

Wednesday 29 April 2020

Dear resident

An update on the major works contract

In March we told you that we were in the final stages of negotiating a contract with Wates to replace the cladding, windows and curtain wall at the Chalcots Estate. As you know, preparation works were put on hold while we worked with Wates to finalise a contract that will deliver the highest standard of safety for your home.

As part of this negotiation, on 17 March Wates submitted their final offer. Camden's Cabinet – elected councillors who make most of the decisions about what the council does – will decide whether or not to accept this offer and appoint Wates to deliver the works.

After a lot of work and following expert advice, we are recommending that Cabinet rejects this offer and instead that we go back to market for the right deal for this project.

This is because unfortunately despite many discussions, the offer Wates provided to deliver the full programme of works was not what we expected or wanted for residents. We made a commitment that we would provide a gold standard of safety, designed with residents, and our view is we can't sign up to something that falls short of this.

We know that the works will be significantly delayed already because of COVID-19 but if Cabinet agree with our recommendation and reject Wates' current offer, the major works will be delayed for longer than the pause caused by coronavirus. Depending on the Cabinet decision this could unfortunately be a delay of up to 12 months while a new contract is awarded. We apologise because we know this is not the news you were hoping for – but we need to get this right for you.

Works until now

In January 2019, Wates started work under a 'letter of intent'. This is an agreement that allows Camden and Wates to work together before signing a contract for the full major works project, including testing, surveys and detailed design work towards the final design – this is what usually happens for a 'design and build' project like this.

We have come a long way since we started working with Wates on this project. We have agreed the design and fully fire tested a cladding system to the highest safety rating (A1), finalised the designs of the curtain wall and we know what windows we will be using to improve ventilation in all flats. We have selected a cladding panel and finish that you will have seen us weather testing on site. We have carried out structural tests to the blocks, more intrusive tests inside flats and trialled installation works, and we have met with 630 households to find out about your home and your individual needs during the works.

Wates' offer

After lengthy negotiation, we will be recommending that the council cannot accept Wates' offer and enter into a contract with them for the full works project because:

- The final cost of the contract has increased and we are worried it would continue to rise during the contract. This is taxpayers' money and we need to make sure that any works are value for money – following advice, we don't believe that this offer is.

- The designs aren't what we asked for and don't meet our requirements – for example Wates proposed fitting a bar on the kitchen window and also specified toughened glass for all windows (which is safe but can shatter) – and the designs for Blashford are incomplete.
- The programme of work Wates have provided is not detailed enough. This could mean more costs for Camden, the works taking longer and more disruption for you.

We are determined to get this project right for you. You have always been at the centre of every decision we have made and that hasn't changed now. We are committed to value for money, safety and an improved quality of life for Chalcots residents. This is why we are recommending to Cabinet that we go back to the market for the right deal.

Next steps

We are working on detailed designs, planning approval and if Cabinet agree with our recommendations, preparing for a new procurement process.

The work that we have done with Wates over the last year will not be wasted. We will use all the tests, surveys and designs that we've already done in any new contract, which will help us to speed up the next steps in procurement. Wates will have the opportunity to retender, but we are clear on what our requirements are for this project and any tender submission from any contractor would need to meet these.

The project team including your dedicated quality inspectors have got to know residents and the buildings over recent months and they will continue to support you. If the cladding is not back on the blocks this winter, we will of course continue to pay any extra heating costs you incur as a result of the cladding being removed.

Read the report

We have written a report outlining our recommendations and you can read the full report on our website camden.gov.uk from **Monday 4 May**.

Cabinet will review the report and make a decision on **Wednesday 13 May**. You can watch the meeting live and submit a deputation (a request to speak at the meeting). We will send you more information about this next week or you can visit camden.gov.uk/deputations

We will continue to update the Chalcots webpage at camden.gov.uk/chalcotsestate as well as the digital screens in your block. If you have any questions or concerns please get in touch with us on **020 7974 4444 (option 7)** or at chalcotsetate@camden.gov.uk

We know that most people just want us to get on with the works and we are very sorry that you will be disappointed by another delay. We are too – this is not the news we wanted to give you, particularly now when the impact of COVID-19 is making things more difficult for everyone. However as your landlord we have to make sure we do the right thing for the long term benefit of everyone who lives on the estate. You are our priority and we need to get this right for you.

Yours faithfully



Astrid Kjellberg-Obst
Project Director