

32-43 Spencers Croft Refurbishment Works - Project No: 22/051



Report to: Housing Portfolio Holder

Date: 10 August 2023

Portfolio Holder: Councillor David Carter, Deputy Leader and Portfolio Holder for Housing

Lead Officer: Neil Euesden, Interim Director of Housing (01279) 446416

Contributing Officers: Lauren Carter, Major Works and Disputes Resolution Officer (01279) 446457
David Coleman, Housing Operations Manager (01279) 446388

Key Decision: Yes

Forward Plan: Forward Plan number 1015783

Call In: This item is subject to call in procedures

Corporate Priority: Fix Council Housing

Wards Affected: Bush Fair Ward

Recommended that

A The most economically advantageous tender submitted by Contractor A (Guildmore Ltd), is accepted in the revised sum of £441,718 for the delivery of internal and external refurbishment works to 32-43 Spencers Croft based on a sixteen week working programme and four week lead in (subject to contract and leaseholder consultation).

Reason for decision

A To enable the Council to enter into a formal contract for refurbishment and fire safety works in accordance with Contracts Standing Orders.

Other Options

Option 1 (Preferred) - Proceed with the refurbishment work

Proceeding with the refurbishment will remedy risks and hazards identified in the fire risk assessment, improve the condition and thermal efficiency of the building structure, communal areas and exterior of the block, thus reducing repairs and maintenance costs and ensuring compliance with the Council's legal obligations as Freeholder and Landlord.

Option 2 - Withdraw the refurbishment work

Withdrawal of the works will result in further deterioration and failure of non serviceable elements of the building structure, communal areas and exterior of the block.

To mitigate this, the block must be maintained to ensure it is weathertight, free from defects, disrepair, habitable and in compliance with the decent home's standard.

Recommendations from the fire risk assessment won't be addressed and Harlow Council will not be meeting their legal obligations to keep residents safe if withdrawn.

Additionally, Harlow Council will not be adhering to the following legal and duty of care requirements as Landlord: -

- Landlord and Tenant Act 1985 (Section 9 & 11)
- Homes (Fitness for Human Habitation) Act 2018
- Housing Act 2004 (The Housing Health and Safety Rating System (HHSRS))
- The Regulatory Reform (Fire Safety) Order 2005
- Building Safety Act 2022
- The Fire Safety (England) Regulations 2022
- Decent home standard

Option 3 - Reduce the package/partially undertake the work

Works can be undertaken separately or only partially but there is a risk that this approach would leave Harlow Council open to litigation due to failure to adhere to the legislation detailed above where health and safety issues, failing or deteriorated elements of the building are not addressed.

It is more cost effective to package works together to benefit from the economy of scale and to reduce duplicating or increasing costs that form a package of refurbishment works such as site set up, welfare, contractor prelims, management costs etc. that would be attracted if the works weren't undertaken collectively.

Option 4 - Use alternative contractor (B, C or D)

The Council award contracts based on the most advantageous tender. We consider, not only price but also quality as follows: -

- evidence of qualifications and experience

- how proposed procurements could make local improvements and how these could be delivered via the procurement process
- how what is being procured may improve the economic, social and environmental wellbeing of Harlow and the surrounding areas
- equality, diversity and sustainability issues

Contractors B, C and D did not score as high on quality or price (see table in point 12) therefore it would not be in the Councils interest to proceed with these contractors for this programme of works.

Background

1. Block 32 - 43 Spencer croft is a purpose built three storey residential block built circa 1966, it contains twelve flats of mixed tenure consisting seven leasehold, of which 4No. are Investment Landlords and five tenanted units.
2. Following surveys and stock data prioritization, 32-43 Spencers Croft was identified for inclusion of Harlow Councils Capital Investment programme for 2023-24. The scope included fire safety and external refurbishment. Fire Risk Assessment Regulatory Reform (Fire Safety) Order identified a number of actions to reduce the risk to residents in the event of a fire, the condition of the external fabric to this block was prioritised to prevent further deterioration and maintain the building to a good standard, this project is one of a number of buildings that forms a key asset management priority within the HRA Business Plan, approved at Cabinet in February 2023.
3. A scoping survey was commissioned in July 2021 to determine the extent of works deemed necessary to maintain the block in a good standard of repair in accordance with Section 20 of The Landlord and Tenant Act (as amended by S151 of the Commonhold and Leasehold Reform Act 2022) and the lease obligations of the Freeholder.
4. The findings and recommendations are as follows: -

Pitched Built up Felt Roof

Internally the structure appeared to be stable watertight and free from defect. Externally the felt roof covering has a red finish, typically used by Harlow Council to denote installations completed around 2001. The roof coverings are nearing the end of their serviceable lifespans and should be replaced given that scaffolding is necessary to facilitate other high-level works.

Communal Roof lights

Metal framed roof lights are original and given their age should be considered for replacement with the roof finish where flashings and seals are likely to become defective. In addition, the Fire risk assessment should be consulted as there may be recommendations for the installation of an automatic opening vent to be provided to remove smoke and heat in the event of a fire.

Chimney stacks

Brick built chimneys have weathered brickwork with spalling concrete capping's and flue terminal flaunching.

Roofline and Rainwater Installation

Timber high level joinery is likely to be original and due pre-paint repairs and cyclical decoration where it has deteriorated, with bare timber and wet rot now evident in isolated locations. In addition, the soffits appear to be cement based and are likely to contain asbestos.

While external decoration and pre-paint repairs can be completed, given the presence of asbestos and proposed replacement roof coverings, it is recommended that the high-level joinery is replaced with a low maintenance plastic installation.

The rainwater gutters are circa 20+ years old and given existing cast iron down pipes have evidence of corrosion and are reaching the end of their serviceable lifespan, the rainwater installation should be replaced in full.

Concrete canopy, refuse and external store flat roof

Concrete soffits are in poor condition with failing decoration, mould growth and corroded reinforcement evident where water ingress is passing through the concrete structure via the defective asphalt and built up felt roof coverings.

External Walls

Brick faced external walls and render finish generally in serviceable condition. Areas of brickwork require repair, re-pointing, and crack stitching. Render requires cyclical decoration.

Concrete Balconies and Balustrade

Concrete balconies are in poor condition with failing decoration, spalling concrete, and corroded reinforcement evident where water ingress is passing through the concrete structure via the defective asphalt coverings and balustrade upstand detail. The metal balustrade is corroded, and due cyclical decoration and a number of Georgian wired glass panels are cracked.

Given the age of the balustrade and need to resurface the balconies it is recommended that the balustrade is replaced in combination with an overlay system with concrete repairs and decoration undertaken to the structure.

External Windows

Windows and balcony door combinations are either plastic framed and single glazed (circa 25 years old - 1st generation replacements) or original timber framed single glazed, replacement necessary due to reaching the end of their serviceable life span.

External Decoration (Excluding concrete canopies/balconies)

Cyclical decoration is due to the front and rear render finish and external ledged, braced and framed residential store doors as per 5–7-year life cycle.

External Refuse Store Doors

Timber framed, ledged and braced double refuse doors and single personnel access door have reached the end of their serviceable lifespans and considered beyond economic repair.

External Communal Paving

Block paving to front access is generally serviceable requiring localised repairs to rebed uneven locations and elimination of weed growth.

External Communal Boundaries

Front retaining wall is generally serviceable requiring minor repairs to brickwork.

Ground Level Drainage

Number of defects noted to foul and surface water drainage at ground level including cracked haunching to down pipes and inspection covers with missing gulley grills.

Communal stairwell

The walls, ceilings, floors, joinery, stairs, and balustrade are free from defect however cyclical decoration has not been maintained and is now due. The store cupboard doors adjacent to the main entrances (means of escape) are unlikely to be fire rated with open passing.

Access to blocks

Internal concrete communal stair risers and treads have no definition at the edge of steps. Although not statutory it is recommended that non-slip contrasting nosing's are installed to improve the safe use of the stairwell to meet requirements of Equality Act 2010 and current Building Regulations.

A step exists between the paved access and concrete apron at each communal front entrance. The block paved ramped appears to have a gradient greater than 1:12. At present the access is unlikely to meet the requirements under the Equality Act 2010 however any adjustment must be considered reasonable.

Communal refuse store

The stores require a pressure wash and disinfection to ensure location is hygienic and reduce the risk of vermin.

Fire Safety and Risk Assessment - Regulatory Reform (Fire Safety) Order

The identification of fire risks was beyond the scope of the scoping report; however, concerns were highlighted as follows:

- Unknown if fire retardant paint finish applied to stairwell surfaces
- Flat entrance doors unlikely to be FD30S rated
- Electrical intake cupboard and loft hatch access doors not FD30S rated
- Store doors to main entrance not FD30S rated

- Fire compartmentation between floors, walls, and ceilings unknown – open passing’s noted in roof spaces inspected
 - Lack of no smoking signs / block signage
 - Combustible debris to be removed from electrical cupboards
 - Potential requirement for automatic opening vents to roof lights
5. The scoping survey (refer to point 2) identified numerous building elements that were defective or nearing the end of their designed lifespan due to this a programme of works was compiled to include repairing, making good and replacement of deteriorated or failing elements which are in poor repair or at the end of their lifecycle, in addition fire safety works to ensure compliance with current fire safety regulations.
6. The final scope of works was reviewed and agreed to include external and internal refurbishment work comprising of but not limited to:
- Preliminaries, site set up and access equipment (scaffolding), removal of vegetation where required.
 - Survey and Removal of asbestos containing materials where necessary.
 - Roof replacement
 - Replacement communal stairwell rooflights
 - Rooflight to include automated opening vent (AOV) including power supply.
 - Fascia and soffit replacement, rainwater installation
 - Removal of redundant chimney stacks
 - Replacement canopy, store fascia and store roof
 - Concrete and brickwork repairs including repointing
 - Balcony balustrade replacement
 - Repair and overlay existing surfaces, coating system to walkways
 - Replacement PVC-U individual windows, balcony, and individual flat entrance door replacement
 - Replacement communal steel refuse door and louvered panel
 - External and internal decoration to all existing and previously painted surfaces
 - Installation of communal signage to the block
 - Installation of stair nosing to block
 - Paving repairs
 - Fire prevention works from Fire risk assessment including fire stopping and compartmentation works
7. It is necessary to undertake these works to ensure the Council is adhering to their obligation to keep the block in repair and ensure compliance with statutory requirements and regulations. Additionally, these works will preserve the block and reduce future maintenance to failing elements, improve thermal efficiency and fire safety to keep residents and visitors safe.

The Procurement Process

8. Works to 32 - 43 and 198 - 209 Spencers Croft have been subject to a competitive tender process, in line with the Council's procurement procedures.
9. Eight suitably qualified contractors were invited to submit a tender and five tenders were received by the deadline
10. A detailed tender analysis has been undertaken by external Consultants appointed to support the delivery of this Contract. As part of this process clarifications were sought from all bidders.
11. Following the analysis, a value engineering exercise was undertaken to identify potential savings and bring the works within budget. Replacement of balcony handrails was omitted and replaced with decoration and waterproof coating. Following the value engineering exercise bidders were invited to adjust their tenders accordingly, of these only one bid was fully compliant. Due to budget restraints works have been reprogrammed to 198 - 209 Spencer's croft to form part of Harlow Councils capital works programme for 2024/2025.
12. Tenders have been evaluated based on 30% Quality and 70% Price and details are shown below:

Contractor	Original Price for 2 blocks (198-209 & 32-43)	Total Revised Price for 32-43 Spencers Croft £'s	Quality Score	Price Score	Total Score	Ranking
Contractor A	£1,038,887.42	£441,718.46	3000	7000	10000	1
Contractor B	£1,191,901.00	£476,599.36	1920	6510	8430	2
Contractor C	£1,235,358.00	£527,948.86	2500	5880	8380	3
Contractor D	£1,320,168.70	£661,151.79	2880	4690	7570	4
Contractor E	Non-compliant bid					

13. Contractor E failed to respond to the request for a breakdown in their original price and was therefore deemed non-compliant. Contractor B's bid was considered to have a potential variation cost risk so deemed only partially compliant. Contractors C and D were deemed non-compliant due to price risk as their bids were subject to price increases. Contractor A was the only fully compliant bid received.

Conclusion

14. 198 – 209 Spencers croft has been omitted due to budget restraints, this block has been reprogrammed and will form part of Harlow Councils capital programme for 2024/2025.
15. Guildmore Ltd submitted the most advantageous bid providing value for money to the Council. All areas of work, contingency sums and preliminaries have been fully priced, and evidence supplied to demonstrate that the company is capable of delivering the

works to the standard required by the Council. Guildmore Ltd can start on site at the beginning of September (subject to Leasehold consultation) which will ensure Harlow Council are fulfilling with their duty to keep the building in repair.

Implications

The works to this building have been identified as being necessary to remedy risks and hazards identified in the fire risk assessment and scoping report to improve the condition and thermal efficiency of the building structure, communal areas and exterior of the block, thus reducing repairs and maintenance costs and ensuring compliance with the Council's legal obligations as Freeholder and Landlord.

Equalities and Diversity

These works primarily will take place in the communal area of the block of flats and will apply to no one particular characteristic. However, Fire Safety works (door replacement) will take place within flats and surveys will be undertaken to each individual property. See also attachment.

Climate Change

These works will improve thermal efficiency and fire safety to keep residents and visitors within the block of flats safe.

Finance

The costs of the scheme are contained within the approved Housing Capital Programme budget.

Author: Richard Criddle, Service Finance Manager

Governance and Corporate Services

Contracts with a value greater than £350,000 may be let by the Lead Officer in agreement with the Legal Services Manager and Director of Housing in agreement with the appropriate Portfolio Holder subject to prior approval of funding by Cabinet and five working days call-in period.

The successful Contractor will be required to enter into a formal contract with the Council under the terms of the JCT Intermediate Building Contract with Contractors Design (ICD) 2016 Form of Agreement as amended by Harlow Council's Special Conditions of Contract.

Author: Tina McDermott, Contracts Manager, on behalf of Simon Hill, Director of Governance and Corporate Services and Monitoring Officer

Housing

The works to this building have been identified as being necessary to satisfy fire risk inspections and the relevant legislation under the Landlord and tenant Act and to meet leasehold obligations. Completing the work now in one contract will ensure that we have best value and that the properties are maintained efficiently for future years.

Author: Neil Euesden, Interim Director of Housing

Appendices

Appendix A – Data Protection Impact Assessment

Background Papers

None

Glossary of terms/abbreviations used

None