



# Cabinet

5 SEPTEMBER 2011

**CABINET MEMBER  
FOR HOUSING**

*Councillor Andrew  
Johnson*

**PROJECT: 1-67 JEPSON HOUSE, 2-38 & 40-54  
PEARSCROFT ROAD, LONDON SW6.**

**Ward:  
Sands End**

**WORKS: INTERNAL AND EXTERNAL  
REFURBISHMENT INCLUDING WORKS TO  
SATISFY FIRE RISK ASSESSMENT  
REQUIREMENTS.**

Seeking approval to let a contract under the Decent Homes Partnering Framework Agreement Area 6 with Breyer Group PLC. The works include fire safety upgrades; refurbishment of communal areas and upgrade of landlords electrics; renewal and repairs to flat roofs; renewal of windows; upgrading of IRS systems and lightning protection; renewal of kitchens and bathrooms to tenanted flats; replacement of water and drainage systems; air circulation and extract systems, and works to service risers.

A separate report on the exempt part of the agenda provides confidential information regarding the financial aspects, tendering process and leaseholder service charging for this contract.

**CONTRIBUTORS:**

ENV(BPM)  
H&R  
DFCS  
FCSL  
ADLDS

**Recommendations:**

- 1. That approval be given to the letting of a contract under the Decent Homes Partnering Framework Agreement Area 6 with Breyer Group PLC.**
- 2. To note that the contract is expected to start on 10 October 2011 for a period of 52 weeks.**

**HAS A PEIA BEEN  
COMPLETED?  
YES**

**HAS THE REPORT  
CONTENT BEEN  
RISK ASSESSED?  
N/A**

## **1. BACKGROUND**

- 1.1 This report seeks approval for the letting of a contract under the Decent Homes Partnering Framework Agreement Area 6 with Breyer Group PLC. It is proposed that the contract will commence in October 2011.
- 1.2 The proposed works form part of the 2010 - 2014 Housing Capital Programmes, for which the Cabinet Member for Housing has responsibility.
- 1.3 These works need to be undertaken in order to ensure that the buildings meet the Decent Homes Standard and are maintained in a reasonable state of repair. During the scheme's development, various options were considered for the redevelopment of the site; however ultimately these were not deemed to be viable for the Council or in the best interests of residents. The preferred option is to proceed with the refurbishment of the existing stock.
- 1.4 The Fire Risk Assessment for Jepson House has highlighted various requirements that must be satisfied to ensure the safe ongoing habitation of the building. These works have been recommended by both LBHF Fire Officer and specialist consultants surveys.
- 1.5 The kitchens and bathrooms to tenanted dwellings in Jepson House and 40-54 Pearscroft Road require upgrading to meet Decent Homes guidance recommendations, and will be renewed. Kitchens and bathrooms at 2-38 Pearscroft Road were renewed during 2009.
- 1.6 The existing windows are the original first-generation double glazed units, which offer poor performance and are becoming increasingly difficult to maintain. It is proposed to install new double-glazed windows, which conform to current Building Regulations and will give increased thermal insulation and security together with improved sound insulation. The new windows will be much more efficient in the conservation of energy. The roof coverings have been identified as being beyond economical repair and are therefore in need of renewal. Furthermore, the air extract system from the dwellings has been surveyed and has been identified as being beyond economical repair. Additionally there are no safe means of access through the two service risers that run the full-height of the building, for ongoing maintenance purposes. Both risers have also been identified as being contaminated with asbestos.

## **2. BRIEF DETAILS OF THE WORKS**

- 2.1 The works comprise the following:-

1-67 Jepson House – seventeen storey tower block of purpose-built flats;

- Works in order to comply with the requirements of the Fire Risk Assessment, including; renewal of front entrance doors with fire-rated doors; compartmentation of communal areas and service risers; removal or encapsulation of asbestos; installation of hard-wired fire alarm and detection system;
- Replacement of the existing first-generation double-glazed windows with noise-attenuating double-glazed windows;

- external fabric repairs and roof renewal including upgrade of insulation, external redecorations;
- kitchen and bathroom renewals, including disability adaptations where necessary;
- the installation of new boilers to both tenanted and leaseholder properties;
- the installation of an upgraded Integrated Television Reception System;
- the installation of humidity-controlled extract fans to replace the existing communal extract system;
- domestic and landlords electrical upgrades;
- upgrades of cold water storage and water supplies to dwellings.

2-38 Pearscroft Road – two storey houses arranged in three short terraces:

- replacement of the existing windows and associated panels with noise-attenuating double-glazed windows, and fully insulated non-structural panels;
- external fabric repairs and external redecorations and roof renewal including upgrade of insulation;
- replacement of front entrance doors to tenanted dwellings;
- asbestos removal or encapsulation.

40-54 Pearscroft Road – two-storey block of purpose-built flats:

- replacement of the existing first-generation double-glazed windows with noise-attenuating double-glazed windows;
- external fabric repairs and redecorations and roof renewal including upgrade of insulation;
- installation of an Integrated Television Reception System (IRS);
- kitchen and bathroom renewals including new electrical storage heaters and water heaters and humidity-controlled extract fans; and including disability adaptations where necessary;
- replacement of front entrance doors to tenanted dwellings;
- asbestos removal or encapsulation;
- domestic and landlords electrical upgrades;
- upgrades of cold water storage and water supplies to dwellings.

- 2.2 No works are to be carried out to Nos 6, 8, 10, 18, 20, 34 and 36 Pearscroft Road, where the freehold interests have been sold, with the exception of the renewal of the roof coverings over these properties. The roof covering over the entire block of townhouses at 2-38 Pearscroft Road is seamless, and in order to properly renew the coverings and obtain the available warranties it is necessary to renew the coverings for the entire block.

### **3. TENDER DETAILS AND BASIS FOR APPOINTMENT OF SPECIFIC FRAMEWORK CONTRACTOR**

- 3.1 H & F Homes Decent Homes Committee held on 24 May 2005 approved the appointment of five contractors to seven area-based Partnering Framework Agreements to undertake Decent Homes projects.

- 3.2 The appointed contractors to each Framework Area are as follows:-

Framework Area 1 (Hammersmith North)	The Breyer Group PLC
Framework Area 2 (Shepherds Bush Green)	Connaught Partnerships Ltd *
Framework Area 3 (Hammersmith Central)	Lovell Partnerships Ltd
Framework Area 4 (Fulham North)	Lovell Partnerships Ltd
Framework Area 5 (Fulham Central)	Balfour Beatty
Framework Area 6 (Sands End)	The Breyer Group PLC
Framework Area 7 (Borough-wide Sheltered Housing)	Diamond Build PLC

- 3.3 The Partnering Framework Agreements are legal arrangements under which individual contracts are let for each project within the Decent Homes programme. The arrangements allow projects to be processed quickly without recourse to separate tenders but at the same time maintaining value for money as the completed works are paid for at competitively tendered rates. All rates upon which the contract sum for this contract are based have been established from either rates contained in the contractor's original tender or by means of subsequent competitive quotations obtained in accordance with agreed procedures and consequently officers consider that best value has been achieved.

Under the Agreements, there is no obligation on the Council to provide minimum workloads to the appointed contractors, and future contracts are let depending upon satisfactory performance, which are monitored by means of Key Performance Indicators established by the partnering Strategic Core Group.

- 3.4 The proposed works are within Framework Area 6 and consequently it is recommended that this contract be let to Breyer Group PLC.

### **4. COMMENTS OF THE DIRECTOR OF HOUSING AND REGENERATION**

- 4.1 Consultation meetings provide an opportunity for officers to explain the works, as well as the proposed location of the contractor's welfare and storage facilities and for residents to ask questions about the project.

4.2 Further consultation to take place will include the issuing of statutory leaseholder notices (Section 20) towards the end of July 2011, which will expire in late August 2011. During that time a residents' meeting will take place for both leaseholders to raise issues concerning the works and for all residents to have the opportunity to meet the contractor and ask questions about the works and the programme. During the progress of the contract on site there will be regular resident drop-in surgeries with the contractors to discuss any issues that may arise from the works.

## **5.0 STATUTORY LEASEHOLDER CONSULTATION - SECTION 20 OF THE LANDLORD AND TENANT ACT 1985 (AS AMENDED BY SECTION 151 OF THE COMMONHOLD AND LEASEHOLD REFORM ACT 2002)**

5.1 The works have been priced in accordance with the procedures under the Decent Homes Framework Agreement, which eliminates the requirement to issue a Notice of Intent.

5.2 The contract will not be issued until expiry of Section 20 Notices.

5.3 Officers understand that the Council does not have any legal right to recover from the freehold owners any proportion of the cost to renew the roof coverings at 2-38 Pearscroft Road, from which they will benefit. Officers will pursue this further, although ultimately if no costs are recovered, the benefit gained by undertaking the works are considered to outweigh the un-recovered costs.

## **6. PROGRAMME OF WORK**

6.1 The anticipated programme of work is as follows:

	Date:	Year:
Issue Section 20 Notices:	23 <sup>rd</sup> July	2011
Section 20 Notices Expire:	24 <sup>th</sup> August	2011
Approval (Cabinet):	5 <sup>th</sup> September	2011
Issue Letter of Acceptance:	11 <sup>th</sup> September	2011
Proposed Start on Site:	10 <sup>th</sup> October	2011
Anticipated Completion:	10 <sup>th</sup> October	2012

## **7. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

7.1 The comments of the Director of Finance and Corporate Services are contained within the separate report on the exempt part of the agenda.

**8. COMMENTS OF THE ASSISTANT DIRECTOR FOR PROCUREMENT & IT STRATEGY.**

- 8.1 There are no procurement related issues, as the proposed works relate to a call off from an existing framework agreement which was let to undertake the Decent Homes programme of the Council's housing stock (see legal comments below).

**9. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

- 9.1 The Decent Homes Framework has a duration of 5 years. The OJEU notice provided for the possibility of extension up to a maximum of 6 years although this was not specifically included with the contract documentation.
- 9.2 Although the original award of the contract was made in September 2005 there was a significant delay in the execution of the Framework Agreement - which was not executed until 21 September 2006. No work on site was carried out until after execution of the Framework Agreement although it is believed that some off-site pre-construction work (e.g. design) was carried out by the contractors between award and execution.
- 9.3 The Framework Agreement does not specify a commencement date, and the commencement date would therefore be deemed to be the date on which work actually commenced under the Framework.
- 9.4 Given the ambiguity over dates it is not possible to give definitive dates for the commencement or expiry of the Framework. There is therefore a risk of challenge under EU procurement rules if the Council were to call off from the Framework when it has actually expired.
- 9.5 It is noted from the client department that the Council and those in the industry (including those not on the framework) have been working on the basis that the Decent Homes Framework expires in September 2011.
- 9.6 This Framework was originally entered into by H&F Homes. Before calling-off any contracts under this Framework, the Council should ensure that the contractor has duly executed the novation agreement to novate the Framework across to the Council.

**LOCAL GOVERNMENT ACT 2000**  
**BACKGROUND PAPERS**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	Tender preparation details, Bills of Quantities/Specification ( <i>delete as appropriate</i> ), correspondence, project file, Quality Assurance Plan	Liam Thorpe, Robbie Bilton, Senior Consultants	John Rowan & Partners CP House, 97-107 Uxbridge Road, London, W5 5TL
2.	Tender returns, tender evaluation details	Liam Thorpe, Robbie Bilton	John Rowan & Partners
3.	Project development	Jodie Reddick Ext. 3830	HRD, 3 <sup>rd</sup> floor Hammersmith Town Hall Extension, Hammersmith W6 9JU

FOR BTS USE ONLY:

Word/Business Support/Admin/Committee Reports/Original/Key Decisions

PROCON NUMBER: \_\_\_\_\_

MDF : REP10/rev01/14.10.2010

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