

CABINET MEETING: 19 MARCH 2020

OVER-CLADDING OF HIGH RISE BLOCKS

**HOUSING AND COMMUNITIES (COUNCILLOR LYNDA THORNE)
AGENDA ITEM: 9**

Reason for this Report

1. To update Cabinet on the progress in replacing the cladding of the Council's high-rise blocks.
2. To request approval for the proposed procurement arrangements to deliver re-cladding works to 5 blocks of high-rise flats.

Background

3. Following the Grenfell Tower tragedy, checks were carried out on the cladding of the council high-rise flats in Cardiff. 6 blocks had been retro-fitted with external cladding during the 1990's. These flats were Lydstep Flats in Llandaff North, Nelson House & Loudoun House in Butetown and Channel View in Grangetown.
4. Testing showed that while the cladding on these blocks was not of the highly flammable ACM type that was used in Grenfell Tower, it did not meet current fire safety standards and therefore could pose additional risk during a fire. Following discussion with the Fire Service the external cladding was removed from 5 of the blocks. The cladding has remained in place in Loudoun House. This block has 2 stairwells and is considered a lower risk than the other high-rise buildings, however a fire watch has remained in place to ensure the safety of the residents.
5. Since the removal of the cladding a number of tenants have experienced a deterioration in the condition of their flats with additional condensation and mould due to the reduced insulation. The Council engaged a firm of building investigation consultants (the British Research Establishment) to undertake a number of surveys to each block to ascertain the best way forward for the buildings. The report concluded that it was necessary to re-clad the blocks if appropriate thermal efficiency was to be achieved.
6. It is therefore proposed that cladding is replaced on 5 high rise blocks. Channel View high-rise block is due to be demolished as part of the regeneration of the area, it has been excluded from the re-cladding programme.

7. It is proposed that the work to re-clad the remaining blocks is carried out in phases, in the first phase the 3 blocks at Lydstep Flats will be re-clad, these flats have been most affected by the removal of the cladding. The second phase will see the replacement of cladding at Nelson House and finally the removal and replacement of the cladding at Loudoun House. The estimated timescales for the phases are as follows:

Phase 1 – Lydstep Flats

Procurement / appoint contractor – May to September 2020

Start on site – September / October 2020

Complete all 3 blocks – September 2021

Phase 2 – Nelson and Loudoun House

Procurement / appoint contractor – July to December 2020

Start on site – January 2021

Complete on site – December 2021

Issues

8. Since the Grenfell Towers fire and the subsequent enquiry, there has been uncertainty about the safety of different cladding types. Atkins, building engineering consultants, were therefore appointed to carry out an options appraisal and to determine the best type of cladding to use in terms of safety, thermal efficiency and cost effectiveness. Atkins reviewed 3 options:

- Render
- Composite cladding
- Ceramic Brick cladding

Following the review of the options the ceramic brick based cladding was recommended as the most appropriate option. While brick based cladding is not the least expensive option, it does require less maintenance than the render which discolours early in its lifespan. This is also the safest option available on the market being non-combustible. The ceramic brick cladding will incorporate insulation to maximise energy efficiency and thermal comfort for residents. Uncertainty still remains regarding the specification and legislation in respect of composite cladding and thus this was excluded.

9. To take forward the works to all 5 high-rise blocks it is proposed to appoint a contractor using Lot 8 of the South East & Mid Wales Collaborative Construction Framework (SEWSCAP3). A competition will take place between the approved contractors on the Framework and the most economically advantageous bidder will be appointed based on criteria reflecting both quality and price. An early contractor engagement event has been arranged for April to communicate the project objectives to potential bidders which will also highlight any potential concerns from the market.

10. The estimated value of the works at Lydstep flats is £8.9m, Loudoun House is £5.7m and Nelson House is £2.4m. These costs include a 25% uplift for associated “risk allowance”. This provision has been included as the Council will expect the successful contractor to deliver the project as designed and to specification and accept and respond to any future liability/legislation concerns.

11. Four of the five blocks identified currently have leaseholders as follows:

Lydstep Flats -11 leaseholders / 115 Council tenants = 126 flats in total

Loudoun House –3 leaseholders / 117 Council tenants = 120 flats in total

Nelson House – 0 leaseholders / 74 Council tenants = 74 flats in total

This refurbishment project is required due to exceptional circumstances. Due to the unpredicted nature and scale of the project it would be unreasonable to expect leaseholders to meet the full cost of the refurbishment. It is proposed that the costs of the cladding and associated scaffolding works will not be charged to leaseholders but leaseholders will be expected to pay for windows to their flats and a proportion of the costs of any windows in communal areas. This is in line with costs that would normally be passed on to leaseholders in other high and low rise blocks.

Local Member consultation

12. Regular communication has taken place with residents and local Members, including meetings and letters, throughout the process so far. Initial consultation with the residents of Lydstep Flats about the options for the cladding took place on 20th January 2020, the information provided can be found at appendix 1 and the preferred option was the ceramic brickwork solution.

13. Consultation will continue to take place as the scheme develops.

Reason for Recommendations

14. To agree the way forward for the cladding of the councils high rise blocks and to agree the approach to the appointment of a contractor to deliver the cladding works for all 5 high-rise flats.

Financial Implications

15. The recommendation within the report for the recladding of 5 of the Council’s high rise blocks of flats at an estimated cost of £17 million will be funded within the Housing Revenue Account Capital Programme approved by Council on the 26th February.

16. Due to the exceptional nature and cost of the works, it is not proposed to seek contributions from leaseholders/homeowners towards the costs of

the cladding although a level of contributions is to be agreed towards window replacement costs as part of the scheme.

Legal Implications

17. As set out in the report, the report recommends procuring the proposed contracts as set out in the report. Ongoing legal advice should be sought to ensure the proposals are achieved within legal parameters. Detailed legal advice should also be obtained with regard to i) the drafting of all the relevant procurement documentation (including the draft terms and conditions of contract and duration of such contract/s) and ii) the procurement process. Any further legal implications will be set out in the delegated report referred to in recommendation 3.

Equality Duty.

18. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of ‘protected characteristics’. The ‘Protected characteristics’ are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

Well Being of Future Generations (Wales) Act 2015

19. The Well-Being of Future Generations (Wales) Act 2015 (‘the Act’) places a ‘well-being duty’ on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
20. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff’s Corporate Plan 2019-22. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
21. The well being duty also requires the Council to act in accordance with a ‘sustainable development principle’. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them
22. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

General

23. The decision maker should be satisfied that the procurement is in accordance within the financial and budgetary policy and represents value for money for the council.
24. The decision maker should also have regard to, when making its decision, to the Council’s wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

HR Implications

25. There are no HR implications for this report

RECOMMENDATIONS

Cabinet is recommend to

1. Approve the approach to cladding works set out above including the use of the route proposed to procure a contractor for the cladding works to all 5 high-rise blocks.
2. Approve the proposal to reduce the financial impact on home owners (leaseholders) due to the exceptional circumstances of this refurbishment project.
3. Delegate authority to the Corporate Director, People and Communities, in consultation with the cabinet member for Housing and Communities, the section 151 Officer and County Solicitor, to deal with all aspects of the procurement relating to re-cladding of all 5 high-rise flats, including setting the contract evaluation criteria and the award of contracts.

SENIOR RESPONSIBLE OFFICER	Sarah McGill
	13 March 2020

The following appendix is attached:

Appendix 1 - Consultation Document – Lydstep Flats

The following background papers have been taken into account

British Research Establishment (BRE) Building Investigation Consultants Report ~ High-Rise Assessment – Lydstep Flats

Atkins Engineering Consultants Report ~ Cardiff Towers Re-clad Scheme