

Lancaster West Refurbishment Programme Board Programme and Procurement Update



Andros Loizou

Head of Refurbishment Design & Delivery

Programme Summary

Lot 1: Barandon Walk, Testerton Walk and Hurstway

- Roof works – Project behind schedule as Building Control have not approved the proposed insulation due to loading constraints, completion date moved to January 2026.
- Main works - Main contractor appointment is via SEC framework, tender returns evaluation underway, with contractor appointment by early September. Earliest start date onsite by April 2025.
- Capital Property & Construction Consultants Ltd (CPCC Ltd) appointed as multidisciplinary consultants (MDCs) for RIBA Stage 4

Lot 2: Camelford Walk, Camelford Court, Clarendon Walk and Talbot Walk

- Main works currently on hold. New Procurement exercise will be required to re-start MDCs.
- Video door entry system to start on Camelford Walk in September 2024, and solar PV panels for Clarendon and Camelford Walks to commence also.

Lot 3: Morland House & Talbot Grove House

- RLB to be appointed as new MDC.
- Tender documents issued for main contractor 30th April through RBKC's Project Union Framework. Tender returns 15th July 2024. Evaluation underway. Appointment expected by September 2024. Start on Site Feb 2025.
- Planning application submitted for main works; determination is expected from Planning Committee in August 2024.
- Video door entry system completed at Talbot Grove House and Morland House July 2024.

Lot 4: Treadgold House

- United Living South continue to progress the main refurbishment works; practical completion date of 16th October 2024 – Anticipated delay to April 2025.
- Resident's return process to start in January 2025
- All 38 properties are now void.
- Lift renewal has started at Treadgold House to be completed by September 2024. Lift works to commence at Bomore Apartments once decants have been arranged.

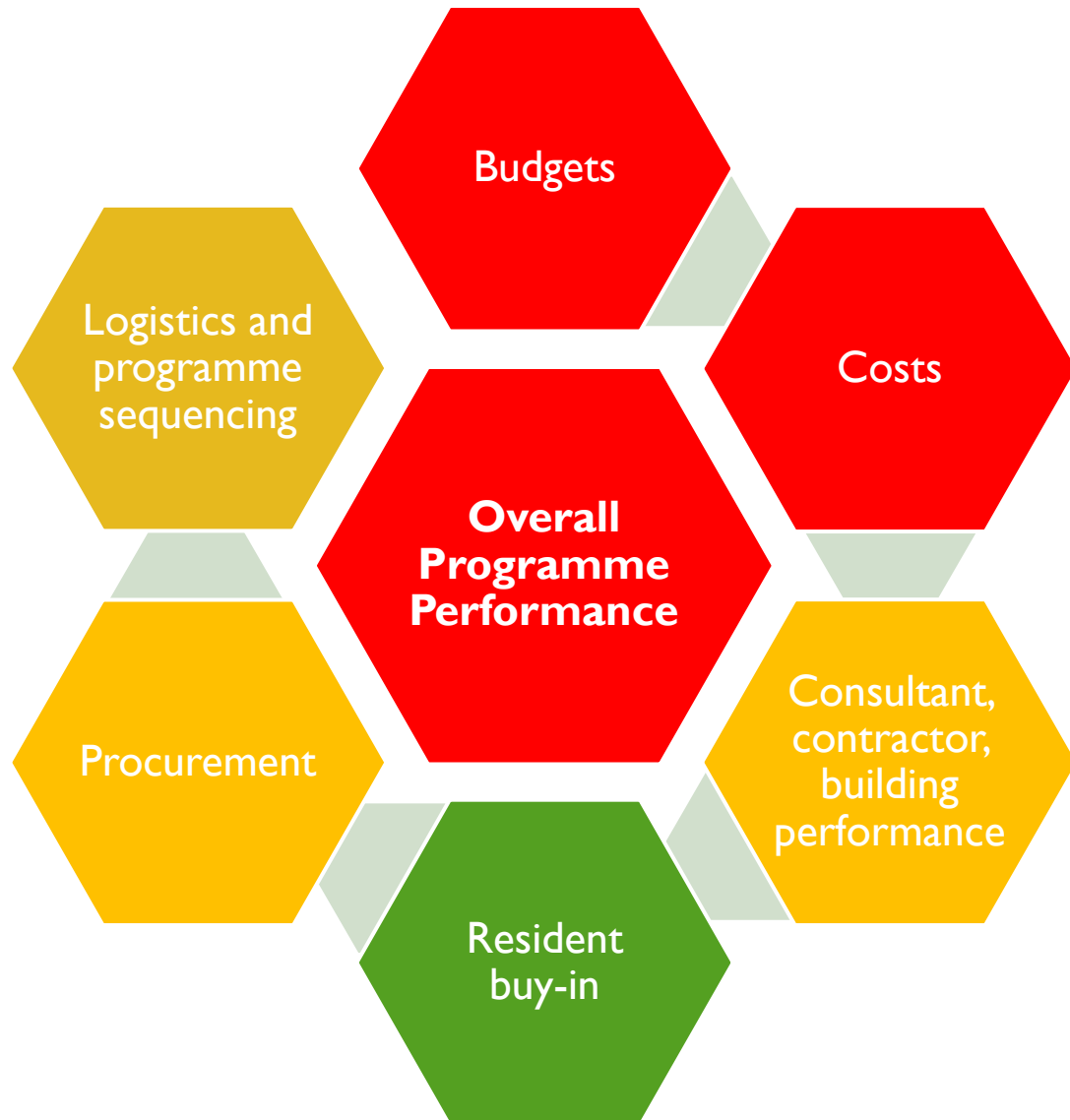
Lot 5: Camborne Mews

- Project currently ON HOLD until further notice.

Lot 6: Verity Close

- New MDC in process of appointment, with pilot projects due to continue.

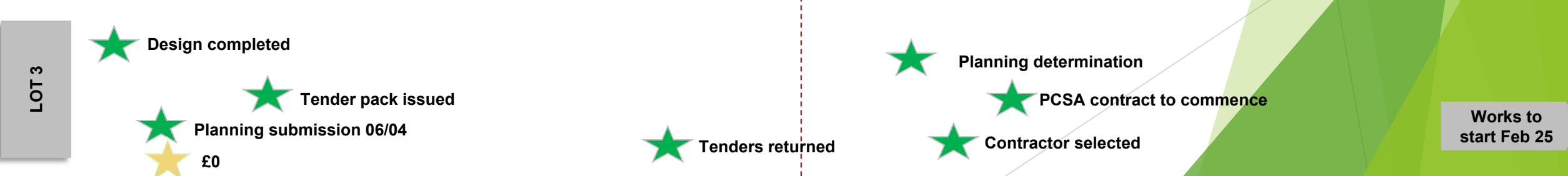
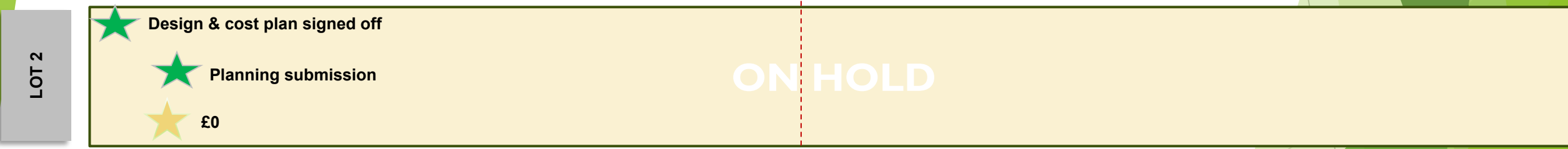
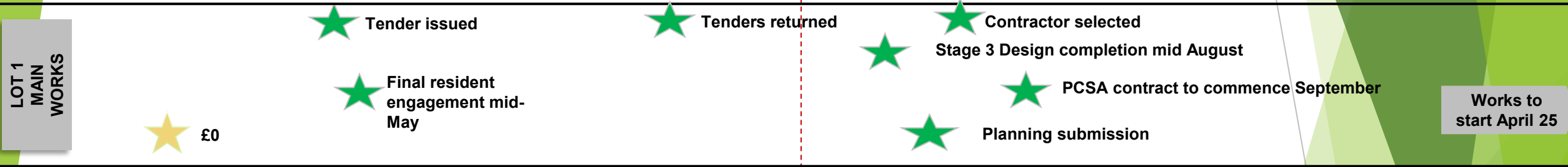
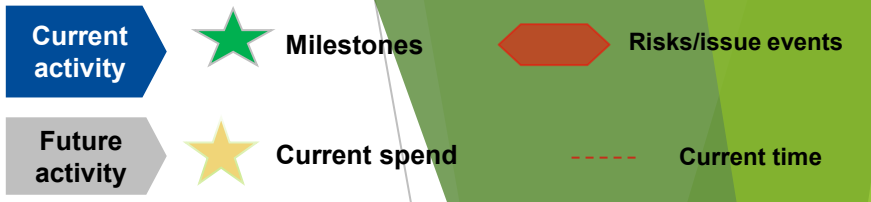
Programme at a glance



Three top headlines :

1. Budget shortfall overall
2. Tenders received for Lot 1 and 3
3. Treadgold House due to complete by April 2025

Programme at a glance



Programme at a glance

Current activity Milestones Risks/issue events
Future activity Current spend Current time



LOT 4

Works in progress April 2025

£5.7m

Residents to return by April 2025

LOT 5

ON HOLD

Main works on hold

LOT 6

Procurement of new MDC

Prep & start of Stage 3 & 4 for pilot property

ON HOLD

Main works on hold

Delivery Tracker

Highlights – % Increase from May 2024

59% +1%
+4 from May



of Total properties
refurbished
347 / 592

49% +1%
+4 from May



of properties
fully refurbished
288 / 592

10% +0%
+1 from May



of properties
partially refurbished
59 / 592

54% +0%
+4 from May



Have new
kitchens
320 / 592

55% +1%
+3 from May



Have new
bathrooms
325 / 592

38% +0%
+3 from May



New Heating
Systems installed
314 / 826

+10.26
+1.67 from May
 Total average change in EPC
50 properties

286
+2 from May
 Upgraded to LED lights
286 / 592

321
+1 from May
 Smart Thermostat installation
321 / 624

225
+23 from May
 Gas meters removed
225 / 575

207
+2 from May
 Kitchen Recycling bins
207 / 592

289
+3 from May
 Dual Flush Toilets
289 / 592

80
+2 from May
 Sprinkler System

2
 Mist System

12
+0 from May
 Ground floor insulation

247
+2 from May
 Induction Hobs
247 / 592

47
+36 from May
 No. of prop. With full Triple Glazing

16
+0 from May
 No. of prop. With partial Triple Glazing

9
+0 from May
 Wastewater Heat Recovery

5,151
+960kg from May
 Metal recycled (kg)

14
+0 from May
 Properties benefiting from Soffit floor insulation

118
 No. of properties benefiting from energy efficient roof
Clarendon, Talbot, Camelford Court and Camelford Walk

266
+3 from May
 Asbestos Removed

103
+65 from May
 Video Door Entry System
Verity, Bomore, Talbot Grove House & Morland House

27
+0 from March
 Aico environmental sensors

826
 Properties now able to connect to fibreoptic broadband
826 / 826
(Excluding verity)

54
 Number of properties with fibreoptics installed inside
Void faceplates, plus Bomore

7kg
+0 from May
 Batteries Recycled

1
 MEV System
67 Verity Close

1
+0 from May
 Methven walk in shower
450 Testerton Walk

8
 Awair device
Indoor air quality

7
+0 from May
 Caruga device

112
 Total No. of Solar Panels
(Verity and Camelford court)

1
+0 from May
 Heat Interface Units (HIU) installed
1 / 826

549
+0 from May
 Communal lighting
Talbot walk/Grove, Verity, Camelford walk, Clarendon, Testerton, Morland

310
+2 from May
 New domestic or residential systems installed
310 / 826

39
+0 from May
 MVHR System Fully commissioned

56
+1 from May
 MVHR System WIP

Cost reductions achieved in last 3 months

Project	Cost saving items	Amount Saved
Heat Network	UKPN quote reduction for electrical upgrades	£1,300,000
Heat Network	D&B Cenergist contract – agreed quick payment scheme, 1% savings will be made on each invoice.	£97,000
Sitewide	Negotiated free removal of secondary/communal gas pipes by Cadent	£350,000
Total		£1,747,000

Lot 1 Roof Works

Hurstway Walk, Testerton Walk & Barandon Walk

Executive Summary

This project will deliver renewed roofs, rooflights, automatically opening vents (AOVs) and terrace upgrades to Barandon Walk, Testerton Walk and Hurstway Walk. The proposed roof improvement works will provide the necessary upgrades to improve the thermal performances of these blocks, and those homes on the top floor, and deliver improved ventilation and weather proofing of communal areas.

Amber Construction Services Limited are the appointed contractor for the works

Main Works

Behind Schedule

Workstream summary

Resident Co-Design and Engagement

The Lancaster West Resident Association have been consulted on a regular basis informally and formally via the Lancaster West Refurbishment Programme board. All three ward Councillors are invited to this board and receive written updates.

The proposed roof improvement works are funded in part by the government grant via the Social Housing Decarbonisation Fund Demonstrator, the cost of this package of works will not be recharged to leaseholders as this was a condition of the SHDF Demonstrator grant funding.

All leaseholders have been notified of this via a Notice of Intention that was sent out to all leaseholders on 10th January 2022. Leaseholders were provided with the opportunity to note any concerns or observations in relation to the scope of the works. No concerns were raised in response.

£14.9m

Authorised
Contract Sum

Procurement and Contractor Performance

Procurement to provide professional services for a Contract Administrator has been completed in addition to the appointment of a Principal Contractor No further procurement is required.

£14.4m

Forecast
Contractual
Commitment

Programme Timelines and Interdependencies

Project to be complete by January 2026

Building Control have not approved the proposed insulation due to loading constraints

Budget and Costs

Current Spend to date £3.2m

£800k Contingency Remaining

Forecast - £14.1m (construction cost)

£3.2m

Spend to date

Strategic and Operational Risks

Coordination with the DHN – ongoing internal meetings between the two teams avoid two contractors working in the same space

Scope creep and utilisation of contingency for additional works – Meetings between LWNT and the Contract Administrator to ensure new works included within the scope provide betterment to the overall scheme

Given that the proposed insulation has not been approved, LWNT are currently exploring alternative options one of which is to strengthen the roof from above. There are significant cost and programme implications to this. There is a high risk of mould and condensation to the top floor flats if no insulation is laid before winter

Lot 1 Main Works

Hurstway Walk, Testerton Walk & Barandon Walk

Executive Summary

The proposed refurbishment / retrofit works would reduce heat demand for every home in the Walkways; and as a result, improve the overall thermal performance of the blocks and help to make progress against Council commitment to become net-zero by 2030.

Main Contract (to be let) – covers EWI, Windows, Block Entrances, staircases, Balcony Renewal, internal common areas upgrades

Separate MEP led contracts (to be let) - will cover internal refurbishment elements for residents (full refurbs) and leaseholders (MVHR, sprinklers and heating).

Main Works

On track and within budget

Workstream summary

Resident Co-Design and Engagement

- Phase 3 (Final) resident engagement completed for main external works. Achieved 50% engagement and now 68% overall. One final engagement to go to include internal atrium areas, pushing to reach the target 70% engagement..
- Commencing strategy to engage leaseholders. Work is not being recharged so no section 20 processes necessary.
- Push underway to accelerate resident take up of gas removal offer.
- Engagement required on all properties around decant provisions and programme for internal (MEP led) elements. Decants not anticipated for most residents for Windows/EWI.

Procurement and Contractor Performance

- ITT tender returns received 15th July. Evaluation underway.
- Main contractor will be appointed via the SEC Framework. Contractor expected to be appointed end of August/early September.
- MDC performance good. Governance cleared. JCT Appointments now prepared for signature.

Programme Timelines and Key Milestones

- RIBA Stage 3 ongoing – anticipated completion end of July 2024
- Planning Submission – anticipated July 2024, following incorporation of validated resident feedback from phase 3 consultations, and pre-application advice.
- Earliest Start on site likely to be March/April 25. Some works may be brought forward into Roof contract.

Budget, Forecast and Spend

- SHDF funding is split across roof works and main works. Exploring accelerating main works by putting portion into roof works, and provisions in main works contract for early spend by LOI.
- SHDF spend will only be met with renegotiation around timeframes, and match-funding requirements. Discussions with DESNZ to renegotiate once contractor is appointed and programme is confirmed.

Strategic and Operational Risks

- Risk of delays due to governance sign-off of contract – risks ability to spend SHDF funding ahead of March 2025 deadline.
- Multiple concurrent contracts happening across the estate - Managing H&S of works with residents in-situ.
- Capacity to get all Leaseholder agreements in place for gas removal and all works necessary ahead of works. High risk of some leaseholder refusal of MVHR, causing complications with Building control and other unintended consequences.
- Slow decant programme for internal works means external works may complete ahead of MVHR/internals – risk of poor air quality / mould
- Coordination of main works with other contracts – roof works and heat-network. (logistics and sequencing)

£43m

Authorised
Contract Sum

£43m

Forecast
Contractual
Commitment

£0

Spend to date

Lot 2

Clarendon Walk, Camelford Walk, Camelford Court, Talbot Walk

Executive Summary

The proposed refurbishment / retrofit works would reduce heat demand for every home in Clarendon Walk, Talbot Walk, Camelford Court and Camelford Walk; and as a result, improve the overall thermal performance of the blocks and help to make progress against Council commitment to become net-zero by 2030. There is currently not enough budget to build the whole of the lot.
Main Contract (to be let) – covers EWI, Windows, Lifts, Balcony Renewal.
Separate MEP led contracts (to be let) will cover internal refurbishment elements for residents (full refurb) and leaseholders (MVHR and heating).

Main Works

ON HOLD

Workstream summary

Resident Co-Design and Engagement

- Phase 3 Resident engagement completed. Overall 73% resident engagement across three phases
- Further engagement on hold. Messaging around cost of works to leaseholders may need to be revised once new funding streams are agreed. Current

**TBC
Budget**

Procurement and Contractor Performance

- On hold. New Procurement exercise will be needed to re-start MDCs

**£11m
Available
funds**

Programme Timelines and Key Milestones

- RIBA Stage 3 complete and signed off.
- Planning Submission 27/3/24. Formal decision expected July 2024.
- All other works on hold.

Budget, Forecast and Spend

- Update to cost plan produced July 2025. Showing cost increase (delay, inflation, prelims, re-sequencing around heat network)
- Insufficient funds within overall current budget to build the whole of lot 2, hence on hold.
- Alternative funding streams (GLA, UKIB etc.) are currently being actively explored.
- Original SHDF funding deadlines cannot now be met.

**£42m
Forecast
Contractual
Commitment**

Strategic and Operational Risks

- No secured funding. New funding may come with changed criteria.
- Residents have been told some elements will not be recharged due to SHDF rules. New funding may have different rules.

**£0
Spend**

Lot 3

Morland House & Talbot Grove House

Executive Summary

The proposed refurbishment / retrofit works would reduce heat demand for every home in Talbot Grove House and Morland House; and as a result, improve the overall thermal performance of the blocks and help to make progress against Council commitment to become net-zero by 2030. Main Contract (to be let) – covers EWI, Windows, Balcony, walkway and staircase Renewal, Roof refurbishment and some EWI. Separate MEP led contracts (to be let) will cover internal refurbishment elements for residents (full refurb) and leaseholders (MVHR and heating).

Main Works

Main works on track and on budget

Workstream summary

Resident Co-Design and Engagement

- Phase 3 resident engagement completed.
- Commencing strategy to engage leaseholders. Work is not being recharged so no section 20 processes necessary.
- Bin chutes retained following strong views of residents – removes last point of conflict. However still needs building control agreement – actively pursuing sign-off.
- Push underway to accelerate resident take up of gas removal offer.
- Engagement required on all properties around decant provisions and programme for internal (MEP led) elements. Decants not anticipated for most residents for Windows/EWI.
- Residents involved in main contractor tender evaluation.

£19m
Authorised
Contract Sum

Procurement and Contractor Performance

- Tender returns 15th July 2024. Evaluation underway. Appointment expected by September 2024. Start on Site Feb 2025.
- Main contractor will be appointed via the Project Union Framework.
- MDC performance good. Issues with previous governance documentation has prevented formal appointment. Sign-off agreed for stage 4 onwards. To be formalised into JCT appointment.

£19m
Forecast
Contractual
Commitment

Programme Timelines and Key Milestones

- Current delays to critical path due to extended governance process to get approval to go to Tender.
- Planning Submitted 28/4/24. Determination expected August committee meeting.
- With delays to tender governance, main contract start on site now Jan/Feb 25 Further delays will jeopardise SHDF spend.

Budget, Forecast and Spend

- Procurement routes devised to spend funding and match funding by March 2025, but no apartments will be complete and lodged. I.e. Not ALL SHDF criteria can be met by current deadlines. Risk of clawback. Discussions with DESNZ to de-risk. Seen as reasonably small risk, but.

£0
Spend to date

Strategic and Operational Risks

- Multiple Concurrent contracts happening across the estate - Managing H&S of works with residents in-situ.
- Capacity to get all Leaseholder agreements in place for gas removal and all works necessary ahead of works.
- Slow decant programme/contractual issues/heat network heat on date for internal works means external works may complete ahead of MVHR/internals – risk of poor air quality / mould
- Coordination of main works with other contracts. (logistics and sequencing)
- Delays to governance sign off for MC tender.

Lot 4

Treadgold House

Executive Summary

The project will deliver a whole-house refurbishment of the 38 homes at Treadgold House. This will include internal refurbishments, replacement roof insulation, a new External Wall insulation system and triple glazed windows and balcony doors. A building heat network including arrays of Air Source Heat Pumps and Solar Photovoltaic Panels with outbuildings for plant and equipment will also be installed.

Main Contract – Let to United Living (South) - Covers external building fabric, building heat network and majority of internal refurbishment.

Contracts let under separate budgets – Lift replacement (Guideline), IRS/Door Entry (TGA), Soil Remediation and SUDS (tbc)

Main Works

Main works due completion April 2025.

Workstream summary

Resident Co-Design and Engagement

- Treadgold House has typically had very high levels of engagement through co-design.
- In November 2020, 87% of households voted on whether they supported the higher level of investment and refurbishment of their block in line with the MustBe0 funding, of which 96% voted to support it.
- The block contain three non-resident leaseholder properties which are let on the private market. Arrangements have been made with leaseholders and tenants to temporarily decant to allow works to proceed.
- Work is ongoing on engagement with returning resident to explain the use of their new building systems.

Procurement and Contractor Performance

- Main contracts to Untied Living (South) let under Fusion 21 Framework Agreement.
- Multi-disciplinary Consultant contract to RLB let under NHS SBS Framework Agreement.
- Contractor performance monitored with Employer's Agent (RLB) and through regular project and risk management meetings with LWNT team, Contract and Consultant.

Programme Timelines and Milestones

- Current Contractor's Programme Practical Completion Date April 2025 – Anticipated resident return from January 2025.
- Mitigation of delays due to delay in decant and instruction in progress with professional team.

Budget, Forecast and Spend

- Spend on United Living (South) main contracts to date is £6,475,453.10
- Forecast costs for main contract are based on in progress review of an Extension of Time claim from the Contractor due to delays in decant of occupied properties and delayed instruction for critical path works.

Strategic and Operational Risks

Contractor design coordination issues continue to cause delays

Monitoring and regular review are ongoing with LWNT and RLB project management, professional consultant and Clerk of Works teams.

£12m
Authorised Contract Sum

£12m
Contract Commitment

£6.4m
Spend to date

Lot 5

Camborne Mews

Executive Summary

Camborne Mews project will deliver roof renewal with green roof and PV panels, triple-glazed windows replacement, masonry repairs, drainage repairs, communal electrics rewiring, fire strategy/block signage, asphalt balcony repairs, redecoration works, bin locations, landlord's communal lighting and fittings and communal decorations. The following items will be integrated into the works to Camborne Mews, but will be carried out by others, and will include door entry systems, lighting, CCTV, landscaping works including level access to communal areas, plumbing and heating, below ground drainage and new kitchens & bathrooms. The date for commencement of works to Camborne Mews is to be confirmed. In the meantime, we will be procuring the services of MDCs to carry out RIBA stage 3 and 4 design works for Camborne Mews.

Main Works

ON HOLD

Workstream summary

Resident Co-Design and Engagement

During the design process, options and samples were provided to enable the residents to make informed choices. Their preferences will be incorporated into the design and the outline specification for Camborne Mews. The following engagement was carried out: Phase 1 – Initial Design Ideas (12th August 2021) - 31%. This was a pre-recorded webinar used to present residents with design options following their top 10 priorities and previous LWNT co-design engagements. Phase 2 - Emerging Preferences and Choices (13th July 2023) - 65%. Following the resident feedback on the measures proposed in phase 1 and co-design events the scheme was developed further to Phase 2 – Emerging Preferences and choices. The next step of the Co-Design will be the Phase 3 Finalising Detailed Designs.

£1m

**Forecast
Contractual
Commitment**

Procurement and Contractor Performance

Procurement to provide MDC Services for Camborne Mews, currently in progress.

Programme Timelines and Milestones

We are in the process of procuring multi-disciplinary consultancy services (MDCs) for RIBA stages 3 - 4 design services for Lot 5 Camborne Mews. Dates tbc for project commencement and completion.

£748k

Spend to date

Budget, Forecast and Spend

The estimated budget for Camborne Mews is £4.6m (based on the previous MDC proposal).

Current spend to date is £748k (which includes consultancy, voids and M&E services).

Strategic and Operational Risks

As part of the Camborne Mews project, we work in conjunction with the Heat Network Team and TACE and have regular updates and meetings to ensure that all logistics have been put in place so that this does not affect works taking place in Camborne Mews as well as for the Heat Network Programme.

Lot 6

Verity Close

Executive Summary

Verity Close project will deliver the installation of external wall insulation (EWI), roof renewal and insulation, upgrading existing single-glazed windows to new triple-glazed windows, new airtight skylights, rainwater goods, new insulated, airtight doors, solar photovoltaic panels, mechanical ventilation with heat recovery (MVHR) system and internal refurbishments. In addition, the following will be included for Verity Close flats. Alterations to existing bin storage, new flat entry system, and improvements to communal areas.

Main Works

ON HOLD

Workstream summary

Resident Co-Design and Engagement

This engagement programme included workshops, meetings, and ideas days where residents could voice their opinions. During the design process, options and samples were provided to enable the residents to make informed choices. Their preferences will be incorporated into the design and the outline specification for Verity Close. Design items that will be finalised during the Phase 3 Consultation will be for external doors, letterboxes, recycling bins and communal entrance décor (for the flats) on Verity Close. The Lancaster West Residents' Association have been consulted on a regular basis informally and formally via the Lancaster West Refurbishment Programme board.

£1m

**Forecast
Contractual
Commitment**

Procurement and Contractor Performance

Procurement to provide MDC Services for Verity Close, currently in progress.

Programme Timelines and Milestones

Procurement for the appointment of MDC services for Verity Close. The consultants will be appointed to provide multi-disciplinary services from RIBA Stages 3 to 4, as well as consultancy services for the pilot property from RIBA stages 5 to 7. Once appointed, the MDCs will produce a revised programme of works.

£976k

Spend to date

Budget, Forecast and Spend

The proposed budget for Verity Close is £7m (based on the previous consultant's proposal). The pilot property works has been allocated a budget of £225k.

Strategic and Operational Risks

As part of the Verity Close project, we work in conjunction with the Heat Network Team and TACE and have regular updates and meetings to ensure that all logistics have been put in place so that this does not affect works taking place in Verity Close as well as for the Heat Network Programme.

Current Risk: Sourcing a decant property for the tenants of the pilot property.