

The Royal Borough of Kensington and Chelsea Tenant Management Organisation Grenfell Tower Regeneration Project

Notes from Project Review meeting with Appleyards

26th April 2013

Those Present:

Peter Maddison	RBKC-TMO Ltd (Director Assets and Regeneration)
David Gibson	RBKC-TMO Ltd (Capital Programme & Investment Manager)
Paul Dunkerton	RBKC-TMO Ltd (Project Manager)
Robert Powell	Appleyards (Employers Agent Project Manager)
Simon Cash	Appleyards (Director)

Apologies: N/A

Distribution: Those present

Purpose of meeting to review project and any key decisions

Project cost

1. Simon Cash, SC, talked through Appleyards recent report and their negotiation meetings with Leadbitter. He informed all that there is a cost difference of £684k between Appleyards and Leadbitter estimate for work packages which is approximately 8% difference and that this is the sort of difference you would expect at this stage.
2. SC, confirmed that Leadbitter have asked various contractors to price work packages which would show these have been market tested.
3. SC, Cheewchen used pricing from other contracts of similar nature but there were still some items which may have been under valued due to uncertainty of work or materials involved.
4. SC, if we continued with these negotiation meetings then it's more than likely the difference between the two estimates would be level.
5. PM, suggested we need to look at cost savings. And asked Appleyards to look into cost if we didn't move boxing club or nursery. Also if we removed the access bridge from finger blocks as well as the proposed new lift. Any savings within this process may assist with carrying out installation of kitchen and bathrooms to tenanted flats.
6. SC, suggested a VE exercise would need to be undertaken to identify cost savings which will allow the inclusion of Kitchen and bathrooms into the scheme which is estimated at £ 10k per flat x 120 = 1.2m, however not all would need replacing and some leaseholders so this will be further reduced.

7. DG, to check keystone information to see when kitchen and bathrooms are next proposed within TMO cyclical programme.
8. DG, TMO Assets Management team are looking into consideration on funding through building improvement initiatives such as ECO Green Deals which is being supported by British Gas. PD to liaise with Maxford to see if they have further knowledge on this to assist.
9. SC asked if budget was flexible? PM advised that it could be dependant on the benefits to the project / building.

Procurement and Contractual position

1. Appleyards advise that there would be too much risk if we re-procured under current design as there is too much uncertainty on these design proposals.
2. SC, If we did re-procure then a firm design needs to be agreed to develop a specification which would stand up to tender.
3. RP advised that re-procurement would cost TMO in regards of money, time and project delivery. Appleyards are not sure of TMO's position if challenged by Leadbitter. Also the Introduction of new contractor would add more risk to project, with them not fully knowing the , and this would provide further delays and possible cost.
4. Appleyards spoke with contractors on LHC framework and two suggested they would not be keen on pricing for this type of contract and others Appleyards would not like to recommend to TMO for tendering.
5. PM, had concerns with Leadbitter's suitability working on this type of project.
6. SC, suggested that Leadbitter were going to use their subsidiary company ????? who are specialised in this type of project as well as working with residents in occupation.
7. SC, also advised that Colin Childs was moving off this contract due to health reasons and Sebastian ?? would be Senior Contracts Manager, Clive Warby would be site operation Manager and MO ?? the project QS
8. SC, advised the TMO that under the circumstances, as mentioned above, it would be wise to continue the project with Leadbitter as main contractor.
9. PM, suggested that If we continue with Leadbitter they need to provide a robust programme showing their management in working with residents, management of surveys and to ensure they comply with specification.

Consultant appointments

1. PM, was not clear on the current arrangements for appointments and asked Appleyards to confirm. Also to check PCA for confirmation on cost for pre-commencement work by Leadbitter.
2. PM, Studio E fees will be considered for payment by TMO but not sure what agreement we have with them. RB to advise as above.

Actions

1. Rob to wrap up project globally and develop an action plan. This will involve management of designs, budget, change control procedures, programme contractual issues. Draft to be issued by Friday
2. TMO to arrange meeting with design team to consider planning and principles of scheme. In meeting a frank discussion with Maxfordham and Studio E about the fact the designs need to be suitable and not over designed for this type of project/building.
3. TMO to draft newsletter informing residents of progress and the change in design but with positive spin.
4. There were scheduled Gateway workshops which need to be started up again and Rob will follow up on this process with Leadbitter.
5. David Gibson to check Keystone when Kitchen and Bathrooms are due for replacement on TMO's database

Paul Dunkerton, Project Manager, Assets & Regeneration Department



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