

**Report to Assets, Development and Investment Committee****18th February 2016**

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**Title:** Cyclical Maintenance and Compliance – End of 3rd Quarter 2015/16

**Report of** Director of Customer and Communities

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**Purpose of Report**

1. To update the committee on cyclical maintenance activities and compliance monitoring for the period April to December 2015.

**Background**

2. Cyclical maintenance covers a range of activities including gas servicing, water hygiene testing, and specialist electrical work. Following on from the cyclical and planned maintenance team's management being aligned with the Investment and Development service, the priorities for 2015 are to continue the integration of cyclical maintenance activity with the wider approach to asset management and planned investment, to ensure investment is targeted and value for money is achieved.
3. This report summarises activity in the period April 2015 – December 2015, and also provides an update on the serving of warrants to gain access for gas servicing.

**Cyclical Maintenance 2015-16**

4. The activities aim to reduce response times and to lower call-out charges, and identify high expenditure trends for inclusion in planned maintenance programmes. A number of work plans are in development to address areas of high expenditure which have been identified in previous reviews. Specific work areas commenced during this period included:-
  - A Service Level Agreement has been developed and implemented with Construction Services to cover the provision of cyclical maintenance and compliance services. The SLA will generate improvements with the scheduling and reporting of works completed and introduces digital certification management. A faster turnaround of reported deficiencies is already evident, the impact on budgets to be closely monitored.
  - Communal boiler house plant – surveys to multi and sheltered schemes have been carried out and orders placed with construction services to install emergency change over points. This contingency measure means that buildings will be ready to receive temporary heat provision in the event of a main plant failure. Boiler plant renewal is being delivered concurrently through

a rolling programme of planned investment. Some blocks have been omitted, following further surveying by CS who have identified alternative measures should the need arise.

- Aids and Adaptations Stairlifts - officers continue to contribute to a cross service working group lead by the Councils Corporate Procurement team to retender servicing and repairs provision for stairlifts. The tender is progressing with a contract start date expected from April 2016.
- Thirteen Group management of properties - a review of cyclical maintenance arrangements and provision of building management documentation has taken place with the client. We are currently liaising on the management agreements for all managed stock and preparing for the handback of Sunhill Court at the end of March.
- Lift Servicing and Maintenance - mobilisation of the new lift maintenance contractor (KONE) commenced in September 2015. The team continues to work with the new provider to ensure the provision of service remains constant. Lift times in service are being scrutinised and reviewed.
- Water Hygiene risk assessment of dwellings commenced during this period, with Gateshead Council's Design Services commissioned to carry out the work. The programme started in June and is targeting the most at risk customer profile first. 904 risk assessments have been completed by the end of December..
- Asbestos management - officers have assisted in the scoping and development of a re-tender exercise for the management of asbestos in communal areas. The project is being led by the Councils Corporate Procurement Team as part of a Gateshead led framework that other North East local authorities will be contributing to.
- Modifications to water treatment systems in Barford/Stretford Court have been completed. No further water quality issues have been reported and regular sampling by the Councils Water Management Officer confirm this.
- Emergency Lighting Cost Savings – A review of emergency lighting has identified the need to consider replacement of standard lighting in a number of multi story flat communal areas. The findings have been shared with Gateshead Council's Energy team to consider energy efficient replacements, and potential sources of external funding to support future investment. Linked to above, during this period we have agreed a new procedure with Gateshead Council's Construction Services, whereby renewal of failing lamps are to be undertaken as part of other on-site inspections. Potential savings on repeat visits to be quantified over the remainder of this year.
- Emergency lighting testing – efficiency savings have been identified that propose the undertaking of this non-technical function be delivered by onsite teams as opposed to the current chargeable arrangement with CS. This change will contribute to a saving on the Repairs budget for 2016/17.
- Warranty Management - Investigation of warrantied light fittings to 9 multi-storey blocks identified a 22% failure rate, this has resulted in an agreement with the manufacture to fund labour and materials cost. This represents a

saving of £2632 since the agreement was formalised on 5<sup>th</sup> January. Extended warranty period to be negotiated. Further funding for energy efficient LED replacement units also being explored with the Councils climate change.

- Electricity usage in communal blocks. The team continues to work extensively with Northern Power Grid to document accurate power usage of unmetered supplies in communal areas. This information will assist in the targeting of areas where high expenditure needs to be addressed with more efficient lighting and control systems.
  - Certification Management - specialist subcontractors are beginning to implement measures to provide certification digitally. Barriers to individual ICT requirements, particularly on smaller businesses, are being explored as they are identified in order to realise back office savings for TGHC.
  - Work continues with Construction Services to align contractor order raising and audit processes with the companies reporting periods to ensure certification is available to be reported upon.
  - Assessment of regulation changes to lifts anticipated later in the year. Detail and implications to be provided via specialist consultant as a future update. No further detail available at this time.
5. The table included in the Appendix to this report summarises the position for compliance monitoring this quarter but selected measures detailed below.

### **Legionella Control**

6. In the period 1 April to 31 December 2015, 560 of 560 (100 %) water hygiene inspection/ treatments have been completed by Construction Services.

### **Fire Alarm Systems and Sprinkler System**

7. In the period 1 April to 31 December 2015, 64 of 90 (71%) quarterly inspections have been carried out to multi storey blocks and sheltered housing communal areas.
8. 533 of 542 (98 %) of monthly fire alarm tests have been carried out to multi storey blocks and sheltered housing communal areas.

### **Gas Servicing and warrants**

9. Performance on gas servicing continues to be both a high risk area for the company and a priority area for continuous improvement. It remains an increasing trend for some tenants to not readily allow access for an annual gas service, despite repeated attempts, and publicity around the potential risks.
10. After three unsuccessful attempts to gain access by appointment (confirmed by letter) a property will be deemed “no access” and passed to a dedicated “no access team” within the repairs partner, Mears. Two further visits per week will be attempted over a two-week period before a decision is taken to apply for a warrant to gain access.

11. Within this period Mears have passed across 325 properties that have been classed as “no access” and referred to TGHC to commence warrant process.
12. The TGHC Gas Service Manager continues to follow available enforcement actions on behalf of the local authority, compiling a number of pre warrant applications. As a result of this pre-warrant activity the majority of properties were accessed without progressing to full warrant; only 52 warrants were finally served.
13. At the end of the period 99.96% services were reported as completed with 7 properties reported as overdue for service.
14. A proportion of these overdue services are as a result of delays in processing manual paperwork, the Gas Service Manager continues to work with Mears to reduce the timescale of administrative processing at month end. Additional secure interfaces have been implemented in December to allow certification to move between the partnership and automatically into our management systems.
15. Having subsequently received compliant paperwork, and continued to pursue customers for access, the actual number of appliances that are out of time at the end of the period was 7 with warrants obtained for all of them on 10 January 2016.
16. TGHC have worked with Mears to successfully implement automatic notification of changes in client and property information during June. This resulted in an immediate drop in abortive visits to properties where tenancies have changed or ownership had transferred.
17. At the October Audit committee (14th October 2015) the committee discussed no access around Gas Servicing in depth and requested an update on the cost of no access. It is proposed to commence re-charging for warrant costs from April, but this approach will need to be agreed in consultation with Portfolio Holder and Legal Services. A separate report will be brought to committee once this proposal has been agreed.

### **Changes in Legislation**

18. The Gas Safety in Use Regulations were amended in April 2015 with an implementation date of April 2016 for the changes to take effect. The proposed changes makes reference to how landlords treat appliances deemed at risk, specifically where tenants may have sleeping arrangements in close proximity to gas appliances.
19. Existing arrangements allow for the monitoring of appliances that are classed as ‘Not To Current Standards’. Under the new changes this is no longer an option and these appliances may have to be isolated if appropriate safety devices are not fitted.
20. A number of appliances have been identified as high risk due to no isolation devices and forwarded as an Asset Management referral. A budget has been allocated within the 2016-17 capital investment programme to renew these appliances.

## **Carbon Monoxide Detectors**

21. The management of the carbon monoxide detector programme is linked to the transference of gas servicing administration into Northgate. The project is currently undergoing ICT testing and is scheduled to go live by the end of March.
22. Detectors continue to be installed during capital investment works and under responsive repairs should a customer contact the repairs service to report a unit that has reached the end of its effective life. This is indicated by a slow single beep emitting from the unit, and not an alarm sounding.
23. The use of CO detectors is a back-up precaution; the primary protection against carbon monoxide is the regular servicing and repair of gas appliances.
24. The programme will aim to replace approximately 3000 units per year at an annual cost of £80,000 over the next 5 years.
25. Carbon monoxide detectors are not a mandatory requirement. There has been no amendment to the 2015 regulations surrounding the provision of carbon monoxide detectors in the private rented sector; registered providers of social housing are still excluded from the requirement.

## **Links to Values**

26. The report links to the following company values of being:
  - Accountable
  - Customer focused
  - Open and Honest

## **Impact on Customers**

27. Appropriate preventative maintenance enables reductions in failure rates and response times, which minimises disruption and maintains services for customers.

## **Risk Management**

28. The report links to the strategic risks around:
  - delivering effective asset management
  - delivering on new projects
  - maintaining a positive reputation
  - managing finances and delivering value for money
  - effectively managing business continuity

## **Health Implications**

29. Appropriate cyclical maintenance brings positive health implications, for example for vulnerable customers through the enhanced warranty and servicing provision for aids and adaptations.
30. A robust maintenance approach to areas such as gas safety, water hygiene and electrical testing maintains essential services for customers and mitigates against health risks through unplanned disruption.

### **Financial Implications**

31. Cyclical maintenance activity is met from within existing budgets, and is kept under review so that budgets can be provided where additional activity is required.

### **Value for Money Implications**

32. Improved planned maintenance and servicing arrangements are reducing the volume of emergency call outs handled by the service. The service of warrants continues to represent a saving in expenditure.
33. Through ongoing alignment with planned investment, the approach will result in fewer responsive repairs which will reduce expenditure by tackling repairs and renewals in a more cost effective way.

### **Recommendation**

34. The views of the committee are sought on whether the committee is satisfied with progress on the management of the cyclical maintenance, to the end of Quarter 2 2015.

## Summary of Compliance Monitoring Quarter 3

Area	Target	Status	Commentary:
Gas Servicing	18,121 appliances	18,164	7 properties did not have a valid certificate.
CO Detectors Installed	18,133	17,732	401 properties to be scheduled to receive a detector.
Lifts in Service	6875	6780	95 Days out of service. Detailed un-planned instances report not available from KONE.
Drainage Surveys to multi blocks	25	0	Surveys scheduled for Q4.
Legionella Control Works	560	560	
Fire Alarm System Inspections (Quarterly)	90	64	Paperwork currently awaiting supervisor audit.
Monthly Emergency Lighting Inspections (Monthly)	542	533	Warwick Court omitted - rewire in progress No documents with CS for internal audit
(Quarterly)	62	61	
Wet & Dry Riser Inspections	26	26	
Bin Chute Fire Shutters	25	25	
Lightning Protection Surveys	26	26	Completed Q2, awaiting certification from CS
SE Ducts (Gas)	1	1	(Regent Court)
Commercial Gas Boilers	34	34	