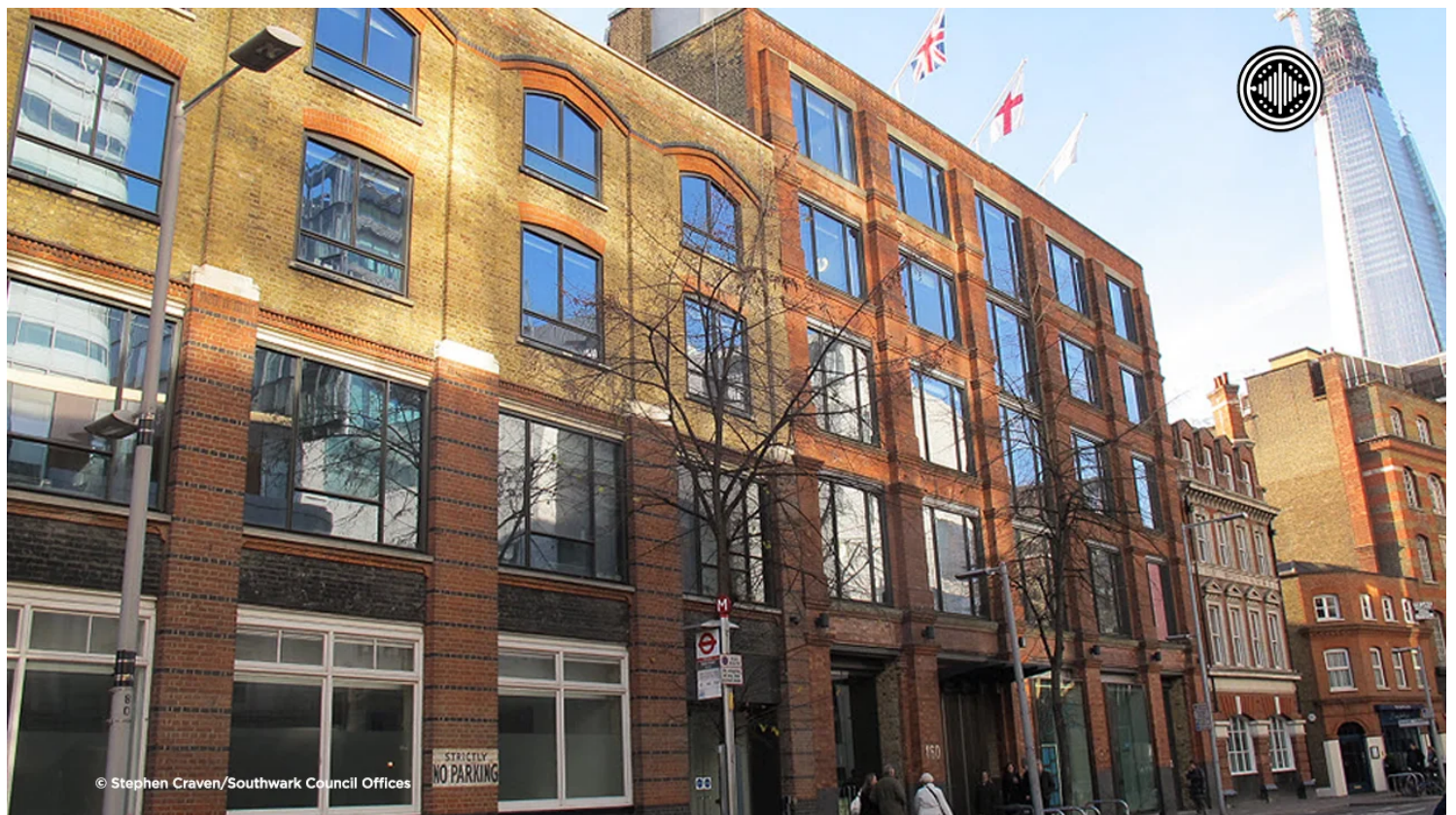


Southwark Council Overspends £6M on Estate Repairs

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— Categories: Real Estate



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Southwark Council has exceeded its budget by £6 million on the refurbishment of three housing estates in south London, following what has been described as a series of serious failings in contract oversight and project delivery. The developments affected include Devon Mansions and the Kirby Estate in Bermondsey, and the Canada Estate in Rotherhithe.

An internal review found that the local authority's poor handling of contracts contributed to prolonged delays, increased costs, and substandard living conditions for residents. The reports, welcomed by Southwark Council, concluded that outcomes had fallen "far short" of what residents should expect. The findings were presented during a council meeting this week, nearly two years after residents first raised concerns.

At the Canada Estate, a £4.2 million contract was awarded to Durkan Limited in June 2020 for major improvement works, including asbestos removal and door and window replacements. The project, initially expected to last 60 weeks, was extended by an additional 72 weeks. The revised scope pushed total costs up by more than £2.1 million.

Similarly, at Devon Mansions, Engie Regeneration Limited was contracted in April 2020 to deliver fire safety upgrades and internal refurbishments over 62 weeks, with an original budget of £5.6 million. However, delays lasting 102 weeks and added works drove the cost up by another £4.1 million.

The Kirby Estate also experienced notable delays and budget increases, with an additional £167,000 spent beyond the original project estimate. In response to mounting resident complaints and delays, Southwark Council set up a "task and finish" team in late 2023 to conduct formal reviews of the works across all three estates.

Residents previously reported "shoddy" repair work, citing incomplete paint jobs and faulty window installations. Speaking at a scrutiny committee meeting in November 2023, residents voiced frustration at repeated unanswered questions in meetings concerning the major works. Some claimed they were being asked to pay for work that had not been completed to an acceptable standard.

London Bridge and West Bermondsey ward councillor Sam Dalton described the council's failings as "catastrophic", noting that the depth of mismanagement only became clear after he and his colleagues took office. Fellow ward councillor Emily Hickson added that council staff had failed to properly acknowledge or investigate the concerns raised by tenants.

Hakeem Osinbajo, Southwark Council's strategic director of housing, offered a public apology to affected residents, acknowledging that while most issues had now been addressed, the initial oversight and delays were inexcusable. He affirmed that the council is committed to learning from the failures and ensuring such mistakes are not repeated in future projects.

In the meantime, the council has yet to outline any disciplinary action or procedural reforms.