because of issues specific to one of the blocks included in the application. It is generally accepted that Stanley Cohen House is the next priority in terms of condition of the windows.

18. The anticipated timescale for the delivery of the project for the wider estate (eight blocks) is between 2 and 2½ years from the start on site. This includes for the completion of associated roof, ventilation, heating, and redecoration works that must be done at the same time to minimise disruption to residents and to ensure, as far as possible, that the Corporation provides its residents with homes of an acceptable standard, recognising current building safety issues such as damp and mould and adequate and efficient heating systems.
19. If, as requested, members do agree to Option 4, the expanded option, the work to the pilot flat will continue (based on windows Option 2 only) but, we can progress with the substantive works now, without waiting for the works to the pilot flat to be completed.
20. For the purpose of clarification, should Option 4 be agreed by this Committee, we will not pilot any other option for the refurbishment of the windows other than the recommended Option 2.

Issues and risks with current Option 2 for the windows

21. Choosing to go with Option 2, repairing/refurbishing the windows and installing new vacuum glazing, does present some issues that we will need to be mindful of including:
- over time, the windows will need further regular repairs due to their age and design.
 - Option 2 will be more disruptive for residents and may require a decanting strategy. The cost of decanting is included in the estimated project costs set out in this report.
 - we will not know the full extent of the repair works to the existing windows until the glazing is removed. There will be an element of variation and cost to the contract as a result.
 - there will be discrepancies in the finishes of the wood (new compared to old) although, every effort will be made to minimise this.
22. If Option 4 is agreed, provision will need to be made for the regular inspection and maintenance of the refurbished windows to ensure that they remain in a high standard of repair and, any further deterioration in the window frames is identified and remedied at the earliest opportunity.

Estimated Costs and Budgets

23. The current estimated costs and budgets for the Major Works Refurbishment Programme on the GLE are set out in the table and subsequent paragraphs below.

Block	Units	Windows (£)	Roofs (£)	Heating (£)
Crescent House	151	8,500,000	1,250,000	1,000,000
Cullum Welch House	72	2,250,000	200,000	N/A

Great Arthur House	122	610,000	350,000	N/A
Stanley Cohen House	32	1,000,000	250,000	N/A
Maisonette Blocks				
Basterfield House	54	2,160,000	1,250,000	N/A
Bayer House	30	1,200,000	INC ABOVE	N/A
Bowater House	30	1,200,000	INC ABOVE	N/A
Cuthbert Harrowing House	18	720,000	INC ABOVE	N/A
Hatfield House	55	2,200,000	INC ABOVE	N/A
Sub Totals:	564	19,840,000	3,300,000	1,000,000
Fees/consultancy costs/project management etc (10%)		1,984,000	330,000	100,000
Contingency		2,500,000		
Totals:		24,324,000	3,630,000	1,100,000

24. The above estimates for the Major Works Refurbishment Programme include provision for adequate and suitable ventilation. The Contingency Sum of £2,500,000 for the Major Works Refurbishment Programme is included to cover the following possible additional costs:

- additional repair works to existing window frames that are identified as the project proceeds and, the existing window frames are 'opened up' (particularly at Crescent House).
- increases in labour, materials, and resources over the duration of the delivery of the project.
- the potential cost of decanting residents to enable the works to proceed.
- unforeseen and unavoidable delays in project delivery.

25. The total estimated cost of the Major Works Refurbishment Programme for all eight blocks on the Golden Lane Estate, as set out above, is **£29,054,000**.

26. The current total budget provision for the Major Works Refurbishment Programme across all eight blocks on the Golden Lane Estate is £15,033,000. Based on the estimates above, there is therefore a **shortfall** in budget of **£14,021,000**.

27. An additional £14 million has been included in the latest five-year projections for the HRA, phased over the lifetime of the works. These costs are affordable within the HRA financial envelope, subject to phasing being as currently expected and, the implementation of savings of £250,000 per annum on ongoing revenue costs from 2025-26. The affordability projection, however, includes no margin for contingency beyond those included individual projects and, will need to be kept under regular review.

Communication with Residents

28. A Resident Liaison Group (RLG) set up some time ago for this project, meets regularly and, has been working well. If approved by this Committee, we will need to discuss with the RLG our revised course of action and, agree on a strategy for discussing with the wider residents of Crescent House. We believe that we can do this relatively quickly and will ensure that there is adequate communication with all residents on the estate through newsletters, emails and information posted on the GLE website.

Next Steps for Phase 1 (Crescent House)

29. In order that we can progress with the expedited programme, beginning with works at Crescent House on the GLE, the following tasks need to be completed:

- Members to agree to the expanded Option 4.
- Complete ventilation and heating design (this is in progress).
- Consult with residents on the Members decision (this is critical to our timelines and essential to ensure that work can begin before the winter 2023/24). Suitable resources will be allocated to achieve this target.
- Continue with the pilot flat,
- Complete a final 100% survey of the windows ready for tender.
- Finalise the specification ready for tender (this is mostly complete except for the survey mentioned above).

30. A Gateway 4 – Detailed Options Appraisal Report entitled ‘Windows and Common Parts Redecorations – Golden Lane Estate (Phase 1 Crescent House)’ is included on the agenda for this meeting. This report seeks specific approval for the repair option for the refurbishment of the windows for Crescent House (as set out at Option 2 in this report) as well as, approval to the pilot project costs (which will help significantly reduce the risks for the main project) and, agreement to the final scope of the project before proceeding with the Listed Building Application and procurement of the works.

Corporate and Strategic Implications

31. It is important that the Corporation’s assets remain in a good, safe, and statutory compliant condition. All necessary action should be taken to ensure that this remains the case for the lifetime of the asset. The proposals contained in this report will help ensure that this is the case for the Corporation’s homes on the GLE.

Financial Implications

32. The financial implications for the Housing Revenue Account are as set out in Paragraph 16 above.

Equalities Implications

33. There are no equalities implications arising out of this report.

Appendices

None

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