

Risk Management & Health & Safety Update

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Risk Update

Executive Summary

The key risks identified are a shortage of funds due to increased costs and the complexity of the programme. Longer procurement processes mean that our ability to deliver within the required timeline to meet the grant funding deadlines is at risk. In addition, the limited availability of suitable respite during works pose a potential risk to the programme being delivered on time.

Programme Risks: These include delays in hiring contractors, technical challenges from working around residents, and not having enough empty properties available for decanting.

Financial Risks: Mainly stemming from an existing budget shortfall and increased costs relative to those identified early in the programme. Project overruns, unforeseen works, and the high costs associated with decanting some residents.

Mitigation strategies: Early contractor engagement through a two-stage tendering process is aimed at improving value for money, enhanced financial planning with detailed budget and cost tracking resulting in financial and time savings. Reviewing ongoing projects and pilots to capture and document lessons learned to ensure future projects at LWE and wider RBKC benefit from our experiences.

Risk Profile

Medium

Summary of risks by category

Finance

1. Not having enough funding to deliver what has been committed to residents
2. Risk that we may lose grant funding because we are not able to meet current conditions
3. External risk to budgets of cost uncertainty and economic conditions

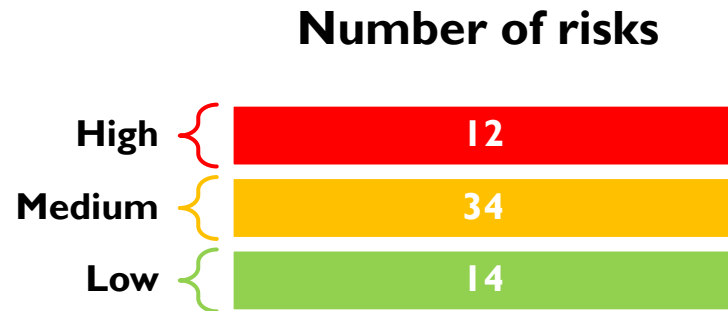
Programme

1. Delays in procurement and governance process may lead to programme delay and increasing costs
2. Risk of high demand for decants and other respite in the backdrop of limited suitable options.
3. Risk that works may not be sequenced in a way which will minimise cost due to complex considerations of potentially conflicting priorities.

Health & Safety

1. In-situ refurbishment and complexity may lead to accident, injury or major incidents affecting a resident, residents, staff, clients, contractors or member of the public





LWE Refurbishment Risk Profile





Key Risks: Financial

Risk Description	Current Score	Change	Actions we're taking to mitigate the risk
Not having enough money for the options that we present	16	↑	<ul style="list-style-type: none"> • Cost plan workshops with project managers and Consultants • Senior PMs to focus on cost plans and programme management • Develop analysis on materials and options • Validate cost plans directly with manufacturers • Developing leasehold charging strategy • Developing skills and expertise of refurb team to through targeted workshops and recruitment • Proactively working with corporate finance and UKIB on business planning and preferential lending • Options appraisal for cost saving opportunities
External risk to budgets of cost uncertainty and external conditions	20	↔	<ul style="list-style-type: none"> • We continue to develop robust cost plans and are working with external stakeholders to understand market conditions as well as creating opportunities with external funders. • Proactively engaging external funders to protect existing grant funding • Seeking additional grant funding and preferential loans and investment • Proactive management of cost consultants to ensure VFM realised • Contingency increased from 5% to 10% • Engaged internal Audit team to look at our commercial processes.
There is a risk that we may lose grant funding because we are not able to meet conditionality of the grant	25	↑	<ul style="list-style-type: none"> • Ongoing communication with funders • Promote lessons learned from programme so far • Work with funders to extend deadlines • Communicate project benefits to funders • Explore further additional non-grant funding options • Recruiting Retrofit overseer • Work with UK Investment Bank

Key Risks: Programme

Risk Description	Current Score	Change	Actions we're taking to mitigate the risk
There is a risk of high demand for decants and other respite, causing a lack of available properties and affecting the speed/progress/cost of the refurbishment	20		<ul style="list-style-type: none"> • Work on buybacks • Creating voids which can be used as respite • Respite offer 3.0 • Identify the minimum level of decants that we need based on scope of work and vulnerability of residents. • Friends & Family offer
There is a risk that the works are not sequenced in a way which will minimise cost, disruption or complexity (Heat Network, external works and internal works, grant funding)	16		<ul style="list-style-type: none"> • Draft logistics plan now in place and reviewed across the team • Using the heat network programme as the skeleton around which all interdependencies are looked at. • Consolidated programme now supplemented with a construction programme • Enhanced procurement and governance monitoring and management
Delays in procurement and governance process may lead to programme delay and increasing costs	20		<ul style="list-style-type: none"> • Closely working with internal governance and procurement colleagues • Ongoing training of LWNT officers on governance and procurement processes • Proactive communication of upcoming decisions with decision-makers
Resident refusal or deferment of intrusive works may lead to significant delays or require re-designing of work packages.	16		<ul style="list-style-type: none"> • Project to progress leasehold variations has been scoped and is underway, this will commence with the comms work to both tenants and leaseholders in May 2024. • Further work required to consider required resource for individual engagement and liaison to sit alongside legalistic work for variations. • Ongoing work with RLOs to ensure early and regular communication of upcoming work. • Exploring less disruptive technical solutions, particularly within leasehold properties such as bulkheads as opposed to lowering ceiling. • Windows and EWI not charged to leaseholders. • Developing reports for contact details of 'hard to contact' cohorts, e.g. non-resident leaseholders. • Contingency planning for legal route to obtain access and authority to do necessary works.

Key Risks: Construction/Delivery

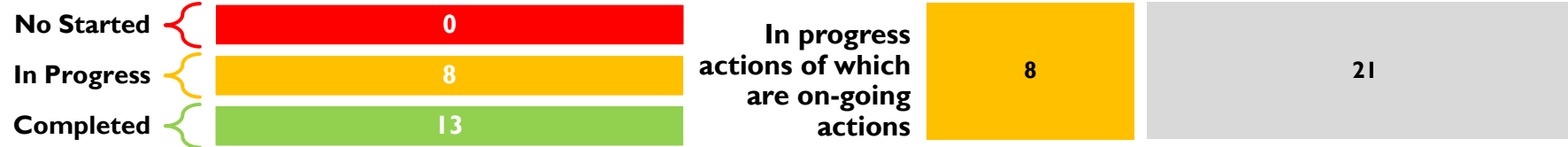
Risk Description	Current Score	Change	Actions we're taking to mitigate the risk
<p>In-situ refurbishment may lead to accident, injury or major incidents affecting a resident, residents, staff, clients, contractors or member of the public</p>	<p>9</p>		<ul style="list-style-type: none"> • Improved process on how we log and manage H&S cases, incident reporting, taking a whole team approach, registering and feeding back. • Proactive communication on Health & Safety issues at management meetings • In House training on health and safety building expertise and resilience • Recruited for a full-time Clerk of Works • Data driven approach to identify and manage resident vulnerability • Establishing decant options during works. • Proactive CDM risk management with Derisk • RAMs Reporting in place • Undertaking daily inspections of all live projects
<p>There is a risk that contractors may encounter unforeseen works after starting works</p>	<p>15</p>		<ul style="list-style-type: none"> • Detailed surveys in place • Two stage tender process should help to reduce this risk • Ensure an adequate contingency sum is included for under the contract.

Key Risks: Resident Engagement

Risk Description	Current Score	Change	Actions we're taking to mitigate the risk
There is a risk that we may encounter legal challenges, considering leaseholder challenges, resident pushback for compliance matters	9	↔	<ul style="list-style-type: none">• Leaseholder costs being worked on at present hopefully mitigate this risk completely• Ensure effective communication and engagement with residents
Risk of disturbance / disruption to residents whilst works around the area are in progress.	16	↔	<ul style="list-style-type: none">• Summer activities ongoing• Training and Employment Hub• Work to look at developing spaces for working or studying• Refurb respite 3.0• Housing free up as much decants as possible• Friends and family offer• Construction logistics programming• Recruiting additional RLOs

LWE Refurbishment EqIA Action Plan

Action Plan Overview



Key Progress Updates

1. LWNT team have introduced a contractor induction process which outlines the expectations of contractors. The induction process includes

- LWNT approach to health & safety and other risks
- Clear outline of the Grenfell Site rules
- Mandatory requirement for all contractors to wear photo ID
- LWNT's approach equality and diversity zero-tolerance policy towards any form of intolerance, harassment or discrimination towards any of our residents

2. Plans have been put into place to directly input into contractor toolbox talks to get across key LWNT messaging across

3. A formal site inspections process that has been implemented and is carried out alongside the contractor site manager on a regular basis. This allows for risks and health & safety issues to be picked up on a regular basis. There is also a daily site inspections process that has been implemented that allows for risks and health & safety issues to be picked up on a daily basis

4. Residents are always informed beforehand in writing where contractors require access to the property for refurbishments works. Communications to residents provide clear lines of communications with the Contractor RLO as the main point of contact followed by Senior RLO (LWNT).

5. LWNT run coffee mornings and range of other events for residents, providing a forum that allows resident to flag issues and concerns

6. LWNT are working to ensure that the majority of show flats are ground floor level / ramp access. This is subject availability and prioritisation for residents with mobility or access needs

7. LWNT have begun to identify non-resident leaseholders within the Lancaster West Estate and work is currently being undertaken to engage with them and their tenants. A first draft Comms and Engagement Plan for leaseholders has been developed based on cross-team discussions. Engagement is being prioritised in the order that the refurbishment will be on site