



ACM REMEDIATION WORKS

INTERIM SUMMARY REPORT NO.7

(VARIATION REQUEST NO.2)

UNDERTAKEN UPON:

20:20 BUILDING, SKINNER LANE, LEEDS

ON BEHALF OF:

20:20 HOUSE (RESIDENTIAL MANAGEMENT) LTD



CONTENTS

1.0	INTRODUCTION	2
2.0	PROJECT PROGRAMME	2
3.0	FINANCIALS	2
4.0	SUMMARY.....	5

APPENDIX I INVOICE MATRIX

APPENDIX II APPROVAL OF VARIATION NO.1 LETTER

APPENDIX III CONTRACTORS VARIATIONS BREAKDOWN

Prepared By: Lee Rhodes MRICS	
	For and on Behalf of Cardoe Martin Limited
Approved By:	
	For and on Behalf of Cardoe Martin Limited
Date of Issue: 20 th August 2021	File Name: Interim Summary Report 7

1.0 INTRODUCTION

This report provides a financial update of ACM remediation works at the site known as 20:20 Building, Skinner Lane, Leeds.

2.0 PROJECT PROGRAMME

Works commenced on site on Monday 14th December 2020 with an initial programme of 14-16 weeks completing May 2021. Works have taken longer than expected due to the nature of design and build, several unknowns and Building Control requirement for the installation of an internal Vapour Control Layer (VCL) to all effected apartments.

The anticipated completion date now stands at 28th September for all external ACM works and 4th October for internal VCL works.

3.0 FINANCIALS

3.1 Financial Support

The project has been funded by a warranty settlement, majority stakeholder contribution and Homes England funding.

Warranty Settlement = £388,101.56

Homes England Funding = £441,572.33

Major Stakeholder Contribution (Tonia) = £146,534.18

Total = £976,208.07

The original project budget breakdown (inclusive of VAT) was as follows.

Cost of Works:	£792,067.82
Pre-Construction, Professional & Contractors Fees:	£84,963.60
Post-Construction Professional Fees:	£98,814.00
Total:	£975,845.42

3.2 Variation to funding request No. 1

Additional works were identified to include the installation of an internal VCL to 17no. apartments, associated preliminary costs, residents' temporary accommodation costs and professional fees. The amount requested was £297,337.44. The application was approved, but only £240,614.96 provided in funding. The client has received a letter of approval attached, but no breakdown has been provided to clarify which elements claimed were eligible or not eligible for funding.

3.3 Variation to funding request No. 2

Additional works costs

Additional works were identified and have been completed since Variation no.1 application. We detail below the works and associated costs in relation to Variation application no.2.

- VCL Works increase (inclusion of fire barriers). As internal works progressed additional remediation works were identified including the installation of cavity closers around window and door openings, along re-tiling of a bathroom to accommodate VCL works. = £31,649.00 (Variation no.3, no.7, no.17 and no.18).
- Cladding panels have had to be modified on site to include drainage holes = £10,500
- Modification to walls system at corners to support the cladding system = £45,856.12
- High level timber panelling to be replaced with non-combustible material (including supply and installation of all insulation and fire stopping requirements) = £12,212.00
- Removal of glazed curtain walling / spandrel panels at Party Wall positions to check compliance = £3,150.00

Total additional works costs = £103,367.12 (plus VAT) = £124,040.54

Associated preliminary costs

- The project has been extended by 12 weeks resulting in an additional preliminary cost uplift (12 weeks @ £5,804.05 per week) = £69,648.60
- Additional delay in relation to materials lead-in periods (5 weeks) = £29,020.25
- Additional scaffold hire cost to accommodate early measure of block 2= £8,700.00
- Knock on effect in respect of installation of block 2 scaffold before striking block 1 was loss of resident's car parking to facilitate scaffold. Offsite parking provided = £14,500.00
- Scaffold modification and design alteration in relation to adjoining owner's objection to scaffold. Cantilever scaffold system had to be installed = £23,000.00

Total additional preliminary costs = £144,868.85 (plus VAT) = £173,842.62

Associated professional fees

- The projected has been extended by 17 weeks and therefore professional fees have increased accordingly by £55,893.78 (plus VAT) = £67,072.53.

3.4 Current and Projected Financial Position

The original, current and final projected financial position stands at:

Description	Original	Following Variation to funding request no.1	Projected following variation to funding request no.2
Cost of Works (inc prelims):	£792,067.82	£1,011,278.40	£1,291,295.80
Pre-Construction, Professional & Contractors Fees:	£84,963.60	£72,982.94	£72,982.94
Post-Construction Professional Fees:	£98,814.00	£138,496.96	£205,569.49
Residents' relocation costs		£38,998.72	£38,998.72
Car parking costs for residents' relocation		£15,120.00	£17,400.00
Total:	£975,845.42	£1,276,876.70	£1,626,246.89
Homes England funding	£441,572.33	£441,572.33	£441,572.33
Warranty Settlement	£388,101.56	£388,101.56	£388,101.56
Stakeholder contribution	£146,534.18	£146,534.18	£146,534.18
Total funding	£976,208.07	£976,208.07	£976,208.07
Variation no.1 - Approved / provided		£240,614.96	£240,614.96
Variation no.2 – Requested			£364,955.69
Total funding		£1,216,823.00	£1,581,778.60
Difference	£362.27	-£60,053.20	-£44,468.20

Please refer to appendix 1 – invoice matrix for further clarification.

4.0 SUMMARY

The original project budget was £976,208.07. Additional works were identified to include internal VCL works, which increased the projected project budget to £1,276,876.70 and which formed part of Variation request no.1. Variation request no.1 was approved, although with a shortfall of £60,053.20, which we understand was in relation to non-eligible works. The approval letter (attached) for variation no.1 does not clarify which elements of variation application no.1 were valid.

Application for Variation no.2 is in relation to additional works, extension to the project programme and associated fees all detailed above. The application for Variation no.2 is £364,955.69 (inclusive of VAT).

We trust the above and attached is clear and satisfactory, but should you have any questions please do not hesitate to contact me.

Prepared by Lee Rhodes MRICS



Signed

Dated 20th August 2021

FOR AND ON BEHALF OF CARDOE MARTIN LIMITED

APPENDIX I

INVOICE MATRIX

Invoice Matrix					
Project:	20:20 Building, Skinner Lane,				
Date:	20/08/2021				
Revision:					
Notes	Total amount	Amount paid	Amount outstanding	Invoice no.	Status
Cardoe Martin invoice no.1 - Jul	£3,000.00	3,000.00		20772	paid
Cardoe Martin invoice no.2 - Aug	£3,000.00	3,000.00		20917	paid
Cardoe Martin invoice no.3 - Sep	£3,000.00	3,000.00		21089	paid
Cardoe Martin invoice no.4 - Oct	£3,000.00	3,000.00		21208	paid
Cardoe Martin invoice no.5 - Nov	£3,000.00	3,000.00		21388	paid
IFC invoice no.1	£8,000.00	8,000.00		P08417	paid
Invoice no.1 - initial investigation and opening up and ACM spec	£6,455.00	6,455.00		29133	paid
Invoice no.2 - initial investigation ACM report - £2,780	£2,780.00	2,780.00		29225	paid
Invoice no.3	£7,645.00	7,645.00		29429	paid
Invoice received	£10,118.00	10,118.00		501	Paid
				504	Paid
Bell Group invoice no.1 (sep)	£1,101.12	1,101.12		12508	Paid
Sub total	60,819.12	60,819.12	0.00		
Vat	12,163.82	12,163.82	0.00		
Total Pre-Contrat (budget)	72,982.94	72,982.94	0.00		
Cardoe Martin					
Invoice no.6 - Feb	£3,500.00	3,500.00		21750	Paid previously on account
Invoice no.7 - March	£3,500.00		3,500.00	21824	Outstanding
Invoice no.8 - April	£3,500.00		3,500.00	21992	Outstanding
Invoice no.9 - May - August	£3,000.00		3,000.00	22557	Outstanding
Projection - August	£3,500.00				
Projection - September	£3,500.00				
Projection - Ocotober	£3,500.00				
IFC					
Invoice no.2	£3,600.00		3,600.00	907466	outstanding
Projection - August	£6,800.00				
Projection - September	£6,800.00				
Projection - Ocotober	£6,800.00				
Wintech					
Invoice no.4 - Jan	1,590.00	1,590.00		29682	Paid
Invoice no.5 - Feb	2,409.50	2,409.50		29718	Paid
Invoice no. 6 - March	11,381.00	11,381.00		29992	Paid
Invoice no.7 - April	11,138.39	11,138.39		30136	Paid
Invoice no.8 - May	5,997.00	5,997.00		30249	Paid
Invoice no.9 - June	12,408.00		12,408.00	30373	Outstanding
Invoice no.10 - July	10,321.25		10,321.25	30507	Outstanding
Projection - August	2,409.50				
Projection - September	2,409.50				
Projection - Ocotober	12,408.00				
Leeds City Council					
Invoice no.1	£360.00	360.00		184690	paid
Ballymore					
Valuation no.1	£41,117.48	41,117.48			Paid
Valuation no.2	£25,639.44	25,639.44			Paid
Valuation no.3	£65,418.40	£65,418.40			Paid
Valuation no.4	£149,477.57	£149,477.57			Paid
Valuation no.5	£78,236.65	78,236.65			Paid
Valuation no.6	£69,727.07	69,727.07			Paid
Valuation no.7	£82,054.87	82,054.87			Paid
Valuation no.8	£53,075.18		53,075.18		Outstanding
Valuation no.9	£94,611.28		94,611.28		Outstanding
Projection - August	£143,000.00				
Projection - September	£143,000.00				
Projection - Ocotober	£128,500.00				
RPP					
Invoice no.1 - March	£4,800.00	4,800.00		LS8550	Paid
Invoice No.2 - April	£2,400.00	2,400.00		LS8637	Paid
Invoice No.3 - May	£2,400.00		£2,400.00	LS8746	Outstanding
Invoice No.4 - June	£2,400.00		£2,400.00	LS8830	Outstanding
Invoice no.5 - July	£2,400.00		£2,400.00	LS8912	Outstanding
Projection - August	£2,400.00				
Projection - September	£2,400.00				
Projection - Ocotober	£2,400.00				
Bell Group					
Bell Group invoice no.2 (Oct)	£950.40	£950.40		12520	Paid
Bell Group invoice no.2 (Nov)	£950.40	£950.40		12550	Paid
Bell Group invoice no.2 (Dec)	£2,935.20	£2,935.20		12584	Paid
Bell Group invoice no.2 (Jan)	£1,648.80	£1,648.80		12627	Paid
Bell Group invoice (feb)	£582.00	£582.00		12663	Paid
Bell Group invoice (march)	£858.00	£858.00		12693	Paid
Bell Group invoice (April)	£1,346.00	£1,346.00		12723	Paid
Bell Group invoice (May)	£814.00	£814.00		12764	Paid
Bell Group invoice (June)	£858.00		£858.00	12796	Outstanding
Bell Group invoice (July)	£976.80		£976.80	128330	Outstanding
Projection - August	£976.00				
Projection - September	£976.00				
Projection - Ocotober	£976.00				
Gowlings					
Invoice no.1	£8,050.00		£8,050.00	1576991	Outstanding
Invoice no.2	£8,200.00		£8,200.00	1598765	Outstanding
Relocation of residents					
Habito	£174.94	174.94		239	Paid
Scarlett	£200.00	£160.00		5127	Paid
HPS	£200.00	£160.00		2020-239	Paid
AHA	£220.00	£220.00		2020-239	Paid
Urban Square	£2,770.00	£2,770.00		3353	Paid
Urban Square	£1,510.00	£1,510.00		3375	Paid
Projected move costs	£27,424.00				
Residens car parking	£14,500.00				
Sub total	1,294,386.62	570,327.11	209,300.51		
Vat	258,877.32	114,065.42	41,860.10		
Total Post-Contract	1,553,263.94	684,392.53	251,160.61		
Total budget (Pre and Post Contract)	1,355,205.74	631,146.23	209,300.51		
VAT	271,041.15	126,229.25	41,860.10		
Total	1,626,246.89	757,375.48	251,160.61		

APPENDIX II

APPROVAL OF VARIATION NO.1 LETTER



Ministry of Housing, Communities & Local Government

20:20 House (Residential
Management) Ltd

By E-Mail

Alistair Watters
Director, Grenfell Site and Programme

**Ministry of Housing, Communities and
Local Government**
4th Floor,
Fry Building
2 Marsham Street
London SW1P 4DF

www.gov.uk/mhclg

MHCLG Ref: P_LEED01 – 19/05/2021

07 June 2021

Dear Sir/Madam,

Private Sector ACM Cladding Remediation Fund: Approval of Full Works and Costs

Thank you for submitting an application for the Private Sector ACM Cladding Remediation Fund for the remediation of unsafe ACM at 20:20 House, Block B, Skinner Lane, Leeds, LS7 1B.

I am pleased to inform you that your application for additional funding has been successful, and you have been awarded an additional amount of £240,614.96 (inclusive of VAT) due to the additional works required and providing alternative accommodation due to the phased decanting of 17 units which is required to perform works.

This along with the amount of £441,572.33 awarded to you on 9th November 2020 brings your total approved grant to £682,187.29 of PSCRF funding, and £604,218.32 of BSF funding – totalling £1,286,405.61 (inc. VAT). Please note that the grant offered on 11th March 2021 for the eligible BSF works has been reduced by £154,452.22 as Tonia Investments balance of state subsidy de minimus allowance is no longer available for the proposed BSF works as it has now been utilised towards the above increase in the ACM grant funding.

Your next steps:

- Now that funding is conditionally approved, I recommend you work with your contractor to ensure works begin this year as planned. You should provide an update to Homes England if details of the works or start on site or completion dates have changed from when you submitted your application.
- You should inform leaseholders and residents of the outcome of this application. Responsible entities should also ensure leaseholders and residents are kept informed of the nature of the works and should provide regular updates to leaseholders and residents on the progress of their funding application and remediation works.
- Projects where decanting is needed will require the applicant to complete a self-certification form as a condition of their funding, this will be issued shortly.

If you have any questions, please get in touch with Homes England.

Lastly, I would like to thank you for your continued engagement and take this opportunity to emphasise the importance of pace of remediation. The fund has been put in place to ensure public safety. By enabling remediation to happen quickly, it will restore peace of mind and allow residents living in these blocks to get on with their lives. We expect work on site to start as soon as possible and to be completed efficiently and safely. We look forward to your co-operation in implementing the Private Sector ACM Cladding Remediation Fund.

Yours faithfully,



Alistair Watters
Director, Grenfell Site & Programme
Ministry of Housing, Communities and Local Government

APPENDIX III

CONTRACTORS VARIATIONS BREAKDOWN

