



Ark Defects Procedure

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Date	Owner	Version	Reason for Change
March 2023	David Gray	V1.0	New Procedure

Summary of Changes

Section	Change
	New Procedure

Defect & Making Good Procedure

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1.0 Introduction

This document sets out the procedure for the reporting and management of defects during the Defects Liability Period serving a newly completed or refurbished development. It aims to provide a clear list of tasks to be completed as part of this process and identifies the role or department responsible for each task. It will cover rented and property for sale during the defect period only, once this period has expired repairs responsibilities will change to either the owner or Ark under its Reactive Repairs Procedure.

This document should be read in conjunction with the process/flow chart contained in Appendix 1. The following list summarises the process/flow chart. Please note dependant on the procurement route and/or tenure this may vary, therefore a specific process/flow chart will be finalised per development as part of the handover procedure. The one in Appendix 1 is indicative only.

The definition of a defect in construction is broad and wide ranging but can generally be defined as a problem with the design, workmanship and/or the materials or systems used in the construction of a project that results in a failure of a component part of a building or structure. In general terms, a defect can be classed as any component of a building which is not performing in the way in which it was designed to do so.

The most commonly reported defects relate to “shrinkage cracks” which can be generalised as cracks in plaster, paint, and timber joints caused by construction elements drying out at different rates. Unless greater than 2mm wide, these will not be attended to by the development contractor. Any cracks identified as being greater than 2mm will be addressed at the end of the defects liability period by the development contractor. Guidance from NHBC on standard of finishes can be found in the current revision of the NHBC Technical Standards.

2.0 Defect Liability Period

The Defect Liability Period usually runs for a minimum 12 months and maximum of 24 months following the date of Practical Completion or if handovers are phased 12 months following each sectional handover. The contractual defect liability position will be advised by the Development Manager (DM) on a scheme by scheme basis.

2.1 Administration of Defects

Defects administration will be the responsibility of the Contractor. Ark will monitor overall progress.

Costs incurred by Ark through failure by the Contractor to conform to this procedure may be charged against the Contractor's Final Account.

2.2 Defect Reporting

To enable defects to be reported accurately, tracked, and monitored, all defects should be reported to the Property Administrator (Asset Team):-

Phone: 0131 478 8143

E-mail: repairs@arkha.org.uk

The Property Administrator (PA) will assess and advise the customer if the fault is a construction defect, common repair or owner/tenant responsibility. If deemed to be a construction defect, the PA will log defect onto the Housing Management System, including access arrangements and customer contact information and generate a Defects Works Order.

All emergency and qualifying Defects Works Orders must be passed directly by phone & confirmed by email. Routine repairs can be passed by e-mail only. Some faults (e.g. shrinkage) will be left until the end of the defects period and the tenant/owner will be informed of this. In this case a repair with the date of the end defects period would be raised so the fault is recorded and the tenant/owner notified.

Once the repair has been completed the Contractor will return the completion section of the Defects Works Order to the PA who will record the repair as complete on the Housing Management System.

2.3 Contractor Response Times

Ark's Response Times are as follows and the Contractor is obligated to attend to defects within these timescales:

Emergency	Respond to call within	12 hours
Urgent	Respond to call within	3 days
Routine	Respond to call within	14 days (10 working days)
Shrinkage/Cosmetic	Respond to call within	14 days (inspection only)
"Right to Repair" times		
Qualifying Repair 1	Respond to call within	1 day
Qualifying Repair 3	Respond to call within	3 days
Qualifying Repair 7	Respond to call within	7 days

Any costs incurred by Ark through failure by the Contractor meet these Response Times may be charged against the Contractor's Final Account.

2.4 Defect Management

The onus is on the contractor to contact the tenant/owner to make arrangements for access and keep them updated on progress of the repair. Ark is responsible for advising if tenants have special access arrangements, such as visiting in pairs or attending when care staff are on site. All contractors who visit Ark tenants will need to sign the current GDPR notice as issued to all response repair contractors.

The Contractor will provide the PA with a monthly report detailing any outstanding/incomplete Defects Works Orders and reasons why they have not been closed off.

The PA will run a weekly report from the Housing Management System detailing all Defects Works Orders issued and if there are any Emergency or Urgent repairs the PA will contact the Contractor to establish if they have been completed or the reasons for any delay.

The PA will update any diary entries for this order. If the Housing Management System is changed in the future the process will be revised depending on the functions available in the new software.

2.5 Potential Disputes

Below are typical issues, this list is not exhaustive.

Development Contractor does not accept fault as a defect:

The Development Contractor will advise the PA on the monthly tracker if a defect hasn't been accepted, who will escalate to the DM. The DM will liaise with contractor to assess the fault and decide next steps. A Property Services Officer (PSO) may be called upon by the DM to provide support. If not deemed a construction defect, the DM will issue letter to customer advising whether owner/tenant responsibility or common repair. If DM deems the fault to be a defect it will be escalated to the Contractor's Customer Care Manager with advisory as appropriate. DM will keep the customer informed throughout this process.

Development Contractor does not attend to defect within contractual response time:

Development Contractor to advise DM via the Defect Tracker, that contractual response times will not be met. DM to request confirmation of proposed completion date from Contractor. DM to keep customer updated.

Customer disagrees that works are completed to a satisfactory standard:

In the event a customer returns a satisfaction letter to advise they are not satisfied with the standard of repair, the PA will flag to the DM who will contact customer to discuss and arrange an inspection visit if necessary. If customer's comments are justified, DM will raise with Contractor's Customer Care Manager to make good defect as close to contractual time scale as possible. DM to keep customer informed.

3.0 End of Defect Liability

Four weeks prior to end of defects liability period, the PA will issue letter to customers to agree suitable end of defects inspection date to be carried out by a Clerk of Works employed by Ark. An invite will be issued to the SPO at this time who may also wish to attend the inspections, Ark will also provide the Clerk of Works with a list of defects repairs carried out at each property so that quality checks can be undertaken and patterns determined. This will include any repairs noted to be left to the end of the defects period. An inspection sheet will be signed by the resident during inspection visit to confirm content is a true and accurate representation of defects within the property.

If the tenant/owner does not provide access, the DM will liaise with the Housing and Asset Teams to try and resolve this. In this instance the inspection may be carried out by the DM or SPO in place of Clerk of Works depending on circumstances. The tenant/owner may also be advised that if they do not provide subsequent access for contractors that they become liable for all incomplete repairs.

Inspection sheets will be passed to the PA for forwarding to the Development Contractor along with contact details for the tenant/owner. The PA will add the inspection sheet to the Defects Tracker (Appendix 6), which will be used to monitor Contractor performance. Typically all inspection sheets are issued to the contractor at one time. If a defect has more serious implications, Ark may seek specialist advice form for an outside consultant, such as an engineer.

The Contractor will manage the making good defects process and make arrangements with the tenant/owner to attend to carry out any works required.

Once works are completed the Contractor will ask the tenant/owner so sign off the inspection sheet confirming that the work has been completed and this will be returned to the PA. The PA will issue a letter to the tenant/owner confirming that all defects have now been resolved. The PA will close the defect on the Defects Tracker. Depending on the nature of the defect, Ark may choose to carryout a quality check of the work once advised it is complete.

Following confirmation all defects are complete DM will advise Employers Agent to issue Certificate of Making Good Defects along with the Final Certificate releasing the remaining retention monies. At this stage the development is defects free.

4.0 Latent Defects

Latent defects are caused by failures in design, workmanship or materials that may not have become apparent or readily detectable (even with the exercise of reasonable care) until many years after practical completion of the project and after the defects liability period has expired. Under a build contract, a period of 12 years (this may vary depending on the form of contract) from the date of Practical Completion applies during which a Latent Defect can be raised with the Development Contractor to be made good under contract. In this instance, any potential latent defect assessed by the SPO should be passed to the DM, who will pass the details of the defect to the Development Contractor via the Employers Agent. The defect will then be managed through to completion by the DM.

5.0 Implementation and Review

5.1 Implementation

The Development Manager will ensure that this procedure is followed by all members of staff involved in the process for management of defects in new build developments.

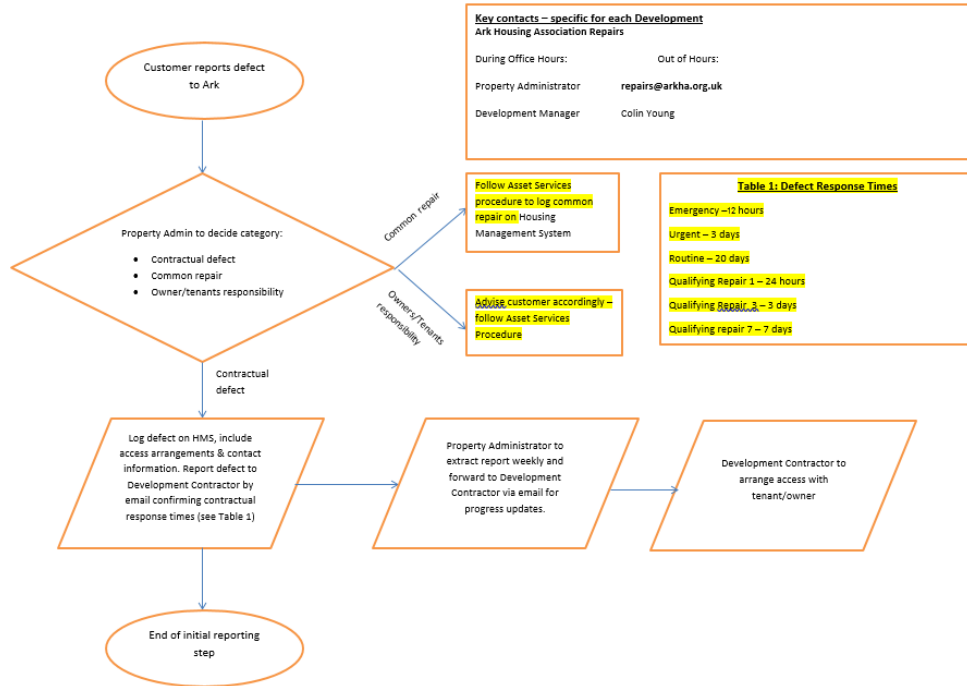
4.2 Review

The Development Manager will ensure that this procedure is initially reviewed after handover of the first new development (expected to be Crusader Rise, Livingston in 2023), and reviewed at least every three years thereafter. If any new Housing Management System is introduced it may be reviewed earlier to make use of any features the new software offers, this may include the reformatting and redrafting of the letters below so they can be self generated by the system.

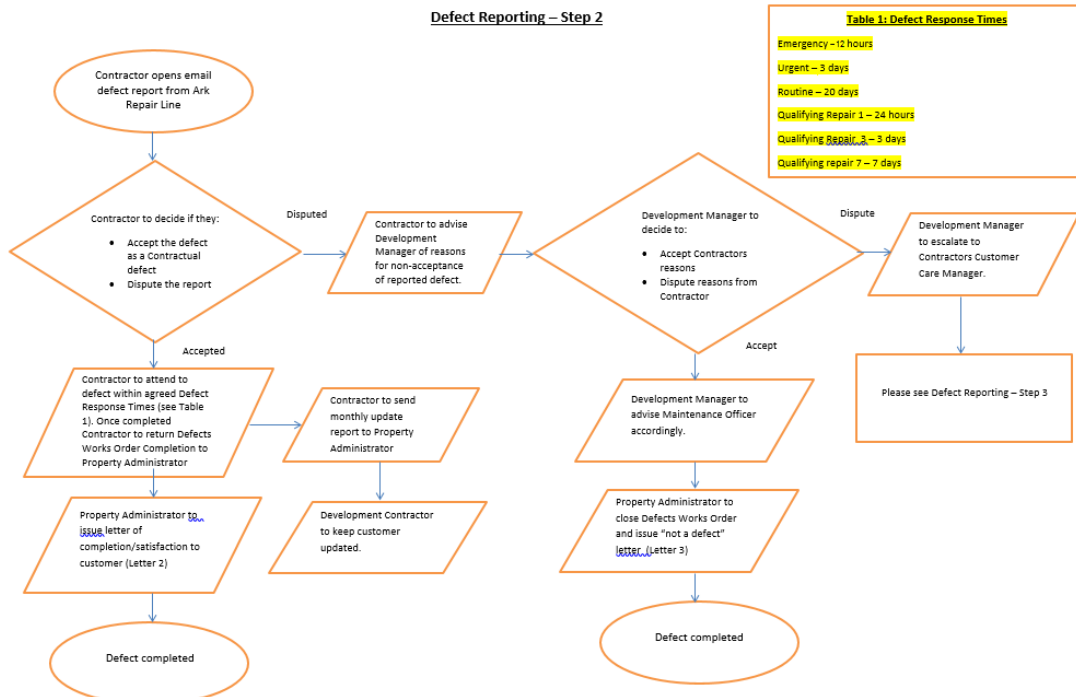
Appendix 1 – Defect Reporting Workflow

Defect Reporting Workflow

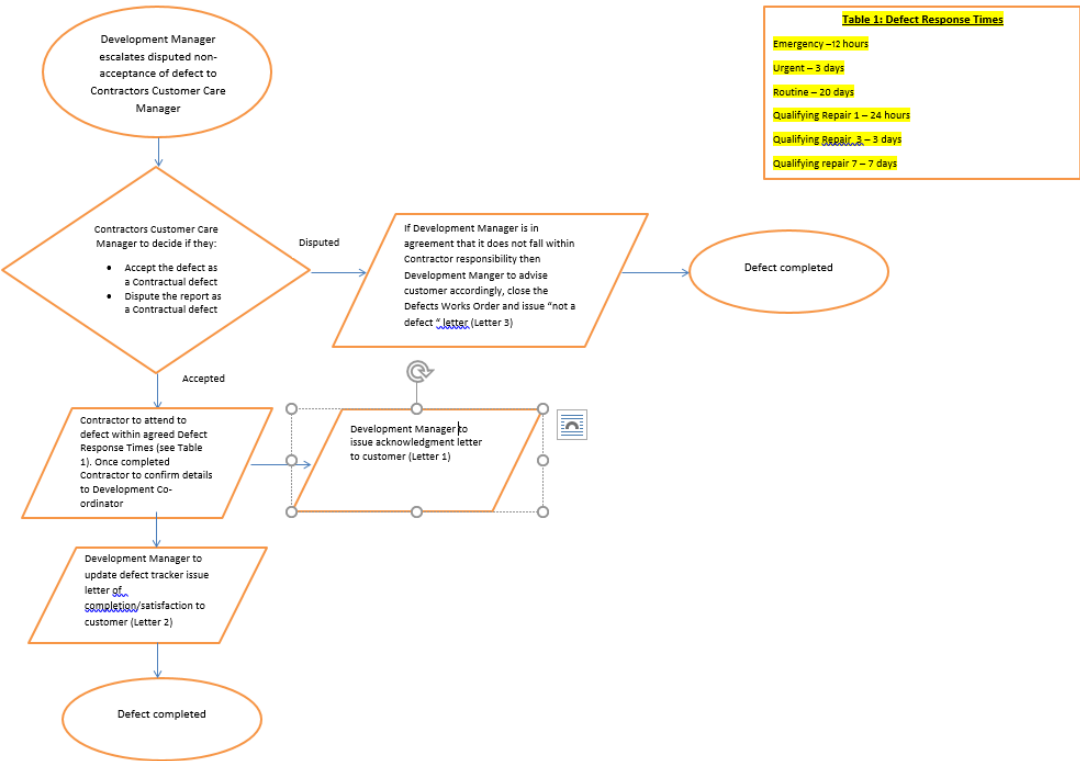
Defect Reporting – Step 1



Defect Reporting – Step 2



Defect Reporting – Step 3



Appendix 2 - Defect Reporting Letter 1

Acknowledgment - Draft

«Tenant1»
«CorrAddr1»
«CorrAddr2»
«CorrAddr3»
«CorrAddr4»
«Corr_PC»

Dear «Tenant2»,

Works Order No:
Date Reported:
Response Time:

Further to your call to our Repair line to report
defect.

This has now been passed to the contractor {contractor} who will be in touch to arrange an appointment to carry out the necessary work. We will liaise directly with the contractor and keep you informed of progress.

If you require any further assistance with this matter please do not hesitate to contact us.

Yours sincerely

Property Administrator

Appendix 3 - Defect Reporting Letter 2

Defect Reporting Letter- Status Update- Draft

«Tenant1»
«CorrAddr1»
«CorrAddr2»
«CorrAddr3»
«CorrAddr4»
«Corr_PC»

Dear «Tenant2»,

Works order:
Call Ref:
Date Reported:

We have been liaising directly with the contractor to track their progress in completing works to repair reported to our repair line.

I wanted to let you know that we have been informed by {contractor} they are..... (Awaiting parts etc.)..... and will arrange to contact you to have the works completed when received.

If you require any further assistance with this matter please do not hesitate to contact us.

Yours sincerely

Property Administrator

Appendix 4 - Defect Reporting Letter 3

Defect Reporting Letter 3 – Refusal Draft

«Tenant1»
«CorrAddr1»
«CorrAddr2»
«CorrAddr3»
«CorrAddr4»
«Corr_PC»

Dear «Tenant2»,

CTX Call Ref:
Date Reported:

Further to your recent call to our Repair line to report We have been liaising directly with the Contractor to progress this and determine if the fault is a contractual defect.

Due to the nature of this fault Contractor/Development Manager have determined that this issue would not be classed as a contractual defect due to

This fault is classed as a responsibility.

If you require any further assistance with this matter please do not hesitate to contact us.

Yours sincerely

Property Administrator

Appendix 5 - Defect Reporting Letter 4

Defect Reporting Letter 4 – Closed - Draft

«Tenant1»
«CorrAddr1»
«CorrAddr2»
«CorrAddr3»
«CorrAddr4»
«Corr_PC»

Dear «Tenant2»,

CTX Call Ref:
Date Reported:

Further to your recent report to our repair line of a defect at the above property.

The contractor has now confirmed that this issue has now been resolved. As such, we will now close this job as completed on our records.

I trust you are happy with this outcome. If you are not satisfied that the works are complete I would ask you to let us know.

If you require any further assistance with this matter please do not hesitate to contact us on the telephone number/ e mail address below.

Yours sincerely

Property Administrator

Appendix 6 – Defects Tracker

Defects Tracker – This will likely be a spreadsheet in the short term, but going forward may be a report generated by any new Housing Management System.

Appendix 7 – Defect Reporting Letter 5

Defects Reporting Letter 5: End of Defects Period - Draft

«Tenant1»
«CorrAddr1»
«CorrAddr2»
«CorrAddr3»
«CorrAddr4»
«Corr_PC»

Dear «Tenant2»,

End of Defects Period – Inspection on 1st January 2024

As your property is about to become a year old, Ark require access to inspect the property for any defects and repairs under the contractors warranty.

Any repairs identified will be made good at no cost to Ark. The inspection will be carried out by XXXXXX – from XXXX Clerk of Works Services on 1st January 2023 and they will require access to all rooms.

It would be very helpful if you could take note of any defects you have noticed before they visit to ensure that nothing is missed.

Your help in this matter much appreciated.

Yours sincerely

Property Administrator

