



STAGE D REPORT

**For the Royal Borough of Kensington and
Chelsea Tenant Management Organisation**

Relating to the

Grenfell Tower Regeneration Project

December 2012



Approval Sheet and Foreword





Our ref: 11833

STAGE D REPORT

For

ROYAL BOROUGH OF KENSINGTON AND CHELSEA TENANT MANAGEMENT ORGANISATION

GRENFELL TOWER REGENERATION PROJECT

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FOREWORD

1. This document has been prepared by Appleyards with all reasonable skill, care and diligence within the terms of the contract with the Client and within the limitations of the resources devoted to it by agreement with the Client.
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EXECUTIVE SUMMARY

We have had confirmation that the RIBA Stage C report prepared by Studio E was approved by the Royal Borough of Kensington and Chelsea Tenant Management Organisation (the "TMO") following the Board meeting on 15th November 2012 with no comments.

The Grenfell Tower Regeneration Project (the "**Project**") has now been developed to Stage D accordingly, all as more particularly set out within this report.

However, following the design feedback received at the recent Architecture Appraisal Panel (the "AAP") further amendments have now been made to the design, and revised plans are due to be formally substituted this week. We understand the Project will now be reviewed at the Planning Committee meeting scheduled in February.

In accordance with the financial approval also confirmed by the TMO following the Board meeting referred to above, a Pre-Construction Agreement including the Form of Novation relating to the Design Team (the "PCA") with a financial limit of £250k, has now been prepared and submitted to Leadbitter for comment/approval.

Stage D costs have now been developed in parallel with the latest design to give an estimated Total Construction Cost of £8,415,000 excl VAT (incl contingency @10% but excl fees) and an estimated Overall Project Cost of £9,645,000 excl VAT.

To meet the required timeframes, namely to achieve Financial Close for March 2013 and thus allow commencement of works on site in the first quarter of next year in order to achieve completion by the end of September 2014 (in line with the completion of the academy on the Kensington Academy & Leisure Centre ("KALC") scheme), this report now recommends an approval to enter into Contract subject to the final costs to be agreed with Leadbitter being either equal to or less than those identified in the Stage D Cost Report.

1.0 COST

1.1 Overview

The estimated costs based on the Stage D information produced by the Design Team can be summarised as follows:

Demolition Works to Garages	£28,135
Refurbishment Works to Garages	£474,900
Demolition Works to Tower	£182,170
Refurbishment Works to Tower	£5,720,764
Landscaping Works	£246,350
Main Contractor Preliminaries	£997,848
Contingency @ 10%	£765,017
Total Construction Cost	£8,415,000
Professional Fees	£900,000
Surveys	£50,000
Planning and Building Control Fees	£100,000
KCTMO Fees	£180,000
OVERALL PROJECT COST (EXCL VAT)	£9,645,000

The detailed Stage D Cost Plan is appended to this document – we would in particular draw the reader's attention to the assumptions made therein.

1.2 Cost Certainty

The original intention of achieving 80% cost certainty by the end of 2012 is no longer a possibility due to significant design changes that have had an impact on completing RIBA Stage D. This means that the Contract award will not be signed-off in January 2013 unless a capped Contract Sum can be agreed now with the fixed sums to be negotiated with Leadbitter within those commercial parameters.

We would propose to use the IESE Cost-Time Benefits matrix as the mechanism to manage this process and control costs as fixed figures are agreed with Leadbitter with a view to targeting Financial Close for March 2013. A copy of this document completed up to date to reflect the Stage D Costs is appended to this report.

2.0 PROGRAMME

2.1 Overview

The main programme driver for the project has always been to complete works before the completion deadline of KALC, for September 2014. The table of key dates below reflects the current overall plan.

The key overall project dates are as follows:

	Start	Finish
RIBA C	July 2012	November 2012
Procurement of Contractor (pre-construction phase)	November 2012	December 2012
RIBA D	November 2012	December 2012
Planning application Allowance for possible Judicial Review	August 2012 February 2013	February 2013 April 2013
Design Team Novation	December 2012	January 2013
RIBA E/F1	January 2013	March 2013
Pre Contract award / Enabling works	March 2013	April 2013
Grenfell Construction Period	April 2013	September 2014
External Works	April 2013	September 2014

Leadbitter are currently reviewing phasing issues relating to the reconfiguration of the lower levels and a revised programme should follow shortly.

2.2 Planning

The original scheme design was submitted to Planning on 25th August 2012. Following subsequent changes to the scheme, most notably in relation to a reconfigured reception and entrance space, a formal substitution of drawings was then made on 18th October 2012. Whilst there were no formal objections raised in respect of the substituted drawings, at the AAP the review board had the following comments on the design:

- The Tower needed a 'crown' of some degree at the highest level
- The Tower should not have a canopy (Note: this may be added back later due to confirmed safety concerns via a separate planning application and therefore is included within the cost plan)
- The proposed colour and style of façade (green panels with a mostly zinc rainscreen) was too dull and should be brighter/ more colourful
- The treatment of the offices from the garage conversion should be re-visited to create a more appropriate working environment

- The windows should be larger to invite more solar gain and therefore take up a larger proportion of the elevation
- The defensible spaces given to the nursery was questioned, and therefore slight amendments to the landscaping are required.

The above comments have now been addressed and a further formal substitution of drawings made accordingly and the scheme is now anticipated to secure approval at the February Planning Committee.

The RIBA Stage D submission being prepared by Studio E will bring together all amendments of the above design for formal sign-off, but this report (and where relevant the documents appended hereto) already embrace the above changes.

2.3 Vacant Possession

Following trial drilling to ascertain noise levels for mechanical fixing into existing structure, Leadbitter are currently reviewing options in terms of the requirement for vacant possession of units along with a review of the mechanical service solution to be adopted, and consideration as to safe working around the presence of asbestos.

The TMO are currently also exploring options to secure vacant possession of units for a period of one week or more through possible incentives or rent waivers to existing residents as full vacant possession in this manner may provide programme (and so cost/prelims) benefits to the project – further consideration will need to be given to how this matter will be addressed with Leaseholders.

3.0 KEY GOVERNANCE/ TMO BUSINESS

Appleyards issued a Report to the TMO on the 7th November 2012 that detailed the procurement process used via the IESE framework and confirmation of the sum certified for Leadbitter's Pre-Construction Services - a copy of the report is appended detailing the Contractor's outputs in line with each RIBA Stage.

In accordance with the requirements of IESE Framework, Leadbitter are also now in the process of arranging the following meetings for January, 2013:

- Gateway Review Meeting
- RACI Meeting
- Risk Workshop
- Buildability Workshop

4.0 RISK REGISTER

An end of RIBA Stage C, Appleyards facilitated a risk workshop which was held on the 18th October, 2012. The risk register has been issued for comment and further revised in line with Stage D (to include assumptions made in consultant's design) and is attached to this report.

The intention is for Leadbitter to take ownership of this risk register and add to it following the risk workshop which they will lead in the New Year.

5.0 CDM REGULATIONS

Please see separate CDM-C Report appended to this report.

6.0 CONTRACTOR SELECTION

The procurement of Leadbitter has been undertaken using the IESE Framework. In accordance with the TMO Board Approval following the meeting on 15th November, 2012 a Pre-Construction Agreement with a financial limit of £250k has now been drafted (using the template from KALC and in conjunction with Sharpe Pritchard solicitors who have been retained by the TMO) in respect of Grenfell Tower, and is currently with Leadbitter for comment.

The Pre-Construction Agreement also includes the Form of Novation to be used for the Design Team to novate them (under a single umbrella appointment through Studio E) to Leadbitter, which will also need to be progressed in parallel in the New Year to allow the Design Team to be formally engaged in respect of developing the detailed design and release of tender package information to achieve Financial Close.

APPENDIX A

STAGE D COST PLAN

Stage D Cost Estimate

prepared for

**Kensington and Chelsea Tenant Management Organisation
(KCTMO)**

relating to

**Grenfell Tower Regeneration Project,
Kensington, London**

19 December 2012

Notes :-

- 1 The estimate is based on prices at 4th Quarter 2012. Please note that if the project is deferred to next year then the BCIS tender price index forecast is currently indicating an increase in tender price levels of 1.36%, from 4th Quarter 2012 (220) to 4th Quarter 2013 (223).
- 2 The estimate assumes that the works will be procured on a two stage tender basis, keeping IESE contractor (currently contracted under KALC) and Design Team will be novated at Stage E (after stage D).
- 3 Allowances for the scope of the works have been based on the information from Studio E LLP received on 16th and 27th Nov, 4th, 5th, 11th and 14th Dec 2012 (Proposed boundary plan, floor plan 1279 RE 00 to 400, Proposed External Wall Sections, Works to existing flats, Outline Specification), landscaping information from Churchman Landscape Architects received on 2nd October (Drawing nr. 341/105); M&E Information from Max Fordham received on 22nd Nov 2012, Structural stage D report received on 30th Nov 2012 and Design Team Meeting on 20th Nov 2012.
- 4 Floor areas stated are largely derived from areas indicated on the drawings (1:200 at A1), but are indicative at this stage and subject to verification as more accurate details become available.
- 5 Costs assume a construction period of approximately 64 weeks (15 months) and works being carried out during normal working hours.
- 6 All Mechanical and Electrical services are compliant with current regulations and standard. No replacement is allowed for unless specifically stated.

Exclusions :-

No allowance has been made within the Construction Cost for the following;

- A Tender price increases beyond 4th Quarter 2012
- B Removal of any contaminated substances, e.g. Asbestos
- C Public Realm, Drainage, internal redecoration/refurbishment works to existing 20-storey flats
- D Statutory fees including Planning and Building Control.
- E Site investigation, survey works for checking existing structural framework, drainage, existing services installations, etc., asbestos survey, contamination survey, topographical surveys, fire strategy
- F Decants, removals and relocation costs of existing nursery, boxing club and residents
- G Finance and legal costs
- H Out-of-hours working; requirement for 'noisy working restriction' is included in the preliminaries allowance.
- I Full VAT liability.
- J Loose furniture, fixtures and equipment, other than where indicated.
- K New enclosure, realignment of existing external wall and wall extension to gate
- L Party Wall issues

GROSS INTERNAL FLOOR AREA (m²)

Basement	697.00
Ground (conversion from existing garage to offices)	280.00
Ground (nursery, office)	490.00
Mezzanine (new residential)	442.00
Walkway/Deck Level (boxing club, office)	461.00
Office Level/Walkway + 1 (new residential)	491.00
20-storey Residential Level (+19770 and above); GFA of 9,416m2	9,416.00
Roof Plant 247.20m2	Excluded
	<u>12,277.00</u>

12,277.00 m2

Grenfell Tower Regeneration Project

Stage D Cost Estimate Breakdown:

Ref	Descriptions	Cost
1	Demolition Works to Existing Garage/Undercroft	28,135
2	Refurbishment Works to Existing Garage/Undercroft	474,900
3	Demolition Works to Main Tower	182,170
4	Refurbishment Works to Main Tower	5,720,764
5	Landscaping Works	246,350
6	Sub-total	6,652,319
7	Preliminaries costs (Construction period of 64 weeks)	997,848
8	Sub-total	7,650,167
9	Contingency allowance @ 10%	765,017
10	Total Construction Cost	£8,415,000
11	Total Professional Fees	900,000
12	Total Survey Fees and other costs	50,000
13	Total Planning and Building Control Fees, Section 106	100,000
14	KCTMO Fees	180,000
15	Overall Project Cost (excluding VAT):	£9,645,000

Stage D Cost Estimate Breakdown:

Item	Descriptions	Qty	Unit	Rate £	Total £		Total £
	<u>Scope of Works</u>						
1A	<u>Demolition Works to Existing Garage/Undercroft</u>						
A	Demolition of existing stud wall partition/brick walls and doors to Existing Garage	317	m²	55	17,435		
B	Strip out of existing floor and ceiling finishes in existing garage and EMB office, Kitchen and Caretakers office	280	m²	20	5,600		
C	Strip out of existing wall finishes in existing garage	510	m²	10	5,100		
1B	<u>Refurbishment Works to Existing Garage/Undercroft</u>						
D	To convert existing garage to new offices including new curtain wall, roller shutters, new raised floor deck, wall, floor and ceiling finishes, M&E services as per Max Fordham Stage D report and Studio E draft outline specification dated 26.9.12	280	m²	1,340	375,200		
E	New lighting (linear led fittings) and Trespa rainscreen cladding to underside of undercroft	618	m²	150	92,700		
F	HPL cladding (Trespa) and sub-frame to elevation under the undercroft	70	m²	100	7,000		
2A	<u>Demolition Works to Main Tower</u>						
A	Demolition of existing staircase (SE corner) from Ground (6385) to Office level (15874)	220	m²	150	33,000		
B	Removal of existing steps (Ground to Mezzanine in proposed dining area and quiet room)	10	m²	200	2,000		
C	Demolition of existing stud wall partition and doors to Existing Store, Lobby, Offices, etc.	1,010	m²	55	55,550		
D	Demolition of existing masonry walls	344	m²	230	79,120		
E	Remove existing doors and dispose off site	44	nr	100	4,400		
F	Remove existing sanitary appliances including basins, wc, etc	10	nr	150	1,500		
G	Demolition of the link (walkway) currently providing access to north side of the Deck level (area to be confirmed)	60	m²	110	6,600		
2B	<u>Refurbishment Works to Main Tower</u>						
H	New reinforced insitu 300mm RC slab (Infill flooring) to existing void for new Reception (ground), Residential (mezzanine), Office (walkway), Residential (Walkway +1)	354	m²	350	123,900		
J	New enclosure (concrete wall) to cover areas at Office level/Walkway +1 to create new residential units	427	m²	500	213,500		
K	Forming floor opening to entrance lobby on Mezzanine and Walkway level	1	Item	10,000	10,000		
L	New staircase at entrance lobby (9.5m high) and forming new lift core including building into existing structure	1	Item	30,000	30,000		
M	New lift; ground to Walkway level (assumed for 8 person; 3 stops)	1	nr	45,000	45,000		
N	New footbridge (composite deck with balustrade) to provide access from lift to the walkway level	1	Item	10,000	10,000		

Stage D Cost Estimate Breakdown:

Item	Descriptions	Qty	Unit	Rate £	Total £		Total £
2B	<u>Refurbishment Works to Main Tower (Cont'd)</u>						
A	New entrance lobby/offices, play area, office, boxing club, office, W/C, etc at Ground and Walkway level including new partition, new floor, wall and ceiling finishes, doors, upgrade/modification of M&E services as per Studio E draft specification dated 26.9.12	950	m²	750	712,500		
B	2-storey new internal glazed barrier screen to void (Mezz to Walkway level)	67	m²	450	30,150		
C	New residential units at Mezzanine and Walkway +1 Level including new partition, new doors, new floor, wall and ceiling finishes, kitchen fittings and cupboards, sanitary appliances, upgrade/modification of M&E services as per Studio E draft outline specification dated 26.9.12	933	m²	770	718,410		
D	Remove existing windows and New double-glazed central pivot windows with manual purge ventilators (to deal with over heating issue) including new timber surrounds to existing windows opening to whole tower	2,171	m²	470	1,020,370		
E	New cladding including insulation to existing precast concrete panel (allow say VMZinc Rain screen Cladding) to tower	3,215	m²	260	835,900		
F	New curtain wall to tower	505	m²	450	227,250		
G	New Render including insulation and inner leaf at £200/m2 (Assumed existing strips of concrete spandrels between column are sound and to be retained and can be used as support for new insulation and cladding without any replacement required as per Curtins Consulting Stage D report)	291	m²	200	58,200		
H	New brickwork to tower	285	m²	300	85,500		
J	Minor refurbishment works to existing 20-storey flats (120 units) including services encasement and bulkhead ceiling for high level services encasement	1	item	142,500	142,500		
K	Minor refurbishment works to existing 20-storey lift lobby including services encasement and new bulkhead plasterboard ceiling and relocation of existing lighting from ceiling to wall	1	item	33,700	33,700		
L	Remove existing canopy and install new metal cantilever canopy including linear led fittings to underside of canopy (Cost included in cost plan but not in drawings for planning application purposes)	300	m²	650	195,000		
M	Remove existing covering, install new insulation and bituminous mineral felt roof covering on roof and around plant room (lower roof)	500	m²	150	75,000		
N	PPC Aluminium (100x450) screen (4.5m height) at 600c/c supported on structural frame from existing precast concrete beam	1	Item	25,000	25,000		
O	Cap-off and modification/adaption of existing communal heating system	1	Item	10,000	10,000		
P	Cap-off incoming heating and hot water services to apartments; connect new hot water cylinder to pipework	128	nr	500	64,000		
Q	Removal of redundant central plant and pipe works for existing heating system, electrical	1	Item	25,000	25,000		
R	New gas absorption heat pump and top up boiler (There's sufficient space on the roof and the existing structure able to receive the load of the water storage as per Curtins Stage D report)	1	Item	80,000	80,000		
S	New 100mm diameter mild steel gas pipe from basement to roof top plant room (assumed new pipe attach to outside of building)	165	m	118	19,470		

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Stage D Cost Estimate Breakdown:

Item	Descriptions	Qty	Unit	Rate £	Total £		Total £
2B	<u>Refurbishment Works to Main Tower (Cont'd)</u>						
A	New water circulation pumps	4	Nr	1,000	4,000		
B	New replacement DHW storage vessel (main pressure)	128	Item	565	72,320		
C	New control valve and new pipework with riser	128	Item	125	16,000		
D	Removing existing pipework and storage tank	128	Item	98	12,544		
E	New tees and isolation valves to existing DHW pipework	128	Item	356	45,568		
F	Room heating controller	128	Nr	246	31,488		
G	New larger radiators including pipework	128	Nr	1,348	172,544		
H	New Heating system and Pipe works for Office, Nursery, Boxing Club, common area at Ground floor and Walkway/Deck level	951	m²	50	47,550		
J	BMS point and Heat meters for billing (as advised by Max Fordham)	86	nr	450	38,700		
K	Sharky 775 M-bus Ultrasonic Compact Heat meters (20mm diameter) to lease holders flat and new residential flats on podium level	19	nr	800	15,200		
L	Sharky 775 M-bus Ultrasonic Compact Heat meters (40mm diameter) to nursery, boxing club, reception office and office	4	nr	1,600	6,400		
M	B-meters 20 M-bus Screwed hot water meter for measuring DHW (for billing)	19	nr	800	15,200		
N	B-meters 40 M-bus Screwed hot water meter for measuring DHW (for billing)	4	nr	1,600	6,400		
O	Renewing main low temperature hot water (LTHW) distribution pipework (6 risers, flow and return)	780	nr	35	27,300		
P	Allow a provisional sum for upgrading smoke extract system (subject to confirmation of scope of work by Fire Engineer)	1	PS	100,000	100,000		
Q	Domestic Smoke detectors/fire detector with power supply to existing flats to comply with BREEAM	50	nr	75	3,750		
R	Domestic Carbon Monoxide (CO) detectors with power supply to existing flats to comply with BREEAM	50	nr	75	3,750		
S	Allowance for kitchen extract ventilation (assumed local extract going out of façade of building)	128	nr	500	64,000		
T	Allowance for WVC and bathroom extract fans replacement (to retain existing ducts etc)	256	nr	250	64,000		
U	Allowance for extra over to existing communal satellite	1	Item	15,000	15,000		
V	Allowance for 10 New CCTV camera	1	Item	50,000	50,000		
W	New emergency lighting to common/lobby areas	60	Nr	200	12,000		
X	Allow 10% for Builder's Work in Connection with Services	1	Item	106,700	106,700		
Y	Removal of asbestos/contaminated substances (further investigation require to allow for costing)				Exclusion		

Stage D Cost Estimate Breakdown:

Item	Descriptions	Qty	Unit	Rate £	Total £		Total £
3	Landscaping Works						
A	Removal of stepped ramp (external) as per Keanes quote dated 6.11.12	1	Item	32,000	32,000		
B	Alteration to existing levels and New permeable rubber crumb safety surface to where stepped ramp removed	380	m²	130	49,400		
C	Remove existing floor finishes and new exposed aggregate concrete pavers on existing sub-base around the tower	1,085	m²	120	130,200		
D	Trees grille to trees in hard paving	1	Nr	600	600		
E	Tree planting in paving - semi-mature min 70cm girth	1	Nr	5,000	5,000		
F	Cycle stands, assumed 13 nr stainless steel cycle stand	1	item	8,650	8,650		
G	Retractable bollards	3	Nr	5,000	15,000		
H	Allowance for new fencing and gate to area exposed by the removal of existing ramp	1	Item	5,500	5,500		
	Sub-total						6,652,319
4	Preliminaries costs (Construction period of 64 weeks), say 15% of Construction Cost:						997,848
5	Sub-total:						7,650,167
6	Contingency allowance @ 10%, say	10.0%					765,017
7	Total Estimated Construction Cost at current prices at 4th Quarter 2012 (excluding VAT):					Say	8,415,000
8	Total Professional Fees						900,000
9	Total Survey Fees (site and level, concrete testing, pipework, access for disable) and other cost (BREEAM)						50,000
10	Total Planning and Building Control Fees, Section 106						100,000
11	KCTMO Fees						180,000
12	Overall Project Cost (excluding VAT):					Say	9,645,000

APPENDIX B

RISK REGISTER

No	Category	Title	Risk Cause What is it about the project that gives rise to a risk?	Risk Description What is the event or circumstance that makes the risk materialise?	Risk Effect When the risk occurs, how will it affect the project objectives?	Pre Control					Mitigation Risk Action Plan	Risk Control Owner/Leader	Action By Date	Status	COMMENTS (incl. notes on basis of quantification and valuation of risk provision)
						Identify	Control	Monitor	Review	Escalate					
1	Scope	BREEM Very Good	There is a Planning Recommendation to achieve BREEM Very Good. We have been advised that we need to satisfy any areas where we do not fit the mandatory points and therefore cannot achieve Very Good.	There is a risk that the scheme will be required to achieve BREEM Very Good despite our scope not including works to mandatory areas.	Breach of Planning Requirement - additional costs to meet additional points to achieve BREEM Very Good	2	3	1			Engage with planning consultant to justify why the scheme does not include mandatory points. Mandatory points schedule table the cost of work on against and the scheme's own cost.	Mark Waterson	Ongoing	Open	Currently we have enough points in pre-assessment to reach Very Good although we need mandatory points for the scheme's own cost.
2	Planning	Planning submission	A new planning submission is required following the AAP in November.	There is a risk that the Planning Submission is not well received and further amendments are required following the public consultation period.	Delay to the Planning process by one or more months (until next Committee meeting)	2	4	5			Specifically TMO to conduct resident talks, meeting. Generally monthly resident meetings, installations, focus group and the key member is of the steering group.	Mark Waterson / Colin Chiles	12/1/12	Open	Public consultation have been taking place fortnightly and resident focus with updates have been a success as a. The concerns seem to be centred on the building material and external space issues. The first planning submission was submitted on 10/10/12.
3	Planning	Highways	Loss of 2 parking spaces where proposals have not yet been approved.	Planning objections are possible as a result of loss in parking spaces.	Delay to the Planning process by one or more months (until next Committee meeting)	3	2	2			Cycle owners to be provided in accordance with Highways requirements.	Mark Waterson	14/2/12	Open	Mark Waterson has commented that should sufficient cycle ways be provided the highways requirement will be met.
4	Design	Materials	External materials need to be agreed on as a planning condition.	There is a risk that the external materials proposed will have to be changed or replaced as a result of planning condition.	Delay to cost certainty and therefore programme. The external materials will be replaced by one or multiple materials. Cost of site can be delayed.	5	1	3			According to the material samples received in good time to allow any pre-commencement conditions to be discharged.	Chris Clanchman	Ongoing	Open	Co-ordinator is not a risk here as the same consultant is working for both projects. Therefore the risk is somewhat already mitigated and hence a lower impact.
5	Design	Materials	Difficulties in agreeing external materials on KALC. There are no known what we are working on to get to the point where we can finalise our design.	External materials from KALC have a potential to impact on our design.	Delay to finishing landscape design and design sign off.	5	1	2			No further actions necessary as we are consulted is present in both projects and is aware of the risk.	Chris Clanchman	Ongoing	Open	Co-ordinator is not a risk here as the same consultant is working for both projects. Therefore the risk is somewhat already mitigated and hence a lower impact.
6	Site conditions	Asbestos	Full a building of the age asbestos will almost certainly be present. We have not yet had full asbestos surveys of all areas to ascertain extent of asbestos.	That asbestos asbestos is detected by accident and contamination of site and work done.	Very long delays and extra costs. The risk is not managed effectively.	5	5	5			Full reports to ascertain the extent of asbestos in the building. Contingency needed in case we find some more. We can approach HSC with method statements and our contingency allowance. We expect the others to be similar and we need to notify HSC of a testing plan to keep updated and manage the additional. Asbestos in the site is not a problem based on the report. Full asbestos has been surveyed i.e. to survey the full site. Remove asbestos work is needed, manage where works are to be carried out.	Ruth Gahleitner / Nick Anderson / Colin Chiles	Ongoing	Open	Two of the sites are not available, one of which has been surveyed.
7	H&S	Accidents	Accidents or near accidents to workers or loss of restricted access to the site.	Partially or serious injury can be caused by the risk.	The risk will be investigated and closed and resolved have a statement affect on programme and cost.	1	5	5			It is crucial to effectively measure and place in ground time and that site staff are protected and aware of the risk. Construction H&S plan to be agreed with CDAC ahead of the start.	Colin Chiles / Keith Russell	Ongoing	Open	
8	Site conditions	Unsure findings	We are trying to identify existing concrete panels and the extent cannot be certain that the findings will be accurate and will fail.	The new information coming away from the findings and causing delay of the stage.	Large cost and time delay as well as the risk of injury or death.	1	5	5			It is crucial to effectively measure and place in ground time and that site staff are protected and aware of the risk. Construction H&S plan to be agreed with CDAC ahead of the start.	Colin Chiles	Ongoing	Open	
9	H&S	Resident's Access	Works to the base and the surrounding road will mean access and the change route is a blocker or may be not successful.	Access to residents has to be maintained at all times.	Resident and stakeholder complaints to H&S and any access for both ingress and egress.	2	1	2			It is crucial to effectively measure and place in ground time and that site staff are protected and aware of the risk. Construction H&S plan to be agreed with CDAC ahead of the start.	Colin Chiles	Ongoing	Open	
10	H&S	CDAC Regs	Statutory documentation required in respect of dangerous operations under CDAC regulations.	Documents not being in place when works are conducted by H&S or in a suit following accidents (see risk advice).	Risk closure, full audit. Controlled and all associated being provided by the H&S.	1	3	5			CDAC to inform of requirements of all team to produce documentation when needed. All team to forward risk assessments to CDAC in the first instance.	Alt / Keith Russell	Ongoing	Open	
11	H&S	Alarm systems	Damage to fire supply and as a consequence supply being cut off.	There is a risk that fire works are progressing on site as alarm systems are increasingly being needed.	Damage caused by the not being notified of potential available policies. Flexible programme and cost.	1	3	3			It is crucial to effectively measure and place in ground time and that site staff are protected and aware of the risk. Construction H&S plan to be agreed with CDAC ahead of the start.	Colin Chiles	Ongoing	Open	

Project Risk Register

[illegible]

Project Risk Register



27	Contract	Sale boundary.	Sale boundary may not defined for Contract.	Will we need to be able to do it? Will N/A/C legal sale and cost issue. Agreement? Issues to be in place to allow the sale per programme.	On-going programme whilst licences are obtained for availability outside the Contract sale.		1	1	1				Charmaine J. A. F. Chiu: If the signed sale boundary will allow C to agree. Scope of works that will be agreed in a timeline with Contractor. If the signature the deal close to allow work to progress when needed.	All	15-1-12	Open	
28	Timescale	Specialist contractor's location	The project relies on specialist subcontractors.	There is a risk that a particular could go down market.	Ability to project install. Delays to project start.	3	0	2					All contracts to be awarded throughout before being by project. L&L will get jobs for cards and also time as basis for the security of all the projects. Therefore supplier who have full details of the businesses and address of agents to their sub-contractors on 6 months basis.	Colin Chiu	Ongoing	Open	Contractor's task
29	Design	Part I Requirements	There may be a need to comply with Part I requirements and therefore increase the scope of works.	Team ensure more time used to provide contractors under Part I of the building regs.	Could there a need impact if one works are worked under the reg. the other requires. Large cost impacts	2	0	3					Main Position to confirm exact requirements.	Andrew McCull	15-1-12	Open	
30	Internal Design	Regulatory Requirement: Electrical	Acknowledged works may cause compliance with the Regulations to review which may mean a revision, or that cannot then need to be approved.	The current approach may not be accepted.	Risk to cost of having to prepare extra options.	3	0	3					Full design to be undertaken at PMS stage II	Andrew McCull	15-1-12	Open	
31	Planning	Judicial Review	Cost process is not resolved completely.	There is a risk of any potential costs relating to a Judicial Review of any Planning Decisions.	Ability to programme and therefore cost.	1	2	2					Allow a period on project timeline before construction commences awareness.	Alan Johnson	15-1-12	Open	Approval should be via and programme showing RFP. MAY commented that any RFP would be not competitive
32	Site	Extreme Weather	Extreme weather is happening more often.	There is a risk of "it in a 100 year event"	High winds may have a performance effect on programme.	1	0	3					Method of working must ensure use to be used to mitigate risk of high wind most affect on programme.	All	Ongoing	Open	
33	Stakeholder	Personne Change	There are several services in the project. There is a risk of no company person so my people be lost.	There is a risk that key personnel may leave the project.	Delay would result while a replacement was found and brought up to speed?	1	0	3					Everyone to identify the people in place to allow someone to step up and assume responsibility	All Team	Ongoing	Open	
34	Scope	Work Item	There are some items that are not covered in the contract. It is a risk that the project will be delayed.	There is a risk that the project will be delayed.	Potentially, delays in the project will be delayed.	3	0	3					Ensure that the project is completed in a timely manner.	Colin Chiu	15-1-12	Open	Contractor's task
35	Scope	Project or Building Control Responsibility for Design Work	There is a risk that the project will be delayed.	There is a risk that the project will be delayed.	Potentially, delays in the project will be delayed.	3	0	3					Ensure that the project is completed in a timely manner.	Colin Chiu	15-1-12	Open	Contractor's task
36	M&E	Drainage	Due to integration with existing services, it is assumed that the part of the existing drainage can be retained and connected to.	There is a risk that the existing drainage is not good enough for connection and further additional work will be required.	Possible effect on design, cost, and programme.	3	0	2					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	Will require Contractor's task
37	M&E	Water Services	Existing services are to be re-used. Possible replacement if they are not good working order.	There is a risk that the services cannot be reused.	Possible effect on design, cost, and programme.	3	0	2					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	Will require Contractor's task
38	M&E	Dry-Tier	Close to integration with existing services, it is assumed that the existing dry tier can be retained and connected to where needed.	There is a risk that the existing dry tier is not good enough for connection and further additional work will be required.	Possible effect on design, cost, and programme.	3	0	2					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
39	M&E	Smoke Exhaust	It is assumed that the existing smoke exhaust system and fans can produce the required extract rate.	There is a risk that the smoke may need remedial work.	Possible effect on design, cost, and programme.	2	0	3					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
40	M&E	Ventilation	It is assumed that the existing suitable ventilation units and fan air pressure the required extract rate.	There is a risk that the smoke may need remedial work.	Possible effect on design, cost, and programme.	2	0	3					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
41	M&E	CCTV	It is assumed that the new CCTV system can interface with the existing.	There is a risk that the CCTV installation may need not interface and hence a full replacement.	Possible effect on design, cost, and programme.	3	0	2					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
42	M&E	Access Control	It is assumed that the new access and door control system can interface with the existing fire alarm system.	There is a risk that the entry control installation may need not interface and hence a full replacement.	Possible effect on design, cost, and programme.	3	0	2					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
43	M&E	Lighting and Emergency Lighting	Several lighting and emergency lighting to be replaced unless directly affected by works. Assumed to be in good working order.	Changes to design and large scale cost.	Changes to design and large scale cost.	2	0	4					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
44	M&E	Low Voltage Distribution	Low voltage equipment is shown to be re-used. Assumed in good working order.	Changes to design and large scale cost.	Changes to design and large scale cost.	2	0	3					Possible surveys to be conducted with advice from MF, LB to satisfy themselves that connection is feasible.	Mark Anderson / Colin Chiu	Ongoing	Open	
45	Cost	Fuel Insecurity	The fuel is becoming increasingly unstable on a currency.	There is a risk of a scenario from fluctuations of oil price movement.	Uncertainty would result in difficulties securing supply chain and therefore delay the programme.	2	0	0					Being planned	Colin Chiu	Ongoing	Open	Contractor's task

APPENDIX C

CDM REGISTER /REPORT

CDM Report

The overall objectives of Health & Safety on this project are to ensure that, as far as is reasonably practicable, to avoid serious or life-threatening accidents to any person employed on or visiting the site or to any member of the general public. Minor accidents are reduced to a minimum and that lost working days caused through accident or ill-health are significantly reduced from the construction industry "norm". Which will also include post construction, use, during cleaning and maintenance and during future alteration/demolition.

As solutions to the various design parameters evolve an appropriate level of consideration will be given to health and safety matters thus helping to ensure that the principles of 'safety-in-design' have been followed, namely:-

Eliminate hazards wherever reasonably practicable to do so.

Introduce alternatives, where elimination has not been possible, that minimise the risk presented by the hazards.

Determine suitable controls to manage the potential for residual hazards to cause harm during the installation of the works and future use of the facility.

Project team meetings, design team workshops and meetings with specialist contractors are to be held to discuss specific key areas of the scheme and establish the main principles to be followed as the design proceeds through the planning and detail stages.

The principals of CDM, 2007 Regulations, have been adopted by the whole team and will continue to be employed throughout the design stages and during procurement processes and ultimately by the appointed Principal Contractor.

The Pre - construction Health & Safety information will provide information (obtained by the CDM Co-ordinator from the client, designers, consultants, reports and surveys and existing information specific to this project) and instruction to all persons engaged on the project.

- Asbestos report issued 29/05/12 (carried out between July 1999 and December 2009)
- Management survey dated 04/07/11
- Refurbishment and Demolition survey to flat 91 dated 31/05/12

The Principal Contractor will be made aware of any risks, (identified up to that time) that cannot be avoided or designed out of the project. These will be addressed in the Construction Phase Health & Safety Plan, which will be developed by the Principal Contractor.

The designs proposed have intrinsic construction and residual risks associated with both the temporary works requirements in construction and the management implications to the end-user. These elements have been identified as such and are to be the subject of particular workshops involving all affected parties.

General information on the site is now available and specific site investigations designed to provide the level of detail required by the designers have been requested. These surveys have been or are being instructed at the present time, or have been carried out with the resulting information being provided to the team.

An intrusive (Refurbishment and Demolition) asbestos survey was carried out in flat 91 on 31/05/12 which resulted in the discovery of asbestos containing materials (ACMs) in the textured coating material in the lounge and the panel above the hall cupboard door.

This was further confirmation that ACMs are present, therefore it is recommended that further R&D surveys will need to be carried out. The programming of these will need careful planning as these can only be carried out in unoccupied flats.

Construction sequencing and strategic project planning will need to be considered by the design team, the basis of which being that the existing building will be in use/occupation during works. A major element of this will be any requirement for the occupants to remain in-situ during the construction phase and how this is managed.

Security of the building and site accommodation will be of paramount importance to protect the public and occupants from site activities once construction works commence. A brief to ensure the necessary high level of protection will be developed as part of the tender requirements.

Access to the construction site will need to allow safe access and egress for site vehicles with a minimum of disruption or inconvenience to the adjacent buildings, infrastructure, motorist and pedestrians.

Detailed considerations will also be given to the needs of the future building management team in regard to the servicing of the building

In the next design stage there will be a move toward a more robust and detailed review of the Health & Safety risks associated with the proposed designs. The CDM Coordinator will open a 'CDM Risk Register' which works in the manner of a risk register and targets the major risk elements identified by the design, and later, the construction teams.

Facade

During the on-going development of the design, a number of specialist/experts are to be consulted including Façade treatments. Discussions will determine an architecturally desirable, structurally viable and cost effective solution and the ideas gathered being incorporated into a performance specification for a tendered procurement of this vital element of the project. An attractive, durable finish and ease of maintenance are among the top priorities in the choices that are being considered. The advice obtained from the specialist contractors will provide the design team with a choice of solutions from which they can ensure the chosen facade system will be practical and safe to construct and maintained using currently available standard products with normal industry techniques and access equipment. A balance is therefore needed between the aesthetic and the functional properties of the design.



Keith Bushell
Director of Project Safety

For and on behalf Appleyards

CDM RISK REGISTER		
Project:	Grenfell Tower	Issue No: 1
Project No:	11833.03	Date: Dec
The CDM Risk Register has been prepared for the purpose of maintaining a record of risks identified and the progress of the control measures implemented to eliminate or reduce the risks. The CDM Risk Register is not to be taken to replace the assessments carried out by designers or others or in any other way to reduce the requirements on duty holders under the Construction (Design and Management) Regulations 2007.		

ITEM	HAZARD	RISK CONTROL MEASURE (RCM)	RCM OWNER	STATUS
1.0	THE EXISTING ENVIRONMENT			
1.1	Asbestos	R&D Surveys to be carried out	Client/DT/PC	
1.2	Existing Services	Survey, existing drawings	Client/DT/PC	
1.3	Occupied Building	Phasing of the work - tba	Client/DT/PC	
1.4				
2.0	CONSTRUCTION			
2.1	Retain access route and means of escape	Strategy to be agreed and documented.	Client/DT/PC	
2.2	Continued access to site.	Strategy to be agreed and documented.	Client/DT/PC	
2.3	Site accommodation	tba	PC	
2.4	Welfare facilities	As Schedule 2 of CDM regulations	PC	
2.5	Noise	Strategy to be agreed and documented.	PC	
2.6	Dust	Strategy to be agreed and documented.	PC	
2.7	Live services in the construction area required to serve the occupied areas of the building.	Work cannot be carried out until the contractor is satisfied that the locations of all service routes in the vicinity of the works have been verified. Once identified all parties on site will be informed and details included in the Construction-phase Health and Safety Plan.	PC	

CDM RISK REGISTER	
Project: Grenfell Tower	Issue No: 1
Project No: 11833.03	Date: Dec
The CDM Risk Register has been prepared for the purpose of maintaining a record of risks identified and the progress of the control measures implemented to eliminate or reduce the risks. The CDM Risk Register is not to be taken to replace the assessments carried out by designers or others or in any other way to reduce the requirements on duty holders under the Construction (Design and Management) Regulations 2007.	

ITEM	HAZARD	RISK CONTROL MEASURE (RCM)	RCM OWNER	STATUS
2.8	Asbestos removal	Agree programme and metod statement (occupied building)	Client/DT/PC	
2.9	Over cladding	Agree programme and metod statement (occupied building)	Client/DT/PC	
3.0	MAINTENANCE, REPAIR, ALTERATION, ETC.			
3.1	Access to plant location.	TBA		
3.2	Access around plant.	TBA		
4.0	USE			
	TBA			
5.0	EVENTUAL DEMOLITION/DECOMMISSION			
	TBA			

APPENDIX D

CONTRACTOR'S CONSTRUCTION GANTT CHART

TO FOLLOW

APPENDIX E

IESE COST-TIME BENEFITS ANALYSIS

Project Name: Grenfell Tower Regeneration Project
 Authority: Kensington and Chelsea Tenant Management Organisation
 Point of Contact: JCT Design and Build 2011
 Contract: Leadbitter Group
 IESE Consultant Team Lead: 19th December 2012



Baseline Costs
 Ground floor
 Upper floors
 99%

687,602
 77,000
 1,647,800
 12,277,000

687,602
 77,000
 1,647,800
 12,277,000

687,602
 77,000
 1,647,800
 12,277,000

Whole Project	As Provided for in ITT (Client Advice)				Post Award for Pre-construction Review with Contractor				At Contract Formation - Gateway 3				At Final Account / Completion KPI Review				
	Date	24th July 2012	Date	19th December 2012	RIBA Stage	D			Date	19th December 2012	RIBA Stage	D		Date	19th December 2012	RIBA Stage	D
Demolition & Abandonment	222,345	2.7%	222,345	2.7%	8.2%	19,720			195,120	1.5%	195,120	1.5%		195,120	1.5%		
Structures	0	0.0%	0	0.0%	0.2%	14,845			14,845	0.1%	14,845	0.1%		14,845	0.1%		
Superstructure	3,402,885	42.6%	3,402,885	42.6%	0.3%	20,110			193,110	1.5%	193,110	1.5%		193,110	1.5%		
Interior Finishes	527,422	6.0%	527,422	6.0%	11.1%	17,100			170,100	1.4%	170,100	1.4%		170,100	1.4%		
Building Floor Fittings and Partitions	230,422	2.4%	230,422	2.4%	1.0%	10,100			10,100	0.1%	10,100	0.1%		10,100	0.1%		
M&E Services	270,516	2.9%	270,516	2.9%	0.1%	1,010			1,010	0.0%	1,010	0.0%		1,010	0.0%		
External Works	959,123	1.3%	959,123	1.3%	0.0%	10,100			10,100	0.0%	10,100	0.0%		10,100	0.0%		
External Utilities Works	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Roofs	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Preconstruction Management Fee	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Contractors Preliminaries	661,511	11.6%	661,511	11.6%	3.5%	33,637			33,637	0.3%	33,637	0.3%		33,637	0.3%		
Overheads and Profit	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Materials	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Contingency	720,253	8.1%	720,253	8.1%	0.5%	25,110			25,110	0.2%	25,110	0.2%		25,110	0.2%		
Contractors Design Fee (in COP or D&B)	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Losses F&E	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Losses F&E	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
ICT	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Construction Contract Value	8,131,000	100.0%	8,131,000	100.0%	0.0%	20,110			193,110	1.5%	193,110	1.5%		193,110	1.5%		
GIFA M	12,277		12,277		0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Construction Contract Cost (M)	85		85		0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Benchmarking Whole Project Performance																	
Automated Asset numbers above	8,131,000	99.0%	8,131,000	100.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Less Demolition & Abandonment	222,345	(2.7%)	222,345	(2.7%)	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Less External Utilities Works	959,123	(11.8%)	959,123	(11.8%)	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Less Materials	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Less Preconstruction Management Fee	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Less Losses F&E	0	0.0%	0	0.0%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Benchmark Construction Cost (M)	7,908,655	97.3%	7,908,655	97.3%	0.0%	0			0	0.0%	0	0.0%		0	0.0%		
GIFA M	12,277		12,277		0.0%	0			0	0.0%	0	0.0%		0	0.0%		
Benchmark Construction Cost (M)	85		85		0.0%	0			0	0.0%	0	0.0%		0	0.0%		

TIME		Start date	End date	Weeks	Start date	End date	Weeks	% variation from ITT	Specific Changes Wks	Start date	End date	Weeks	% variation from Award	Specific Changes Wks	Start date	End date	Weeks	% variation from Contract	Specific Changes Wks
Preconstruction Phase		10/05/2012	10/05/2012	37.6	10/05/2012	10/05/2012	37.6	0.0%	0.0%	10/05/2012	10/05/2012	37.6	0.0%	0.0%	10/05/2012	10/05/2012	37.6	0.0%	0.0%
Construction Phase		10/05/2012	10/05/2012	64.8	10/05/2012	10/05/2012	64.8	0.0%	0.0%	10/05/2012	10/05/2012	64.8	0.0%	0.0%	10/05/2012	10/05/2012	64.8	0.0%	0.0%
Total		10/05/2012	10/05/2012	102.4	10/05/2012	10/05/2012	102.4	0.0%	0.0%	10/05/2012	10/05/2012	102.4	0.0%	0.0%	10/05/2012	10/05/2012	102.4	0.0%	0.0%

Construction Pre-award fee

Please refer to the main contract for details of the fee structure.

Guidance Notes

Only 'In Value' items are included in the total.

Costs are inclusive of VAT.

Only 'In Value' items are included in the total.

Costs are inclusive of VAT.

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Costs are inclusive of VAT.

Only 'In Value' items are included in the total.

Costs are inclusive of VAT.

Summary of Period Scope Changes		£ (approx)	Time (wks)	Summary of Period Scope Changes		£ (approx)	Time (wks)	Summary of Period Scope Changes		£ (approx)	Time (wks)
Construction		8,131,000	102.4	Construction		8,131,000	102.4	Construction		8,131,000	102.4
Total Scope Change		0	0	Total Scope Change		0	0	Total Scope Change		0	0
Adjusted Project Value		8,131,000	102.4	Adjusted Project Value		8,131,000	102.4	Adjusted Project Value		8,131,000	102.4

Signed Client		Signed Client		Signed Client	
Name		Name		Name	
Date		Date		Date	

APPENDIX F

APPLEYARD'S NOVEMBER BOARD REPORT



PROGRAMME BOARD REPORT

**For the Royal Borough of Kensington and
Chelsea Tenant Management Organisation**

Relating to the

Grenfell Tower Regeneration Project

November 2011



Approval Sheet and Foreword





Our ref: 11833

PROGRAMME BOARD REPORT

For

ROYAL BOROUGH OF KENSINGTON AND CHELSEA TENANT MANAGEMENT
ORGANISATION

GRENFELL TOWER REGENERATION PROJECT

Document Status/Issue No: FINAL		Date of Issue: 7 th November 2011
Issued to: Mark Anderson		Job No: 11833
	Name	Signature
Author:	David Hale BA (Hons)	
Checked & Approved:	Alun Dawson BCs (Hons) MCIOB MAPM	
Issued for and on behalf of Appleyards by the above signatories.	Tubs Hill House, London Road, Sevenoaks, Kent, TN13 1BL	Tel:  Fax:  Email: david.hale@appleyards.co.uk

FOREWORD

1. This document has been prepared by Appleyards with all reasonable skill, care and diligence within the terms of the contract with the Client and within the limitations of the resources devoted to it by agreement with the Client.
2. This document is confidential to the Client and Appleyards accepts no responsibility whatsoever to third parties to whom this document, or any part thereof, is made known. Any such party relies upon the document at their own risk.
3. This document shall not be used for project or contractual purposes unless signed above by the author and the approver for and on behalf of Appleyards, and unless the document status is 'Final'.

EXECUTIVE SUMMARY

The Grenfell Tower Regeneration Project (the “**Project**”) is currently at a public consultation stage of planning following the substitution of revised plans - we understand this will now be reviewed at the Planning Committee meeting scheduled in December.

The latest RIBA Stage C report was issued to the Royal Borough of Kensington and Chelsea Tenant Management Organisation (the “**TMO**”) on 5th November 2012 and subject to any formal comments or feedback, the intention is to now move swiftly to Stage D sign off by the end of November.

This is all with a view to commencing on site in the first quarter of 2013 to target completion by the end of September 2014, in line with the completion of the academy on the Kensington Academy & Leisure Centre (“**KALC**”) scheme.

To facilitate all of the above, this report now recommends that a Pre-Construction Agreement (the “**Agreement**”) be entered into forthwith between the TMO and Leadbitter (the “**Contractor**”) in the sum of £6,240 excl VAT relating to the delivery of the Pre-Construction Services all as set out under the Improvement and Efficiency South East (“**IESE**”) Framework.

The Contractor and Design Team (who shall be novated to the Contractor - through a single appointment to Studio E - to coincide with RIBA Stage D sign-off) for the Project are to be appointed and procured on the same basis as the KALC scheme in accordance with the IESE Framework.

1.0 IESE FRAMEWORK

Following the issue of a Prior Information Notice on 7th May 2010 and subsequent Supplier day held on 2nd June 2010, Hampshire County Council on behalf of Improvement and Efficiency South East published an OJEU Notice for:

IESE South East & London Construction Framework for Major Projects.

This superseded the existing IESE Major Projects Construction Framework which ceased to be operational in July 2011.

Following the OJEU process and subsequent evaluation, Leadbitter, amongst several other contractors were successful in securing their position on the new framework.

2.0 PROCUREMENT OF KALC & GRENFELL TOWER

The Royal Borough of Kensington & Chelsea ("RBKC") then sought to procure both Pre-Construction and Construction Services for the KALC project under the new IESE Framework.

The Invitation to Tender was put forward to 8No Framework Contractors on 20th January 2012, of which Leadbitter were a part, and 6No returned Tenders.

Procurement under IESE is a two-stage selection process involving a Mini Competition and then the award of Works Contract.

3.0 MINI COMPETITION

The purpose of the Mini Competition is to seek Contractor's submissions to provide Pre-Construction Services on a fee basis, including open book sub-contract tendering and culminating in the Contractor's Proposals – in the case of Grenfell Tower these are to be provided at Stage E.

Mini Competition: Part 1 is a 'light touch' designed to assess the bidders' proposed team and appreciation and understanding of the project and service proposals.

During this initial process, clarifications were issued in February 2012 that included the addition of the proposed regeneration works to Grenfell Tower. It was noted that the works were to be carried out under a separate contract but in parallel with the programme for KALC.

As a result a sum of £6,240 was agreed as a suitable amount for the Pre-Construction Services relating to Grenfell Tower.

Contractors submissions were then scored and assessed in accordance with the IESE evaluation criteria with the top 4 bidders then invited to complete Mini Competition Part 2 which is a 'hard gate'.

Mini Competition: Part 2 tested the bidder's project specific approach, understanding and engagement with the project. This part also tested the bidders' financial response to Overhead and Profit, Insurance and London Weighting percentage uplifts and project specific pre-construction and construction management resources and costs and indicative preliminaries costs.

The scores from Mini Competition Part 1 are carried forward to Part 2.

The results of the Mini Competition evaluation demonstrated that Leadbitter's response represented the most economically advantageous offer to RBKC (and so the TMO in respect of Grenfell Tower) - accordingly it is recommended that Leadbitter be appointed for the provision of the Pre-Construction Services in accordance with the terms of the Pre-Construction Agreement as set out under the IESE Framework.

4.0 AWARD OF WORKS CONTRACT

Moving forwards, this second stage of the IESE procurement process will then aim to achieve acceptance of the Contractor's Proposals and award of the works contracts by way of Programme Board approval in January 2013.

The selected Contractor, in this instance Leadbitter, once appointed on the basis of the Pre-Construction Agreement to discharge the Pre-Construction Services will work collaboratively with the Authority's Employer's Agent during the Pre-Construction stage to achieve this.

Following successful completion of the Pre-Construction stage, the intention is then to enter into a single contract for Grenfell Tower in accordance with the IESE Framework recommended form.

A key cost benefit matrix will be used in accordance with IESE framework monitoring requirements where there are three key gateways:

- Costs aligned against elements of works at ITT (in this case using Appleyards budget cost estimates for Stage C)

- Costs aligned with Pre-Construction Agreement is in place (in this case Stage D)
- Costs aligned at Contract Formation

A financial close target of 80% cost certainty for award of contracts by January 2013 is being sought to enable the Contract to be finalised.

5.0 DELIVERABLES FROM THE CONTRACTOR

Under the IESE Framework, Contractors are then required to carry out a number of activities and issue outputs at the appropriate stage as the design and project develops through each RIBA stage all as more particularly detailed at Appendix A.

Contractors should develop these outputs in conjunction with the Client's team and update regularly as the design develops and/or further information becomes available.

Appendix A is based upon Contractors being appointed or commencing activities at the beginning of each RIBA stage. Should the Contractor be appointed part way through a RIBA stage the Employer's professional team would need to amend the activities/output appropriately.

APPENDIX A

	RIBA Stage	Description	Contractors Activity	Contractors Outputs
A	Appraisal	Client requirements, feasibility, option appraisals	<ul style="list-style-type: none"> • Not appointed for this stage 	
B	Design Brief	Development of Design Brief. Identification of procurement method, organisational structure and range of resources required.	<ul style="list-style-type: none"> • Not appointed for this stage 	
C	Concept	Implementation of Design Brief. Preparation of concept design including outline proposals for structural and services systems with outline specifications. Preliminary Cost Plan. Review of procurement route	<ul style="list-style-type: none"> • Not appointed for this stage 	
D	Design Development	Development of concept design. Updated outline specification and cost plan. Completion of project brief. Planning application	<ul style="list-style-type: none"> • Attend design team and project meetings including Gateway 2 • Attend and contribute to value engineering and risk management meeting/workshops • Identify and highlight project opportunities • Develop project execution plan (PEP) with project team including pre and post construction programmes • Review design solutions, providing advice on added value, buildability, carbon, BREEAM, waste and practical implications of proposals. • Set up workshops with key subcontractors to assist with design development/material selection • Assist employer's professional team with 	<ul style="list-style-type: none"> • Management structure • Management and project based preliminaries costs for each of the main parts of the project (including supporting calculations) and explanation of how costs relate to the Framework Agreement with inclusions/exclusions/assumptions identified. • Updated procurement strategy (covering items listed in previous stage) • Logistics Report • Project execution plan (PEP) (including overall project programme, design management and development, procurement and supply chain development, cost planning and package management,

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			<p>the preparation of the preliminary cost plan (or comment on cost plan allowances if already prepared).</p> <ul style="list-style-type: none"> • Assist employer's professional team with the implementation of change control process and tracking schedule • Input into cash flow forecast, whole life cost models and carbon calculation exercises • Highlight risks and concerns on a regular basis • Review and develop initial procurement strategy • Identify any contractor design work • Develop package based cost plan in conjunction with employer's professional team. • Market test mechanical and electrical package and any other relevant package • Review and update procurement strategy • Discuss and agree with employer's professional team subcontract packages which should be appointed early and how they should be tendered i.e. mini competition. • Advise the employer's professional team on the breakdown of the project into suitable packages for sub-contracts. Develop package procurement schedule. • Discuss interfaces between packages to ensure no gaps. • Agree a list of proposed subcontractors with the employer's professional team • Prepare draft subcontractor enquiry documents including contract terms, agree attendances with project team 	<p>meeting structure, value and risk management, sustainability, additional services)</p> <ul style="list-style-type: none"> • Cost Plan analysis and commentary report (including benchmarking of cost and design standards) for each of the main parts of the project • Pre-construction programmes for each of the main parts of the project (critical path, key mile stones and lead times including identification of any materials/components requiring advance ordering and processing) • Proposals and fees for contractor design work to be undertaken during the pre-contract period • Issue monthly report highlighting progress, achievements, critical issues and proposals • Cost Time Benefits profoma for each of the main parts of the project • Buildability Report • Procurement strategy report • Procurement package schedule which should include: <ul style="list-style-type: none"> • Name of each works package • Description of the scope of each package • Design and pricing information required for each package • Information release and tender dates • Traditional or CDP • Tender subcontract packages which have been identified and agreed with employer's professional team • Material/component system selection Report (i.e. M&E and façade) including cost and procurement commentary
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			<ul style="list-style-type: none"> • Develop outline construction programme • Develop project preliminaries 	<ul style="list-style-type: none"> • Outline construction programme (critical path, key miles stones and lead times including identification of any materials/components) for each main part of the project • Logistics Report including layout of site facilities and services • Drawing and information requirements and release schedule (procurement and construction) • Updated risk register with report on key construction risks including management and mitigation plans • Updates of management and project based preliminaries costs for each of the main parts of the project (including supporting calculations) and explanation of how costs relate to the Framework Agreement with inclusions/exclusions/assumptions identified. • Written confirmation of acceptance of procurement package based cost plan • Issue monthly report highlighting progress, achievements, critical issues and proposals
E	Technical Design	Preparation of co-ordinated technical design and specifications	<ul style="list-style-type: none"> • Attend design team and project meetings • Attend and contribute to value engineering and risk management meeting/workshops • Identify and highlight project opportunities • Update project execution plan (PEP) with project team including pre and post construction programmes • Review design solutions and provide advice including areas of waste reduction and BREEAM 	<ul style="list-style-type: none"> • Updated project execution plan (PEP) • Written confirmation of acceptance of procurement package based cost plan • Updated procurement strategy • Updated procurement package schedule which should include: <ul style="list-style-type: none"> ◦ Name of each works package ◦ Description of the scope of each package ◦ Design and pricing information required for each package

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			<ul style="list-style-type: none"> • Set up workshops with key subcontractors to assist with design development/material selection • Assist employer's professional team with the management of the package based cost plan including change control process and tracking schedule • Highlight risks and concerns on a regular basis • Update package based cost plan in conjunction with employer's professional team. • Update procurement strategy • Discuss and agree with employer's professional team subcontract packages which should be appointed early and how they should be tendered i.e. mini competition. • Update procurement package list and discuss interfaces between packages to ensure no gaps. • Update procurement package schedule • Update outline construction programme • Update project preliminaries • Input into cash flow forecast, whole life cost models and carbon calculation exercises 	<ul style="list-style-type: none"> ◦ Information release and tender dates • Tender subcontract packages which have been identified and agreed with employer's professional team • Updated outline construction programmes (critical path, key miles stones and lead times including identification of any materials/components) • Updated logistics report including layout of site facilities and services • Updated drawing and information requirements and release schedule (procurement and construction) • Updated reports on key construction risks including management and mitigation plans • Updates of management and project based preliminaries costs for each of the main parts of the project (including supporting calculations) and explanation of how costs relate to the Framework Agreement with inclusions/exclusions/assumptions identified. • Written confirmation of acceptance of procurement package based cost plan • Monthly report highlighting progress, achievements, critical issues and proposals
F	Production Information	Preparation of production information to enable tenders to be obtained. Application for statutory approvals	• As Stage E	• As Stage E

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G	Tender Documentation	Preparation and collation of tender documents in sufficient detail for tenders to be obtained	<ul style="list-style-type: none"> • Prequalification of 'new' subcontractors • Pre-tender briefings • Attend design team and project meetings • Attend and contribute to risk management meeting/workshops • Update project execution plan (PEP) with project team including pre and post construction programmes • Review design solutions and provide advice including waste reduction and BREEAM (including design solutions and site logistics are achieving points) • Set up workshops with key subcontractors to assist with design development/material selection • Comment on design against cost plan allowances • Assist with the management of the package based cost plan including change order process and tracker schedule • Highlight risks and concerns on a regular basis • Monitor interfaces between packages to ensure no gaps. • Update package procurement schedule • Agree preparation of work package tender documents in conjunction with the design team • Update outline construction programme • Update project preliminaries • Select supply chain tenderers in conjunction with the design team considering SMEs and apprentices • Prepare subcontractor enquiry documents including contract terms, agree attendances 	<ul style="list-style-type: none"> • Prequalification of 'new' subcontractors • Conduct pre-tender briefing sessions • Updated project execution plan (PEP) • Regular updates of the package procurement schedule which should include: <ul style="list-style-type: none"> ◦ Name of each works package ◦ Description of the scope of each package ◦ Design and pricing information required for each package ◦ Information release and tender dates • Updates of the outline construction programme (critical path, key miles stones and lead times including identification of any materials/components) • Updated logistics report including layout of site facilities and services • Updated drawing and information requirements and release schedule (procurement and construction) • Updated reports on key construction risks including management and mitigation plans • Updates of management and project based preliminaries costs (including supporting calculations) and explanation of how costs relate to the Framework Agreement with inclusions/exclusions/assumptions identified. • Monthly report highlighting progress, achievements, critical issues and proposals • Updated Construction Phase Health and Safety Plan with the CDMC
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			<ul style="list-style-type: none"> with project team Assist employer's professional team with the preparation of pre-tender estimates based on tender documents Prepare and agree Construction Phase Health and Safety Plan with the CDMC 	
H	Tender Action	Obtaining and appraising tenders. Submission of recommendations to client	<ul style="list-style-type: none"> Regularly update tender progress report, procurement package schedule and cost tracking schedule Prepare package tender reports in conjunction with project team Prepare final project tender report Discuss and agree construction stage drawings and information requirements Agree construction programme with early order requirements Agree schedule of orders Prepare a co-ordinate programme of CDP elements Prepare and agree with the project team a construction risk register Agree a schedule of orders required prior to contract award for contractor design /CDP packages identifying order value and date required Agree and finalise project preliminaries Attend design team and project meetings including Gateway 3 Review BREEAM requirements (including design solutions and site logistics to ensure points are achieved) Complete Cost Time Benefits proforma at Gateway 3 Prepare and agree Construction Phase Health and Safety Plan with the CDMC 	<ul style="list-style-type: none"> Regularly updated tender progress report, procurement package schedule and cost tracking schedule Updated package tender reports Final project tender report Schedule of construction stage drawings and information requirements Construction programme with early order requirements Schedule of orders Programme of CDP elements Construction risk register Schedule of orders required prior to contract award for contractor design /CDP packages identifying order value and date required Updated Management and project based preliminaries costs (including supporting calculations) and explanation of how costs relate to the Framework Agreement with inclusions/exclusions/assumptions Cost Time Benefits Proforma Updated Construction Phase Health and Safety Plan with the CDMC

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Develop and Construct

Main contractors are required to provide the following services for the Contract in addition to those activities/outputs identified above for Construct procurement route:

- 1 Develop and complete the design from the novation of the design team at the end of Stage D to stage H including preparing contractors proposals to be incorporated into the contract documents. The Contractor is required to co-ordinate the design team and manage/facilitate design team meetings.
- 2 Undertake the final design in accordance with the client's brief and outline proposals. Check the client's team have provided all necessary survey information including incoming, existing services, geotechnical reports, asbestos and advice / agree on further surveys if necessary. Submit all necessary approval applications. Produce a fully detailed NBS specification together with supporting 1:50 scale general arrangement drawings, elevation and sections, 1:50 engineering drawings. Providing all necessary 1:5 working details, and schematic diagrams and supporting calculations for services, and structural calculations. Allow for the following disciplines:
 - Architecture
 - Structural engineer design
 - Mechanical engineer design
 - Electrical engineer design
 - Acoustic engineer design
 - Drainage design
 - Hard and soft landscaping architecture
 - Quantity surveying
 - BREEAM Assessor
- 3 Specific requirements:
 - The completed design shall comply with current design standards
 - Obtaining Building Regulations Approval where applicable
 - Obtaining Full Planning Approval
 - Obtaining BREEAM rating Excellent
 - Comply with all other current standards and statutory requirements