

Re-cladding tower blocks report for City Executive Board - Tuesday 15 August 2017

8. Re-cladding of Evenlode and Windrush tower blocks (Pages 3 - 8)

A report to request additional budget approval in order to replace the rain screen cladding to Windrush and Evenlode towers.

Please note that this updated version of the report was published on 14/08 to reflect the addition of the new recommendation at 2 below.

The Board is recommended to:

1. Ask Council for additional budget provision of £1m for the replacement of rain screen cladding to Windrush and Evenlode towers;
2. To make a recommendation to Council to waive (but only to the extent described below) the relevant provisions in para 5.3 of the Constitution which require large applications, Council applications and significant amendments to a grant of planning permission to be determined by an area planning committee and instead delegate to the Head of Planning and Regulatory Services the authority to determine any applications made as a result of changes required by new building regulations and/or government guidance relating to tower block design or build; and
3. Delegate to the Chief Executive in consultation with the Council's Section 151 Officer (Head of Financial Services) the decision to accept a firm price as a variation to the current contract

This page is intentionally left blank

Report updated and republished on 14 August 2018, after the publication of the agenda, to add recommendation 2 and associated changes to paragraph 8.

To: City Executive Board
Date: 15 August 2017
Report of: Head of Housing Services
Title of Report: Tower block refurbishment – further works to improve fire safety.

Summary and recommendations	
Purpose of report:	To request additional budget approval in order to replace the rain screen cladding to Windrush and Evenlode towers.
Key decision:	Yes
Executive Board Member:	Councillor Rowley Portfolio holder for Housing
Corporate Priority:	Meeting Housing Needs.
Policy Framework:	Housing Strategy.
Recommendations: That the City Executive Board resolves:	
<ol style="list-style-type: none"> 1. To make a recommendation to Council for additional budget provision of £1m for the replacement of rain screen cladding to Windrush and Evenlode towers; 2. To make a recommendation to Council to waive (but only to the extent described below) the relevant provisions in para 5.3 of the Constitution which require large applications, Council applications and significant amendments to a grant of planning permission to be determined by an area planning committee and instead delegate to the Head of Planning and Regulatory Services the authority to determine any applications made as a result of changes required by new building regulations and/or government guidance relating to tower block design or build; 3. To delegate to the Chief Executive in consultation with the Council's Section 151 Officer (Head of Financial Services) the decision to accept a firm price as a variation to the current contract. 	

Introduction and background

1. The City Executive Board in July 2014 and June 2015 agreed to proceed with a contract to refurbish the City Council's five tower blocks. This is a major investment of over £20m with the main features of the works being replacement heating and ventilation systems, improved energy efficiency measures including new windows, insulation and cladding, new roofs, increased fire safety systems including sprinklers and improved communal areas.
2. The contract started in January 2016, with a phased start to each of the towers and a programme completion date of November 2017.
3. Following the tragic fire at Grenfell tower in Kensington and Chelsea on 14th June 2017 the City Council has reviewed and indeed continues to review the situation and consider any implications for our refurbishment works to ensure the safety of our residents.
4. This report is confined to the need to replace the rain screen cladding to two of the towers, Windrush and Evenlode and to request additional budget approval to allow the works to proceed.

Implications from the Grenfell Tower fire

5. Whilst it will be some considerable time before the Grenfell inquiry concludes and the detail of what combination of factors contributed to such a catastrophic failure of the fire safety system is known, it is clear that the cladding system was a significant factor and so there has been much focus on this issue initially in order to assess possible risks to other buildings. The City Council carried out an urgent review of the cladding systems (rain screen and insulation) it had either installed or planned to install to our towers. Whilst we do not have the same system as that at Grenfell it has subsequently been confirmed that we do have a similar aluminium composite (ACM) rain screen on certain elevations of both Windrush and Evenlode towers.
6. DCLG commissioned the Building Research Establishment (BRE) to carry out fire testing of ACM rain screen products and all Local Authorities were required to provide samples from the actual building to be included in the tests. We were notified that our particular cladding had failed the test on 24/6/17. The Fire and Rescue Service (FRS) carried out a fire safety audit to the two blocks on 26/6/17 and confirmed that the buildings were safe. A key factor in this, is that we had included other fire safety measures over and above our statutory requirement including sprinklers to individual flats.
7. Following criticism that the testing methodology did not test the whole cladding system and following DCLG's appointment of an expert panel they commissioned a further programme of tests that included the combination of ACM panel and mineral wool insulation that we have on our two towers. We were notified that our cladding system had failed this second test on 2/8/17. FRS have confirmed their previous advice that the blocks remain safe
8. The City Council is working with, our project managers, Arcadis; our contractor Fortem and the Building Control service to both agree a replacement rain screen and the price. This will also be the subject of a planning application. In order to speed up the approval process a one-off exemption to the scheme of delegation is recommended to allow the Head of Planning and Regulatory Services to determine the application(s). Given the extent of this problem nationally, there is considerable

pressure on both the manufacturing and installation industry which poses a challenge in carrying out the works quickly. Following an instruction to vary the contract it is currently understood that there is a 3 month delivery time frame and Fortem are indicating a 3 month installation with a phased replacement and the insulation remaining in situ. The insulation is rock wool with an A1 non-combustible rating. The replacement rain screen will have the same A1 rating. This would mean an estimated February 2018 completion date.

9. We are not yet in a position to confirm a final price for these works but together with additional fees a budget provision of £1m is requested. It should be noted that there may be further costs associated with delays caused by these works to the overall contract and potential changes to our other blocks following further DCLG testing of other cladding systems.
10. It should be noted that we remain of the view that all of our cladding systems as designed meet with current building regulations. DCLG have announced an independent review of building regulations.

Resident Engagement

11. The City Council has put in place measures to communicate with residents of the towers and a wider group of stakeholders to provide reassurance as to the safety of our blocks, explain the fire safety systems and to keep them informed as to the further steps being taken to improve fire safety. These measures include a series of public meetings and drop ins, regular written communication and the establishment of a resident reference group for the Blackbird Leys towers

Financial implications

12. Current budget provision of £20.108m exists and prior to the requirement for these additional works the contract had been projected to be completed within budget. The additional costs can be funded from the balance of the High Value Levy provision which had been set aside for this financial year which the Government have deferred and therefore the cost can be contained within the overall HRA business plan without a reduction to other investment programmes. Any future additional costs will be the subject of a further report to CEB.
13. Despite initial indications from the Secretary of State for Communities and Local Government that funding would be made available, a communication on 26/7/17 states 'Our expectation is that, as a building owner responsible for your tenants, you will fund measures designed to make a building fire safe, and will draw on your existing resources to do so' The letter goes on to invite Authorities who have concerns about being able to fund the works to discuss their situation with DCLG. As the full costs become known we will seek recompense from Government but the current indication is that this is unlikely to be forthcoming.

Legal Implications

14. The Council will need to give consideration, no doubt in association with other affected Authorities, to potential avenues of redress that may be available to it, if it can be established that at any stage in the process the Council properly relied on defective or deficient representations.

Level of risk

15. See Appendix 1 for the risk register.

Equalities impact

16. The report does not propose any changes to policy or strategy that has equalities implications.

Report author	Stephen Clarke
Job title	Head of Housing Service
Service area or department	Housing Services
Telephone	01865 252447
e-mail	sclarke@oxford.gov.uk

Background Papers:
None

Appendix 1: Risk Register

					Date Raised	Owner	Gross		Current		Residual		Comments	Controls				
Title	Risk description	Opp/ threat	Cause	Consequence			I	P	I	P	I	P		Control description	Due date	Status	Progress %	Action Owner
Selection of replacement cladding	Future changes to building regulations requires retrospective changes	T	Government review of building regulations	Further replacement works	7/8/17	S Clarke	3	2	3	2	3	1		Specification to A1 non combustible standard with building control approval	8/17	In progress	95	M Shaw
Additional costs ✓	Increased costs above cost estimates and in excess of additional budget provision	T	Demand for cladding products and installers	the need to make savings in HRA	7/8/17	S Clarke	3	2	3	2	3	1		Decision to vary contract to be taken quickly and effective contract management	8/17	In progress	95%	M Shaw

This page is intentionally left blank