



**Report to:**  
 Northwards Housing Board  
 14<sup>th</sup> November 2006

**Item No:**  
**12b**

<b>Title:</b>	Gas System Change to 2 and 4 Block Flats		
<b>Date:</b>	16 October 2006		
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<b>Confidential:</b>	No		
<b>For:</b> (Please tick action required)	<b>NOTING</b>	<b>DISCUSSION</b> √	<b>APPROVAL</b> √

**PURPOSE OF REPORT**

To seek approval to the proposed changes to the gas supply pipe work to the cooker positions to flats constructed in blocks of 2 and 4 in order to facilitate more efficient servicing and maintenance of the whole gas installation. There is difficulty in carrying out gas servicing to 2 and 4 block flats to which heating is provided from a communal boiler because of the need to service both or all four at one time. This proposal would mean that flats could be serviced individually.

**RECOMMENDATION**

Procurement and Property Sub Committee have approved this report and recommends to the Board that Option 2 is pursued both to facilitate the independent and more cost effective servicing and maintenance of the gas appliances and installations to these flats.

**IMPLICATIONS**

<b>Equality &amp; Diversity:</b>	There are no equality and diversity implications.
<b>Financial:</b>	This report does not require funding additional to that already contained in the decent homes investment plan for heating work to these properties.
<b>Staffing:</b>	There are no staffing implications.
<b>Decency Target:</b>	This modification of gas installations does not contribute to achieving decency targets.
<b>Governance:</b>	Health and Safety and Efficiency are important governance matters.
<b>Risk Assessment:</b>	This report seeks to reduce the high risk associated with the failure to service gas appliances and installations annually.

**Equality & Diversity Implications (Please tick where relevant):**

- |            |                          |                                  |                          |
|------------|--------------------------|----------------------------------|--------------------------|
| BME        | <input type="checkbox"/> | Lesbian/Gay/Bisexual/Transgender | <input type="checkbox"/> |
| Elderly    | <input type="checkbox"/> | Single Parents                   | <input type="checkbox"/> |
| Young      | <input type="checkbox"/> | Domestic Violence                | <input type="checkbox"/> |
| Disability | <input type="checkbox"/> | Alcohol / Drug Mis-users         | <input type="checkbox"/> |

## 1. Background

- 1.1 There are 236 x “2-in-a-block” and 144 x “4-in-a-block” flats in the Northwards Housing area, a total of 1,042 individual flats which have such systems. Central heating to each flat is provided from a single, gas fired communal boiler for each block of 2 or 4. Each block of 2 and 4 flats is served by a single gas meter which measures the total gas used by all the flats for heating **and** cooking. The cost is recharged to individual tenants via the rent.
- 1.2 Whilst these systems provide an efficient heating supply to the flats, the annual servicing has proved very difficult, time consuming and expensive due to the necessity to gain access to all flats simultaneously. Furthermore, should simultaneous access not be forthcoming to all flats, the essential servicing to **all affected flats** remains outstanding until such time as access is gained. This situation can continue for a few months beyond the mandatory 12 month servicing cycle, thereby rendering the organisation non-compliant with legislation and, more importantly, putting the health and safety of its tenants and residents at risk.
- 1.3 By way of example, members of the Procurement & Property Sub Committee had been referred to this month’s Gas Servicing report in which 15 properties have not had a gas service carried out for over 16 months, 7 of which are due to this very problem.

## 2. Options

- 2.1 Essentially, Northwards Housing has 2 options for consideration in order to mitigate the risks outlined above by enabling the heating systems to individual flats to be serviced independently of each other.

### 3. Option 1 - Replace the communal boiler with individual gas fired boilers to each flat.

- 3.1 This option will require the following work to be undertaken:

- Removal of the communal boiler.
- Installation of separate boilers to each flat.
- Modification to existing radiators and pipe work in order to accommodate the new boiler.
- Installation of a new independent gas supply into each flat.

- 3.2 The advantages and disadvantages of this option are as follows:

#### Advantages

- Total independence of gas supply
- Total independence of gas servicing.

## Disadvantages

- A relatively high initial capital outlay of £14,000 per 4 block and £7,000 per 2 block of flats. (NB – these costs include for a new independent gas supply to each flat which can only be installed by TRANSCO at an estimated cost of £750.00 per flat)
- Residents will be required to enter into a gas supply agreement with their chosen supplier and will become individually responsible for payment of their gas account.
- Prior consultation with the affected residents may prove to be very time consuming and, ultimately, ineffective given the above issues.
- Many of the boilers are likely to remain serviceable for several years thereby making their replacement an ineffective use of available funds.
- Increase in servicing costs.

3.3 The estimated capital cost of Option 1 is £3.668m, £2.262m of which is already included in the Decent Homes programme, a net increase of **£1.406m**.

## 4. **Option 2 - Modify the existing gas installation pipe work to the cooker positions under the Decent Homes programme to facilitate the independent servicing and maintenance of gas appliances and installations to each flat.**

4.1 This option will require the following work to be undertaken, additional to that proposed under the decent homes programme:

- Provision of a new independent gas supply pipe from the existing communal gas meter to the cooker point in each flat complete with lockable isolation valves within the boiler room. (NB - flats are presently served by a “loop” system which prevents the gas supply to individual flats from being isolated and tested unless access is gained to all flats simultaneously)

4.2 The advantages and disadvantages of this Option are as follows:

### Advantages

- Reduction in the risk to tenants' health and safety associated with the failure to carry out an annual service to all gas fired appliances.
- A relatively low initial capital outlay of £364,700 (1,042 flats @ £350).
- No disruption for residents, additional to that from the decent homes improvement works.
- Increased certainty to the future gas servicing of these flats resulting in improved efficiency and value for money.
- A reduction in the number of failed appointment visits and Section 54 notices required through the inability to gain access.
- We can negotiate on servicing rates through to completion.
- Reduced disruption for those tenants who do give access.

### Disadvantages

- No disadvantages are envisaged.

4.3 The estimated capital cost of Option 2 is £364,700. However, it is evident from bids received from the capital works framework contractors that savings in the region of £1,000 per property are likely to be achieved for replacement boilers and heating system upgrades when compared with the original £3,000 per property included in the decent homes investment plan. Given that 754 of the 1,042 flats in question are expected to require a replacement boiler, the total saving of £754,000 is more than adequate to fund this additional work.

## **5. Recommendation**

Procurement and Property Sub Committee have approved this report and recommend to the Board that Option 2 is pursued both to facilitate the independent and more cost effective servicing of these systems.