



Report to Assets, Development and Investment Committee

11 May 2016

Title: Cyclical Maintenance and Compliance – End of 4th Quarter 2015/16

Report of Director of Customer and Communities

Purpose of Report

1. To update the committee on cyclical maintenance activities and compliance monitoring for the period April 2015 to April 2016.

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 – April 2016, 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:-
 - The SLA with Construction Services to cover the provision of cyclical maintenance and compliance services continues to highlight service improvement opportunities. Scheduling and reporting of works completed and digital certification management are key factors for 2016/17, along with a faster undertaking of reported deficiencies to eliminate corporate risk.
 - Communal boiler house plant – emergency access points have now been identified for all multi and sheltered schemes. Contingency measures for temporary heat provision in the event of a main plant failure are agreed with Construction Services. Boiler plant renewal through a rolling programme of planned investment will eliminate further risks.

- Aids and Adaptations Stairlifts – participation in the cross service working group lead by the Council's Corporate Procurement team to retender servicing and repairs provision for stairlifts is ongoing. The tender process has been delayed from April to end of May 2016.
- Thirteen Group management of properties – The team has successfully handed back Sunhill Court at the end of March 2016; fully compliant with all records present and no queries received from the client. TGHC document management processes have been adopted as best practice by Thirteen Group for their new build sites.
- Lift Servicing and Maintenance - The new lift maintenance contractor (KONE) commenced in September 2015. Lift times in service have been scrutinised and reviewed, resulting in a reduction in average response times which is an improvement in service delivery.
- 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. 1746 risk assessments have been completed by the end of March. A resident's guide to water hygiene is being distributed by Design Services, explaining the reason for the work and tenant responsibilities to reduce risk.
- Asbestos management - officers continue to assist 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. Alongside this, work has commenced on a tender specific to the Housing Company delivery model.
- Modifications to water treatment systems in Barford/Stretford Court have been completed. No further water quality issues have been reported. Designs have been commissioned to improve water quality in Barnes Close where it has been identified that low tank turnover occurs, achieved through linking tanks together. Modifications to bin chute flush down facilities have been carried out to reduce risk of legionella to caretaking staff.
- 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. The Asset Team has now been approached with Gateshead Councils initial proposals.
- 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 is unable to be quantified at year end as anticipated and will continue to be explored early in 2016/17. This is due to communication issues around usage reporting from CS paper system. Use of electronic works orders to be explored as a service improvement.
- 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 commencing 1st April anticipated to be £64k per year. A series of training sessions have been successfully completed by our Electrical Auditor and delivered to Sheltered Scheme Officers and Mobile Wardens across 27 sites during March. The weekly testing of fire alarms in communal lounges will also be undertaken at the same time. Sheltered scheme weekly testing will remain with CS as this is a higher risk technical task.

- Warranty Management - Investigation of warranted 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 £3698 since the agreement was formalised on 5th January. Extended warranty period still in negotiation. Further funding for energy efficient LED replacement units also being explored with the Councils climate change.
 - Electricity usage in communal blocks. The team has concluded their work with Northern Power Grid to document accurate power usage of unmetered supplies in communal areas. The final recalculated charges have increased due to an updated schedule of equipment, from £2700 to £3800 per month, despite demolitions. This information will now be referred to the Asset Team for capital investment to target areas where high expenditure needs to be addressed with more efficient lighting and the inclusion of timer 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. A number of Service Level Agreements are being written for introduction for 2016/17 to embed this.
 - 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. The partnership continues to undertake monthly reconciliation between the two systems to ensure works are completed or closed out of the contractors system effectively.
 - New Cyclical activity linked to warranties. The capital investment programme has successfully delivered roof renewals to 147 flat roof properties in St James Village. A maintenance schedule to comply with the manufacturers requirements has been explored with Construction Services. Initial feedback identifies that the cost of providing safe means of access for the inspection in line with Council H&S policies may make this a cost prohibitive exercise. If alternative access arrangements cannot be agreed then additional solutions to inspect the roofs may need to be considered to comply with the warranty.
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 31st March 2016, 723 of 744 (97 %) water hygiene inspection/ treatments have been completed by Construction Services. CS still auditing the remaining 21 outstanding orders but advise all completed (see earlier update on works orders).

Fire Alarm Systems and Sprinkler System

7. In the period 1 April to 31 March 2016, 106 of 106 (100%) quarterly inspections have been carried out to multi storey blocks and sheltered housing communal areas.
8. 670 of 728 (92 %) of monthly emergency lighting 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 435 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 64 warrants were finally served.
13. At the end of the period 99.66% services were reported as completed with 26 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 26 with 12 eligible for enforcement action. Of the 12 only 3 properties finally required warrants which were obtained on 22 April 2016.
16. The use of automatic system notification of changes in client and property information between the partnership systems continues to generate efficiencies. This work has formed the basis for transitioning the gas servicing information back into the client system Northgate. Final scoping of the process along with system enhancements was carried out between January and March., following the annual asset reconciliation process in April.
17. At the February Asset committee an update was given on proposals to commence re-charging for warrant costs from April, following consultation with

the Portfolio Holder and Legal Services. A suite of new letters were agreed with Legal Services during March ready for implementation immediately after the scheduled April 12th Portfolio meeting. Staff and partnership briefings along with a website update and advertising media have been prepared in readiness for an immediate mobilisation.

18. The Gas Service Manager has been nominated by the North East Gas Maintenance Managers forum in January to chair a sub group looking at the audit processes undertaken across the region. TGHC were nominated on the basis of the high standards of audits already carried out and the process enhancements that are scheduled to be implemented.
19. The group will be looking to standardise process and paperwork and undertake benchmarking of performance. A scheme to allow auditors to conduct peer reviews on a free reciprocal arrangement has been tabled for development following standardisation.

Changes in Legislation

20. 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.
21. 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.
22. A number of appliances identified as high risk due to no isolation devices have now been programmed within the 2016-17 capital investment for renewal. The team continues to update and assist in the scheme preparation for this delivery.

Carbon Monoxide Detectors

23. The management of the carbon monoxide detector programme is linked to the transference of gas servicing administration into Northgate. The project completed ICT testing in January and specifications have been finalised with ICT. The change over is scheduled to go live by the beginning of May.
24. 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.
25. 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.
26. The programme will aim to replace approximately 3000 units per year at an annual cost of £80,000 over the next 5 years.
27. 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

28. The report links to the following company values of being:

- Accountable
- Customer focused
- Open and Honest

Impact on Customers

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

Risk Management

30. 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

31. Appropriate cyclical maintenance brings positive health implications, for example for vulnerable customers through the enhanced warranty and servicing provision for aids and adaptations.

32. 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

33. 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

34. Improved planned maintenance and servicing arrangement are reducing the volume of emergency call outs handled by the service. The service of warrants continues to represent a saving in expenditure.

35. 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

36. 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 4 2015.

Contact: Russell Urwin, Planned Investment Manager

Tel No: (0191 433 5313)

Summary of Compliance Monitoring Quarter 4

Area	Target	Status	Commentary:
Gas Servicing	18,072 appliances	18046	26 properties did not have a valid certificate.
CO Detectors Installed	18,098	17,737	361 properties to be scheduled to receive a detector.
Legionella Control Works	744	723	21 outstanding reports awaiting supervisor audit by CS
Fire Alarm System Inspections (Quarterly)	106	106	
Monthly Emergency Lighting Inspections	728	670	Warwick Court omitted - rewire in progress Documents not made available from CS for internal audit
Wet & Dry Riser Inspections	26	26	
Bin Chute Fire Shutters	25	25	
Lightning Protection Surveys	26	26	
SE Ducts (Gas)	1	1	(Regent Court)
Commercial Gas Boilers	34	34	