

# LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>Number 8. CABINET</b>	
<b>DATE OF DECISION</b>	<b>25 October 2023</b>	
<b>REPORT TITLE:</b>	<b>UPDATE ON LARGE PANEL SYSTEM TOWER BLOCKS</b>	
<b>CORPORATE DIRECTOR / DIRECTOR:</b>	<b>Susmita Sen</b> <b>Corporate Director, Housing</b> <b>Niall O'Rourke</b> <b>Head of Building Safety &amp; Compliance</b>	
<b>LEAD OFFICER:</b>	<b>Niall O'Rourke</b> <b>Head of Building Safety &amp; Compliance</b> <b>Email: niall.o'rourke@croydon.gov.uk</b>	
<b>LEAD MEMBER:</b>	<b>Cllr Lynne Hale</b> <b>Deputy Mayor and Cabinet Member for Homes</b>	
<b>KEY DECISION</b> 3923EM	<b>No</b>	<b>REASON:</b>  N/A
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>No</b>	Public
<b>WARDS AFFECTED:</b>	<b>All</b>	

## 1 SUMMARY OF REPORT

- 1.1** The report is a progress update on the structural appraisal and the more immediate Building Safety Act 2022 requirements on the Large Panel System (LPS) tower blocks in the Housing Revenue Account (HRA) portfolio. This form of construction was used widely in urban areas in the 1960's and 1970's and is predominantly associated with tower blocks. Investigations following the Ronan Point disaster highlighted concerns and the need for mitigating measures.
- 1.2** A significant level of activity is taking place to meet the requirements of the Building Safety Act against the various timescales as detailed later in the report. We will achieve Registration with the Building Safety Regulator of High-Rise Residential Buildings at the end of September (the registration deadline being 1 October 2023). Since the

registration deadline of 1 October 2023, it is now an offence to allow residents to occupy an unregistered building. We are also on course to make good progress to provide Key Building Information for the end of October. The Key Building Information for a registrable building must be submitted to the Building Safety Regulator within 28 days of completing / submitting the initial registration of that particular building. The Key Building Information focuses on information relating to the building's structure and fire safety. However, it will be a challenge to have detailed Safety Case Reports in place in time for the earliest date the Building Safety Regulator could request these (which is April 2024).

- 1.3** The approach of The Building Safety Regulator will be to work collaboratively to resolve any potential non-compliance: however, if the matter cannot be resolved, the Building Safety Regulator can take a range of enforcement actions, including issuing compliance notices, prosecution (in some cases), and in extreme cases, the Building Safety Regulator can apply for a special measures order appointing a special measures manager to take over the building safety duties from all accountable persons for the building.
- 1.4** The Building Safety Regulator 'The Regulator' stated in August 2023, for the first time, that all LPS tower blocks will be included in the first-year requests for Safety Case Reports. These reports can be requested from 1<sup>st</sup> April 2024 and need to be submitted within 28 days of The Regulators' request. The purpose of the Safety Case Report is for the Council to evidence that the blocks are safe to occupy and for the Regulator to provide a Building Assessment Certificate to confirm they are satisfied. If the Regulator is not satisfied with the Safety Case Report, they can re-request a Safety Case Report within a specific timescale. If the Regulator deems that the building is not safe to occupy and does not issue the Building Assessment Certificate, then the block would need to be decanted as a worst case. However, as noted above, the approach stated by The Building Safety Regulator is (at least initially) to work collaboratively to resolve any potential non-compliance.
- 1.5** As LPS blocks will be included in Year 1 Safety Case Reports we are accelerating our activity and will develop a risk register to highlight the risks and develop mitigations.
- 1.6** The Arup stage 1 structural appraisal report for the LPS tower blocks is anticipated in early October and the final structural appraisal in Summer 2024.
- 1.7** Further structural and fire safety related investigations are required between now and into 2024 to improve oversight and allow the fire and structural engineers to assist us in developing the safety case reports.

## **2 RECOMMENDATIONS**

For the reasons set out in the report and its appendices, the Executive Mayor in Cabinet is recommended:

- 2.1 To note the progress to date on the structural appraisal of the LPS blocks and the revised early October timescale for receipt of the Stage 1 Structural Appraisal Report.
- 2.2 To note that the final structural appraisal report on the LPS blocks is forecast to be issued in Summer 2024.
- 2.3 To note that Reinforced autoclaved aerated concrete (RAAC) has not been identified in the LPS blocks.
- 2.4 To note the proposal to meet the requirements of the Building Safety Act 2022 relating to LPS/High-Risk Building (HRB) Registration at the end of September and provision of Key Building Information by 28 October 2023.
- 2.5 To note that procurement has commenced for additional consultancy support to complete key building information requirements.
- 2.6 To note the Regulator will request a Safety Case Report for all 13,000 HRB's in England over a 5-year period, often referred to as tranche 1-5. Safety Case Reports are for each individual HRB and need to be submitted within 28 days of the Regulator's request. The purpose of the Safety Case Report is to evidence the block is safe to occupy and to obtain a Building Assessment Certificate from the Regulator to allow the block to continue to be occupied.
- 2.7 To note that 15 LPS and 3 other HRB's are forecast to be requested by the Regulator in Year 1. The Regulator can start to request these from 1<sup>st</sup> April 2024. No's 1-87 Regina Road is an LPS block due to be fully vacated in November 2023 in advance of demolition, therefore, a Safety Case Report will not be required from 1<sup>st</sup> April 2024 for this block.
- 2.8 To note that if the Building Safety Regulator does not assess a Safety Case Report as being satisfactory they may request a revised Safety Case Report be re-submitted within a defined period. The ultimate sanction is that the Regulator does not issue a Building Assessment Certificate and the block must be vacated.

### **3 REASONS FOR RECOMMENDATIONS**

- 3.1 To raise awareness and highlight the broad range of activities taking place to meet Building Safety Act requirements including registration, key building information, safety case, structural appraisal, resident engagement.
- 3.2 To highlight that the number of HRB's that will require a Safety Case Report in Year 1, starting 1<sup>st</sup> April 2024 and highlight the risks of not meeting the Regulators expectations in terms of safety case reports.

### **4 BACKGROUND AND DETAILS**

#### **4.1 Larger Panel System Blocks (LPS)**

- 4.2** During the 1960s the former County Borough of Croydon built 19 tower blocks using a Large Panel System (LPS) developed by the construction company Wates. Three of these blocks were demolished about 30 years ago. The remaining 16 blocks were retrofitted with insulated cladding around 2000 as part of a refurbishment project to improve living conditions. However, some flats in some LPS blocks have suffered in recent years from a variety of issues including water penetration, condensation and mould that have proved difficult to rectify. Major refurbishment will be required in the future to address the underlying issues. LPS is an early modular type of construction and there were many variances in more detailed design over the years.
- 4.3** LPS were largely built using unskilled labour and have proved problematic for many local authorities. Extensive research was conducted by the Building Research Establishment (BRE) following the 1968 partial collapse of Ronan Point (built using different LPS) and resulted in two major reports in 1986 and 1987 which highlighted the need for regular monitoring and structural repair of LPS tower blocks. In the 1987 report BRE highlighted, in their opinion, the major issue of the environment within LPS flats and the need to limit condensation and mould growth at reasonable cost – an issue that flats at Regina Road have suffered from.
- 4.4** In 2012 BRE published its Handbook for the Structural Assessment of LPS Dwelling Blocks. The Handbook covers the impact on structural stability of accidental loading, either from explosions that might be caused by non-mains gas or by other reasons, or trauma such as from a refuse vehicle striking the building. It is expected that the new Building Safety Regulator will expect building owners to apply this guidance when preparing safety cases.
- 4.5** Structural strengthening of LPS tower blocks is only likely to extend life for 25 years before further structural strengthening works and refurbishment works would be required in accordance with BRE Advice. In addition to strengthening advice extended to removing gas from LPS blocks. There is no gas in the 16 LPS blocks, and all have had sprinklers systems retrofitted post Grenfell.
- 4.6** Some limited intrusive inspections were carried out by a fire engineering consultancy to the external cladding of LPS blocks in 2021 for the purposes of issuing a EWS1. EWS1 are only for mortgage purposes and are not always a full appraisal of the external walls. The EWS1's did state a B2 outcome which means that remedial works are required. The accompanying report stated that Based on our findings we consider that there is not an immediate risk to life safety, primarily based on the non-combustible materials used for the main cladding system and sprinklers being present.'
- 4.7** Arup were commissioned in May 2023 to carry out a structural investigation over 2 stages, which ultimately will lead to the production of a structural appraisal for each block. Arup formed in 1946 are now a global consultancy. Specialising in structural engineering they have been involved in projects such as Coventry Cathedral, The Lloyd's Building, Sydney Opera House. They operate in 141 countries with revenue of £1.9bn in 2022. Arup were involved in developing designs and on-site quality control measures for some LPS constructed buildings as far back as the early 1960's.
- 4.8** All 16 of the LPS blocks are Wates designed and built LPS blocks constructed between 1964 and 1967. During the development of these LPS Wates then commissioned Arup

to assist with the structural design and quality control of the structural works from Phase 2 onward. Phase 1 included 1-87 Regina Road, 1-87 Belgrave Road, 7 Violet Lane and 50-89 Bridge Place.

- 4.9** A full copy of the Arup mid-July update is included in **Appendix A**
- 4.10** Arup's' Stage 1 Report is anticipated in early October. This report will include construction dates, phases, types, structural layouts, and modifications. Findings from visual surveys, potential structural weakness, drawings, and recommended assessment strategy.
- 4.11** Discussions around more intrusive investigations to dwellings and common parts of 1-87 Regina Road are progressing. A full decant of 1-87 Regina is not anticipated until the end of November. We are preparing to commence the investigations before it is fully decanted to avoid further delay and at the same time mitigating the impact on remaining residents.
- 4.12** Arup have stated that 'we have not so far seen any RAAC panels on our site visits or on the drawings. The Wates system was precast on site, and it would have been difficult to make RAAC on site (unless panels were brought in)'. Consideration over RAAC will continue alongside the initial structural investigations until we have a definitive position.
- 4.13** Additional fire safety investigations and reports are anticipated to better understand the individual fire safety considerations and prepare a retrospective fire strategy for each LPS tower block. This is to allow an assessment of safety and to determine what actions, if any are required.
- 4.14** These investigations will be considered alongside the stock condition information and feed into the Asset Management Strategy.
- 4.15** **Building Safety Act (BSA)**
- 4.16** The Building Safety Act gained Royal Assent and came into force on the 28 April 2022. It makes ground-breaking reforms, and overhauls existing regulations and creates new powers that will enable lasting change across the built environment. Secondary legislation continues to flow from the BSA, adding much needed detail. This report focusses on the immediate term requirements of the Act related to the LPS blocks. All 16 LPS blocks are classified as High-Risk Residential Buildings (HRBs, defined as residential building with at least 2 residential units and building height of 18m+ or 7 storeys or more). There are some 13,000 HRBs in England. The Building Safety Regulator proposes to request safety case reports for these over a 5-year period, starting with the highest risk in year 1 to lowest risk in year 5.
- 4.17** Previously The Regulator had stated that the higher risk blocks would be those which were the highest, with the greatest number of floors, or those with the greatest number of homes contained within them. In addition, the Regulator has indicated un-remediated blocks with ACM cladding, like Grenfell, would also be year 1 and any building requiring remediation that was say above a vehicle refuelling station would be Year 1. The Building Safety Regulator will use the Key Building Information submissions on all 13,000 HRB's to develop the list of blocks to be included in Year 1 safety case report requests.

- 4.18** The Building Safety Act introduces two regulated hazards which are structure and fire safety. Accountable Persons will need to develop a safety case regime and ultimately a safety case report that needs to be submitted to the Building Safety Regulator.
- 4.19** An Accountable Person under the Act is a person who.
- holds a legal estate in possession in any part of the common parts; or
  - does not hold a legal estate in any part of the building but who is under a relevant repairing obligation in relation to any part of the common parts.
- 4.20** A Principal Accountable Person under the Act is a person who.
- in relation to a building with one accountable person, that person;
  - does not hold a legal estate in any part of the building but who is under a relevant repairing obligation in relation to parts of the structure and exterior of the building.
- 4.21** An Accountable Person and a Principal Accountable Person can be an individual or a body corporate. LB Croydon will be the Accountable Person. Where there is more than one Accountable Person involved in the management of a HRB then the Accountable Persons need to agree who is the Principle Accountable Person (PAP), except where one Accountable Person has (as noted at 4.20) a relevant repairing obligation in relation *to parts of the structure and exterior of the building*. The PAP would then be responsible for Registering the Building, submitting key building information and preparing and issuing the safety case report, with relevant input from the other Accountable Persons.
- 4.22** The Regulator stated in August 2023 that all LPS blocks in England will be included in Year 1. The LPS blocks range from 11-12 floors and up to 50 flats in each. For information the 2 other HRB's that are forecasted to be included in Year 1 are Malcom Wick House, 22 floors/90 flats, Windsor House 7 floors/149 flats.
- 4.23** The key requirements arising in the coming months and associated dates are summarised below:
- **Registration of all High-Risk Blocks** – by 30<sup>th</sup> September 2023
  - **Submit Key Building Information for all High-Risk Blocks** - within 28 days of 30<sup>th</sup> September 2023.
  - **Submit Year 1 Safety Case Reports** – As soon as possible from 1 October 2023, but – practically - by request from 1<sup>st</sup> April '24.
- 4.24** **Registration**
- 4.25** We are on target for Registration across all HRB's not just the LPS.
- 4.26** The information required for Registration is
- i. principal accountable person and any other accountable persons.
  - ii. the number of floors at or above ground level
  - iii. its height in metres
  - iv. the number of residential units
  - v. the year it was originally built.

- vi. its address or addresses

#### **4.27 Submit Key Building Information (KBI)**

**4.28** KBI Information needs to be uploaded onto the HSE/Regulators portal by 28th October. This information comprises 147 individual questions under the 9 sections below. This needs to be input for all 45 existing HRB's. This amounts to some 7,000 individual data responses. The KBI sections are:

- i. Building Use
- ii. Fire and smoke controls
- iii. Fire doors
- iv. Energy supplies, storage, and generation
- v. Type of structure
- vi. Roof
- vii. Staircases
- viii. Building Works since original build
- ix. Connections

**4.29** We have prepared the information available for KBI inputting.

**4.30** We are working with procurement colleagues to procure consultants to assist with collecting the KBI that is not available to us. One or more direct awards will follow, subject to typical assurances on time, cost, and quality.

**4.31** We are aiming to complete all KBI requirements by the 28<sup>th</sup> of October. The KBI is a live dataset and will be updated in future years as HRB's receive works and the underlying data changes. This will form part of the Regulators oversight.

**4.32** A report will be prepared on all HRB's, including LPS providing a progress update before Christmas.

## **5 RESIDENT ENGAGEMENT**

**5.1** Letters were sent out to all residents in LPS blocks in 2022, following on from the well documented issues identified at 1-87 Regina Road. These letters confirmed there would be further engagement.

**5.2** More recently letters were sent out to individual blocks inviting residents to engagement meetings. All of the LPS blocks, excluding the 3 Regina Rd LPS blocks who receive engagement through the Regina Road Project, have had engagement meetings.

**5.3** Resident attendance has been variable but has in some instances been up to 25% of residents. After the meetings letters are sent out to residents to summarise what was discussed and that further surveys are planned, and we will notify them in advance of these taking place. Councillors have been invited to attend recent engagement meetings. These surveys will collect more detailed information and will be informed by

structural and fire engineers who we will be procuring in the coming months. These are so that both of these can have a detail understanding of each of all the HRB's.

- 5.4** The engagement meetings have included, Building Safety Act, HRB registration, key building information, safety case regime & reports, resident engagement, and complaints, as well as picking up on the LPS link with Regina Road.
- 5.5** There are common building issues raised at these engagement sessions, but these are not always experienced to the same extent. Damp and mould are a common theme, however it is clear some of the feedback indicates more widespread and severe issues in some blocks, while others seem to be relatively low level, localised and intermittent.
- 5.6** Key themes include damp & mould, water escapes from waste stacks, build-up of moss on external cladding. We monitor the issues raised and manage these through to completion.
- 5.7** As part of the meetings there are housing and repairs surgeries before, where residents can report individual issues, before moving along to the group session on LPS and Building Safety Act.
- 5.8** We record the issues raise and ensure that we are completing the actions and keeping residents informed on progress.
- 5.9** **Leasehold Implications**
- 5.10** Leaseholders have substantial protections against costs relating to 'relevant defects' under the Building Safety Act. "Relevant defect", in relation to a building, means a defect as regards the building that—
- (a) arises as a result of anything done (or not done), or anything used (or not used), in connection with relevant works, and
  - (b) causes a building safety risk
- 5.11** This protection applies 30 years back from April 2022.
- 5.12** Homes valued at less than £325k in London are fully protected from all relevant defect remediation costs. For homes over £375k in London their financial exposure is capped at £15k.
- 5.13** There are currently 38 leaseholders in the 663 homes in LPS tower blocks.
- 5.14** Mortgage providers who are willing to lend on LPS blocks require a favourable structural appraisal from the building owner. Based on current timescales it is forecasted to be Summer 2024 by the time Arup issue the structural appraisal reports on LPS tower blocks. Impacted leaseholders will be informed of the anticipated timescale and will be kept updated if dates change.

## **6 CONTRIBUTION TO COUNCIL PRIORITIES**

- 6.1** Resolving the future of the LPS Blocks contributes to Priority 4: Croydon is a cleaner, safer, and healthier place, a borough we are proud to call home.'
- 6.2** More specifically:
- 6.3** Invest in council homes to drive up standards and develop a more responsive and effective housing service.
- 6.4** Ensure new homes are safe, well-designed and in keeping with the local area.

## **7 FINANCIAL IMPLICATIONS**

- 7.1** The identified properties are within the Housing Revenue Account stock listing as a result the costs of the project will be funded from the HRA. The HRA Business Plan 2024-25 reflects the need for budget allocation for the survey works to be carried out in this Financial Year. While the HRA Capital budget is overspent, activities to support the requirements of the Building Safety Act will take priority.
- 7.2** The buildings at Regina Road will be picked up as part of the regeneration project.
- 7.3** A review of the leaseholders property values is required to ensure that where any contribution to remediation works capped at £15k is identified.
- 7.4** Comments approved by Orlagh Guarnori on behalf of the Director of Finance. (Date 19/09/2023)

## **8 LEGAL IMPLICATIONS**

- 8.1** The recommendations in this report are 'to note' only.
- 8.2** The Building Safety Regulator (BSR) is established within the Building Safety Act 2022, as an independent regulator within the Health and Safety Executive (HSE). BSR will raise building safety and performance standards and oversee a new stringent regime for high-rise residential buildings, as well as overseeing the wider system for regulating safety and performance of all buildings and increasing the competence of relevant regulators and industry professionals.

- 8.3** The registration information provided by the Council will be used by the Building Safety Regulator to help it prioritise buildings for the building assessment certificate process from April 2024.
- 8.4** Principal Accountable Persons (PAP's) were given until the 1 October 2023 to register all high-rise residential buildings in England. It is now an offence to allow residents to occupy an unregistered building.
- 8.5** The Building Safety Act 2022 applies to buildings in England only that are 18 metres or higher or seven storeys or more, and with at least two residential units.
- 8.6** The Key Building Information is a set of information that the Principal Accountable Persons (PAP's) need to know, assess and understand about the building, to properly manage the risks of fire spread or structural failure.
- 8.7** If an occupied higher-risk building has just one accountable person, they will automatically become the principal accountable person for that building. Where there are two or more accountable persons, the one responsible for the repair of the structure and exterior of the building will be the principal accountable person.
- 8.8** The Building Safety Act 2022 (the Act) was granted Royal Assent on 28 April 2022. It implements the recommendations made in Dame Judith Hackitt's report Building a Safer Future to create a new robust regulatory system for higher-risk buildings. Her recommendations set out clear duties and responsibilities for those who commission, design, construct and refurbish higher-risk buildings, and those who are responsible for making sure that buildings are safely managed when occupied.
- 8.9** The Building Safety Regulator (the Regulator) is charged with improving the safety and standard of buildings through three critical functions:
- Leading the delivery of the new regulatory regime for higher-risk buildings;
  - Overseeing the safety and standards of all buildings; and
  - Facilitating improvement in the competence of industry and building inspectors
- 8.10** The Building Safety Regulator will work with the accountable person or principal accountable person to resolve any potential non-compliance. If the matter cannot be resolved, the Building Safety Regulator can take a range of enforcement actions, including issuing compliance notices and in some cases, prosecution. In extreme cases, the Building Safety Regulator can apply for a special measures order appointing a special measures manager to take over the building safety duties from all accountable persons for the building.

Approved by the Head of Commercial & Property Law on behalf of the Director of Legal Services & Monitoring Officer

## 9 EQUALITIES IMPLICATIONS

- 9.1 The Council has a statutory duty to comply with the provisions set out in Sec 149 of the Equalities Act 2010. The Council must therefore have due regard to:
- 9.2 Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- 9.3 Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- 9.4 Foster good relations between persons who share a relevant protected characteristics and persons who do not share.
- 9.5 The department will need to collate data on protected characteristics in relation to the LPS blocks over the course of the forthcoming months. Efforts will be made to build trust which will support residents sharing their data. During forthcoming consultations efforts will be made to pay due regard to all equality characteristics by ensuring that the consultation is accessible to all residents, in particular those who may not have English as a first language and residents who are non-neurotypical.
- 9.6 Departments will also evidence customer satisfaction and dissatisfaction using this method across the protected characteristics to ensure that the Council is delivering a fair and equitable service to all protected groups.
- 9.7 Poor housing conditions and perceptions of unfair treatment are likely to exasperate existing mental health conditions or create new mental health conditions. In particular, when exasperated by other socio-economic impacts such as poverty, unemployment and the cost-of-living crisis. It is important that residents are treated in a fair, respectful and equitable manner to ensure that existing or new conditions are not triggered by behaviour of staff or suppliers. It is important that staff training reflects this.
- 9.8 Attached as **Appendix B** is the EQIA which is a live document and which will be populated in greater detail as information is received during forthcoming consultations. The EQIA concluded that there are currently no equality implications at present.
- 9.9 Approved by : Naseer Ahmad for the Equality Manager. (19/09/2023)

## 10. CRIME & DISORDER IMPACT

- 10.1 There are no direct crime and disorder impacts from this report
- 10.2 Comments approved by Director of Culture & Community Safety, Kristian Aspinall [19/09/2023]

## 11. HUMAN RESOURCES IMPACT

11.1 Approved by XXX, Head of HR Housing Directorate & Head of HR SCRER for and on behalf of Dean Shoemith, Chief People Officer [DATE].

## **12 APPENDICES**

**12.1 A** Arup Update slide deck – dated 13 July 2023

**12.2 B** EQIS Draft - dated 8 June 2023

## **13 BACKGROUND DOCUMENTS**

- a. Cabinet, 16 November 2022– Regina Road Estate, Norwood
- b. Key Decision: 5122 EM
- c. Building Research Establishment. 'The structural adequacy and durability of large panel system dwellings. Part 1: Investigations of construction, Part 2: Guidance on Appraisal'. BRE Report 107. Bracknell, IHS BRE Press, 1987
- d. Building Research Establishment. 'Large Panel System Dwellings: Preliminary Information on Ownership and Condition' BRE Report, 1986
- e. Building Research Establishment. 'Handbook for the Structural Assessment of Large Panel System (LPS) Dwelling Blocks for Accidental Loading'. Stuart Matthews and Barry Reeves, Bracknell, IHS BRE Press, 2012