

Workshop 2a

M3NHF Schedule of Rates & contracting for compliance

Speaker: David Miller & Dominic Higgins
– Rand Associates

Chaired by: David Miller

Room: Arden



NHMF
Maintenance
Conference
2020

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What is Compliance..?

Compliance can be interpreted in a number of ways:

- Complying with contract terms legally entered in to;
- Complying with the obligations of the Contract regarding valuing the Works and Services undertaken;
- Complying with Regulatory Requirements;

What is “Compliance” – Legal Definition

“the state or fact of according with or meeting rules or standards”.

“compliance is sufficiently malleable a term to encompass a range of activities and aspects of regulation including the act of enforcement of the law, the process of securing the underlying aims and objectives of regulations and the negotiation of regulatory outcomes”

What is “Compliance” – Legal Definition

The definition in BS ISO 19600:2014 *Compliance Management Systems. Guidelines* is perhaps more pertinent to health and safety compliance. This publication refers to “compliance obligations”, which can be:

- requirements that an organisation has to comply with
- commitments that an organisation chooses to comply with.

The first includes relevant laws and regulations, but may also take in any necessary licences, permits, protocols, etc; it could also include specific orders or rules from regulatory agencies as well as case law judgments.

The second could comprise organisational requirements such as policy, contractual agreements, voluntary and/or industry standards.

Compliance

It is a major responsibility of Clients as landlord's to:

- protect their tenants, the general public and staff;
- protect their investment in their property portfolio;
- drive investment decisions;
- retain the confidence of their funders;
- keep the Regulator happy;

Principal Regulations

GAS	Gas Safety (Installation and Use) Regulations 1998 (Amended 2018)
ELECTRICAL SAFETY	All works to be in accordance with BS7671 certification requirements
WATER SAFETY	Control of Substances Hazardous to Health Regulations 2002 and L8 Approved Code of Practice
FIRE SAFETY	Regulatory Reform (Fire safety) Order 2005
LIFTS	The Lifting Operations and Lifting Equipment Regulations 1998 (LOLER)
ASBESTOS	Control of Asbestos Regulations 2012
GENERAL	Homes (Fitness for Human Habitation) Act 2018 and Section 3(2) of the Health and Safety at Work Act 1974 Landlord and Tenant Act 1985 Section 4 of the Defective Premises Act 1972

Compliance in meeting Legal Regulations

- Duties of the Client and Service Provider

CLIENT	SERVICE PROVIDER
KNOW what they own	IDENTIFY AND RECORD what is installed, its condition and the date when last tested and certificate issued
KNOW what has been installed in their properties, and have copies of all warranties, O&M manuals etc	CERTIFY following handover from others, that new installations have been installed to regulatory requirements
KNOW that it met regulatory requirements when installed	PROGRAMME to test and certify before expiry of anniversary date of last test and certification
KNOW when it next needs to be tested or certified	CARRY OUT testing and certification on or before due date
KNOW that it has been tested or certified and when was it undertaken and by whom	INFORM client if installation no longer meets the required regulations
HAVE ACCESS to or copies of the record of the testing and certification	PROVIDE the record of the testing and certification
INSTRUCT service provider to maintain installation to the required regulations	UNDERTAKE Any Maintenance to achieve conformity to any applicable regulations

Compliance in meeting Legal Regulations

Asset Registers –

- Do Clients know what is to be inspected , tested, certified within their portfolio,
- how up to date is this,
- data from schemes being handed over from developers/acquired, when does defects liability period expire, was it free of defects, are all the warranties in place.
- OT's requirements – have these been recorded on the asset register and the testing, servicing and certification ("TSC") programme.

Compliance in meeting Legal Regulations

Question to the Floor:

Do you know for example how many emergency light fittings there are between your desk and the main entrance to your offices? (4 emergency lights, 1 illuminated exit sign, 4 fire exit signs)

- are these lights standalone, or combined with your communal lighting;
- what system, maintained or non-maintained;
- and who maintains them;?

Emergency Lighting

Currently, the **legal requirement** states that emergency lighting must be tested in two ways:

Monthly emergency lighting tests

- All emergency lighting systems must be tested monthly. The test is a short functional test in accordance with BS EN 50172:2004 / BS 5266-8:2004.
- The period of simulated failure should be sufficient for the purpose of this test while minimising damage to the system components, e.g. lamps. During this period, all luminaires and signs shall be checked to ensure that they are present, clean and functioning correctly.

Annual emergency lighting tests

- A test for the full rated duration of the emergency lights (e.g. 3 hours) must be carried out annually. The emergency lights must still be working at the end of this test.
- The result must be recorded and, if failures are detected, these must be remedied as soon as possible.

Compliance in meeting Legal Regulations

The model M3NHF Modules cover all of these aspects,

They require the Service Provider within 3 months of commencement of the Contract:

- to condition survey the assets;
- produce asset register of what they are to maintain (not just what they were provided with to submit a tender);
- produce costings for additional works,
- develop an electronic logbook to record service and breakdown visits, and action taken,

Service Provider should only get paid for the certificates they submit

Compliance in meeting Legal Regulations

Question to the Floor – 1

Who in your organization checks the certificates whether as client or as a contractor employing a subcontractor to undertake the testing and certification....???

Compliance in meeting Legal Regulations

Question to the Floor – 2

Do you pay on results or on a periodic basis e.g 1/12th of the annual cost....???

Compliance in meeting Legal Regulations

Question to the Floor – 3

How often do you get your lifts thoroughly examined.
(LOLER Requirement)....???

The main feature of LOLER – so far as lifts that carry persons are concerned – is the undertaking of a thorough examination at least every six months, or in accordance with a written scheme...

Compliance in meeting Legal Regulations

Question to the Floor – 4

Who has a comprehensive 3star gas contract where you are picking up (1) water hygiene risks and (2) servicing and testing of smoke, heat, gas and carbon monoxide detectors in addition to the gas appliances..?

Compliance in meeting Legal Regulations

Question to the Floor – 5

What do you do about 'non gas' properties in relation to smoke and heat detectors..?

Compliance in meeting Legal Regulations

Question to the Floor – 6

What about leasehold properties served by a communal gas main within your common areas with centralised meters..?

Compliance in meeting Contractual Obligations

The model M3NHF Modules incorporate the main contract obligations to meet the Regulatory Requirements:

- Produce certificates on time, before expiry
- Service at the recommended dates
- Produce a programme of testing, servicing and certification and that is adhered to
- Conform to all the KPI requirements.
- Have the qualified staff to undertake the TSC programme
- Check and maintain the qualifications

But do you as Clients (including DLO and Contractors with your subcontractors) check the qualifications and engineers/electrician's certification.

Compliance in meeting Contractual Obligations

But Compliance is just not the obligation to meet Regulatory Requirements but to conform to the obligations imposed by the Contract Documents for any Maintenance Contract on the Client but particularly on the Service Provider in respect of:

- Contract Conditions;
- Preliminaries or Service Specification;
- Technical Specification;
- KPI Framework;
- Method Statement;
- Social Value Offer;

Principal Failures – Contract Obligations

Other than Financial matters:

- Not requesting or recording Variations;
- Not holding regular progress meetings and accurately minuting these.;
- Not holding quarterly review meetings comparing the performance of all Contractors/Service Provider's employed;
- Not conforming to the Social Value Offer;
- Not ensuring that Service Provider's are given the most up to date information on "new " installations;
- IT integration inadequate or non-existent;
- Employing subcontractors without the Client's knowledge or consent;
- Not achieving KPI targets including failing to achieve MAP.

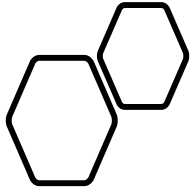
Compliance in meeting Contract Regulations

Question to the Floor – 7

From both a Client and Service Provider perspective, what other problems do you consider effect the performance of the Contract..?

Compliance in meeting Financial Obligations

- Accuracy
- On Time, not months late;
- Produce all the required certificates, test results, warranties before or at time of applying for payment;
- Claiming for works not done;
- Claiming excessive quantities;
- Claiming for renewing a component that could easily have been repaired;
- Claiming for items already deemed to be included; (Example – latex screeds claimed with new or renewed floor coverings)



Code Compatibility

- Automated check
- Job Number Specific List
- Example;

Order No.	SOR Code
1581499	855509
1581499	861005
1581499	896001
1581499	898101
1581499	898103

Code	Short	Rate
630703	BASIN:RENEW COMPLETE WITH PEDESTAL TAPS	£247.19
631505	SEALANT:RENEW TO BASIN OR SINK	£2.96
631301	TAP:RENEW PAIR BASIN PILLAR TAPS	£50.49
631303	TAP:RENEW PAIR BASIN TAPS-CERAMIC DISC	£64.17
620101	WASTE:RENEW 32MM PIPE AND TRAP BASIN	£54.34
620105	WASTE:RENEW 40MM PIPE AND TRAP BATH	£75.16
656001	SERVICE VALVE:RENEW OR INSTALL 15MM	£32.28
656003	SERVICE VALVE:RENEW OR INSTALL 22MM	£33.04
656005	SERVICE VALVE:OVERHAUL ANY SIZE OR TYPE	£26.73
657001	BALLOFIX VALVE:RENEW OR INSTALL 15MM	£33.93
635001	PIPE:RENEW OR INSTALL 15MM COPPER	£21.64
635003	PIPE:RENEW OR INSTALL 22MM COPPER	£25.95
635005	PIPE:RENEW OR INSTALL 28MM COPPER	£30.34
620119	TRAP:RENEW 40MM SINK OR BASIN TRAP	£13.53

Code	Short	Rate
630703	BASIN:RENEW COMPLETE WITH PEDESTAL TAPS	£247.19
631505	SEAL & RENEW TO BASIN OR SINK	£2.96
631301	TAP FOR BASIN PILLAR TAPS	£50.49
631303	BASIN TAPS-CERAMIC	£64.17
620101	PIPE AND FITTINGS	£54.34
620105	PIPE AND FITTINGS	£75.16
656001	SERVICE VALVE	£32.28
656003	SERVICE VALVE	£33.04
656005	SERVICE VALVE	£26.73
657001	BALLOFIX	£33.93
635001	PIPE AND FITTINGS	£21.64
635003	PIPE AND FITTINGS	£25.95
635005	PIPE AND FITTINGS	£30.34
620119	PIPE AND FITTINGS FOR SINK OR BASIN	£13.53

Overclaim Calculation 1....

Invoice 1		
Code	Description	Rate
630703	BASIN:RENEW COMPLETE WITH PEDESTAL TAPS	£247.19
631301	TAP:RENEW PAIR BASIN PILLAR TAPS	£50.49
620119	TRAP:RENEW 40MM SINK OR BASIN TRAP	£13.53
	Total	£311.21

Overclaim Calculation 2....

Invoice 1		
Code	Description	Rate
630703	BASIN:RENEW COMPLETE WITH PEDESTAL TAPS	£247.19
631301	TAP:RENEW PAIR BASIN PILLAR TAPS	£50.49
620119	TRAP:RENEW 40MM SINK OR BASIN TRAP	£13.53
	Total	£311.21
	Overclaim	£64.02

Overclaim Calculation 2....

Invoice 2		
Code	Description	Rate
830011	SHOWER:RENEW CIRCUIT	£142.47
830013	SHOWER:RENEW 45A CEILING SWITCH	£42.92
855511	CCU:INSTALL ANY SIZE RCD	£64.90
	Total	£250.28

Overclaim Calculation 2....

Invoice 2		
Code	Description	Rate
830011	SHOWER:RENEW CIRCUIT	£142.47
830013	SHOWER:RENEW 45A CEILING SWITCH	£42.92
855511	CCU:INSTALL ANY SIZE RCD	£64.90
	Total	£250.28
	Overclaim	£107.81

Overclaim Calculation 3....

Code	Description	Rate
371013	KITCHEN UNIT:RENEW CORNER WALL TO MATCH EXISTING	£124.07
371001	KITCHEN UNIT:RENEW SINGLE BASE TO MATCH EXISTING	£155.72
630107	SINK TOP:REFIX ANY LOOSE SINK TOP	£48.68
620103	WASTE:RENEW 40MM PIPE AND TRAP SINK	£60.85
373023	KITCHEN UNIT:RENEW PLINTH	£14.79
372005	WORKTOP:REMOVE AND REFIX	£11.89
433001	SEALANT TO PERIMETER:RENEW TO FLOORING	£2.73
199999	DAYWORK - Joiner to cut out Pipes	£50.00
842001	DOMESTIC APPLIANCE:DISCONNECT AND RECONNECT	£12.65
631507	SEALANT:APPLY TO WORKTOP AND WALL	£2.96
	Total	£484.35

Overclaim Calculation 3....

Code	Description	Rate
371013	KITCHEN UNIT:RENEW CORNER WALL TO MATCH EXISTING	£124.07
371001	KITCHEN UNIT:RENEW SINGLE BASE TO MATCH EXISTING	£155.72
630107	SINK TOP:REFIX ANY LOOSE SINK TOP	£48.68
620103	WASTE:RENEW 40MM PIPE AND TRAP SINK	£60.85
373023	KITCHEN UNIT:RENEW PLINTH	£14.79
372005	WORKTOP:REMOVE AND REFIX	£11.89
433001	SEALANT TO PERIMETER:RENEW TO FLOORING	£2.73
199999	DAYWORK - Joiner to cut out Pipes	£50.00
842001	DOMESTIC APPLIANCE:DISCONNECT AND RECONNECT	£12.65
631507	SEALANT:APPLY TO WORKTOP AND WALL	£2.96
	Total	£484.35
	Overclaim	£126.18

Frequent Offenders....

- Client Inspection Codes



Frequent Offenders....

- Access

- Bath Panel Removal (to locate leak)
- Remove and Relay Floorboards (during wiring task)
- Provide and Erect Ladders (to align gutters)
- Remove and Re-fix Radiator (to allow plastering)

Frequent Offenders....

- Removing & Renewing
 - Disconnect Kitchen Unit – Renew Kitchen Unit
 - Remove Toilet – Renew Toilet
 - Demolish Wall – Re-Build Wall
 - Strim Fence Line – Erect Fence

Frequent Offenders....

- Surface Preparation
 - Uni Bond & Plaster
 - Floor Screed & Floor Covering
 - Strip Walls & Plaster Walls
 - Cleaning & Decorating

Thank you.

See you at the
next conference!



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