



Axis Europe Frequently Asked Questions Guide November 2020

Onsite projects: Axis Europe is currently working on a project at my home / block / estate

Q: Will the work on my home / block / estate continue?

A: Yes, Axis Europe will continue to carry out all onsite works to the high standards we have in place.

Q: Will there be any delay to the completion of onsite works?

A: No, onsite projects are not affected, and these will be completed as planned.

Q: Who can I speak to about the onsite work?

A: The onsite team will continue to keep residents updated as the projects progress and the dedicated resident liaison officers will help with any questions.

Q: Will the defect liability period on completion remain in place?

A: Yes. All works will still be covered by a 12-month defect liability period on completion.

Planned projects: Axis Europe was scheduled to start works at my home / block / estate

Q: Who is taking over the projects that Axis was scheduled to deliver but haven't started onsite?

A: For projects where works has not yet started onsite, and will no longer be delivered by Axis Europe, our proposal is for another contractor to complete the work. We have written to affected residents to explain the decision and outline our proposals for which contractor will complete the work.

For the majority of these projects we propose to use our remaining major works contractor, United Living. This is subject to leaseholder consultation and details will be sent in the next two weeks. However, a small number of these projects will now be delivered once we appoint a new long-term major works contractor for the north and west of the city.

Q: Will there be delays to planned works which have not started onsite?

A: The council is committed to completing planned refurbishment as soon as possible and to a high standard. A two-year transition will allow us to organise a smooth handover to a new contractor. If your property or estate has works planned to start in 2020 or 2021, we will contact you to outline the plans and the steps we are taking for the revised timescales. Where it is proposed that projects are to be passed to United Living we expect a delay of several months. For those projects that we plan to be delivered by a new long-term major works contractor, these will not start until 2022.

Routine works such as day to day repairs, electrical works and lifts are not affected in any way.

Q: Has the council cancelled any projects as a result of this contractual change?

A: No. We are confident that all of our scheduled projects will be completed as planned. We are already in without prejudice discussion with United Living on a revised works schedule which will be instructed subject to consultation.

Impact of a change in contractor

Q: Why has the partnership with Axis Europe ended?

A: Axis Europe have informed the council of their plans to consolidate operations to focus on more profitable contracts. They advised us that an increase in insurance and general management costs meant the contract with the Council is financially unsustainable and they issued a notice to terminate the partnership.



Q: Has the council lost money on this contract?

A: While it is not possible to calculate a specific cost there will, of course, be a financial implication to retendering this contract. We will ensure that our tendering process is as efficient and cost effective as possible. Under the terms of the contract, Axis Europe is required to pay £100,000 on termination of the partnership. This money will be set aside to re-tender for a new contractor.

Q: Does United Living have the capacity to take on the additional work?

A: United Living has an established team and assured the Council they will expand if they are successful in acquiring projects Axis can no longer deliver, following consultation. They have a comprehensive understanding of the processes, Council expectations, design standards and other unique characteristics of working in Westminster and have performed well in the first 30 months of the term contract in the south and central areas of Westminster.

Q: How will you appoint a new long-term contractor?

A: We will go out to tender for a new partnering contractor to take over major works in the north and west. We expect this new tendering process will take between 12 and 18 months and further consultation will take place with residents on this. While the re-tender process is ongoing, major works will be delivered to our properties as outlined above.

Q: What are the benefits of going out to tender for another long-term contractor?

A: The key objectives for appointing a term contractor are to get better expertise, better value for money and improved performance. Whilst we experienced some delay during the early stages of the contracts, we also received the expected improved quality and performance in delivery of the works.

I am a leaseholder

Q: Will I be charged again for this second tender process?

A: We expect that the £100,000 payment, received from Axis Europe on termination of partnership, will substantially fund the re-procurement of the term contract for major works in the north and west. In the event of any shortfall, this will be recovered through the management costs in the service charges, but we shall do all we can to avoid this.

Q: With the start of work delayed, there are likely to be more repairs needed in the interim. Will I be recharged for these repairs?

A: The nature of the major works means this is unlikely. If any occur, then the council will recover the cost of any responsive repairs to the housing stock as normal in accordance with the conditions of the leases and relevant statute. The council will work to mitigate these costs should additional repairs arise.

Q: Will the major works end up costing more?

A: At this stage we are unable to confirm if any works will cost any more or less than had Axis Europe undertaken them. United Living's contract prices for management, design and profit are very similar to those priced by Axis Europe but component prices will be subject to a separate competitive tendering exercise that United Living will undertake following consultation.

Q: I am already paying towards the major works that Axis Europe were due to start on my block. Can I get a refund?

A: Where works have yet to start, and to help with personal budgeting, it may be more straightforward to continue if possible. Leaseholders can get a refund by contacting our leasehold operations team.

For more information and advice visit: www.westminster.gov.uk/yourhousing/major-works