



The Gateshead Housing Company Assets, Development & Investment Committee

Tuesday, 5 March 2013 at 2pm

Meeting Room 5, The Gateshead Housing Company, Keelman House,
Fifth Avenue Business Park, Fifth Avenue, Team Valley Trading Estate,
Gateshead NE11 0XA

Agenda

| Item | Business |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Apologies for Absence |
| 2. | Declarations of Interest |
| | <u>ITEM FOR DISCUSSION</u> |
| 3. | <p>Membership and Terms of Reference</p> <p>(i) To note the following membership of the committee: -</p> <ul style="list-style-type: none"> • Paul Foy (Chair) • Gordon Spring • Pauline Dillon • Peter Mole • Joanne Carr • 2 vacancies <p>(ii) The terms of reference of the committee are attached for discussion (Pages 3-4)</p> <p style="text-align: center;"><u>ITEM FOR DISCUSSION</u></p> |
| 4. | Appointment of Deputy Chair |

Contact: Stuart Gibson Tel: (0191) 433 5308 Date: 26 February 2013

| Item | |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. | <p>Minutes of Asset Management Committee (Pages 5-8) To approve as a correct record the minutes of the last meeting of Asset Management Committee held on 30 October 2012</p> |
| 6. | <p>Matters Arising</p> |
| 7. | <p>Proposed Energy Company Obligation Works (Pages 9-15) Report of Director of Customers and Communities</p> |
| 8. | <p>Energy Performance Heating Scheme and Improvements to Multi-Storey Blocks (Pages 16-19) Report of Director of Customers and Communities</p> |
| 9. | <p>LED Lighting (Pages 20-23) Report of Director of Customers and Communities</p> |
| 10. | <p>Smoke Detection Servicing (Pages 24-36) Report of Director of Customers and Communities</p> |
| <p><u>ITEMS FOR INFORMATION</u></p> | |
| 11. | <p>DECC Local Authority Fund for Fuel Poverty Measures (Pages 37-39) Report of Director of Customers and Communities</p> |
| 12. | <p>Capital Update 2012/13 (Pages 40-45) Report of Director of Customers and Communities</p> |
| 13. | <p>Access to the HomeRepairs Repair Reporting Service (Pages 46-49) Report of Director of Customers and Communities</p> |
| 14. | <p>Date and Time of Next Meeting To be agreed</p> |



The Gateshead Housing Company

Working with Gateshead Council

Terms of Reference Assets, Development & Investment Committee

Approval required by the Board following review by the committee

- Any key policy decisions

Matters delegated to the committee for decision

- To provide a single over arching co-ordination framework to monitor and develop the “Asset, Investment and Repairs” functions.
- To monitor the performance of the “Asset Investment and Repairs” functions against their key performance indicators and report as required to the Board.
- To take a strategic view of the problems and opportunities associated with “Asset Investment and Repairs” functions.
- To monitor compliance with the environmental, health and safety, quality and community safety requirements of the Company's Partners and report to the Board as necessary.
- To monitor continuous performance improvement in respect of the works and the key performance indicators of the partners in relation to the “Asset, Investment and Repairs” functions.
- To monitor compliance with the partnership contracts and the partnering agreements.
- To monitor progress being made with the Company's objectives around sustainability and energy efficiency measures.
- To act as a sounding board for any future investment opportunities

Executive Overview Committee

- To agree the re-numeration of the Chief Executive having reviewed organisational performance and the market
- To Review Strategic Director re-numeration
- To consider board member allowances (following advice from the Council's independent re-numeration panel)



ASSET MANAGEMENT COMMITTEE

15 October 2012

PRESENT:

Directors

Sara Woolley (Chair)
 Robert Buckley
 Joanne Carr
 Pauline Dillon
 Peter Mole
 Gordon Spring

Advisers

| | |
|-------------------|---------------------------------------|
| Jon Mallen-Beadle | Acting Chief Executive |
| Neil Bouch | Director of Customers and Communities |
| Simon Chrisp | Asset Manager |
| Stuart Gibson | Governance and Risk Officer |

Apologies

Stan Dawson
 Kathryn Ferdinand

9 MINUTES

The minutes of the last meeting of the committee held on 19 June 2012 were approved as a correct record.

10 CARBON MONOXIDE DETECTORS

The company received a report on the company's legal obligations to fit carbon monoxide detectors and the resource implications as a consequence.

As a landlord in England the company is not legally obliged to install carbon monoxide (CO) detectors, except to solid fuel appliances which is a legal requirement.

As at 27 September 2012, there were 18,878 Council properties with gas appliances installed. Of these, 18,185 had CO detectors installed – the majority of these were installed during the decent homes programme. 693 properties still require a CO detector. The fixed price to supply, install and complete certificate for a detector is £26.49. The cost to install the remaining 693 CO detectors would be £18,357.

Detectors generally last approximately five years, after which point a new detector has to be fitted.

A breakdown by year of the cost of replacing carbon monoxide detectors was submitted. The company will discuss with the Council whether resources are available to install the remaining detectors and adequately maintain them in the future as part of its ongoing discussions around how the capital budget is spent.

- RESOLVED – (i) That progress to date installing carbon monoxide detectors to every property in Gateshead be noted.
- (ii) That Officers look into whether alternative carbon monoxide detectors are available on the market that don't requiring replacing as often.

11 CAPITAL UPDATE 2012/13

The committee received a monitoring statement of the capital expenditure budget for 2012/13 and progress update on housing investment work up to 28 September 2012.

The overall capital budget for 2012/13 is £22,985,000. The budget the company is managing is £15,881,000. This includes carry forward of £2,196,000 relating to a number of 2011/12 schemes which have been carried forward into 2012/13.

Details of the schemes which are being managed in partnership with Gateshead Council's Local Environmental Services were reported.

An analysis of the budget spend to date in each of the following areas was reported: -

- Health and Statutory Obligations
- Maintaining Decency
- Other Priorities
- 2011/12 carry forward schemes

RESOLVED – That progress with the capital programme be noted.

12 LIFT REFURBISHMENT

The Council's Cabinet approved a Housing Investment Capital Programme for 2012/13 to 2016/17 on 7 February 2012. A capital funding budget in 2012/13 of £22,985,000 was confirmed.

There is provision within the capital budget from the Council for lift replacement and refurbishment work. For 2012/13 the budget has been set at £250,000, but is projected to increase to £500,000 for the remaining years 2013/14 to 2017.

To assist in the preparation of a lift works programme, asset information has been collated including feedback from Stannah Lifts Ltd the current maintenance contractor for communal lift work.

In addition the "Report of Thorough Examination of Lift's", carried out by Zurich Insurance, has also been taken into consideration. This report

recommends the carrying out of a safety assessment of the three lifts at Adelaide, Brisbane and Melbourne Courts.

Stannah has been requested to commence the design process for these three lifts. Initial design information has been shared with Zurich Insurance who has indicated that it is satisfied with the proposed improvements.

The Fire Service has been heavily involved in many recent investment schemes and has contributed positively to the development of the specifications. They will also be invited to comment on the proposed lift specification.

RESOLVED – That the information be noted.

13 MCERLANE SQUARE COMMUNAL LIGHTING

McErlane Square is a sheltered housing scheme in the East Neighbourhood of Gateshead. It was constructed in 1978 and originally provided a mix of older person's bedsit and flat accommodation. As part of the Older Persons Strategy, McErlane Square received investment to convert the unpopular bedsit properties into one bed flats that better matched the aspirations of customers.

Following a cyclical maintenance inspection, the Council's Local Environment Services (LES) advised in May 2012 that the communal lighting circuit within the block was past its serviceable life and now beyond repair. The implications of this meant that where lights failed or repairs were required the fittings could not be repaired or replaced and could only be isolated. Isolation of any fittings would significantly reduce the amount of light in the communal areas and pose a potential risk to residents and visitors.

LES has commissioned the Council's Design Services to produce drawings and a specification for the renewal of the communal electrics. As part of the work, the suspended ceiling on the ground floor will also need to be replaced at a cost of around £6,000.

It is anticipated that the work which will be delivered by LES will be begin before Christmas.

RESOLVED – (i) That the information be noted.
(ii) That a site visit be arranged for the committee to McErlane Square when the work has been completed.

14 ASBESTOS REGISTER

Due to the age of Gateshead's housing stock, asbestos is present in many of the homes the company manages. Asbestos materials in good condition are safe if they are not damaged. A risk is only posed if asbestos containing materials deteriorate or become damaged allowing fibres to become airborne.

As part of the management of the Gateshead housing stock, there is a duty to manage asbestos. Adequate records have to be held about the presence of asbestos and its condition.

This information is held in an Asbestos Register, which contains detailed information on where asbestos can be found, where it is presumed to be and which areas have been confirmed as asbestos free.

The company has for a number of years worked in partnership with MIS Environmental Limited (MIS). MIS have provided asbestos surveying services to the company across both repair and decent homes work. MIS have held copies of all the surveys undertaken and provided electronic access to these documents via an internet portal.

While the portal provides access to the surveys it could not easily be interrogated or produce reports. To ensure that the company has a robust asbestos register and meets its statutory obligations work has been ongoing to transform existing survey records and import them in the company's Keystone asset management database.

Updated weekly, the system will hold accurate and auditable records relating to asbestos. Weekly reports will be sent directly to both Mears and LES to be integrated into their respective ICT systems.

The committee received a demonstration on the asbestos register.

RESOLVED – That the information be noted.

(Note: Joanne Carr declared an interest in this matter as her nephew is employed by MIS environmental Limited)

15 DATE AND TIME OF NEXT MEETING

To be agreed.

16 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during remaining business in accordance with Category 5 of the company's Access to Information Rules.

17 REGENT COURT SPRINKLER SCHEME TENDER (Category 5)

A report was presented to the committee on 23 February 2012 regarding the proposal to fit sprinklers to Regent Court.

The Council's Local Environmental Services (LES) are delivering the fire safety improvements to Regent Court. As a sprinkler installation is specialist work, this part of the contract was put out to tender in line with the Company's procurement rules.

Three compliant tenders were returned and Domestic Sprinklers submitted the most economically advantageous tender in the sum of £279,800. They will work under the management of LES as a nominated sub-contractor.

RESOLVED – That the decision taken to appoint Domestic Sprinklers be noted.



Report to Assets, Development and Investment Committee

5 March 2013

Title: Proposed Energy Company Obligation Works

Report of Director of Customers and Communities

Purpose of Report

1. To inform the committee of the proposed Energy Company Obligation (ECO) bid and seek approval to work with the Home Group.

Background

2. In December 2012 the current arrangements for grants from energy companies to improving thermal efficiency in homes ended. Community Energy Saving Programme (CESP) grants have funded the solid wall improvements to High Fell and Blackhill Crescent. Carbon Emission Reduction Target (CERT) grants has funded cavity and loft insulation to thousands of council homes in Gateshead through Warmzone.
3. The schemes have been replaced by the Green Deal and ECO in January 2013. This was enshrined in November's Energy Bill that was approved by parliament.
4. Energy companies are required to offload around £1.3billion in funding between January 2013 and March 2015 to help reduce fuel poverty. The main part of this funding that is open to the social housing sector is the Carbon Saving Communities obligation (CSCO).
5. More areas of Gateshead are eligible for this funding than under CESP, including estates listed below that contain non-traditional housing.

Eligible Properties

6. TGHC has over 500 non-traditional properties within the funding areas that could potentially benefit from funding. These properties are located in the following estates: -
 - Argyle Estate
 - Carr Hill
 - Deckham
 - Grange Crescent
 - Hallgarth
 - Millford Ridgeway

- Redemarsh
 - Rickgarth
 - Rose Milling
 - Sheriff Hill
 - Springwell
 - Sunderland Road
7. The funding contains a provision for properties that fall just outside of the grant area, to ensure that estates can fully completed. This affects three estates (Argyle, Rickgarth and Millford Ridgeway)
 8. The proposed homes to include on the scheme are included in the Appendix to this report.
 9. In addition to TGHC managed homes on these estates, there are significant amounts of right to buy owners that could also potentially benefit from the funding as energy companies will release this at the same rate similar properties within the area.

Measures

10. The majority of properties will receive external wall insulation, which is estimated to save a resident 40% (source: The Energy Saving Trust) on their annual fuel bills. The external insulation works also improves the appearance of the property and can extend the lifespan by protecting the building and preventing weathering.
11. Where necessary, windows and heating systems will need to be upgraded at the same time as the external insulation. Windows will be part of the funded works however; individual heating systems in social housing properties do not attract funding and will be completed from the Maintaining Decency Programme.
12. On the above estates there are 173 properties that require windows and 43 properties that require boiler replacement

Partnering

13. Discussions have been held with the Home Group regarding entering into a partnership to obtain funding and procure the works. Home has around 300 non-traditional properties in the Leam Lane area.
14. The main benefits of entering into a partnership with the Home Group are as follows: -
 - An increased volume of properties will attract higher levels of funding.
 - TGHC will be able to secure additional resources for properties bordering the funding areas.
 - The value of the contract will increase the competitiveness of the tender exercise.
 - Positive publicity can be gained by entering in a partnership with a registered provider to increase available funding and improve homes in Gateshead.
 - The Home Group have their own OJEU compliant framework that the works can be tendered through.

15. Home Group will lead on the works tender through their current OJEU framework, saving TGHC significant officer time in preparation of specifications and tender documentation.
16. TGHC will be involved in the evaluation of the returned tenders, alongside the Home Group and Council officers.
17. Gateshead Council's Legal, Housing Services and Climate Change teams have also been involved in the partnership.
18. If we were to proceed in working with the Home Group, it will be necessary to put in place a formal partnership agreement to detail what the arrangement will cover including liabilities for owner occupiers.

Funding

19. Soft market testing has been carried out with a range of energy companies regarding the likely funding levels available.
20. Initial feedback has indicated that high volumes of properties being included would be the key to increasing levels of funding for the works.
21. Based on the initial assessment, it is likely that TGHC will receive 100% funding for the works.

Works delivery

22. Any contractor wishing to bid for these works must be Green Deal accredited and have PAS 2030:2012 quality mark as a requirement of the funding.
23. PAS 2030:2012 is the quality standard which sets out management processes installers must have in place and provider's detailed guidance on the technologies can be installed under the funding.
24. As part of the works tender, provision will be included for an independent project manager and Construction Design Management Coordinator (CDMC) for the works.
25. This is to ensure that the additional works does not negatively impact upon the delivery of maintaining decency schemes delivered from the capital budget.

Links to Values

26. This proposal links to the following Company values: -
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being customer focused, innovative and professional
 - Caring and respecting

Impact on tenants

27. The scheme will significantly increase the thermal comfort in over 500 TGHC customers' properties.
28. The works will also have a positive impact by reducing those customers' fuel bills in a time where many are affected by welfare reform.
29. External wall insulation improves the appearance of the properties.

Risk Management

30. By tendering the works early into the new ECO scheme, TGHC are likely to receive higher funding levels. The risk of not accessing funding now is that lower funding levels will be available to support such works in future.
31. External wall insulation is a strong contributing factor for sustaining many of these properties for the next 20-30 years. Failure to carry out the works could result in these properties becoming undesirable due to higher fuel costs than in comparable properties and lower levels of thermal comfort.
32. There will be no risk to the company of including owners in the scheme, as the liability for the work falls onto the contractor.

Health Implications

33. The proposed scheme will have positive health benefits, by improving thermal comfort in TGHC customers' homes there will be a reduction in cold, damp conditions which can cause respiratory illnesses and excess winter deaths.

Financial Implications

34. The works are expected to be fully funded by through the ECO scheme. All energy companies will be given the opportunity to provide funding for the works, with the most economically advantageous provider chosen.
35. Heating improvements that are not included as part of the funding, will be completed by as part of the Maintaining Decency programme. The heating systems were already scheduled for replacement in 2013/14.

Equality and Diversity Implications

36. Contractors tendering for the works will to have to demonstrate their compliance with the Equality Act 2010 and show an awareness of the Public Sector Equality Duty.

Value for Money Implications

37. By tendering the work, TGHC can ensure that value for money is achieved and the maximum value is obtained for the grant funding awarded.

Environmental Implications

38. External wall insulation is estimated to save 1.9 carbon tonnes per year per property (figures based on a 3 bed semi detached home provided by The Energy Saving Trust).
39. The works will have a significant impact in reducing the carbon footprint of our properties and increasing our SAP ratings.

Consultation

40. Consultation has been carried with council officers who are in support of the scheme.
41. Customer consultation will only occur once the scheme is approved.

Recommendations

42. The committee is recommended to: -
 - note the proposal to apply for ECO funding to carry out improvements to TGHC properties;
 - give approval to entering into a partnership with Home Group to secure funding and deliver the works, for the reasons outlined in this report.

Homes for inclusion in Proposed ECO works programme

| Estate | Property type(s) | Streets | Total number of council properties |
|-------------------|--------------------------------|----------------------------------------------------------------------------------------------------|-------------------------------------------|
| Argyle Estate | Wimpey No Fine with flat roofs | Milton Square, Cemetery Road, Malory Place and Masefield Place | 84 |
| Carr Hill | Dorran | Romford Place | 14 |
| Deckham | Dorran | Mersey Road, Kingston Road | 7 |
| Grange Crescent | Wimpey No Fine | Fallowfield, Longrigg, Meresyde | 34 |
| Hallgarth | BISF, Tarron | Greenbank, Tynebank, Jobling Avenue, Cromwell Avenue | 85 |
| Millford Ridgeway | Wimpey No Fine | Coverdale, Grassbanks, Millford, Ridgeway, Shearton, Whinbrooke, Wirralshir | 103 |
| Redemmarsh | Wimpey No Fine, Dorran | Brandywell, Bleachfield Colegate, Leamside, Monkton, Redemmarsh, The Paddock, | 88 |
| Rickgarth | Wimpey No Fine, Dorran | Beechway, Blackthorne, Claypath, Gilberdyke, Glynfelis, Leam Lane, Lecondale, Rickgarth, Wealcroft | 75 |
| Rose Milling | Dorran | Rose Street | 5 |

| | | | |
|---------------------|--------|-----------------------|-----|
| Sheriff Hill | Dorran | Carr Hill Road | 16 |
| Springwell | Dorran | Whitehouse Crecent | 33 |
| St James Village | Dorran | Sunderland Road | 6 |
| Total | | | 550 |



Report to Assets, Development and Investment Committee

5 March 2013

Title: Energy Performance Heating Scheme and Improvements to Multi Storey Blocks

Report of: Director of Customers and Communities

Purpose of Report

1. To seek approval from the committee to tender the Energy Performance Heating Scheme and Improvement to Multi Storey blocks

Background

2. The Gateshead Housing Company currently manages 25 multi-storey blocks.
3. These blocks have varying degrees of investment needs in the coming years, including 17 of the blocks that still require window upgrades, 16 blocks that have electric storage heaters as the main form of heating and at least 6 blocks being 'difficult to heat' due to the nature of their construction.
4. Heating costs in some blocks are very expensive due to the poor thermal efficiency of the windows and walls, as well as electric heating which are costly to run. This has a negative impact upon the sustainability of blocks and impacts upon turnover.
5. Gateshead Council has previously tendered for a Biomass District Heating Scheme for Redheugh and Eslington, although no compliant tenders were received. This was initially reported to the Asset Committee on 20 October 2011.
6. To improve the long-term sustainability of blocks, TGHC's Asset Management Team and Gateshead Council's Climate Change Team have been exploring ways of attracting investment to make energy efficiency based improvements to tower blocks.

Feasibility Study

7. Initial work has been carried out to explore the possibility of taking an energy improvement approach to the multi-storey blocks at Beacon Lough.
8. The three blocks at Beacon Lough were selected as an initial feasibility study for the following reasons: -

- The windows require renewal in the next 18 months
 - Each roof requires replacement in the next 12 months
 - There is significant heat loss from the solid walls
 - Storage heaters and on-peak convector heaters are the prominent type of heating system in the block – although there are some flats with the original under floor heating
 - The blocks have a high turnover rate (14.69% in 2011/12)
 - There is a high percentage of tenancies that are under 3 years (42.96% in April 2012)
 - The rent arrears are above average.
9. In addition to this surveys were carried out with residents on their perception of heating costs. The results are summarised below: -
- Average amount spent on heating - £20.40 per week
 - Average % income spent on heating – 21.8%
 - % of properties with debt on their meters – 32%
 - Average debt on the meter - £422.67
 - % who felt their home was difficult to heat – 88%
10. The blocks could benefit from improvements to improve the thermal efficiency such as a district heating scheme, external wall insulation, high performance windows and new insulated roofs.
11. Following soft market testing with a number of providers, it is also suggested that a scheme for Redheugh and Eslington is included any scheme undertaken.
12. These blocks would benefit from a district heating scheme and external wall insulation to the gables and floor joints.
13. The market believes this scheme to be feasible and will increase the competitiveness of the tender exercise due to the size and potential for economies of scale.

Financial Model

14. A model has been developed to fund improvements through multiple funding streams including: -
- Capital finance
 - Energy Company Obligation
 - Renewal Heat Incentive
 - Profit from heat sales
 - Standing charge (a % of the savings made by residents)
15. Energy Company Obligation funding rules allow for higher allowances to be given to solid wall tower blocks that are electrically heated. It is expected that at least 70% of the capital cost will come from this funding stream.
16. The renewable heat incentive (RHI) is an ongoing grant from government for the use of certain fuels.
17. The model shows that over a 20 year period the capital finance will re-pay itself.

Benefits of the scheme

18. The main benefit of the scheme to TGHC is that we can deliver both desirable and essential improvements to blocks with a value of £7million which is fully funded and additional to the current capital programme.
19. The improvements will improve the sustainability of the blocks by providing low cost controllable heating and significant decrease in heat loss.
20. Residents will receive a reduction in their heating costs and this help reduce fuel poverty.

Links to Values

21. This proposal links to the following Company values: -
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being customer focused, innovative and professional
 - Caring and respecting

Impact on tenants

22. The scheme will improve the thermal comfort for 478 tenancies in Beacon Lough multi-storeys and Redheugh & Eslington Courts.
23. The scheme will aim to reduce fuel poverty by saving tenants in these properties at least 10% on their fuel bills. A number of tenants in 2 bed properties in these blocks will be affected by welfare reform, so this will mitigate the financial input.

Risk Management

24. If this scheme does not go ahead, TGHC and the Council will need to fund the improvements to the windows and roofs at the Beacon Lough multi-storey blocks an estimated capital cost of £1.5million.
25. Failure to improve the thermal efficiency of the building risks even higher turnover levels, as tenants will not be able to afford to heat their homes.

Health Implications

26. The proposed scheme will have positive health benefits, by improving thermal comfort in TGHC customers' homes there will be a reduction in cold, damp conditions which can cause respiratory illnesses and excess winter deaths.

Financial Implications

27. The capital contribution required for the works is subject to a proposed loan from Gateshead Council's General Fund. This will paid back through income from the heat sales over a 20 year period.
28. The loan of £2million is subject to Cabinet approval on 26 February 2013.

29. If approved, the loan is additional to the 5 year capital programme agreed by the Council.

Equality and Diversity Implications

30. Contractors tendering for the works will have to demonstrate their compliance with the Equality Act 2010 and show an awareness of the Public Sector Equality Duty.

Value for Money Implications

31. By working closely with the Climate Change Team from Gateshead Council, TGHC have developed an innovative model of funding improvements to five tower blocks, increasing their sustainability and reducing fuel poverty, for zero capital contribution.
32. The tender will be released on a Design, Build & provision of ECO funding basis to reduce TGHC development costs.

Environmental Implications

33. The proposals are estimated to save in excess of 4,000 carbon tonnes per year.

Consultation

34. Consultation will be carried out with customers and ward members following approval from the committee to proceed

Recommendations

35. The committee is recommended to approve the Energy Performance Heating Scheme and Improvements for Beacon Lough multi-storeys and Redheugh and Eslington Courts.



Report to Assets, Development and Investment Committee

5 March 2013

Title: LED Lighting

Report of Director of Customers and Communities

Purpose of Report

1. To seek the committees approval for the adoption of LED light fittings as the standard for all future communal areas rewiring scheme.

Background

2. Communal areas are found in many areas of the stock we manage. The highest concentrations of communal lighting are found in the multi storey blocks and sheltered housing schemes. Communal lighting can also be found in many of the medium and low rise flats as well as the lounges we manage.
3. A communal lighting circuit provides ambient background lighting enabling residents and visitors to safely move around a building. The communal lighting commonly also includes an element of emergency lighting.
4. The majority of the communal lighting circuits we manage are original installations that have received only limited improvement. The lighting runs permanently with light bulbs requiring annual replacement. The physical light point fitting has an estimated running life of 15 years, although experience has shown that this is commonly closer to 10 years.
5. In recent years there has been a steady move away from permanently lit traditional light fittings, classified as standard lighting, to more efficient and effective alternatives. Increases in electricity prices have also influenced a move to systems that provide value for money through a managed system that is not constantly lit.
6. LED lighting provides a robust and highly effective alternative to standard lighting. This technology is based around light emitting diodes, simple electronic devices that produce light when electricity passed through them. LED's have been around for many years, but as they only produce a small amount of light, it has taken a long time to develop lamps capable of producing adequate space lighting.
7. While LED products are currently more expensive than traditional alternatives they are the most efficient product available. They last far longer than any other

technology and cost significantly less over the product life. Paying for them selves several times over before requiring replacement.

8. It is proposed that on all new communal light installations LED products are specified as the standard fitting for both space and emergency lighting. With the addition of corridor sensors it will also be possible to manage the provision of space lighting, so that it is only on when there is footfall in the communal areas. Managing the system in this way will also allow the emergency lighting to be dimmed to a minimal level. Ensuring maximum cost savings and product life.

Links to Values

9. This proposal links to the following Company values: -
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being customer focused, innovative and professional
 - Caring and respecting

Impact on tenants

10. The provision of effective and managed communal lighting will ensure that customers have safe enjoyment of their home.
11. LED fittings provide a better quality of light. Even when dimmed to 10% the LED fitting is brighter than a standard comparator. Improved light levels and quality are proven to lower the fear of crime and reduce antisocial behaviour.
12. A grant funded scheme installed permanently lit LED lights in to Redheugh and Eslington Court's in 2010. Customer feedback from this scheme was extremely positive with resident feedback highlighting improved lighting levels and feeling safer as the main benefits.

Risk Management

13. Adopting LED's as the standard lighting style on all communal lighting installations will help protect the company from the risks associated with increasing energy costs.
14. The amended specification will improve the expected life of new communal lighting circuits and reduce the impact of on going repair and blub replacement on the repairs and maintenance budget.

Health Implications

15. No health implications are associated with this report.

Financial Implications

16. The introduction of LED lighting technology will have a direct impact upon communal electric cost and usage.

17. LED technology uses significantly less power to generate light. When incorporated with movement sensors the system will also only be lit when needed and emergency light will also be dimmed.
18. On a point for point basis a block fitted with new standard lighting will cost around £3,150 per annum in electricity charges, compared to £1,330 with LED's.
19. It is projected that on a large multi storey, such as Regent Court, an annual energy saving of around £2,500 could be made if LED light was used.

Equality and Diversity Implications

20. There are no equality and diversity implications resulting from this report.

Value for Money Implications

21. The introduction of LED technology and managed communal lighting systems will significantly increase the expected life span of systems. It is forecast that LED fittings installed in this kind of arrangement will achieve an expected life of 20 years. The premature failure of individual LED's with in a fitting would not require the replacement of the unit. As the fitting is comprised of multiple LED's lighting levels would be unaffected.
22. Fittings are also supplied with a full 5 year manufacturer's warranty, compared to a standard 1 year with standard fittings.
23. There has been a positive impact on revenue costs at Redheugh and Eslington Court's since LED lighting was installed. While the scheme is not directly comparable with the changes proposed by this report, it clearly demonstrates a reduction in responsive repairs. In the 18 month leading up to the scheme 158 repair jobs were required to the communal lighting. In the past 18 months only 5 repairs have been necessary.
24. Communal energy savings will also be achieved by installing low power consumption LED light fittings. Installed as part of a managed system they will generate full space lighting only when required, providing a far more cost effective and energy efficient system.

Environmental Implications

25. LED technology offers the most energy efficient lighting solution using significantly less power. Lasting far longer than traditional alternatives and requiring less life long maintenance.

Consultation

26. Consultation on LED lighting technology has been carried out with the HomeRepairs Service, Gateshead Councils Local Environmental Services, Development & Enterprise and the Climate Change Team.
27. All parties agreed that the proposed change offered clear benefits to customers and would positively impact upon the repairs and maintenance obligations associated with communal lighting.

Recommendation

28. The committee is recommended to approve the adoption of LED lighting as the standard specification for all future communal rewiring works.

Contact: Simon Chrisp, Asset Manager

Tel No: (0191) 433 5461



Report to Assets, Development and Investment Committee

5 March 2013

Title: Smoke Detection Servicing
Report of: Director of Customers and Communities

Purpose of Report

1. To seek committee approval for the implementation of a Service Level Agreement (SLA) for the servicing of smoke detectors in multi-storey blocks.

Background

2. The Gateshead Housing Company manages 25 multi-storey blocks across Gateshead.
3. In these blocks is a mixture of communal and flat smoke detectors. The locations of the smoke detectors are included in the SLA at the Appendix to this report.
4. The Company has a requirement to service these smoke detectors annually to ensure:
 - They will activate in the event of a fire
 - They are clear of obstruction
 - That they are in good working order
 - That the battery is operational and within date
5. The service is part of the Company's approach to preventing a fire spreading in a multi-storey block should one occur.

Service Level Agreement

6. A Service Level Agreement for servicing has been negotiated directly with Local Environment Services (LES).
7. LES will service all multi-storey smoke detectors on an annual basis.
8. Provision is also included for faulty units and batteries to be replaced whilst at the property if required.
9. A copy of the proposed SLA is attached at the Appendix to this report.

Links to Values

10. This report links to the following values: -
- Being honest, accountable and transparent
 - Being customer focused, innovative and professional

Impact on tenants

11. LES will need access to each customer's home to carry out the service. However, the visit should take no longer than 20 minutes in total. Customers will not be able to refuse access for the service and enforcement action may be taken if this is the case.
12. The SLA gives authorisation for faulty units to be replaced immediately, ensuring the customer is not inconvenienced more than once.
13. Through the mobilisation of the contract we will work with Local Environmental Services to ensure visual electricity checks, lifestyle and safeguarding issues are feedback to the company

Risk Management

14. The risk of not carrying out the servicing is that the smoke detectors in our multi-storey blocks will not be a reliant source of information relating to a fire starting in a block.
15. There also an increased risk of a smoke detector developing a fault or the battery backup failing if the unit is not serviced.
16. Failure to service the smoke detectors could result in a deficiency notice from the Tyne & Wear Fire and Rescue Service, ultimately resulting in fines for the Company and Gateshead Council.

Health Implications

17. The servicing of smoke detectors will contribute to the fire safety strategy for multi-storey flats, reducing the risk of a fire spreading, endangering lives and property

Financial Implications

18. The annual cost to the Company of the servicing of smoke detectors is £35,444.50. This price has been negotiated directly with LES.
19. The Head of Finance has confirmed that this will be funded through the current cyclical maintenance budget

Equality and Diversity Implications

20. Works carried out as part of this SLA will comply with the Equalities Act 2010.

Value for Money Implications

21. The cost of servicing has been market tested and shown to offer good value.

Environmental Implications

22. Any batteries that are being disposed of as part of this SLA will be done so in an environmentally responsible manner.

Consultation

23. Consultation has been carried out with the Tyne & Wear Fire and Rescue Service, LES and Company officers in the development of this SLA. No consultation has been carried out with customers.

Recommendation

24. The committee is recommended to approve the introduction of the Service Level agreement for these works.



Service Level Agreement between **The Gateshead Housing Company** and
Local Environmental Services

**For the servicing and maintenance of smoke detectors in council owned
multi storey blocks managed by The Gateshead Housing Company.**

January 2013

Appendices

Appendix 1 – Summary of smoke detection

Appendix 2 – Schedule of flats with GDX smoke detection

Appendix 3 – Schedule of communal areas with GDX smoke detection

Appendix 4 – Schedule of communal areas with GENT system installed

Appendix 5 Schedule of flats with a non-interfaced hard-wired unit

Appendix 6 – Details of GDX panels within flats including resetting instructions

Definitions:

Activation Service Provider – the company that response to activation in relation to our interfaced

GENT – Is a fully interfaced fire alarm system

GDX – is a management smoke detection system

LES - Local Environmental Services

SLA - Service Level Agreement

The company/TGHC – The Gateshead Housing Company

Context

The Gateshead Housing Company (the Company) is responsible for responding to activations of smoke detectors across council owned multi-storey blocks. In the blocks are mixtures of smoke detection systems that are designed to act as an early warning system and prevent escalation into a larger fire.

This Service Level Agreement (SLA) seeks to put formal arrangements in place between the Company and Local Environmental Services (LES) for the servicing of smoke detectors in multi-storey blocks managed by TGHC.

Development of the SLA has been completed in consultation with the following parties:

- LES Operational & Support Services
- LES Electrical Operations Manager
- TGHC Operational Support
- TGHC Health & Safety
- TGHC Repairs & Maintenance
- Tyne & Wear Fire and Rescue Service

Variations from this SLA should not be undertaken without the prior approval of both parties and any cost implications arising have been resolved.

1. Aims & Objectives

Aims

- 1.1. The aim of this agreement is to lay down a formal agreement which defines the roles & responsibilities of LES and the Company with regards the monitoring, response to and servicing of smoke detectors in council multi storey flats.

Objectives

- 1.2. To ensure all smoke detectors in flats and communal areas are serviced on an annual basis.
- 1.3. To ensure value for money is demonstrated in the delivery of the SLA.
- 1.4. To ensure that the SLA is delivered in line with the customer care guidelines.
- 1.5. To ensure that changes in legislation, regulation and British Standards are monitored and the implications of the changes are taken into account.
- 1.6. To ensure that best practice is monitored and considered in the delivery of the SLA.
- 1.7. To ensure a consistency in our approach to the monitoring of the service.
- 1.8. To provide monitoring of the performance of the SLA.

2. Underlying Principles

As part of the SLA, LES will:

- 2.1. Continuously review the management of operations covered within this SLA to demonstrate value for money.
- 2.2. Deliver the service to the highest possible customer care standards.
- 2.3. Identify opportunities to improve the service through best practice.
- 2.4. Carry out servicing in line with British Standards and relevant regulation.
- 2.5. Monitor trends in relation to activations and feed these back to the Company.

3. Service Provision Statement

Services provided under the terms of this SLA will fall into one of the two categories

- 3.1. Specified services; these will be provided at the level set down within the SLA.
- 3.2. Discretionary services: where the Company has discretion to negotiate over the service level provision. The subsequent charge for that service is to be agreed between the two parties.

4. Areas of operation

- 4.1. The areas of operation covered by this SLA are the servicing of smoke detectors within flats and communal areas as listed in Appendices 2-5 and summarised in Appendix 1
- 4.2. All flats that have a hard-wired smoke detector require an annual service. These detectors are outlined in Appendix 2 and Appendix 5.
- 4.3. The communal areas of multi-storey blocks that have monitored smoke detectors require an annual service. These detectors are outlined in Appendix 3 and Appendix 4.

5. Servicing of smoke detectors within multi-storey flats

- 5.1. All multi-storey flats listed in Appendix 2 and Appendix 5 requires an annual service.
- 5.2. The service must comply with the British Standard (BS5839 Part 6)
- 5.3. The testing of the smoke detectors in the flats listed in Appendix 2 and 5 must be carried out in line with the manufacturer's instructions where available.
- 5.4. When testing the smoke detectors outlined in Appendix 2, the operative must confirm with the activation service centre via the handset in the flat that the smoke detector is operational.
- 5.5. The testing of smoke detectors in Appendix 5 must be completed by the operative whilst at the property and full working operation confirmed.

- 5.6. Any smoke detector heads that are found to be faulty or damaged must be replaced as part of the service. Prior authorisation for individual properties is not required for these works, although quality checks may be undertaken. The cost of replacement heads is outlined in Section 6 of this SLA.
- 5.7. Following completion of the service, the operative must ensure that the smoke detector is fully operational and the control board has been reset correctly.
- 5.8. Certification must be issued electronically to The Gateshead Housing Company on completion of each service. The certification must state the time and date of the service, any defects picked up from the service, confirmation that the test was completed satisfactorily and the operatives signature confirming the full working operation of the smoke detector within that property.

6. Servicing of smoke detectors within multi-storey communal areas

- 6.1. All smoke detectors in multi-storey communal areas listed in Appendix 4 require an annual service by LES which shall take place on quarterly cycle. (TGHC Operational Support will carry out weekly tests).
- 6.2. The service must comply with the British Standard (BS5839 part 1).
- 6.3. All smoke detectors in multi-storey communal areas listed in Appendix 3 require an annual service. This must be carried out on a quarterly cycle to ensure ongoing checks are completed in each block.
- 6.4. The testing of the smoke detectors in the blocks listed in Appendix 3 and Appendix 4 must be carried out in line with the manufacturer's instructions.
- 6.5. When testing the smoke detectors outlined in Appendix 3 and Appendix 4, the operative must confirm with the activation service provider that the smoke detector is operational.
- 6.6. Following completion of the service, the operative must ensure that the smoke detector is fully operational and the control board has been reset correctly.
- 6.7. Certification must be issued electronically to The Gateshead Housing Company on completion of the servicing of all communal area smoke detectors in that particular block. The certification must state the time and date of the service, any defects picked up on the service, confirmation that the test was completed satisfactorily and the operatives signature confirming the full working operation of all of the smoke detectors within that block.

7. Training

- 7.1. LES have responsibility to ensure that employees as part of the SLA are fully trained and competent to carry out all associated tasks.
- 7.2. The Tyne & Wear Fire and Rescue Service have offered to carry out training for operatives on call challenging in relation to smoke detection activations. LES are strongly encouraged to take up this training.
- 7.3. LES must ensure that all employees are fully trained in use of the GDX and GENT system.

- 7.4. Training records must be available on inspection for the Company's contract manager.

8. Customer Care standards

- 8.1. During the operations of this SLA, operatives must aim for the highest possible customer care standards and deliver a professional service.
- 8.2. In the delivery of all areas of operation under this SLA, LES accept the responsibility to deliver a first class service to customers and uphold the standards set by The Gateshead Housing Company (as per Appendix 7 – Customer Care Charter).
- 8.3. The core hours for the servicing of smoke detectors are 08:30-16:30. Any working outside these hours must be in prior agreement with the Company's contract manager
- 8.4. At all times, whether working in an occupied property or a communal area, the following must be upheld:
- Respect must be shown for all customers and their homes (including the communal areas of the blocks).
 - Take care to protect the furnishing within customers' homes and the block.
 - Clear away rubbish immediately following the completion of the service.
 - Present ID when calling at a customer's home.
 - Minimise disruption to the customer.
 - Take account of the profile of individual customers.
- 8.5. Customer Care standards will be measured by means of a satisfaction survey which will be completed by customers who have had a completed service. These will be written, administered and collated by the Company.
- 8.6. All employees engaged in direct contact with customers must have had a valid CRB certificate. This must be renewed every 3 years as a minimum standard.
- 8.7. Any subcontractors employed by LES must adhere to the same standards as laid down in this document.
- 8.8. LES must produce an annual programme of outlined dates when they intend to carry out works in each block. This will then be agreed with the contract manager.
- 8.9. Dates when the servicing will be carried out in blocks must be confirmed to the Company's contract manager at least 3 weeks prior to the commencement of servicing at that block.
- 8.10. The Gateshead Housing Company will then write out to all customers informing them of dates when the servicing will be carried out and that LES operatives will require access to their property.
- 8.11. If during the operation of this SLA LES encounter any Housing Management issues (such as dirty properties or suspicion of criminal activities), these must be reported to the Company's contract manager without delay.
- 8.12. LES will be passed details of tenants, including any specific details that they need to be aware of, at least 3 week prior to each block starting by the Company.

- 8.13. Should any operative working as part of this SLA experience any abuse or threats this will be treated very seriously by the Company. Should any such incidents occur the contractor shall ensure that the incidents are reported immediately to the Company. LES must ensure witness statements relating to such offences are recorded on the appropriate violent incident forms.
- 8.14. LES must be represented to discuss the SLA at appropriate Company involvement forums when asked to do so. At least two weeks notice will be given of the request by the Company and LES must ensure representation at the appropriate level at the meeting.

9. No-access arrangements (including void properties)

- 9.1. Where access attempt fails, the operative must firstly liaise with the LES control room so that contact can be attempted through the handset.
- 9.2. If access can still not be obtained, a no-access card should be left at the property.
- 9.3. Access must then be attempted twice more using the steps in 10.1 & 10.2 at different times and dates. All access attempts must be recorded with the time and date.
- 9.4. LES must liaise with TGHC's Operational Support Team (Caretakers and Concierge Service) to discuss any no-access issues in the first instance. Caretakers and Concierge maybe able to assist with gaining access through their knowledge of the customers within the block.
- 9.5. No-access problems past this point must be passed the Company's contract manager for investigation.
- 9.6. The Company will then try a number of measures to arrange access to the property for the service to be completed.
- 9.7. LES must ensure that there are flexible appointments available for non-access properties. This is so the Company can meet its obligations to complete an annual service of the smoke detector. This should include a limited number of appointments out-of-hours by prior arrangement.
- 9.8. No additional costs will be borne by the Company in respect of no-access outside of the costs agreed in this SLA.

10. Maintenance

- 10.1. LES shall provide the maintenance for installed smoke detectors listed in Appendices 2-5.
- 10.2. Where a detector has failed or requires repair, LES must complete this repair within 3 working days of an order being raised by the company.
- 10.3. An appointment must be made with the customer for a repair, giving an indication of the operative's arrival time within a 2 hour time period.

11. Void Properties

- 11.1. Void properties will have their smoke detectors isolated in cases where the electricity has been isolated to the flats.
- 11.2. Voids with the electricity still supplied will go through the normal call activation and servicing procedures as detailed within this SLA.

12. Updating of Appendices 1-5

- 12.1. It is the Company's responsibility to ensure Appendices 2-5 are updated on a continual basis for new installations.
- 12.2. Revised schedules for Appendices 2-5 must be issued to LES when a change is necessary including additions and removals from each schedule.

13. Quality

- 13.1. LES are responsible for ensuring the quality of the works carried out under the SLA.
- 13.2. Any replacement works carried out under this SLA must carry a minimum 12 month parts and labour guarantee.
- 13.3. The Company will carry out regular audits of both the activation monitoring and servicing aspects of this SLA to ensure quality standards are being maintained.
- 13.4. Any outcomes of these quality checks will be shared with LES. Any recommendations for improvements and suggested timescales will be agreed between both parties for implementation.

14. Complaints

- 14.1. Any complaints received regarding the service must be logged on the corporate complaint system and details passed to the Company.
- 14.2. LES must carry out an investigation regarding the complaint within 5 working days and report their findings to the Company's contract manager.
- 14.3. An Officer must be identified as a primary contact for responding to complaints regarding this SLA within LES.
- 14.4. LES must name contacts for the escalation of complaints relating to the services within this SLA.

15. Dispute resolution

- 15.1. Any disputes that cannot be resolved by the contract managers from both parties must be referred to the relevant Heads of Service from both organisations for resolution. The Heads of Service will then meet to agree an outcome to the dispute within 10 working days.

16. Costs

- 16.1. Costs set within this Service Level Agreement are applicable for the period from 01/04/13 to 31/03/14.
- 16.2. Negotiations regarding the contents and price of the SLA commencing 01/04/14, must commence no later than 01/02/14 and be completed by 01/03/14.
- 16.3. The costs for items within this SLA must be shown in the table below. All costs must be inclusive of overheads, prelims and profits. Prices are fixed for the financial year.
- 16.4. Costs:

| Item | Cost | Notes |
|------------------------------------------------------------------|-----------|---------------------------------------------------|
| Servicing of smoke detectors outlined in Appendix 2 & 3 (GDx) | £23,926 | £21 per flat detector £7 per communal detector |
| Servicing of smoke detectors outlined in Appendix 4 (GENT) | £3,853.50 | £10.50 per detector |
| Servicing of smoke detectors outlined in Appendix 5 (hard wired) | £7,665 | £21 per detector |
| Replacement of GDx smoke detector heads (per item) | £75 | |
| Replacement of GENT smoke detector head (per item) | £130 | |
| Replacement of hard-wired detector head (per item) | £75 | |

- 16.5. The cost for servicing in respect of the detectors listed in both Appendix 2 and Appendix 5 will be paid only for full services completed within each calendar month.

17. Payments

- 17.1. Invoices must be received separately for detection servicing on a monthly basis.
- 17.2. The servicing invoice must include only those detectors that have been completed and certification received within the month of the invoice. The monthly invoice must be submitted within 5 working days of the 1st of the month.
- 17.3. A variation invoice must be submitted monthly within 5 working days of the 1st of the month. The Company may then conduct quality checks on the variations prior to releasing payment. Any checks will occur no later than one month after the invoice is received. This is so the invoice can be released in a timely fashion with the removal of any disputed variations.
- 17.4. Disputed variations must be resolved within 7 working days of the issue being uncovered between the contract managers of both parties. Failure

to resolve the dispute will result in escalation as detailed in Section 5 – 13.1.

- 17.5. All invoices (with the exception of the variation invoice) will be paid within the Company standard payment terms.

18. Value for money and market testing

- 18.1. LES must demonstrate value for money in the delivery of this SLA.
- 18.2. The Company reserves the right to undertake market testing of the services within this SLA to evidence value for money in delivering the service.
- 18.3. The Company may wish to undertake a value for money review of the SLA. LES will be given notice of this review and must actively participate in the review. The outcome of the review and improvements will be agreed between the contract managers.

19. Review

- 19.1. The review of the SLA must start at least 2 month prior to the current one expiring.
- 19.2. The review must involve all relevant parties including (but not limited to):
- TGHC & LES contract managers
 - TGHC Operational Support
 - Tyne & Wear Fire and Rescue Service
- 19.3. Following the review, any revisions to the SLA (including any cost differences) must be signed off by the relevant Heads of Service from both TGHC and LES.



Report to Assets, Development and Investment Committee

5 March 2013

Title: DECC Local Authority Fund for Fuel Poverty Measures

Report of Director of Customers and Communities

Purpose of Report

1. To inform the committee of a successful bid to the Department of Energy and Climate Change Local Authority Fund for £220,000 of grant funding towards measures to reduce fuel poverty in TGHC managed properties.

Background

2. Improving home energy conservation to reduce domestic fuel bills, lower carbon emissions and remove cold-related health problems remains a core priority of national government.
3. In October 2012, the Department of Energy and Climate Change (DECC) announced a £40m Local Authority Fund. The aim of the fund is to further support local authorities in reducing the extent of fuel poverty through: -
 - Providing resources to improve the thermal efficiency of dwellings amongst low income and vulnerable households.
 - Creating demand for the “Green Deal” in the residential sector.
 - Reducing domestic fuel bills through the promotion of collective switching schemes.
4. The Asset Management Team approached Gateshead Council’s Climate Change Team on release of this fund with a view to developing a partnership bid for fuel poverty funding.

Bid

5. In partnership with TGHC, the Council successfully bid for a total of £220,000 from the fund for the following works: -
 - £80,000 for replacement of high-cost electric heating with gas central heating systems at 26 properties Binsby and Millbeck Gardens.
 - £140,000 for the replacement of ‘G’ rated boilers in 70 TGHC managed properties.

6. For Binsby and Millbeck works are on site and works are expected to be completed by 8 March 2013.
7. For the boiler replacement, all works are scheduled for completion by 31 March 2013

Links to Values

8. This proposal links to the following Company values: -
 - Being a listening and learning organisation
 - Being customer focused, innovative and professional

Impact on tenants

9. The replacement of 'G' rated boiler with an efficient condensing boiler is expected to save tenants around £300 on their fuel bill (source: The Energy Saving Trust).
10. Replacing inefficient electric heating with a modern condensing boiler is expected to reduce resident's fuel bills by around 50%.

Risk Management

11. The main risk is that all monies will not be spent prior to end of March 2013. If this occurs, the project outputs will be scaled down accordingly.

Health Implications

12. The proposals will have positive health benefits, by installing modern, efficient heating systems in homes thus reducing cold, damp conditions which can cause respiratory illnesses and excess winter deaths

Financial Implications

13. The scheme to replace electric heating at 26 properties in Binsby and Millbeck is fully funded by the DECC bid.
14. The boiler replacements are fully funded by the DECC bid.

Equality and Diversity Implications

15. There are no equality and diversity Implications arising from the report.

Value for Money Implications

16. The replacement of inefficient heating systems through capital works has a benefit in reducing the impact upon the repairs and maintenance budget as newer boilers are less likely to break down and have a 2 year warranty.
17. By obtaining grants to support capital works, we are not only reducing fuel poverty but also ensuring best use of the capital budget.

Environmental Implications

18. For each new boiler installed there is an annual reduction in carbon dioxide saving of 1,200kg (source The Energy Saving Trust).

Consultation

19. Consultation has been carried out with residents who will benefit from the works and are happy to be receiving the improvements.

Recommendation

20. The committee is recommended to note the content of the report.



Report to Asset Development and Investment Committee

5 March 2013

Title: Capital Update 2012/13

Report of: Director of Customers and Communities

Purpose of summary

1. To note the monitoring statement of the capital expenditure budget for 2012/13 and the progress update on housing investment work up to 15 February 2013.

Background

2. The capital budget was approved by Gateshead Council's Cabinet on 7 February 2012. It was reported to Asset Committee on 23 February 2012.
3. The Investment Team manage the delivery of the capital programme for 2012/13. This involves closely monitoring the performance of our delivery partners to ensure that schemes are delivered on time, on budget and to the satisfaction of customers, with emphasis on achieving value for money. Our main delivery partner is Local Environmental Services (LES).
4. The overall capital budget for 2012/13 is £22,985,000. of which TGHC manage a budget of £15,881,000 as highlighted in the Appendix. The £15,881,000 includes £2,196,000 relating to a number of 2011/12 schemes which have been carried forward into 2012/13 as shown below.

Monitoring

5. The following details the schemes which we will be managing, in partnership with Local Environmental Services (LES) :-

| Scheme | Cost | Delivery Partner |
|-----------------------------------------|-------------------|------------------|
| Health and Statutory Obligations | | |
| Concealed Flues | 600,000 | LES |
| Equality works to communal lounges | 100,000 | LES |
| Equality works to multi-storey flats | 250,000 | LES |
| Fire safety works to sheltered schemes | 500,000 | LES |
| Lift replacement/refurbishment | 250,000 | Stannah |
| Replacement of communal electrics | 125,000 | LES |
| | £1,825,000 | |

| | | |
|-----------------------------------------|--------------------|-----------------|
| | | |
| Maintaining Decency | | |
| Maintaining Decency | 6,710,000 | LES |
| | | |
| Other Priorities | | |
| High Fell Solid Wall Insulation | 900,000 | LES |
| One-off heating replacements | 1,000,000 | Mears |
| Warden Call | 250,000 | Tunstall |
| Window Replacement | 500,000 | LES |
| | £2,650,000 | |
| | | |
| 2011/12 carry forward schemes | | |
| Fire safety works to multi-storey flats | 1,711,000 | LES |
| Delivery of Older Person Strategy | 385,000 | LES/Morrison |
| Remote door entry/CCTV | 100,000 | To be confirmed |
| | £2,196,000 | |
| | | |
| Revenue support | £1,500,000 | N/A |
| Officer costs | £1,000,000 | N/A |
| | | |
| Total Capital Budget | £15,881,000 | |

6. The overall capital budget includes contractual obligations and estate regeneration budgets, some of which will be spent initially on homelessness for a number of schemes which have been approved for demolition and/or decommissioning. The Neighbourhood Services Teams within TGHC approve the homelessness payments once tenants have been relocated from their properties. However, these budgets are monitored directly by Housing Services at Gateshead Council.

Analysis of the Budget Spend

Health and Statutory Obligations

7. The concealed flue works were delivered within the first tranche of maintaining decency through our delivery partner LES, these works started 10 September 2012 and completed December 2012.
8. Equality Act works to communal lounges and multi-storey flats require designs to be completed for these schemes. We have commissioned Design and Enterprise at Gateshead Council to produce design works so that these schemes can then be delivered by LES. The first scheme at McErlane Square will commence March 2013.
9. Lift replacement works are being carried out at Melbourne and Brisbane Court. These works are starting in February 2013 and next year's lift replacement programme will follow straight on from these works to ensure consistency of approach. The 13/14 schemes commence at Adelaide Court and Pleasant Place numbers 1 -23.
10. Replacement of communal electrics are due to start in March 2013 and will take place in Melbourne and Brisbane Court.

Maintaining Decency

11. The delivery programme started 17 July 2012, in the West Neighbourhood followed by Inner West, Central, East and Neighbourhood South.
12. The overall Maintaining Decency programme for the year will have works to 1431 properties, covering individual elements such as Rewires, Kitchen Replacements, Bathroom Replacements and Central Heating and Boiler Replacements.
13. Also included within the maintaining decency allocation are small budgets for Neighbourhood Pride schemes within each area, as well as sustainability funding for Newbolt and Tennyson Court where the project had been pre-approved.

Other Priorities

14. High Fell Insulation works are being carried out to 104 “wimpey no-fine” properties. The scheme started on 17 September 2012 and is being managed by LES with specialist insulation works being delivered by Sykes. The scheme has had issues with prolonged inclement weather causing an 8 week delay.
15. An enveloping scheme to the Dorran type non traditional properties in High Fell has also been approved and commenced with external insulation works being carried out by Dyson. These works are being funded through CESP and will be substantially completed by 31 March 2013.
16. Window replacement priorities have been identified. The defined programme year 1 was agreed and finalised with the Council in October 2012. Works are currently being delivered by LES to 268 properties across 3 neighbourhoods.
17. Warden Call priorities have been identified with the sheltered housing team and Care Call at the Council. Upgrades to the equipment will be delivered by Tunstall and are currently on-going at a number of sheltered schemes.
18. One-off heating replacements refer to any heating replacements identified and carried out through the gas servicing contract with Mears.

2011/12 carry forward schemes

19. These schemes relate to the works which were ongoing at the end of 2011/12 and which have crossed over two financial years. These works include:-
 - Phase 1 Older Persons Strategy - completed in September 2012.
 - Fire Safety to multi storey flats which have been substantially completed, although snagging in relation to the doors is currently being rectified at Redheugh and Eslington Courts and Bensham Court with 100 properties outstanding with access issues. Fire Safety works at Regent Court started in January 2013, the sprinkler system is currently being fitted to the communal areas of the block and the works started on individual flats in February 2013 and fully completed in October 2013.
 - Remote door entry and CCTV - discussions are being held with the Council regarding the prioritisation.

Links to Values

20. This report relates to the following company values: -
- Being honest, accountable and transparent
 - Being a listening and learning organisation

Impact on tenants

21. Having spent £330million bringing all properties up to the Decent Homes standard we continue to invest in maintaining decency of the housing stock for the benefit of the customers. With over 1,431 properties receiving an element of refurbishment during the year.
22. The insulation works identified will improve the SAP ratings for the harder to heat homes and reduce fuel poverty.
23. Satisfaction surveys are carried out with all tenants and leaseholders who receive investment works. These satisfaction surveys have now been split to ensure that we can gather improved data on satisfaction across all of the different elements of investment work. This will help to improve the service to customers when they receive works.
Results up to 31 January 2013 show that 98.73% of customers are satisfied with the overall improvements. Surveys were returned by 75% of customers that have benefited from improvement works.

Health Implications

24. The improvement works to be delivered will reduce the risk of customers living in cold damp homes, reducing the risk of heart, stroke, respiratory and cold related illness.

Environmental Implications

25. The works will deliver new high efficiency combination boilers to properties that have the oldest most inefficient systems currently. These measures along with external envelope works will reduce substantial carbon emissions through reductions of heating usage.

Risk Management Implications

26. The failure to maintain decency has been identified as a strategic risk and controls and future actions have been agreed to mitigate the risk. The Strategic Risk Register is scrutinised quarterly by the senior management and monitored by the Board.

Financial Implications

27. The financial implications are detailed in the report.

Equality and Diversity Implications

28. There are no equality and diversity implications associated with this report.

Value for Money Implications

29. Value for money is key in delivering an efficient and effective investment programme. Discussions have been held with suppliers around their costs to ensure that we are continuing to receive the best quality products at a reasonable price. We will continue to manage the investment works to ensure that the contractors provide value for money in their approach to the works.

Consultation carried out

30. Consultation has been carried out for:-
- Maintaining Decency – drop in events have been held for residents whose homes are due heating or kitchen replacement.
 - Fire Safety Works – drop in events have been held for residents living in multi-storey blocks so they could find out more about the works.
 - Regent Court Sprinkler System – information events have been held for all residents living in the block and visits to a pilot flat have been carried out.
 - Air Source Heat Pumps – individual visits carried out to all affected properties.
 - High Fell A External Insulation works – drop in event held for residents to come along and find out more about the proposals.
 - Pleasant Place 1 -23 residents meeting relating to the lift replacement.

Recommendation

31. The views of the committee are sought on progress with the capital programme to February 2013.

APPENDIX

Housing Investments Capital Programme 2012/13 up to 15 February 2013

| Category | Project | 2011/12 c/f (£'000) | 2012/13 (£'000) | TOTAL (£'000) | Spend to date (£'000) |
|---------------------------------------------------|---------------------------------------------------------|---------------------------|--------------------|------------------|-----------------------------|
| Health and Safety or Statutory Obligations | Concealed flue appliances (incl in MD) | 0 | 600 | 600 | 0 |
| | Equality Act works: Communal lounges | 0 | 100 | 100 | 0 |
| | Equality Act works: Multi-storey flats | 0 | 250 | 250 | 0 |
| | Fire Safety to Multi-storey flats | 1,711 | 0 | 1,711 | 374 |
| | Fire Safety to Sheltered Schemes | 0 | 500 | 500 | 0 |
| | Lift replacement / refurbishment | 0 | 250 | 250 | 106 |
| | Replacement of Communal Electrics | 0 | 125 | 125 | 0 |
| | Total Health & Safety/ Statutory Obligations | 1,711 | 1,825 | 3,536 | 480 |
| Contractual Obligations | Programme Management | 0 | 1,000 | 1,000 | 917 |
| | Strategic Maintenance | 0 | 1,500 | 1,500 | 1,500 |
| | Total Contractual Obligations | 0 | 2,500 | 2,500 | 2,417 |
| Maintaining Decency | Maintaining Decency | 0 | 6,710 | 6,710 | 3,403 |
| | Total Maintaining Decency | 0 | 6,710 | 6,710 | 3,403 |
| Estate Regeneration | Older Persons Strategy - Phase 1 | 385 | 0 | 385 | 8 |
| | Total Estate Regeneration Schemes | 385 | 0 | 385 | 8 |
| Other Priorities | High Fell Solid Wall Insulation | 0 | 900 | 900 | 431 |
| | One off Heating Replacements | 0 | 1,000 | 1,000 | 280 |
| | Warden Call | 0 | 250 | 250 | 34 |
| | Window Replacement | 0 | 500 | 500 | 0 |
| | Remote door entry and CCTV | 100 | 0 | 100 | 2 |
| | Total Other Priorities | 100 | 2,650 | 2,750 | 747 |
| | Total | 2,196 | 13,685 | 15,881 | 7,055 |



Report to Assets, Development and Investment Committee

5 March 2013

Title: Access to the HomeRepairs Repair Reporting Service

Report of: Director of Customers and Communities

Purpose of Report

1. To note the decision of the Customers and Communities Committee to approve the development and carrying out of a consultation exercise on options to improve access to the repair reporting service.

Background

2. Being able to report repairs quickly and easily is important to customers. The methods of repair reporting we promote are: -
 - By telephone on 0800 408 6008 (this number is free from a landline)
 - By texting 0762 480 4167 (text 'REPAIR' followed by the message and first line of address).
 - By email to repairs@gatesheadhousing.co.uk
 - By submitting a request via the website at www.gatesheadhousing.co.uk/repairfinder
3. Customers may also make contact via a different part of the service, such as a visit to a housing office. They can use the freephone at the housing office, or an Officer can raise a service request on their behalf which can then be actioned by the Repair Reporting Team.
4. When non-emergency responsive repairs are reported by telephone then we aim to provide the customer with an appointment for the repair as part of that first call. When other methods are used, then the customer may provide some information on their preferred times, and an appointment can then be offered and confirmed.
5. Telephone reporting is by far the most popular method with around 80% of contacts about repairs being made on the 0800 telephone number. 12% of contacts are made through service requests, and 8% of repair contacts are made up of email, text or internet submissions.
6. We promote the full telephone service as being available from 8am until 7pm Monday to Friday, and from 9am until 12 noon on Saturdays. An emergency repair reporting service is available at all other times via the same 0800 408 6008 number, with these calls being forwarded to the council's CareCall team based at

the Civic Centre. CareCall will make an onward telephone call to the repair contractor Mears 24/7 national call centre.

7. Included within the tender for the repair contract with Mears is the option to access direct use of their 24/7 call centre for out of hours calls.

Call volumes and waiting times

8. The HomeRepairs telephone reporting service can be extremely busy with high call volumes at particular times. This can lead to aborted call attempts and long queuing times. In January 2013 average call waiting was 7 minutes 43 seconds. At peak times call waiting times have been as high as 20 minutes.
9. Whilst the number of attempted calls fluctuates, the number of calls answered has remained fairly constant over a period of several years, averaging around 8,000 each month. The number of calls aborted is significantly higher now than was the case in previous years, and call waiting times are longer. This may be partly due to an increase in callers seeking updates on progress of repairs, particularly if appointments have not been offered or kept.
10. On a day to day basis (weekdays), calls attempted will generally range from 400 to 700, but can sometimes exceed this and reach as high as 1,000 calls in a day. Calls answered will generally range from 300 – 500 calls. Around 50 - 60 calls are received on a typical Saturday morning.
11. On weekdays, around 55% of calls to HomeRepairs are made between 8am and 12 noon, 40% between 12 noon and 5pm, 3% made between 5pm and 6pm and 2% between 6pm and 7pm.

Options for improvement

12. There are a number of options to potentially explore to improve the customer experience in reporting repairs and to reduce call waiting times:
 - The current low-take up of other methods of repair reporting may be increased with greater promotion.
 - Improvements to the process of requesting repairs online will be explored and implemented.
 - Consideration could be given to reducing the spread of hours covered by the Repair Reporting Team. 5% of calls are received after 5pm, with 2% after 6pm. If calls could be forwarded to Mears 24/7, or alternative methods promoted for these callers then a better overall service may be provided with resources more concentrated during peak hours.
 - The possibility of additional resources could be explored – however this would have to be considered within the overall budget considerations for the company
 - Training employees from other teams to take more service requests or full repair calls. (Impact on other services would have to be considered too).

- Calls associated with missed appointments could be reduced with improvements to performance on appointments.
13. The Customers and Communities Committee, at its meeting on 25 February 2013, agreed to develop and carry out a consultation exercise with customers and stakeholders. This will further explore the issues and options around access to the service, and would include discussions with Service Improvement Groups.

Link to values

14. This report relates to the following company values:
- Being honest, accountable and transparent
 - Being customer focused, innovative and professional

Impact on tenants

15. Tenants will be involved in the proposed consultation around access to the service.

Risk Management Implications

16. Customer satisfaction could reduce if improvements to access to the repairs service are not carried out.

Financial Implications

17. There are no financial implications directly associated with this report, although exploration of the options for improvement may lead to future implications.

Equality and Diversity Implications

18. Any options for improvement that are developed further will include an impact assessment on customers

Value for Money Implications

19. Providing value for money will feature as part of the consultation exercise.

Health Implications

20. There are no health implications directly associated with this report

Environmental Implications

21. There are no environmental implications directly associated with this report

Consultation carried out

22. The purpose of the report is to seek approval for a consultation exercise

Recommendation

23. The Committee is asked to note the decision of Customers and Communities Committee to approve the development of a consultation exercise on options to improve access to the repair reporting service.

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