

Executive Decision Report

Decision maker and date of Leadership Team meeting or (in the case of individual Lead Member decisions) the earliest date the decision will be taken	Leadership Team Date of decision (i.e. not before): 25 July 2018 Forward Plan reference: 05286/18/K/A	 THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
Report title	PLANS FOR THE REFURBISHMENT OF THE LANCASTER WEST ESTATE	
Reporting officer	Robyn Fairman, Executive Director for Grenfell	
Key decision	Yes	
Access to information classification	Public	

1. EXECUTIVE SUMMARY

- 1.1. This report sets out the initial plans for the refurbishment of the Lancaster West Estate and seeks agreement to create budget provision of £30m within the Council's Capital Programme.

2. RECOMMENDATIONS

- 2.1. The Leadership Team is asked to:
- note the progress to date;
 - formally approve an initial budget of £30m for the refurbishment, of which £15m is funded through grant funding from central government;
 - note the proposed approach to the recruitment/procurement of the project team; and
 - note the proposals to involve residents in the refurbishment programme.

3. REASONS FOR DECISION

- 3.1. The Leadership Team is asked to agree the recommendations in order to allow the Lancaster West Neighbourhood Team to progress the refurbishment of the estate.

4. BACKGROUND AND PROGRESS TO DATE

- 4.1. Following the Grenfell tragedy, the Council publicly stated its commitment to refurbish the Lancaster West Estate sensitively and collaboratively to create a model for social housing in the 21st century.
- 4.2. The Council has committed £15m to fund this major capital project, with a further £15m promised by central government.
- 4.3. The Council is working in partnership with local residents through the Lancaster West Residents' Association (LWRA) to 'co-design' the refurbishment of the estate. After extensive discussion with residents at LWRA meetings last year, the Lancaster West Neighbourhood Team and the LWRA agreed 10 key principles, which set out the overarching aims of the refurbishment programme and describe how the Council will work with residents:
 1. The refurbishment will be resident led.
 2. The refurbishment work will be done sensitively and in co-operation with residents.
 3. There will be no demolition of people's homes on the Lancaster West Estate.
 4. We will create a model estate where the community can be proud to live and that the Council can be proud to own.
 5. We will make sure residents can make real choices on the refurbishment.
 6. We will listen to all age groups and communities on what improvements they want to see.
 7. The refurbishment will aim to provide local jobs and skills training for local people.
 8. The refurbishment will improve local services so that they are of a high quality.
 9. The refurbishment will create a sustainable estate that can be maintained to a high standard.
 10. There will be transparent decision making and feedback provided by the Council at each step.
- 4.4. In late 2017, a team of designers, including a consortium of architects was engaged to explore initial ideas with residents for improving the estate. An extensive programme of engagement with residents was carried out from January to March 2018. The engagement programme included two 'Ideas Days', held at Kensington Leisure Centre, and a wide range of other activities, including leafleting and door-to-door engagement across the estate, block meetings, home visits and contact by telephone and email.
- 4.5. The ideas developed to date are summarised in the *Lancaster West Estate Refurbishment: Report of Initial Ideas*, published in April 2018.¹

5. PROPOSAL AND ISSUES

Scope of works

¹ http://lancwestrefurb.com/PDF/230418/17-180410_LW_Report_of_Initial_Ideas_FULL_REPORT_V2.pdf.

- 5.1. A detailed scope of works is currently being drawn up based on the ideas developed to date and a proposal is being developed with residents for a steering group to agree and decide the scope of works.
- 5.2. The Lancaster West Neighbourhood Team has secured a number of demonstration flats, which will give residents an idea of some of the options for the refurbishment programme, and is working with residents to establish a 'Lancaster West standard' to inform the programme. This is currently in the final stages of being agreed with residents.
- 5.3. A series of early projects, mostly replacement and improvement works, have also been identified and some minor works have already begun. A provisional timetable for the refurbishment programme is set out below at Appendix 2.

Recruitment/procurement of a project team

- 5.4. The focus of the first phase of the refurbishment programme will be the recruitment/procurement of a project team and a programme of early works, for which a detailed scope is currently being drawn up.
- 5.5. A technical project team is needed to oversee the refurbishment programme and provide the relevant technical expertise. The team will work closely with residents, as described at section 7 below.
- 5.6. A Programme Manager will be recruited on a fixed-term basis to oversee the programme. A Cost Consultant is also being recruited on a fixed-term basis to produce a detailed breakdown of costs, based on the plans that have been developed to date.
- 5.7. Once the costing work is complete and the Programme Manager is in post, a Principal Designer, Lead Architect (with supporting Architectural Team) and specialist Mechanical and Engineering contractor will be procured. The roles and responsibilities of these leads and an indicative timetable for procurement is set out at Appendices 1 and 2.
- 5.8. A report will be produced setting out the possible procurement routes for each of the above contracts and recommending a preferred route. The appropriate approvals to proceed with procurement will be sought for each contract. All procurement will be carried out in line with the Council's Contract Regulations.

Early projects

- 5.9. While the detailed scope of works is being drawn up, the following have been identified as possible early projects:
 - Refurbishment of demonstration flats as part of the establishment of a Lancaster West standard, in partnership with residents.
 - Improved lighting on the estate.
 - Cycle storage for residents.

- Renovation of drainage systems.
- Installation of a new door-entry system.

6. OPTIONS AND ANALYSIS

Finance

- 6.1. The report seeks formal approval for an initial budget of £30m. The appointed cost consultant will provide a more detailed breakdown of costs and an estimate for the total costs of a full refurbishment.
- 6.2. Following the cost consultant's work, the Leadership Team will be asked to agree the proportion of the £30m to be spent in the current year 2018-19 as part of the Q1 monitoring report in September. A profile for the spend will be agreed with colleagues from the Ministry of Housing Communities and Local Government.
- 6.3. It is anticipated that additional funding may be necessary to deliver an ambitious refurbishment programme that meets the aspirations of residents on the estate. The Council is committed to seeking additional sources of funding where possible.

Leaseholders

- 6.4. The Council recognises that there are concerns among leaseholders about the approach to recharging for works completed as part of the refurbishment. We are sympathetic to these concerns and we recognise that it would be unreasonable to recover the full costs of the refurbishment.
- 6.5. As noted above, half of the current budget for the refurbishment programme (£15m) has been provided by the Government. The Council is highly unlikely to charge leaseholders for works paid for by government grant.
- 6.6. Any decision not to recharge leaseholders for the costs of major works would need to be considered by the Council's Leadership Team as a Key Decision. This can only be taken once the exact nature and extent of the refurbishment works are known. In the meantime, we are looking closely at the issue and we are committed to working with leaseholders throughout the design phase of the refurbishment to explore a range of options.
- 6.7. Any future approach to recharging the Council-funded portion of the refurbishment must be in line with the terms of the leases on the estate. It must also balance the concerns of leaseholders with the interests of tenants, as the financial implications of any decision not to recharge would fall on the Housing Revenue Account (HRA).
- 6.8. Once the extent and nature of the refurbishment works are known, the Council will set out a clear position in relation to recharging. In the meantime, we will continue to work with leaseholders to gather views and explore possible options.

7. CONSULTATION AND COMMUNITY ENGAGEMENT

- 7.1. Consultation and community engagement are at the heart of the refurbishment programme, encapsulated in the ten principles outlined under section 4.3 above. The entire approach is being developed with the residents of the estate and they will continue to play a key role in shaping and delivering the programme.
- 7.2. As part of the commitment to a refurbishment that is designed from the ground up, the Lancaster West Neighbourhood Office has established five clusters on the estate, each of which has representation from block residents, architects and the Neighbourhood Office. These clusters will work alongside the Project Team to ensure that residents' views are at the centre of the refurbishment programme.
- 7.3. The Neighbourhood Office is currently developing a proposal for a governance model for the programme with residents to ensure that their voices are heard and that all interested parties are represented. This will include a proposal for a steering group to shape the scope of work and help decide what ideas are put forward.
- 7.4. Residents will play a key role in recruiting staff to the programme and the programme will offer training and employment opportunities to local residents. It is hoped that these practices can be replicated on other projects elsewhere and that learning from the programme will inform the Council's approach to procurement and the development of a borough-wide work and skills strategy.
- 7.5. Residents will be kept fully apprised of all progress in relation to the plans for refurbishment through the channels of communication which have been established over the past twelve months.
- 7.6. Relationships are also being established with local schools in order to raise awareness of the refurbishment plans and to explore how students can be involved. A youth forum is also being established with the Lancaster West Residents' Association.
- 7.7. As noted under sections 6.4-6.9 above, consultation with leaseholders specifically on the Council's approach to charging is ongoing.

8. HUMAN RESOURCES AND EQUALITIES IMPLICATIONS

- 8.1. The estate has a high proportion of BME residents, with almost 70% from a black or ethnic minority background, all of whom will benefit from the programme. Residents with disabilities on the estate will benefit from any modifications to communal areas and individual properties.
- 8.2. The refurbishment will offer training opportunities, including apprenticeships, to local residents and all activities will seek to secure social value throughout the supply chain and will be informed by existing best practice from elsewhere.
- 8.3. The programme will, where possible, use local companies and local labour and will encourage diversity in all sections of the workforce. We will continue to monitor progress on this and will report back.

9. LEGAL IMPLICATIONS

9.1. The proposals for the refurbishment of the Lancaster West Estate set out in this report are within the Council's powers. Legal advice will be sought, as necessary, as the project proceeds.

10. FINANCIAL, PROPERTY AND ANY OTHER RESOURCES IMPLICATIONS

10.1. At this stage, it is proposed to create budget provision of £30m within the Capital Programme for this scheme.

10.2. This can be funded through a combination of grant funding from Central Government (£15m) and an equal contribution by the Council, the latter being met through additional borrowing within the Housing Revenue Account.

Robyn Fairman
Executive Director for Grenfell

Local Government Act 1972 (as amended) – Background papers used in the preparation of this report

None

Contact officer(s): Robyn Fairman, Executive Director for Grenfell (robyn.fairman@rbkc.gov.uk).

Formal clearance requirements for all key decision reports

[insert]

Cleared by Finance (officer's initials)

SM

Cleared by Director of Legal Services (officer's initials)

AJ/LP

Cleared by Communications & Community Engagement (officer's initials)

MC

LIST OF APPENDICES:

Appendix 1 Details of the proposed project team

Appendix 2 Indicative timetable for the refurbishment

Appendix 1: Details of the proposed project team

Title	Role	Tender Date	Appointment Date
Programme Manager	Define programme brief with residents and oversee programme	August 2018	September 2018
Principal Designer	Assess quality of designs and works (including overseeing Health and Safety)	September 2018	Autumn 2018
Lead Architect with supporting architectural team	Lead and coordinate the refurbishment, supported by appointed block architects, landscape architects and others	September 2018, including networking session with residents	Autumn 2018
Mechanical and Engineering Specialist	Provide specialist mechanical and engineering advice and support to the Principal Designer	September 2018, including networking session with residents	Autumn 2018

Appendix 2: Provisional timeline



We are aiming for work to start on site in the first quarter of 2019-20.